

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.

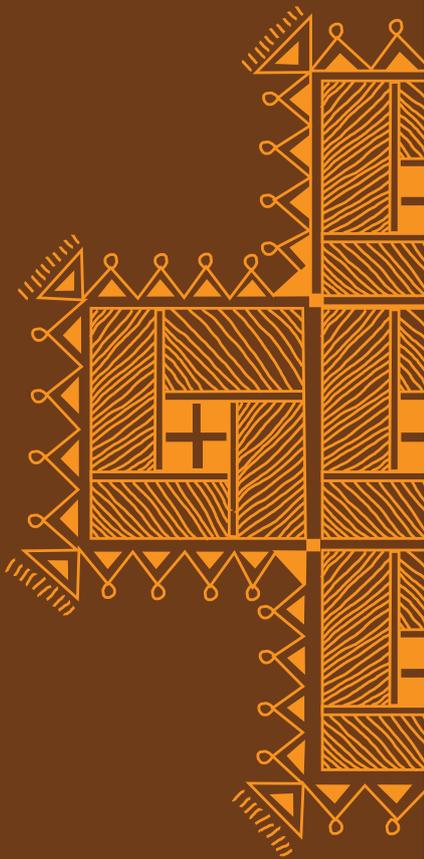
The disposable income generated by it, is growing consistently.

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 gases, 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.

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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. 3583 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.



Our continuous and consistent engagement with farming communities in **partnership with state governments as well as civil society organizations** is leading to an immersive and long-term incremental impact on farmers.



India needs an agricultural resurgence – after all, the challenges are tougher now – more population, diminishing resources, changing weather patterns. Today, agriculture employs 55% of our workforce, but contributes only 14.2% to the GDP. This divergence will have to be bridged, as we move towards creating food security for our people. Proposed legislation such as the Food Security Bill will have to be based on a foundation of sufficient agricultural output, which can be achieved if the farmer awareness levels are increased, agricultural inputs are modernized and the post-harvest wastage is reduced.

At MIL, we are happy to have been a part of this dream and contribute to improving farmer lives through our direct and indirect initiatives. We are happy that we have played a role in increasing productivity in maize with our product portfolio, partnerships with several State Governments and Agriculture Institutions and extension services. In addition to the consistent research that we undertake in developing new varieties and upgrading existing ones, we are living our commitment on sustainable agriculture in many other ways. We are also contributing to protecting yields through our Crop Protection Chemicals such as herbicides. More importantly however, our continuous and consistent engagement with farming communities in partnership with State Governments as well as civil society organizations is leading to an immersive and long-term incremental impact on farmers. We will continue to engage with farming communities and help realize their dreams by making agriculture sustainable and profitable. At the same time, we are confident that this will also be the fountainhead of value creation and dream fulfillment of all our stakeholders – employees, shareholders, government and the country at large.

However, a more fundamental and comprehensive change in mindset is also needed. The Green Revolution of the 1960s was made possible by unflinching public and political support together with policy backing for the new technology. Today, as we are faced with the critical need for a second green revolution, public policy and political support will be imperative to make it possible. Technology intervention, improved inputs and modern agronomic practices need to be embraced in view of the impending reality. Biotechnology in agriculture has proved to be a safe and successful route the world over to increasing yields and protecting natural resources.

In India too, we need a debate based on scientific evidence and the adoption of modern agricultural research, to alleviate our low and stagnant yields.

The most critical challenges or deterrents to this are the decreasing acreages available for agriculture and the concerns around climate change – protecting yields, preserving nutritional aspects of soil and reducing dependence on rain-fed agriculture. Many of our actions and research initiatives undertaken, address these challenges.

At MIL, we are aware of our position as a catalyst in connecting multiple dreams. In this year's annual report, we focus on the dreams that take birth in the heartland of our country. Dreams are moving targets. To that extent, that which is already achieved is history. Newer challenges are emerging everyday and newer realities are surfacing. How well we adapt to these realities, how well we calibrate our responses and yet not dilute our essential aim, will determine the success of our endeavors. With your consistent support, we are confident that these collective dreams will be realized and we will continue to positively transform more lives.



Dreams are moving targets. To that extent, that which is already achieved is history. **Newer challenges are emerging everyday** and newer realities are surfacing.



'We *dream* with our eyes open'

We see our role as being facilitators of the dreams and aspirations of farmers and other stakeholders and through them, contribute to fulfilling our national vision for farmers and agriculture in India.



Amitabh Jaipuria
Managing Director

Dear Shareowners,

At the outset, I would like to share some extracts from our Hon'ble President H.E. Smt. Pratibha Patil's address to the nation on the eve of our 65th Independence Day.

"...68% of our population continues to reside in rural areas with a majority dependent on agriculture. Yet, agriculture is one area where we are yet to reach full potential...There should be greater use of technology in the agricultural sector to enhance productivity. Also, issues and problems relating to dry land farming, including labor shortages require to be addressed in a focused manner...I have on several occasions called on the corporate sector, as well as small and medium enterprises to seriously engage with agriculturists and farmers, particularly in the rain-fed areas, to avail of the many opportunities of working together for mutual benefit."

These words are significant and encouraging for a company like ours with a 100% focus on agriculture. Within agriculture, the emphasis on inclusive growth, importance of technology, impact of labor shortages and on the power of partnerships between the corporate sector and farmers, are especially relevant to us. The Hon'ble President's words are an affirmation that our Company's vision and work are aligned with the nation's dreams, direction and priorities. They also reinforce our belief that we are on the right track.

A dream is a powerful instrument of change and transformation. If pursued with diligence, dreams can lead to far reaching and profound change - for the good. We are aware that not all dreams are easy to achieve. At MIL, we see our role as being facilitators of the dreams and aspirations of farmers and other stakeholders and through them contribute to fulfilling our national vision for farmers and agriculture in India. At MIL, we dream with our eyes open - to ensure that we deliver on them.

Agriculture in our nation is faced with multiple challenges. We need to increase yield per unit of land to feed our ever increasing population. All stakeholders - farmers, agriculture companies, the Central and State Governments and Universities need to collaborate to address the key issues of soil degradation, dependence on monsoon, increasing productivity, labor availability and adoption of new technologies. We realize that while the challenges are obvious, each of the stakeholders also have their dreams - each one dreams of a future better than today and perhaps of farmer lives that are finally more fulfilling than mere existence. We see ourselves as intimately connected with all of these dreams. Thus, it is both - a part of our own vision, as well as an implied responsibility to leverage our research and understanding of agriculture, to make these dreams come alive. This annual report showcases some of these dreams. For the first time we present the views of many of our stakeholders, to show the connectedness between their individual and our collective dreams.

I will take this opportunity to give you a quick snapshot of the progress that we have made in the year 2010-11 and will also share our perspective on some aspects of Indian agriculture. I will also dwell in detail on the role of biotech in agriculture, since we believe that is the next big idea to enhance agriculture productivity. These perspectives will hopefully also give you a sense of how we are moving towards realizing the multiple dreams that we spoke about earlier and the challenges we face.

A dream is a powerful instrument of change and transformation and if pursued with diligence, can lead to far reaching and profound change - for the good.

What were the key highlights of the year?

I am happy to share that 2010-11 was a year of significant achievements for your company. In our maize seeds business, we launched three new products: DKC 9108 - for the spring market in the North (Uttar Pradesh and Punjab); DKC 9106 - for the Kharif market in Punjab and DKC 8101 - for the Kharif season in Karnataka, Andhra Pradesh and Maharashtra. DKC 9081, our blockbuster product for the Dry season continues to power ahead and record impressive growth in Bihar. This high yielding hybrid has delivered excellent results and contributes to the 2 million MT of maize produced by Bihar.

Through our Public Private Partnerships with the Governments of Rajasthan, Gujarat, Odisha and Karnataka we have played a role in enhancing yields and incomes of ~9 lac small and marginal tribal farmers. We also launched a pioneering customer connect initiative - Dr. Dekalb Farm Care (DDFC), a mobile-based farmer advisory service. We progressed further with the regulatory process for the introduction of path breaking new technology in maize. This work on insect resistant and herbicide tolerant biotech maize will help the maize farmer in India gain access to yield enhancing/preserving technology available to his counterparts in many other parts of the world.

Our Roundup® business did very well too, reaching out to newer markets and segments with an efficient supply chain and distribution channel.

Overall, our operations were streamlined even further with significant improvements in our cash-flow position due to lower inventory and receivables.

Finally - in our ever deepening effort to make agriculture sustainable and capable of supporting 9 billion people, Monsanto Company, USA has instituted an internal program to recognize the best efforts in this area through the Global Annual Sustainable Yield Pledge Awards. This year, we were awarded in 6 categories for significant impact created through our projects. From among 130 submissions from across the globe, 18 finalists were chosen from India. An innovation from Project SHARE also won top honours.

Why is our profit lower this year?

Our profit before tax in 2010-11 was Rs. 50.3 crores vs Rs. 57.8 crores in 2009-10. As a result our profit after tax stood at Rs. 42.8 crores in 2010-11 vs Rs. 53.8 crores in 2009-10.

To gain greater operational efficiencies and to reduce product handling, we have designed a plan to consolidate seed processing operations at Hyderabad. As a part of that plan, we have shifted the seed processing and drying operations at Bellary and in Eluru to Hyderabad. This consolidation led to the diminution in the value of assets of our facility at Eluru by ~Rs. 12 crores. This is the primary reason for the reduction in profit. This move is however expected to generate significant savings in the future.

What are the growth strategies for the two key businesses of MIL - maize seeds and herbicides?

The demand for maize grain in India is continuously growing due to population growth. This is further helped by changing food habits with greater poultry and processed food consumption - which in turn is driving the demand for maize starch. The productivity of maize in India is very low due to the use of a high percentage of low yielding Open Pollinated Varieties (OPV) and low seed replacement rates. We estimate that at present, hybridization is at less than 50% - albeit increasing at a slow pace. Thus, maize demand will grow in the foreseeable future due to increased hybridization and upgradation by the farmers from low yielding to higher yielding hybrids. The eventual launch of biotech maize will provide further growth impetus. If our farmers gain access to the latest technology, they could also produce enough and more to export maize, thereby increasing the maize economy.

The demand for Roundup® looks optimistic - for both in the short and long-term, on account of increasing labor wages and reduced labor availability. These labor trends will only accentuate as rural farm labor gets better and more remunerative opportunities outside the farm sector. This means that farmers will need to switch to modern weed management systems and Roundup® is one of the most effective products for this. We also expect that our customer centricity, quality, distribution and brand-building efforts will help us drive higher market share as a growth lever.

It is perceived that maize is not amongst the important crops in India - what are your thoughts on this?

Maize is the world's largest cereal crop. It is not only the third largest cereal crop in India after rice and wheat, but also the fastest growing. Its importance, therefore, cannot be overstated.

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The area under maize is relatively stable at ~8 million hectares. Within this area, however, there is an important change underway - from the low yielding OPV seeds to high yielding hybrids. This increasing adoption is also being encouraged by many Governments and their agencies, which acknowledge the advantages of this shift.

In the future, we may also see some area shifts from other crops into maize due to its inherent advantages for farmers - low water consumption, easier maintenance, steady and remunerative prices and lower labor requirement among others. Going forward, maize will become increasingly important to farmers, consumers and the food industry.

How does labor cost and availability impact our business?

Currently, all major agrarian states in India are facing an acute shortage of farm labor. This is chiefly on account of factors like new opportunities created due to the implementation of the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGA) and migration of labor to urban areas for better livelihood/economic prospects. Even where labor is available, it is often not available when needed most - for example at the critical stages of land preparation, sowing, weeding and harvesting. This has impacted farming operations in most states and seasons.

As more opportunities open up and as better education slowly takes hold, the rural farm labor situation is likely to get even more difficult. As an agricultural company dedicated to rural communities, we should feel happy that rural labor is getting a better deal and is finding new ways to improve their lives. At the same time the challenges faced by farmers due to labor availability and rising costs, need to be tackled through the use of technology. This increasing use of technology and solutions such as the use of Roundup® and other such products for weeding and conservation tillage, will spur the growth of companies such as ours.

What are the key challenges that maize farmers face in India?

Maize faces biotic (such as diseases and pests) and abiotic (such as moisture and temperature) stresses in its production like most other cereals. That said - poor seeds, moisture availability, weeds, insects, climate vagaries and micronutrient deficiencies do act as major drags on yield. Farmers have reported that in the absence of appropriate crop management practices, loss of yield due to weeds may be as high as 50-75%. Among insects - stem borers, cob borers and cutworms seriously affect plant growth and maize yields. Climate vagaries, such as drought in rain-fed regions and water-logging in times of excess rainfall are the most important abiotic constraints to maize production in India.

Many of these agronomic challenges can be addressed through the introduction of modern technologies. Farmers in many countries now have access to insect protection and weed management solutions built into the seed itself. Drought resistance and nitrogen use efficiency are other areas that are being worked upon and these technologies are expected to be released in the foreseeable future. Agricultural extension services will also play an important role in addressing the knowledge gap and thus help reduce damage due to some of the above factors.

Apart from the agronomic challenges, maize farmers also suffer from commodity price cycles and absence of future price discovery mechanisms. Resource poor, marginal and tribal maize farmers lack access to quality seeds and inputs. Many enlightened State Governments are now beginning

to design and implement powerful schemes to deal with this. MIL is involved in helping address many of these challenges.

We are aware that not all dreams are easy to achieve.

At what stage is the research for biotechnology in maize in India?

Research on biotech maize is well under way in India through MIL and many other entities and are at various stages of development and testing.

MIL has received approvals and has tested biotech maize that provides efficient control of insects and helps in effective management of weeds, which can cause significant yield losses. At present, the technology is being tested in the State Agriculture Universities and other permitted areas with the necessary approvals of the Genetic Engineering Appraisal Committee (GEAC) and is in the second phase of the Biosafety Research Level trials (BRL-II).

We will continue to engage in constructive dialogue with the regulatory authorities - GEAC, Review Committee on Genetic Manipulation (RCGM) in Department of Biotechnology, State Governments, relevant Central Government ministries, State Agriculture Universities and farmers, among others - to develop technologies and products in India that are important and relevant to the country's agriculture needs wherever we can contribute through our research. We are positive that India's science-based regulatory system and the intent to improve farmer lives, will continue to support research-led innovations in agriculture and will help improve crop productivity, thereby benefit Indian farmers, consumers, environment and our nation as a whole.

We strongly believe that modern technology and biotech in particular, is an idea whose time has come, it is not a question of 'if' but 'when' it gets introduced to more crops in Indian agriculture.

We don't need biotech foods to solve the food crisis in India. Your views?

Data from the Indian Council for Research on International Economic Relations (ICRIER) suggests that by 2021, we may be short of ~17 million MT of grains. Natural resources such as land, water and soil are stagnant or diminishing

and we are witnessing increasing environmental stresses (drought, flood, heat, cold). India's agricultural productivity still ranks far below the best in the world. It is imperative that we find ways to increase food, feed and fiber production to meet rising consumer nutrition and other needs, amidst stagnant or diminishing natural resources and a changing climate. Application of biotechnology in agriculture can increase farm productivity and contribute to self-sufficiency and food security for India. The evidence is clear and supported irrefutably by the country's experience in cotton.

The other important thing is that we have always advocated that the decision to adopt modern or traditional methods should be left to the farmer. Crucially, there have been few credible demonstrations of traditional farming methods being able to match up to the yields generated by modern methods. The fact remains that without resorting to modern agricultural tools, we will find it difficult to meet the needs of our growing population.

Many of these agronomic challenges can be addressed through the introduction of modern technologies. Farmers in many countries now have access to insect protection and weed management solutions built into the seed itself.

There have been reports that biotech maize is unfit for human consumption. What do you think?

That is simply not correct. Globally, biotech maize has been planted on 46.8 million hectares in 16 countries including Brazil, Philippines, Argentina, South Africa, US and 6 European Union (EU) nations. Of the 158 million hectares of maize planted in 2010, 29% or 46 million were biotech maize. Farmers who cultivated biotech maize have derived significant socio-economic benefits as well as higher yield and income and have led improved lives since 1996. In addition, over 35 countries including 27 countries in the European Union allowed import and consumption of biotech maize.

In fact, biotech crops are among the most rigorously tested food in history. Before any biotech crop is commercialized, it undergoes rigorous government-mandated safety testing and regulatory assessment, spanning multiple years and systematic testing. In contrast, when other new foods (crop varieties, animal breeds) are developed by traditional breeding methods, they are usually not subject to as detailed risk or safety assessments by national authorities or specific international standards. Scientific and regulatory experts have repeatedly concluded that biotech-derived foods are not only thoroughly evaluated through comprehensive testing for food and environmental safety but that they are as safe as their conventional counterparts in every way. Many Nobel laureates have supported this view.

People say that the long-term effects of foods developed using biotechnology are unknown. Do you agree that this is a risk?

From years of research, scientists know that the benefits of food biotechnology are enormous. The scientific consensus is that the risks associated with biotechnology food products are fundamentally the same as for other foods. Billions of biotech derived meals have been consumed in the last decade. Numerous international organizations also have

endorsed the health and environmental safety of biotech crops, including the Royal Society (UK), National Academy of Sciences (USA), the World Health Organization, the Food and Agriculture Organization of the United Nations, the European Commission, the French Academy of Medicine and the American Medical Association. While there is no such thing as 'zero risk' for any food, consumers can be confident that foods produced using biotechnology, meet the same stringent safety standards as foods producing using conventional methods.

We strongly believe that there is no scientific evidence available (in spite of decades of research) that shows any ill-effects of biotech derived foods. On the contrary, there are many studies which show how beneficial this system of farming can be for farmers, consumers and the environment. The fact is that import and consumption is freely allowed even in the EU, planting is allowed by many - this could mean that the decision to allow or disallow planting is guided by factors other than safety.

Here's another perspective. Throughout human history whenever something radically new happens, there is opposition to it and sometimes even an expressed need to stay with the old. Ultimately, people realise that the old has to change and that the new is indeed good. In the history of biotech in agriculture, that moment has come. China and Brazil have realised this and their farmers are getting equipped with the latest technology available. The sooner we give our farmers the choice in other crops (in addition to cotton), the better it is for our country.

I hope we have been able to convey our point of view - born out of decades of research and experience in the field of agriculture. We are excited and extremely passionate about the potential to improve yields, conserve resources and improve farmer lives. We have been in India since 1949, working with farmers. We know that we make a difference. We are committed to stay. Committed for good.

Protecting yields

Roundup^{fi}



Dreams need realization. And realization - results.

For farmers, results depend on yields.

Soil, weather, critical inputs like seeds, among others are imperatives to farm yields. However, it is equally important to nurture crops through their lifecycle and ensure that growth and yields are preserved. Weeds are a major impediment in this. Given the limited availability and rising cost of labor, traditional manual weeding is no longer a viable and sustainable solution. Use of herbicides is an important part of yield-preservation initiatives.

Rising labor costs make manual weeding unviable

Economic growth in India has been inclusive. This is reflected in the sharp increase in agriculture wages across India. For instance, in the 35 months between January 2008 and December 2010, agricultural wages shot up by 106.5% in Andhra Pradesh, 84.4% in Punjab, 74.7% in Haryana and 73.6% in Tamil Nadu. Among other states, wages rose 58.3% in Bihar, 56.3% in Madhya Pradesh, 62.8% in Odisha and 62.3% in Uttar Pradesh. Even if one allows for almost 3% inflation in this period, the wage improvements are remarkable. Not just this, the availability of labor has also shrunk, further accentuating the labor problem.

The reasons for this are many. Rapid GDP growth has created a labor shortage. Government schemes such as the MGNREGA pushed up wage levels. Inflation and commodity prices leading to increased farm profitability also contributed to increase in labor costs.

The magnitude of this challenge appears more pronounced when one considers constantly shrinking land holdings. The average size of landholding in India declined to 1.32 hectares in 2000-01 from 2.30 hectares in 1970-71 and absolute number of operational holdings increased from about 70 million to 121 million. If this trend continues, the average size of holding in India would be a mere 0.68 hectares in 2020 and would be further reduced to a low of 0.32 hectares in 2030. (*ICAR Vision 2030*). The pressure on producing more out of existing acreage, will therefore intensify the requirements for yield improvement.

Today ~90% of the weeding is manual. However, given the steep rise in farm labor wages, most farmers cannot afford laborers during the season for key activities such as ploughing, sowing, weeding and harvesting. Increasing labor cost and greater consciousness about weed related losses have led farmers to shift from manual weeding to herbicides.

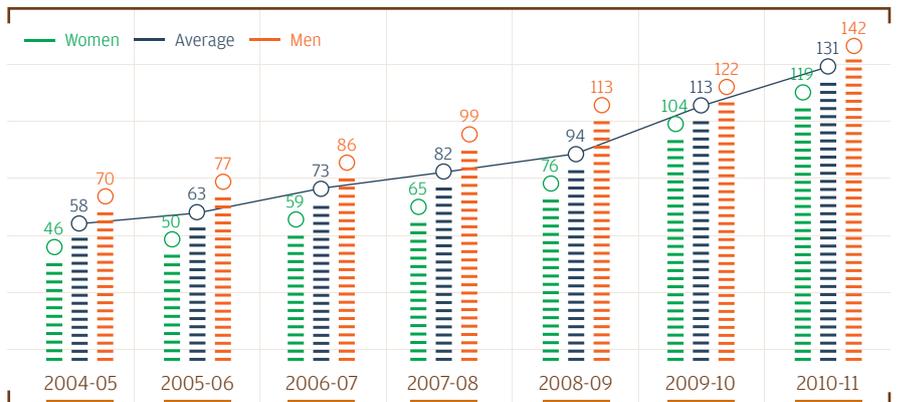
What are weeds?

- Unwanted plants in and around fields; major deterrent to higher farm productivity
- Compete with crops for water, nutrients and sunlight, thus inhibiting crop growth
- Tend to harbor insects, pests and micro-organisms, resulting in a loss of about 30-35% of crop yield
- Can block drainage and impede water flow in water transport channels, impacting overall yields



Rising labor costs over the past 6 years

(Rs./day)



Roundup^{fi}

Roundup^{fi} (a glyphosate-based product) is a broad spectrum, post-emergent systemic herbicide, the flagship brand of our Crop Protection Chemicals business. It is our world-class, innovative solution to weeds, a critical farmer concern.

By using Roundup^{fi}, farmers achieve better weed control, better soil nutrition and therefore better returns per acre. And of course, with minimal impact on soil quality, the Roundup^{fi} molecule is safer than table salt!

Roundup^{fi} benefits

- Roundup^{fi} reduces dependency on manual weeding and increases yields.
- The molecule is safe and the residual impact is low on the soil. It is classified a 'Blue triangle chemical'.
- Our customers trust Roundup^{fi} and its capability for total weed management by eliminating the weed from its roots.
- Ultimately saves farmers money and time.



Highlights 2010-11

- With a growth rate of almost 20%, we maintained our leadership position in the market.
- Excess rainfall and labor scarcity has significantly raised the challenges in manual weeding. Roundup^{fi} provided a safe and cost-effective solution.
- Demonstration sessions conducted for farmers to help them understand how Roundup^{fi} functions and how it can help them produce and save more.
- Increased activity with dealers through incentive schemes and point of purchase initiatives to generate demand.

Glyphosate - the safe and sustainable herbicide

- Glyphosate products are one of the earliest and most stable herbicides. First introduced in 1974, they are today registered in more than 130 countries, approved for weed control across over 100 crop varieties.
- Regulatory agencies globally have concluded that glyphosate herbicides pose no significant risks to human health and the environment.
- Roundup^{fi} herbicide is the cornerstone of weed management programs on many farms and provides environmental and economic benefits of conservation tillage, which are sustainable and provide effective weed management.



Mahaveer Rathore leads the Crop Protection Chemicals business

"We are at the forefront of fulfillment of farmer dreams through products that improve yields and enhance productivity. Roundup^{fi} is our flagship product and in 2010-11, we took the brand to higher levels of popularity in many parts of India. We believe that there is a huge untapped market for Roundup^{fi}, that is going to grow exponentially, given the growing labor shortage and high cost environment. New technologies will make Roundup^{fi} more relevant to farmers and will provide new choices - thus fulfilling even more dreams."

Roundup^{fi} scaling new heights... exploring newer horizons



We dreamt... We delivered!

Roundup^{fi} entered newer segments, crops and geographies this year and helped farmers across the country manage their farms efficiently. In the irregular landscapes of South and West India, it helped farmers work out optimal means to manage weeds without the worry of 'who' will do it, while significantly lowering the cost and raising yields. We identified that there was a need of increasing awareness about the right weeding practice among farmers of all segments where herbicides can make timely interventions. There was enough scope for farmers to use Roundup^{fi} and increase yields.

By aggressively marketing Roundup^{fi} from the beginning, we ensured visibility and awareness through enhanced user-connect. Pre-planning and placement at retailer stores was key to this. We entered newer geographies, addressed our reach to retail markets with greater agility and ensured optimal stocking to meet the foreseeable offtake needs. Our aim was to make Roundup^{fi} available where and when the farmer wanted it. Display contests and trade programs encouraged our channel partners - retailers and distributors to increase their Roundup^{fi} business significantly. As a result of all these efforts, the sales volume for Roundup^{fi} crossed new milestones in almost every geography.

Need for herbicides

- Limited land availability, no tolerance for yield loss by weeds
- Limited availability of labor during the season
- Labor cost increased in Karnataka and Kerala by more than 80% in last 5 years; by 50-60% in Andhra Pradesh, Maharashtra and Tamil Nadu

Project Blue Hills

Arunachal Pradesh



The Problem

Arunachal Pradesh is a small state in the northeastern part of India. It is a region characterized by meandering pathways and landscapes. About 110,000 hectares of land in this state is under Jhum cultivation - a process in which forest cover is burnt to make the area fit for cultivation. Since this leads to deforestation, newer areas are discouraged from Jhum cultivation by the Government. Thus producing more from existing land becomes critical - and weeds were a major deterrent in that goal. The slopes in the hilly region block most possibilities to weed the land manually. Not just this, due to the 'Inner Line Permit', the population density has not changed drastically and remains at about 13/sq km as per the 2001 Census, leading to an acute labor shortage. High rainfall also adds to issues related to weeds.

The Solution

The MIL team realized that herbicides can be an effective solution to prevent deforestation.

In 2008, MIL introduced Roundup^{fi} to farmers in Arunachal as part of Project Blue Hills. We also organized awareness programs aimed at educating both, farmers as well as government officials in the area. This was accompanied by demonstrations for various segments - general weed control, bunds and channels, and Pre-plant Application (PPA). A better ROI of using Roundup^{fi} over manual weeding was demonstrated through both cost savings and longer weed-free periods.

Today, more farmers are able to farm efficiently, leading to better yields in Arunachal Pradesh. Only 4 of the 16 districts are covered so far, owing to the hilly terrain. Therefore, a majority of the potential market is still untapped. It is encouraging to know that 60% of farmers in the project area moved from manual weeding to herbicides and adopted Roundup^{fi} within three years.





Orange Minki, Roundup^{fi} user, 27 acres, Rigin, Pashighat, Arunachal Pradesh

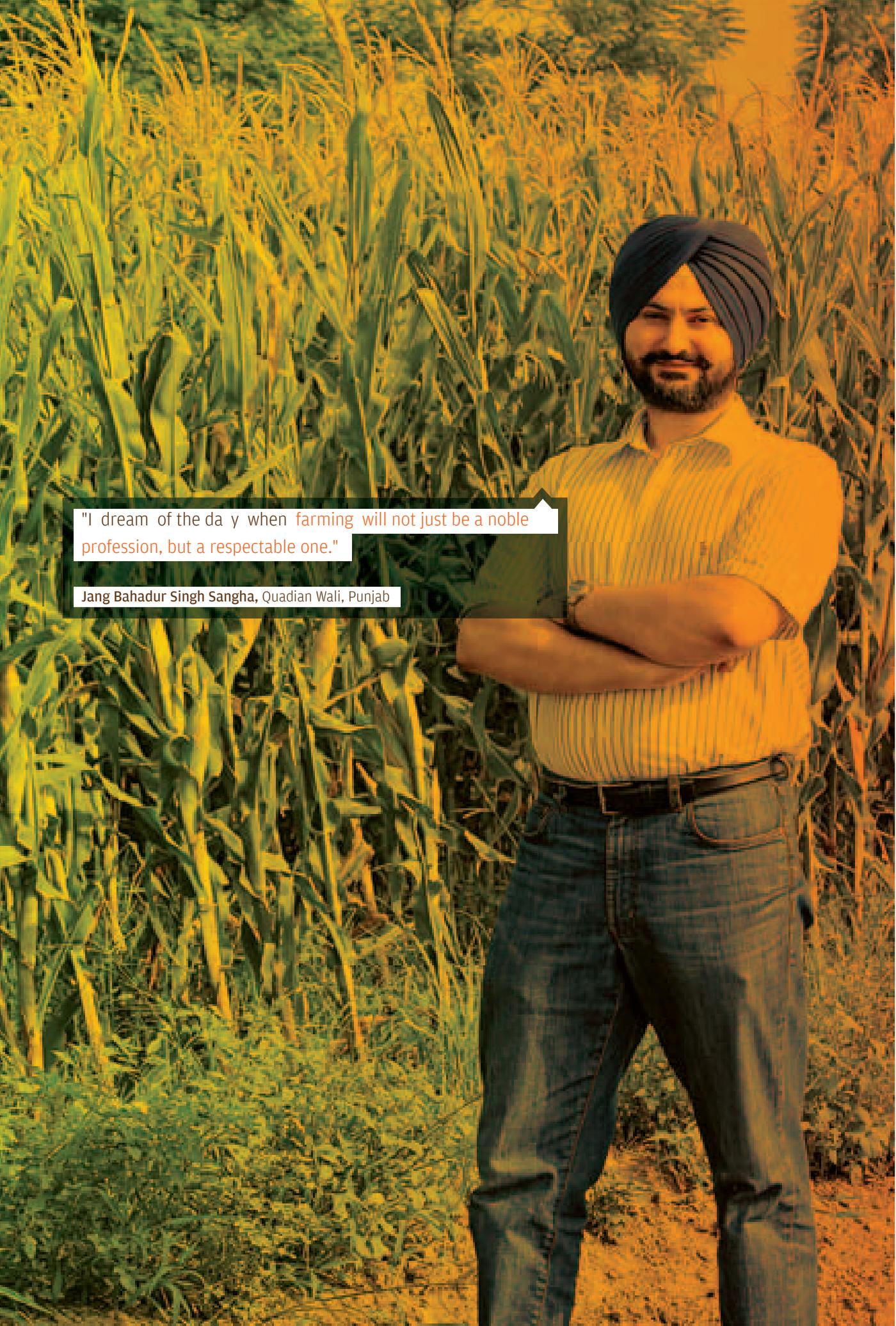
Two years ago, when I first met MIL officials at the District Agricultural Office, who told me about Roundup^{fi} and its benefits, I was concerned that this might lead to deterioration in soil quality. They shared that Roundup^{fi} was used in the tea gardens of Assam for over 10 years, without any adverse effects on the soil. I decided to give it a try and I am happy I did. Productivity on my field has grown by 20%. During the rains, my farm is weed-free. I have been able to control weeds with Roundup^{fi} at Rs. 2,000/year (three rounds of sprays) against earlier expenditure of Rs. 5,000/year with manual weeding. I use almost 150 litres of Roundup^{fi} annually now, which is helping my fields be weed-free - ensuring higher yields!

Why farmers in Arunachal Pradesh prefer Roundup^{fi}

- 35-45 weed-free days by using Roundup^{fi} as opposed to mere 14-25 days through manual weeding
- 20-40% reduction in the cost of labor for weeding
- Reduced forest burning due to using Roundup^{fi} in existing Jhum cultivation areas
- Roundup^{fi} used domestically to mitigate the rampant snake problem

farmer
by default
dreamer
by choice



A man with a beard and a blue turban stands in a cornfield. He is wearing a light-colored, vertically striped short-sleeved shirt and blue jeans. He has his arms crossed and is looking towards the camera with a slight smile. The background is a dense field of tall corn plants under a warm, golden light.

"I dream of the day when farming will not just be a noble profession, but a respectable one."

Jang Bahadur Singh Sangha, Quadian Wali, Punjab

The homecoming

Jang Bahadur Singh Sangha could have easily chosen to stay back in the United States. After all, he acquired his Master's in Science from Cornell University, in Fruit and Vegetable Science, with a specialization in Biotechnology based Seed Potato Production.

However, being in the US, made him realize the importance of giving back, of using one's knowledge to contribute to the country's welfare.

"In the US, people borrow to study and then work hard to pay it back, not just to the financial institutions, but also their families. In India, we take our family and facilities for granted. Even the faculty who teach there are highly dedicated scientists who choose to serve in the academic institutions, thereby spreading the knowledge further to students from the US and abroad alike, rather than making money in the private industry. I learnt to appreciate these values and this is what brought me back," says Jang Bahadur.

He joined his family vocation of farming upon his return. However, he was keen to adopt modern methods, technology and global agronomic practices acquired through his education, in helping improve farming techniques and yield levels.

Looking beyond. Looking ahead.

To understand the subcontinent better and in a quest to learn the best practices, he began by travelling across various countries. He discovered that there were many farming innovations and technologies that India could use, especially because they were proving beneficial in other countries with similar agronomic conditions. For instance, farmers in neighboring countries had adopted laser leveling and precision agriculture, thereby generating higher yields. They were also cultivating maize, with significant yields and returns and achieving spectacular success. *"For me, this validation*

from farmers was most convincing, as opposed to any theoretical arguments" adds Jang Bahadur.

He realized that this was possible in his home state of Punjab. However, despite being one of the most agriculturally advanced states in India, it was still largely dependent on traditional methods.

Once back in India, Jang Bahadur did two things to change the situation in the year 2005. One, he collaborated with his Indian alma mater, Punjab Agricultural University where the agricultural scientists managed to collaborate with his counterparts and guide him on use of a recently acquired laser leveler.

Two, he began cultivating maize.

Today, Jang Bahadur cultivates maize on almost 1,300 acres out of 5,500 acres. That makes him one of the single largest maize farmers in India.

The transition to Dekalb^{fi}

In 2010-11, MIL launched its new hybrid maize seed suited for Punjab - DKC 9108. Jang Bahadur witnessed the promising results of the field trials and decided to meet the MIL team.

"It was a huge risk, given the size of our farms. In addition to the results of the trials, I was impressed by the dedication and professionalism of the MIL team. The detailing in their communication, the willingness to address queries, the dedication and transparency in interactions and above all, the passion for agriculture all contributed to my decision. As farmers, we are looking for partners and not just suppliers. We value a collaborative approach through the entire process, as opposed to a transactional mindset."

He has reason to be satisfied: From an average yield of 22 quintals per acre, his fields have yielded remarkably higher this year.



Stepping back to leap forward

Jang Bahadur believes that the current yield levels, though good, are only semi-optimal.

“Yes, we need better seeds, especially short growing-cycle hybrids. Yes, we need to combine insect-resistance for greater cultivation efficiency. Yes, we need to follow agronomic practices more diligently and police against diseases and pests effectively to preserve yields. But these aren't enough. We need a more fundamental awareness against the rampant overutilization and unsustainable, often desperate stretching of land resources.”

He is particularly concerned about the short-sighted approach adopted towards yield improvement – pumping ground water, indiscriminate fertilizer and pesticide usage. He believes that these may yield short-term results, but in the long-run, they rob the soil of its natural properties and stunt the replenishment of nutrients rendering the land unresponsive. He focuses on rotating fertilizer combinations rather than repeated applications of the same fertilizer combination year after year. He is also heading a campaign on spraying technology, whereby showcasing the advantages of optimizing the use of pesticides through low-volume spraying using fine-tipped ceramic nozzles – reducing the load on the environment and improving efficiency.

Biotechnology is a proven solution

“The success of Bt Cotton has helped farmers of Punjab increase productivity and reduce pesticide load on their soil. This achievement reveals the scope for similar technology interventions in other crops. Biotechnology can optimize crop potential, reduce farmer stress and enable multiple-cropping.”

Jang Bahadur thinks that a need-based approach for technology needs to be adopted by all stakeholders. Farmers need to invest in greater mechanization, seed

companies need to invest in R&D and breeding, policymakers need to create and implement safeguards. All this has to happen in tandem with a greater infusion of technology to ensure higher and sustainable yields.

“Biotechnology traits can help conserve resources, ease pesticide resources and make farming more efficient and conducive. Biotech maize can go a long way in assisting our food security issues. Seeds with insect resistance, heat tolerance, drought tolerance will help immensely and so will innovations such as seed-coating to maintain moisture levels for uniform stands. If it can be done in other countries, why not in India? Companies such as MIL, have a significant role to play in this impending change and I am optimistic given their track record and demonstrated leadership in crop-research.”

Farming as a bonafide career

“I dream of being able to bring in more and more components of change into agriculture, that will render farming a mainstream and respectable profession – especially for subsistence farmers. After all, food-growers have a direct role to play in national growth and I strongly believe they need to be treated as agents of economic change. Compassionate policy interventions – especially on procurement and pricing, can help a lot in this, together with a flexible mindset that is open to change. Security during bad years and ensuring that government schemes reach the intended farmers are important in ensuring that generations of the future will adopt farming as a conscious career and not as inevitable destiny.”



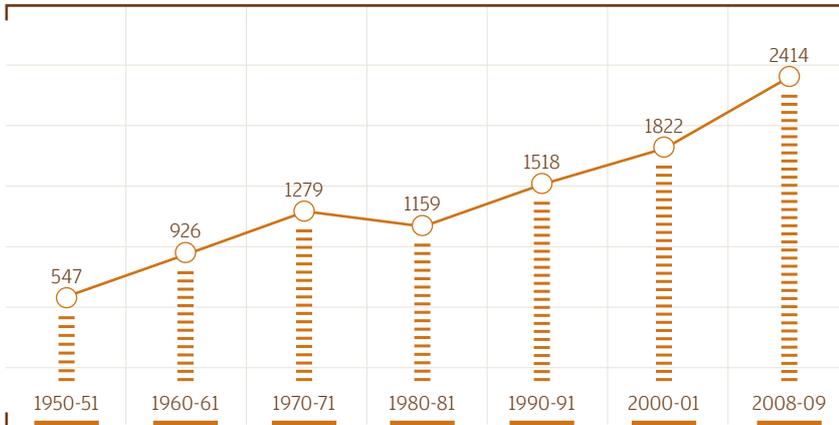
Seeds of progress

Dekalb^{fi}



The largest part of the Indian workforce is employed in agriculture. If the collective dream of national prosperity has to be achieved, it is imperative that agricultural yields register an above-average growth. Over the past few years, Indian agriculture has witnessed a significant revolution in yields and consequent farmer prosperity through increasing hybridization. One crop that has demonstrated the impact of increasing yields is maize. With its impressive growth in productivity as compared to rice and wheat, India could dream of a 'yellow revolution' in maize - its third largest cereal crop.

Growth in India's average maize yields (1950-51 to 2008-09) (kg/ha)

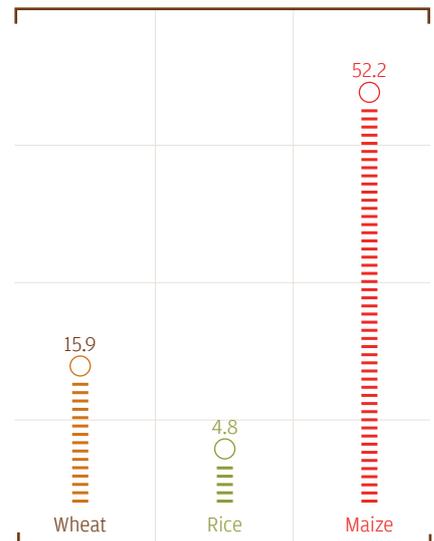


Source: IMDA & ISAAA

Production and productivity increase can be attributed to increased cultivation of high-yielding hybrid seeds; improvement in farming practices; stronger market linkages; and better procurement prices (MSP). Of these, quality seeds have probably made the biggest difference.

MIL offers a wide portfolio of hybrid maize seeds under its flagship brand Dekalb^{fi}, developed through extensive research suited for India's diverse agronomic conditions.

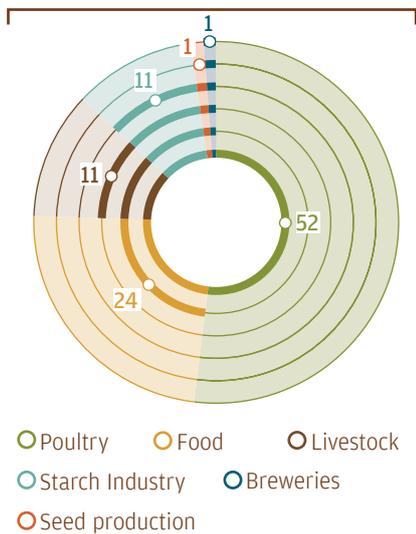
Decadal increase in production (%)



Source: ICAR & DMR



Maize consumption in India (%)



Source: ICAR & DMR

Growing importance of maize

Maize is the world's most important and most produced cereal grain and accounts for the second highest acreage under cultivation. Given the low water requirement and relatively shorter duration of the maize crop, it has multiple cropping potential which makes it attractive for farmers around the world in comparison with other crops. Due to wide adaptability, maize has the potential to provide the highest average grain yield (5.01 MT/ha) versus other major crops such as wheat (3.04 MT/ha) and rice (4.23 MT/ha).

Over 30 user industries produce more than 1,000 products from maize for textile, paper, poultry, pharmaceutical and other allied sectors. At present, maize is used for industrial purposes to the extent of ~75% - in sectors like poultry (52%), livestock (11%) and starch (11%) industries; with human consumption accounting for 24%.

Indian farmers cultivate maize on ~8.26 million hectares, with annual production of ~20 million MT in 2010-11; at a productivity of ~1 MT per acre. India ranks 5th in world maize acreages; 6th in overall production; yet contributes only 2% of the world maize production. India's maize productivity is ~1 MT per acre vs. the global average of over

2 MT per acre and the US average of over 4 MT per acre. Hybridization has increased maize production by more than 66% in the last decade (estimated 20.04 million MT in 2010-11 vs. 12.04 million MT in 2000). There is significant scope to increase productivity by using high-yielding hybrid seeds and increasing areas under hybridization, which is currently less than 50%.

Higher incomes, better standards of living and changing consumption patterns are driving increased demand for poultry products. Demand for India's poultry sector is estimated to increase by ~80% (8.6 million MT in 2009 to 15.4 million MT in 2015); demand for livestock sector expected to grow by ~35% (1.77 million MT in 2009 to 2.4 million MT in 2015) and starch industry expected to increase demand by ~13% (2.28 million MT in 2009 to 5.3 million MT in 2015). To meet rising domestic maize demand, farmers need to produce more maize per acre from existing agricultural land.

Providing for chickens before they hatch!

“Increasing yields, better prices and a better procurement environment have attracted many farmers towards maize cultivation. It has also finally received its due status as an industrial crop rather than a food crop. To us in the poultry industry, this is the realization of a long-cherished dream.”

Balram Singh Yadav, Chairman, CLFMA of India, Association of Livestock Industry, has reasons to be satisfied. The poultry feed industry is one of the largest consumers of maize in India - accounting for ~50% of the total maize production.



Formed in June 1967, **CLFMA of India** is an apex body of the Livestock industry in India. Its views are solicited and reckoned with by the Central and State Governments of India in formulating policies governing the entire gamut of animal feed production. Apart from policy makers, CLFMA of India is recognized by livestock farmers, Government departments, agricultural universities, veterinary colleges and National Research institutes in the country and also by related sectors overseas.

Feed facts

- ~50% of maize produced annually is consumed by the poultry industry
- 10% growth rate of the poultry industry in India
- 59.8 billion eggs produced in 2010-11
- 2.5 million MT production of poultry meat in 2010-11
- 7-8 million MT maize used by poultry feed manufacturers

In the past decade, maize production in India has increased manifold. This is a direct result of hybridization because the area under cultivation has largely remained stable. Domestic production of maize has doubled in just 10 years and provided stability of raw-material supply to the feed and other user industries. *"From an importer of maize more than a decade ago, to being self-sufficient today, hybridization has indeed transformed the face of maize cultivation in India. This has vastly improved the availability and viability of feed, contributing to the growth of the poultry industry,"* says Balram.

Poultry is one of the fastest growing segments of the agricultural sector in India, growing at 8-10% every year. Consequently, India is now the world's 5th largest egg and broiler producer. However, one look at the per capita consumption at only 24 kg per person per annum reveals a tremendous scope for further accelerated growth.

"This rapid growth needs to be supported by a corresponding increase in feed production. Feed, in turn, depends on maize production. However, to keep pace with the projected growth of the poultry industry, India will need to produce more than 40 million MT of maize in the next few years. This has been made possible largely by the efforts of companies like Monsanto."

Monsanto dialogues and collaborates

"Monsanto has led the maize market in India with their diverse portfolio of hybrid maize seeds. As part of their research efforts on developing new seeds, they also proactively dialogue with the end user industry for knowledge sharing. They seek inputs from the poultry industry to cater to specific requirements and develop new hybrids for farmers accordingly. Given the constantly increasing demand for poultry products, such initiatives go a long way in ensuring self-sufficiency and viability of our most important raw-material."





Dekalb[®]

Renowned for its rich and diverse maize germplasm pool, breeding excellence and high productivity, MIL's Dekalb[®] is the most trusted brand of high-yielding hybrid maize seeds for the Indian farmer. A market leader in India, Dekalb[®] is offered in 17 high-yielding maize hybrids, best suited to India's diverse agronomic and environmental conditions. Each hybrid is developed in India and tested extensively through our partnerships with several State Agriculture Universities and other leading Agricultural Institutions. Our focus is to make a sustainable difference to the lives of Indian maize farmers by developing better seeds, improving access and knowledge sharing on best practices.

A seed for every need MIL's diverse portfolio

Dekalb[®] 900M Gold

For irrigated and assured rainfall conditions with good grain color and good storing quality

DKC 9081

For fertile soils with assured irrigation availability and good management. Responds to good growing conditions and good management.

Dekalb[®] Pinnacle

For high fertile soils with irrigation facilities and good agronomic practices. Pinnacle maize produce is known for high starch content and very suitable for starch industrial use.

Dekalb[®] Super 900M

For consistent high yields, excellent grain color and good keeping quality

Dekalb[®] Supreme

For irrigated and assured rainfall conditions with wide adaptability. Its grain is rich in protein and oil and suitable for the feed industry.

Dekalb[®] Hishell

With high shellin g percentage, this advanced hybrid maize has attractive grain color and more protein percentage suitable for poultry feed

Dekalb[®] Double

Offers big cobs with good tip filling, is suitable for both grain crop and green cob purposes and matures in 95-100 day

Dekalb[®] Prabal

Utilizes soil moisture effectively as it has a deep root system, has attractive grain color and the ability to give good yields under tough conditions

DKC 9072

This is a stay green plant type with wider adaptability, consistent high yields and cylindrical cobs with good tip filling

DKC 7074

Desi type of grains with attractive grain color which matures in 90 days with good standability

DKC 972 plus

For better yields even under less rainfall situations, has attractive grain color and can be stored for a longer time

DKC 984

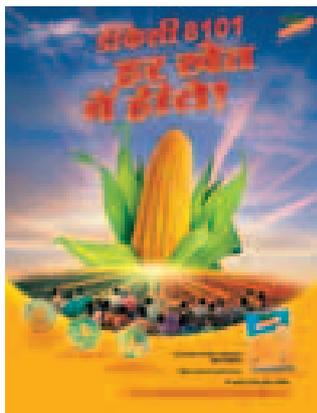
This is a full maturity hybrid with high yielding potential, attractive grain color and good keeping quality

DKC 9099

For irrigated and assured rainfall conditions, excellent grain color, robust cob size and good for storability

Dekalb[®] Allrounder

Good yields under less rainfall conditions and consistent performance across soil types and varying agronomic conditions



New launches

DKC 9108 and DKC 9106

- New hybrid maize seeds for progressive maize farmers in Punjab and Uttar Pradesh. While DKC 9108 is meant for the spring planting season and DKC 9106 has been developed to suit the May planting Kharif season in the region for better productivity.

DKC 8101

- With enhanced productivity, this new hybrid maize seed caters to the Kharif season in Karnataka, Andhra Pradesh and Maharashtra, suited for soil types with limited availability of utilizable water.

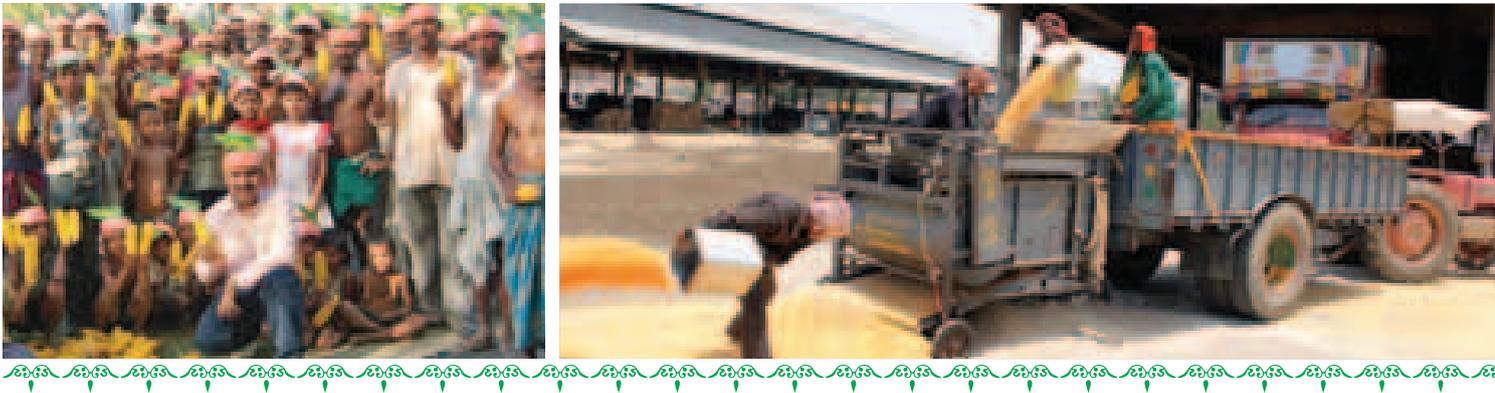
Highlights 2010-11

- Launched three new customized high yielding hybrid seeds to cater to different seasons and agronomic variations.
- Helped more than 9 lac farmers achieve higher yields and better incomes through partnership programs with State Governments.
- High-yielding hybrid maize seed DKC 9081 in Bihar yielded phenomenal success and helped Dekalb[®] gain market share despite the reduction in maize acreages by ~10%-15%.
- Launched Dr. Dekalb Farm Care (DDFC) mobile based advisory service, a customer-connect innovation to aid farmer access to timely information and guidance on maize cultivation.
- Registered good growth in Bangladesh this year. Undertook several growth enhancing initiatives like farmer meetings, group farmer meetings, mega farmer meetings, trade visits, *haat* day visits, trade/retailer incentives, new market explorations and demonstrations.



Sudhanshu Singh, Mukhiya
Nayanagar, Samastipur, Bihar

Sudhanshu Singh, a 48 year old Engineer, is a farmer with 150 acres of farmland and believes in progressive farming techniques. He was made *Mukhiya* (headman) of his village recently and was presented the Indian Council of Agriculture Research (ICAR) Award for 'Best Farmer', for the scientific cultivation practices he adopted in mango farming. He grows maize on 80 acres of his farm and has always used Dekalb[®] hybrid maize seeds, because of the quality of crop and the increasing yields he gets. From the resultant cash flows, he has invested in a combined tractor and maize harvester to further enhance the level of mechanization on his farm.



Maize productivity constraints

Every maize farmer around the world faces various challenges while producing their crop, such as adverse weather, damaging insects and yield-robbing weeds.

In India, maize productivity is impacted by several biotic (insect pests, weeds & disease infestation) and abiotic factors (extreme hot and cold weather, flood, drought, excessive or scanty rainfall etc). Weeds are among the key productivity constraints, causing significant losses to the maize crop. Among insects and pests, stem borers, cob borers and other pests may also cause significant losses to the crop. Disease infestations also pose a threat to the crop and in the absence of appropriate crop management practices, farmers may experience > 75% loss or, in some cases, even complete loss of the crop due to these factors. Climate vagaries, such as drought experienced in rain-fed regions of country and water logging due to excessive rainfall in some areas also impact overall maize productivity in India. In some of the regions, excessive soil moisture due to prolonged rainy season, delays maize planting, which in turn impedes plant growth and adversely affects production. In India more than 50% of maize acreages are still under traditionally grown varietal maize or low yielding hybrids, which is yet another limiting factor for achieving the potential maize productivity in the country.

Enhancing maize productivity

Globally we are developing a robust maize pipeline, filled with innovative products that are designed to help farmers protect their maize crop from these stressors, which would enable them to produce more while reducing inputs like chemical insecticides. In addition to employing advanced breeding techniques to improve crops, our scientists also apply biotechnology to develop maize plants that are better able to withstand environmental challenges. For example, the nitrogen utilization maize, our collaborated effort with BASF which is in its second phase of research, is intended to help maize plants use nitrogen more efficiently by either boosting yield under normal nitrogen conditions or stabilizing yield under low nitrogen conditions. Drought-tolerant maize which has progressed to the 4th phase of research is designed to provide a buffer against the effects of water limitation, primarily in areas of annual water stress and can be very beneficial to India.

Biotech maize has been planted on 46.8 million hectares in 16 countries including Brazil, Philippines, Argentina, South Africa, US and 6 European Union (EU) nations. In addition, over 35 countries including 27 countries in the European Union allowed import and consumption of biotech maize.



MIL's biotech maize, being developed for India through specific hybrids, is an efficient option against insects and weeds, which cause 30%-80% losses to farmers. Monsanto's biotech maize hybrid seeds will have two unique Bt proteins that provide in-built protection against insects and other elements that help with weed management and tolerance to non-selective herbicide.

Post obtaining necessary approvals from Genetic Engineering Appraisal Committee (GEAC) and in compliance with applicable laws, Biosafety Research Level II (BRL-II) trials for MIL's biotech maize hybrids were conducted earlier this year. The BRL-II trials are the second stage of the 3-5 year research program. The GEAC had also reviewed the results of the 4 seasons of BRL-I trials for biotech maize hybrids, before approval of BRL-II trials. Based on receipt of all regulatory and governmental approvals and an environment that supports investment and innovation, we will evaluate introduction of the product for the benefit of Indian farmers.

Success of biotech maize in Asia

Biotech maize has benefited a developing country like **Philippines**. Maize seeds with insect protection technology were introduced in the country in 2003. Since then, they have consistently out-yielded conventional maize hybrids by 60% in farmers' fields. Cost of production of maize seeds with insect protection technology was 13% lower for farmers with high yields and 39% better for farmers with low yields. Farmers in Philippines are reaping the benefits of technology. (APCoAB, 2005)



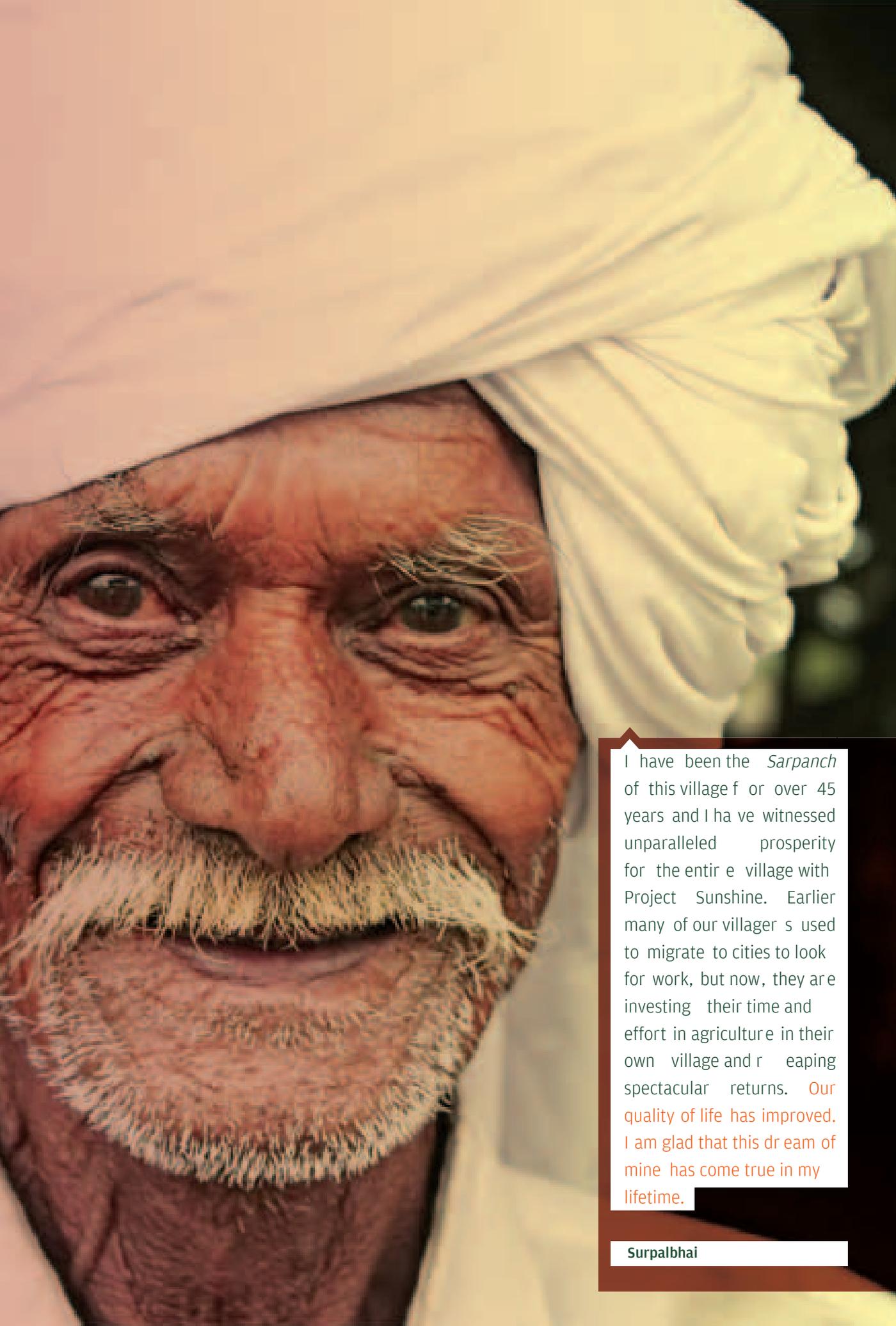
Shilpa Divekar Nirula leads the Maize Seeds business

"The quiet transformation that maize farming has undergone in the last decade, in the backdrop of India's vast agricultural landscape is quite remarkable. This revolution was guided by the determination of farmers to adopt scientifically developed hybrid seeds and advanced agronomic practices. Many of them, thus, dared to dream and have brought themselves to a stage where these dreams are getting realized. Yet, this is only half the story. There are many farmers still outside the dream ambit and therefore newer dreams need to take shape.

For me, it is fascinating to be part of a business which holds the promise of contributing to this dream. To be able to work with our experts in developing solutions to address farmer needs is very satisfying. As the maize revolution gets bigger, for us as a company and for me, there is nothing more rewarding than every additional smile our efforts can bring within the farming community by helping create a sustainable future in maize farming."

dreams of development





I have been the *Sarpanch* of this village for over 45 years and I have witnessed unparalleled prosperity for the entire village with Project Sunshine. Earlier many of our villagers used to migrate to cities to look for work, but now, they are investing their time and effort in agriculture in their own village and reaping spectacular returns. Our quality of life has improved. I am glad that this dream of mine has come true in my lifetime.

Surpalbhai

A man wearing a white kurta and a white cap stands in a field of green crops. He is smiling and looking towards the camera. The background shows a clear sky and some trees.

Father and son

Ninama Surpalbhai Veshtabhai and
Ninama Pratapbhai Surpalbhai

Junawadiya village, Limkheda Taluka, Dahod, Gujarat

"With the kind of transformation that has happened in the last three years, as farmers we can dare to dream."

Pratapbhai

Until three years ago, our farming was unsystematic and yields were inefficient and insufficient. The dry, rocky soil didn't help either. Then, two things happened. First, I was introduced to Project Sunshine and decided to start cultivating maize on a large part of my 3 acre farm. Not only did we get seeds, fertilizer and other inputs to start with, but also proper training in farming techniques, such as guidelines on row-spacing and proper and timely nutrition for plants. The result is taller plants, bigger cobs, good color, excellent grain quality and a much higher yield. We now get 30% higher prices than conventional maize. Secondly, a dam was built to address the water crisis under the National Rural Employment Guarantee Scheme. Since then we do not face any water woes for farming either.

With this surplus income from maize cultivation under Project Sunshine for three years now, I have managed to repair our family house, where 12 of us live. I have also built a new one. This year, I plan to invest in irrigation facilities to ensure an even better yield of maize in the next season.





“As the Sarpanch, my role is to be the link between the people of five villages of our Panchayat and the government to ensure overall progress and development. It is my dream that our panchayat becomes a model for others in my region.”

Last year in March, MIL in collaboration with the Agriculture Department introduced us to Project Golden Rays. In May, the government distributed Dekalb[®] hybrid maize seeds along with other inputs to maize farmers in the entire Gram Panchayat. They further provided guidance and advice from sowing to harvest.

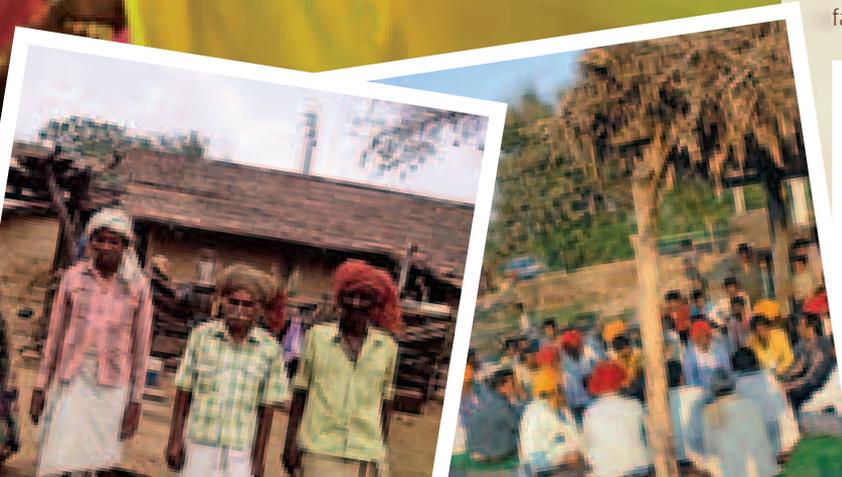
In each of these five villages, to my knowledge, farmers have witnessed doubling of yields. My own farm where I planted Dekalb[®] Prabal yielded 7 quintals more per acre as compared to the previous year.

Higher yields have also led to increased income in the hands of our farmers, enabling them to send their children to good schools, manage household expenses and repair their homes. The socio-economic profile of villages has risen. The overall happiness quotient is much higher.

In my own 10 acres, I cultivate maize, *moong dal* and *urad dal*. Last year on account of enhanced maize yields, I sold the surplus grain at Rs. 1,000 per quintal in the market. The extra income helped me, like my other farmer friends, to provide for my family better.

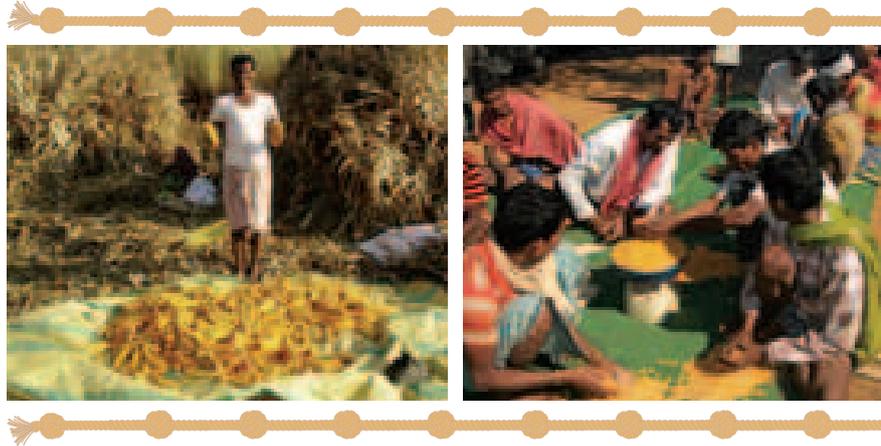


Babulal Mina, Lasadiya village, Udaipur, Rajasthan
Sarpanch, Tatakiya Gram Panchayat



Synergizing strengths

Public Private Partnerships



India is now one of the fastest growing emerging economies of the world, with a targeted annual growth rate of over 8%. For the economy to grow at this pace, there is a strong need to upgrade the country's infrastructure services. Public Private Partnerships (PPPs) have been recognized as one of the most effective mechanisms to do this. According to the PPP Database, Ministry of Economic Affairs, in the last 5 years there have been at least 450 PPP projects in key sectors like transport, education and infrastructural development with a total estimated cost of ~Rs. 2,24,176 crores.

There is a scope to leverage PPPs as a relevant vehicle in the agriculture sector as well. Enhanced yield and productivity is a crucial need, with India still battling food insecurity and poverty. Technology, better inputs and improved farming practices can make this possible. Over the past 60 years, Indian agriculture has recorded an average growth rate of 2.7% per year, making it the slowest growing sector. That we have not yet succeeded in consistently touching 4% growth as targeted in the recent Five-Year Plans indicates the challenges we face in agriculture. Thus agriculture is a key sector for research, investment and development. There is an urgent need to work together to bring innovations via partnerships between the private and public sector, farmers and government to meet India's agriculture needs through new technology and intervention models.

Several partnerships have already been developed between the public and private sectors with the objective of achieving these goals. MIL is an important stakeholder in the agriculture PPP space, through its multiple partnerships with State Governments. We have reached out to more than 9 lac farmers through PPPs alone and have helped improve yields and rural incomes significantly in the geographies these partnerships have been implemented.

Many farmer beneficiaries of these PPPs who hitherto barely managed to make

ends meet, are now able to produce more, get fair returns for their produce in the markets and are realizing their aspiration for a better life. Their stories confirm the success and far-reaching benefits of these partnerships.



Project Golden Rays

PPP between the Government of Rajasthan and MIL which aims at improving economic self-sufficiency of tribal maize farmers by enhancing maize yields and incomes in five districts: Banswara, Dungarpur, Udaipur, Pratapgarh and Sirahi. While Rajasthan constitutes 15% of India's total maize acreage, its maize yields are 30% below India's average maize yields. The majority of maize farmers are small or marginal in nature with minimal resources and lack access to appropriate inputs. MIL worked together with the Government and NGOs on-ground to help implement and operationalize this partnership.

The success of Project Golden Rays, Rajasthan paved the way for a similar project in Odisha. Maize is mostly grown in tribal districts in Odisha, during the Kharif season in un-irrigated uplands. In view of rising commodity prices, farmers prefer maize as one of the key cash crops.



MIL's role in PPPs

- Provide high-yielding hybrid maize seeds, customized to the respective geographies and agronomic conditions in each state
- Assist in the distribution process to beneficiaries identified by the Government
- Provide advice to farmers from sowing to harvest; guidance on post harvest care, soil testing and critical project management (where mandated)
- Facilitate Knowledge Sharing Sessions for Department of Agriculture in collaboration with the State Agriculture University
- Enable user-industry linkages through maize productivity workshops and procurement facilitation

Poor management practices and only marginal land growing high-yielding hybrid maize seeds resulted in sub-optimal yields compared to other states. Last Kharif season, the Government of Odisha undertook Project Golden Rays in 30,000 hectares in the state and partnered with MIL for the tribal districts of Bolangir, Kalahandi, Nayagarh, Nuapada and Khurda covering 8,000 hectares. By means of the project, farmers had access to the high-yielding hybrid maize seeds and training on improved agronomic practices. As a result, maize farmers in Odisha were able to increase yields and improve their quality of life through enhanced incomes.

These models are now being widely adapted and adopted by various state governments in partnership with different private sector companies and seed corporations for the benefit of marginal and resource poor farmers.



Project Sahyog

MIL's PPP with the Department of Agriculture, Karnataka, promoted systematic and efficient training programs to provide critical training on best practices in farming. The objective was to boost farm productivity and help farmers earn the right price for their produce. Government of India's *Rashtriya Krishi Vigyan Yojana* and the need for critical training on best practices in farming was instrumental in this collaboration.

Interactive learning programs were successfully implemented in the key districts of Haveri, Koppal, Bijapur, Chitradurga, Mandya, Coorg, Chikaballapur, Davangere and Mysore. Key elements

included training on adoption of resource conservation approaches viz. Integrated Pest Management (IPM), Integrated Nutrient Management (INM) efficient farming to reduce cost of cultivation; demonstration of performance of alternative technologies and how these techniques are economically viable; in addition to creation of market linkages. The Project provided training to over 200 farmers and 50 Agricultural Department Officials (ADOs).



Project Sunshine

The agencies of the Government of Gujarat set up a 10-point program called the 'Van Bandhu Kalyan Yojana' to improve the socio-economic conditions of the tribal population. It set a goal of 'increasing income of tribal farmers by 100% within five years'. Among various programs, they partnered with MIL and other companies on Project Sunshine to enhance maize productivity in the state since 2008. It is a unique program designed for dryland areas and follows a simple but rigorous outcome-based, long-term model. It is implemented in the tribal districts of Vadodara, Sabarkantha, Banaskantha, Dahod and Panchmahal. Farmers are provided with inputs and information on best practices that enables better farm decision making and cultivation, thus helping reduce poverty and hunger by improving their farm productivity. In its 4th successful year, Project Sunshine continues to help tribal maize farmers farm efficiently, seek better prices for their produce and improve their prosperity levels.

Dial-a-dream

Dr. Dekalb Farm Care Service



In the vast multitude of diversity that is India, there are also interesting contradictions to be found. For instance, even though per capita income and literacy levels are below par, teledensity is on the rise. Farmers may be underutilizing the potential of farm mechanization owing to small land holdings, yet almost everyone owns a mobile phone. Rural India accounts for ~150 million phone users and represents ~32% of India's mobile subscriber base. (Source: www.indiatelecomonline.com)

Another reality is the shortage of credible, customized and useful information to farmers. This is easier said than achieved, given the complexity of the Indian agricultural landscape – uniqueness of regions and conditions, large number of villages and farmers and multilinguality, to name a few. It was also observed that mass media lacked customization and was thus, not able to specifically address queries arising from the wide variance of farm conditions.

Was it possible to use communication power and reach of the mobile phone to deliver personalized agriculture advice to farmers? Could we, as an agriculture company, extend our role by integrating an extended service model? Would it be too much to dream of our Information Technology platform being integrated with our on-ground knowledge about agriculture in general and maize cultivation in specific to deliver a bespoke, unique service to millions of farmers? How about making an agriculture expert available to the farmer on an on-call basis?

The challenge therefore was clear. How do we reach our large base of farmers with speed and efficiency?

The solution: The mobile phone. Because of its high individuality and rising reach, a mobile based information service was an attractive and obvious platform to connect with our farmers. This would enable us to take our year-long farmer engagement a notch higher.

What is DDFC?

The Dr. Dekalb Farm Care (DDFC) service, a customer-connect innovation introduced in 2010-11 to forge stronger farmer alliances, is a revolutionary new step in Monsanto's engagement with farmers. Piloted in May 2010, DDFC was launched as an initiative to collate and provide a comprehensive, authenticated and specialized information platform. DDFC represents the assimilation of information collected by our field force, the agronomic knowledge of our scientists and the knowhow we have generated over the years, in our experience as partners to farmers' success.

Growth Drivers

Rural mobile penetration

Rural India is fuelling the growth in mobile phone services, as it has become a vital tool for the government in its financial inclusion program. By 2014, the wireless subscriber base is expected to reach ~1 billion of which 468 million will be rural subscribers. Mobile phones provide a unique opportunity in terms of blend of reach and specificity. It establishes user identity and hence enables personalized content delivery. Using the mobile as a medium, we connect and provide various services to farmers.



Encouraging feedback

Farmers say they have found a trustworthy place to find solutions - the DDFC helpline.

Sunil Bhaskar Kankde,
Aurangabad, Maharashtra

My farm yielded 35 quintals per acre (7-8 quintals per acre higher than last year) with Dekalb® 900M Gold hybrid maize seed in the Rabi season. Although I was using hybrid seeds, I knew that the right information on how to plant these, as well how to manage the crop life would help me further. DDFC helped me immensely as assistance was just a call away. Since they had exact information on my region and its agricultural facets, the advice they gave was topical, relevant and highly specialized. I feel this is yet another blessing for us farmers.

How does DDFC work?

It seeks to reach farmers in need of sustainable, timely agronomic knowledge. The helpline answers a wide range of farm and crop management related questions. With offerings ranging from one-on-one advice, information about MIL's hybrid maize seeds and other crop management updates, this service helps farmers to improve farm yields, while conserving resources. We have evidence from telephonic surveys, that the DDFC service improved yields, reduced risks and boosted farmer confidence.

Why is DDFC important for MIL?

The DDFC platform provides an opportunity to understand customers owing to its reach, cost effectiveness and speed with which insights can flow from the field to us. We have already derived some interesting findings through recent surveys which have led to effective decision making by the organization. The platform is well integrated with field efforts and even though it is centrally controlled, the effectiveness, to a large extent, is driven from the field, enabling us to leverage and synergize our efforts.

DDFC service offerings

A toll-free number and contact centre has been set up, where farmers call to seek advice on farm issues. Since a detailed database is maintained, the advice given to farmers is not generic, but specific to their needs and farm conditions. Proactive messages are delivered to the farmer's mobile phone, in their language, on best practices on crop management. Additional information like weather forecasts, local market prices for commodities, information on new hybrids and customer schemes are also shared.

DDFC recognized at the Monsanto Sustainable Yield Global Pledge Awards

DDFC was awarded a Silver Prize at the Monsanto Sustainable Yield Global Pledge Awards, for its unique service offering and technological robustness. It was concluded that DDFC is a trustworthy source of advice for farmers. The proactive messages have introduced farmers to new ideas such as use of herbicides to control weeds, among others.

Linking grassroot to cloud

Information Technology



Farmer dreams are bound by time. In reaching out to farmers, the principal challenge we encountered in providing timely information, was logistical hurdles. Power shortages and limited internet connectivity in rural India often limits timely rendering of accurate information. To streamline our farmer support channels, as well as internal systems and processes, we have utilized the robust IT infrastructure of the Monsanto Company, USA. We have defined our strategy for customer connect to leverage the backbone of mobile telephony in the future.

The infrastructure and process technologies enable real-time analysis and solutions, thus improving business efficiency and agility in business processes. Our initiatives in the year have added immense value and have helped drive higher performance by creating a more flexible and scalable IT environment to support the future growth of the business.

In line with Monsanto's global vision, the co-location of our IT and Financial Shared Service operations last year and investments in world-class infrastructure is helping us efficiently realize business goals, create newer capabilities and career opportunities, optimize costs and enable cross-functional collaboration. By enabling a 24x7 cycle we ensure a minimum turn-around time, considerably increasing our operational efficiencies aiding business significantly.

Role of IT in building a brighter sustainable world

- Connect the business to the customer through technology
- Follow the sun and keep connected 24x7 across all time zones

- Deliver technologies that support business growth and enable enhanced customer connect and long-lasting relationships
- Technologies for business process efficiency and decision making

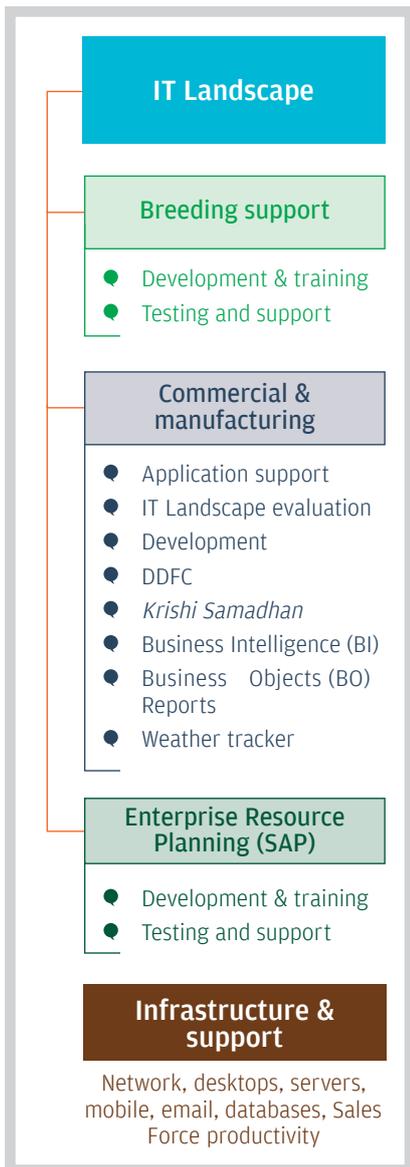
We are an IT enabled company

In 2010-11, we introduced several new commercial as well as internal processes, with the core objective of helping make farmer's dreams a reality. The launch of DDFC (Dr. Dekalb Farm Care) has provided a single-point source of information for farmers. It has also improved our communication and connect with our farmer customers. Apart from the HR and financial procedures, this year we made our processes more efficient, evolved better products and expanded our farmer database.

Green IT - reducing carbon footprint

We have reduced the need for space as well as physical hardware through the use of virtual servers instead of physical servers. An appropriate shift of memory was systemized, expanding memory capacity





and making all the information more adaptable. Size is no more a limitation to how much we can add to our farmer database. The server virtualization is also more eco-friendly through its lower consumption of power, therefore further reducing our carbon footprint.

Improving transactional systems - New approach to SAP

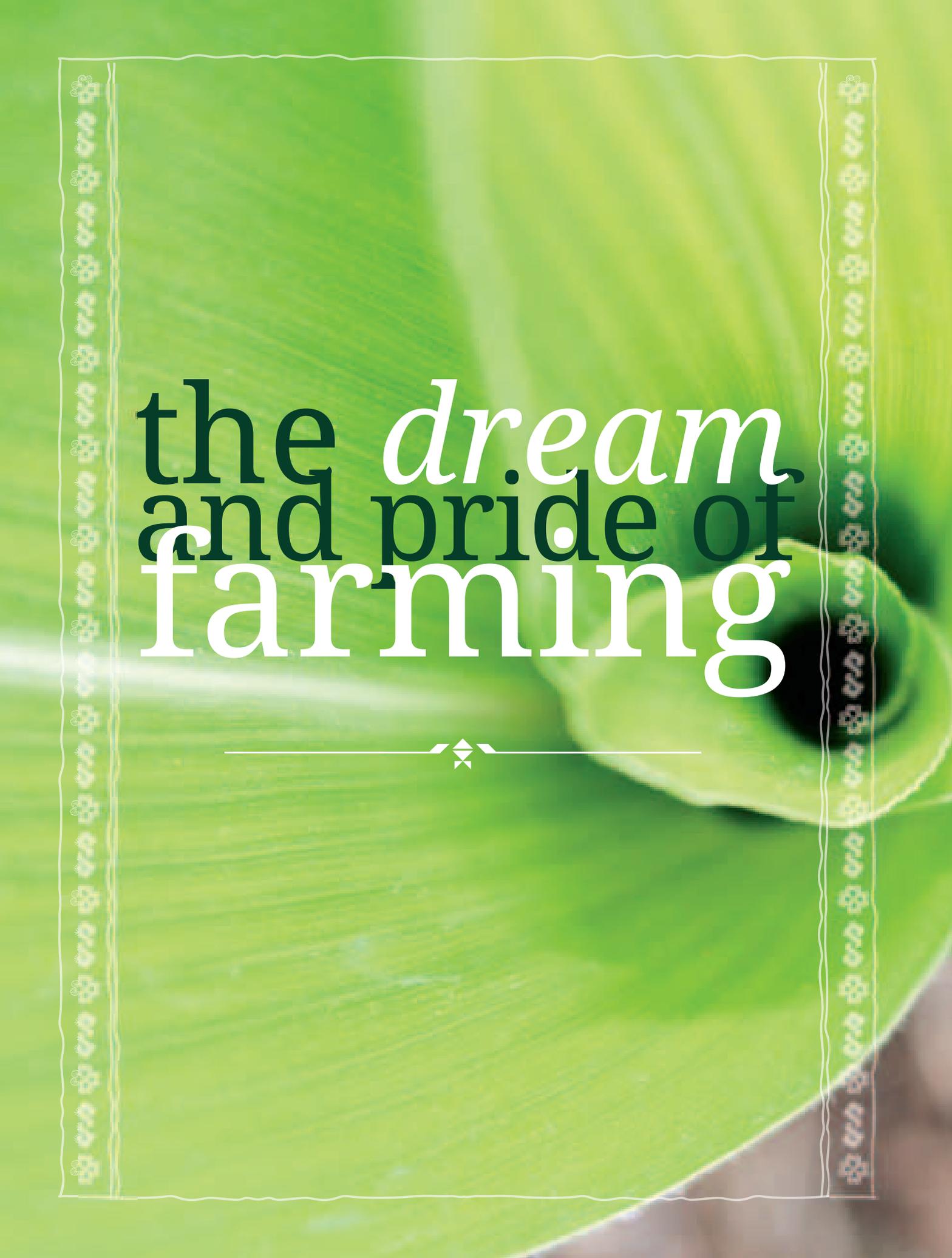
The new holistic approach to SAP facilitates better understanding of the business, its functions, systems and procedures for business as well as systems analysis.

Krishi Samadhan

To support farmers in difficult situations related to products or services, we have initiated an extensive complaint management system. Titled 'Krishi Samadhan', this system is equipped with higher process efficiency, which enables easy record of complaints through a customer post or call, leading to a quick resolution of the issue through an automated, time-bound service mechanism.

Sumeet Srivastava leads IT Services

"Our IT team endeavors to offer solutions that drive and enhance business value, and contribute to the organizational objective of fulfilling farmer dreams. The overarching objectives are enabling decision making, adapting to the evolving technology ecosystem and business process simplification. Several initiatives such as mobile based applications, cloud computing and virtualization have been launched. We also created a foundation for business informatics, which would enable predictive decision making in the future. We seek to connect seamlessly with the organizational vision as a critical business function. That represents the crux of our dream."

The background is a close-up of a large green leaf with prominent veins. A decorative border with a repeating floral pattern runs along the left and right sides. The text is centered on the leaf. Below the text is a horizontal line with a central diamond-shaped graphic element.

the *dream*
and pride of
farming



A woman with dark hair pulled back, wearing a red and purple sari with gold jewelry, stands in a lush green field. The background shows a line of trees under a clear sky. The image has a soft, slightly desaturated green tint.

"I dream of a future where more and more women take up farming and are able to balance it alongside their family responsibilities."

Lalita Vikas Jadhav, Sanghvi village, Satara, Maharashtra

Lalita Vikas Jadhav. High school educated. Mother of three. Committed home maker. **Progressive farmer.**

Lalita travels 10 kms on a bike everyday to reach her farms. *“It is a challenge being a farmer, because one has to contend with issues everyday right from availability of labor, managing cultivation to the final crop sale. But I’m up for challenges!”* says Lalita. She does everything from driving the tractor to negotiating the right price for her produce.

Donning the mantle

Eight years ago, she decided to take up the responsibility of managing agriculture for her family after the demise of her father-in-law, encouraged by her family. It came naturally to her, given that her parents were farmers too. Her husband, who couldn't take up agriculture with an existing automobiles business, egged her on and supported her determination.

Today, she is working towards better and more productive cultivation and at the same time, focuses on her home and the education of her children. She adds, *“Challenges have always enthused me to try newer things and explore opportunities in agriculture. For me, from the committed journey of becoming a farmer, it is now about living up to the pride that my family has in the fact that I am the only woman farmer in this region. I hope to be able to invest more time on my farm.”*

Making the shift

Lalita has 12 acres of land on which she predominantly cultivates maize, groundnut, sugarcane and wheat. In recent times, however, she prefers to plant more maize, using Dekalb[®] hybrid maize seeds. The reasons are many - lower investments, lesser crop duration, multiple rotation - can be grown in both Kharif and Rabi seasons - higher yields and better realization. *“Last Kharif Season, I planted Dekalb[®] Pinnacle hybrid maize seeds on 3.5 acres, which yielded more than 45 quintals per acre. This was beyond my expectations - in both overall yield and grain quality which actually fetched a premium.”* This year, inspired by the bright prospects of maize, she plans to increase her land under Dekalb[®] maize cultivation to 5 acres.





Dreaming of progress
Lalita is a keen learner. She seeks modern inputs - seeds and better irrigation, and aspires to consistently upgrade agriculture practices on her farm to ensure efficient and resource-optimized cultivation. *“Seeds play the most crucial role in farming. Better seeds, helped by modern technology can lead to wonders.”*



Dream engineers

Research, Technology and Infrastructure



Our commitment to sustainable agriculture is an integral part of our existence. It begins with innovation in the lab and extends to farmer fields, where they ultimately yield results. Through our constant engagement with farmers across the country, our endeavor is to understand their needs and requirements better; and develop superior quality products, suited to varied agronomic conditions which ensure the best fit for farmers and their land, equip their farm against constraints and help maximize yields.

Breeding

Our competitive advantage

MIL has a pool of seed genetics for maize, diligently developed over many decades. We apply cutting-edge Marker-Assisted Breeding to this diverse germplasm base. Marker-Assisted Breeding allows our scientists to track and select the most effective combination of genes, resulting in the highest quality products. These efforts are supported by a world-class Information Technology system that processes tens of millions of data points. The combination of Marker-Assisted Breeding and global proprietary germplasm allows MIL to put the best seeds in farmers' hands sooner.

Plant breeding has been practiced by farmers and agronomists and has evolved for centuries to become

increasingly science-based. Breeders now use a mixture of classic techniques and modern computer and technology assisted processes to help select and breed plants faster and with greater accuracy than ever before. The end result is better seeds and plants that allow farmers to get more productivity from their fields.

Our breeding team in India has achieved many successes this year. To accelerate breeding efforts, the team categorized specific areas for increased testing to address precise market requirements. By use of the Di-haploid (DH) technology, the team made use of the opportunity to fast-track parental seed development and has developed over 8,000 DH derived lines this year, which will substantially step up our maize breeding program.

Our Dekalb[®] hybrids 900M Gold and DK C 9099 received the 'notified hybrid' status by the Central Varietal Release Committee (CVRC) of Government of India. This was subsequent to three-year government coordinated trials of these hybrids at the Directorate of Maize Research (DMR), Indian Council of Agricultural Research (ICAR).

The consistent efforts by the breeding team over the past couple of years resulted in the launch of 3 new hybrid maize seeds - DK C 9108 for the spring season, DK C 9106 for the Kharif markets in Punjab and Uttar Pradesh, DK 8101 for Maharashtra and Karnataka. More products are being advanced for commercialization in the next year.



Padmakar Reddy leads Maize Breeding

"We are continually working towards our dream to help farmers grow sustainably by developing better, stronger and higher-yielding products which would deliver best results on the field. Towards this end, we employ our experience and expertise in Indian and global research programs, e.g. the Drought Tolerance and Stalk Rot Disease screening programs."



Manufacturing and Quality Assurance

In a value and volume-driven business it is imperative to achieve the objectives of maximized production, reduced wastages and derive maximum operational efficiencies. 2010-11 witnessed several significant developments and advancements to help achieve manufacturing, operational and quality excellence.

In our maize seed production activities, we achieved significant growth in productivity and increase in targeted yield. We diversified seed production to newer geographies in Andhra Pradesh, Gujarat and Rajasthan during the Dr y season of 2011 which proved successful for production of selected hybrids. We ensured that the new hybrids DKC8101 and DKC9106 delivered more than target yields. To boost efficiencies, we experimented with mechanization of operations.

We closed our operations at our Bellary plant post the packing activities of Rabi 2011 season and commenced the consolidation of our operations (from maize drying to conditioning) at a single location in Hyderabad. This has resulted in better operation controls, inventory management and reduction in operational cost. It offered a location advantage for transport availability and economical dispatches of finished goods, resulting in substantial cost

savings. We have also made important structural decisions to improve operating efficiencies. By closing down the Eluru drier facility and the Bellary Seed Conditioning unit we were able to make significant workforce related savings.

Upon commissioning of a large cold storage unit at Hyderabad, we enhanced our storage capacities for maize seeds. This resulted in cost optimization across bags, handling, pallets and freight, and savings through workforce reduction. This has also helped in better inventory management and operational efficiency. An improvement in maintenance of optimum temperature and humidity to maintain quality of stored seed and reduced obsolescence has also been registered.

MIL's Quality Processes and Quality Assurance laboratories in Silvassa and Hyderabad respectively, ensure that all products meet the Company's Global Compliance Standards as well as standards set by the Government of India. Our state-of-the-art QA Seed Testing Laboratory at Shamirpet, Hyderabad is a member of ISTA (International Seed Testing Association) for its high standards in seed testing rules and operating procedures. Additionally, it was certified for ISO 9001:2008 and completed a thorough surveillance audit in September, 2010 and March, 2011. Our maize conditioning plant and manufacturing office were re-certified for ISO 14001 and OHSAS 18001 in January, 2011; the OHSAS 18001:2007 certification was also awarded to our maize conditioning plant at Shamirpet.



Ravinder K. Reddy leads Manufacturing

"In addition to enhancing our operational efficiencies, we sharpened our focus on cost management initiatives. Sizeable savings were achieved by network optimization, synergizing warehouses at distribution centers, reduction of space with better turnaround, shipping cost benchmarking, improved direct dispatches and controlled warehouse placements to lower returns."



Technology Development

Improved agronomic practices are critical elements of farm management - to harvest good yields by improving soil quality, better fertilizer and nutrient management, spacing management, pest management, correct sowing practices, water use efficiency and crop residue management, to name a few. These practices not only improve farmers' profitability by improving yields and decreasing input costs, but also improve the overall environment by conserving resources and help them manage risks better. Researching agronomic practices are a vital part of our three pillars of sustainable agriculture and

plays a significant role in enhancing crop productivity. Our Technology Development (TD) team of highly qualified scientists with diverse field research experience serve as a vital link between the sales and R&D function in order to provide best products for our customers. This team guides us on better agronomic practices, contributes significantly in identifying key field issues and provides effective solutions for our existing products to farmers. The TD team also ensures constant engagement with the scientific community, State Agriculture Universities and other stakeholders in order to provide timely agronomic solutions and advice to farmers.



Dr. Dev Raj Arya leads Technology Development

"We are discovering various agronomic solutions by conducting experiments at our Center of Excellence (COE) farms established across the country, which is in line with our commitment to sustainable agriculture. We are working with farmers to establish TD Farms for demonstrating the value of improved cultivation of our hybrids in various geographies and also with various State Agriculture Departments and other institutions in this endeavor."

Sales and Marketing

Our dedicated sales teams are in constant dialogue with farmers and organize education programs to update the know-how on agronomic practices, product benefits and usage. The team extends support to farmers to ensure they derive optimal yields despite the challenges faced in the field owing to pests, diseases and climatic fluctuations. In a continual process, all of these on-ground learnings are in turn fed back to the marketing teams who develop

Safety highlights 2010-11

- Monsanto in India had zero employee Total Recordable Rate (TRR) during the year
- Several Monsanto sites in India are certified to OSHAS 18001:2007
- Occupational Health and Safety Management Systems have maintained their certification during the year



communication and learning aids to help farmers better understand our products and extension activities. These teams also manage our extensive distribution channels that reach every maize growing region in India where we are present.



Prashant Hegde leads Sales

"2010-11 witnessed successful launches of our hybrid maize seeds in newer segments which have helped us gain significant market share. We continued to grow and hold our leadership position in Roundup[®] despite many challenges and intense competition from generics, due to our innovative customer connect and channel programs. Our people work with farmers, dealers, distributors and other stakeholders on-ground and help convert not only business goals, but also a million farmer dreams into reality."

Safety

Safety at our organization continues beyond our seeds and technologies, our laboratories, offices and facilities to the environment, health and overall well-being of our colleagues. We create awareness on safety and celebrate our achievements especially during days like World Environment Day and National Safety week. In addition to our employees, select partners are also trained on safety measures and on our Human Rights Policy. Various voluntary Off-the-Job (OTJ) safety campaigns were also conducted across India by our employees. These focused on



various relevant topics including 2-wheeler and 4-wheeler vehicle safety, pedestrian safety, kitchen LPG gas and home electrical safety. Several voluntary Environment, Safety and Health (ESH) audits were also conducted across India to ensure the highest standards.

Our India Vehicle Safety Team (IVST) enforces a strict India Vehicle Safety Policy amongst all motor vehicle drivers who use vehicles for company business.



IVST snapshot

- Re-launched 'Zara Sochiye' (our flagship safety awareness program) in February 2011 - and extended it to NGOs working with us, as also to select colleges and schools in Andhra Pradesh, Gujarat, Maharashtra. In all more than 1000 people have been trained on pedestrian and vehicular safety.
- 'Click Heard Around the World' - Surprise seat belt audit for employees, vendors and visitors, to ensure adherence
- IVST activities appreciated by the World Health Organization (WHO)
- 2-wheeler training programs conducted through a professional training agency
- Pedestrian safety email campaign for a week to all India employees



dreaming
beyond tradition



Using the seed-cum-fertilizer drill to replace traditional bullock-drawn ploughs, farmers experienced the benefits of proper seeding rates, separating seeds and fertilizer for proper placement and efficient planting. Others who are witnessing the results are now believers in innovation and the use of improved seeds and technology.



Partnerships provide innovative and effective solutions Project SHARE's Seed-cum-Fertilizer Drill - Monsanto's Sustainable Yield Pledge Award Winner

Jamuna Lal (52), of Bhilwara and **Jagdish Kahar (27)**, of Bundi, are both maize farmers with a land holding of ~3 acres each. For years, a hectare of land required 30 kg of seed and yielded an average of 2-3 MT of maize each year of good rain, in spite of using hybrid seeds. They are among the many small and marginal farmers in Rajasthan's Bhilwara and Bundi districts who were carrying on like this for many years.

Project SHARE (Sustainable Harvest: Agriculture, Resources & Environment) is MIL's Sustainable Yield Initiative, in partnership with Indian Society of Agribusiness Professional (ISAP). This four-year pilot aims to improve the socio-economic conditions of 10,000 small-marginal cotton and maize farmers - from 1,100 villages, across three states in India - Andhra Pradesh, Maharashtra, Rajasthan - to help them improve yields and incomes. In Bundi and Bhilwara districts of Rajasthan, it enables small and marginal maize growing farmers produce more, conserve more and improve their lives through the right use of relevant technologies in a sustainably beneficial manner.

The challenge

Farmers were used to sowing maize seed mixed with fertilizer, using a bullock drawn indigenous plough. This would tend to kill the germinating seed and result in a lower plant stand count than desired. It necessitated more seed rate than the optimum. It would also lead to discontinuous and random gaps in the field, disturbing plant geometry and sub-optimal row distance for hybrid seeds of 60 cms. This excessive and unwanted plant population was a drain on the precious soil moisture and nutrients key for the main crop. This was not only stunting optimal yield, but was also against the principles of achieving low cultivation costs. Farmers were also finding it difficult to cover the entire farm area in the short time available for sowing - when the proper moisture levels were present in the sandy soil.

Partnering with all stakeholders

Project SHARE's pre-project study included several entry point activities such as Field Level Demonstrations (FLD). In the course of these FLDs it was observed, discussed and agreed, through extensive *dialogue*, that a change in sowing methods via proper spacing could potentially have a significant impact on yields, the primary need of the farmers.

Proactively thinking of a solution

MIL and ISAP team members took *ownership* and set about designing a machine that would optimally help the farmer. A local fabricator from Bundi was engaged to make the customized equipment under full supervision of the Project team and farmers.

Project SHARE team through knowledge and financial *sharing* developed an indigenous two-box seed-cum-fertilizer drill for improved sowing. This seed drill had a dual compartment system for seed and fertilizer, where fertilizer is applied first and the seed enters the ploughed soil afterwards. The uniform and correct seed placement ensures healthy germination and consistent growth of the crop. The double box system also allows multi-cropping. Input adjusters were included to modify the seed and fertilizer application rate.

The first hand experience

Using the seed-cum-fertilizer drill to replace traditional bullock-drawn ploughs, farmers experienced the *benefits* of proper seeding rates, separating seeds and fertilizer for proper placement and efficient planting that could be accomplished during the limited optimal



Jamuna Lal, Bhilwara, Rajasthan



Jagdish Kahar, Bundi, Rajasthan

moisture window. For the first time, farmers reaped the real **benefits** of using hybrid seeds, returning yield increases of over 40% in the first year of use.

The delayed monsoon in June 2010, resulted in a very short sowing window. This required farmers to rush through their sowings - a situation the drills proved to be tailor-made for. Despite the uncertainties of change, the additional expense and the spectre of three consecutive monsoon failures, two farmer groups (one each in Bundi and Bhilwara) displayed exemplary courage in trying out this new equipment. More than 100 farmers across 20 villages used the two drills for planting the maize crop in 200 acres during the monsoon of 2010, the very first year of the project implementation. The farmer groups garnered enough courage to collect about 10% of the total cost of Rs. 27,000 per seed-cum-fertilizer drill. In

addition to contributing to the cost of procurement all the users paid a nominal user fee which will go towards the maintenance of the machines.

The machine, shared across villages, is instilling immense pride and a sense of ownership. Others who are witnessing the results are now believers in innovation and the use of improved seeds and technology. Jamuna Lal and Jagdish Kahar today use 20 kg of seed per hectare and reap between 5-6 MT per hectare.

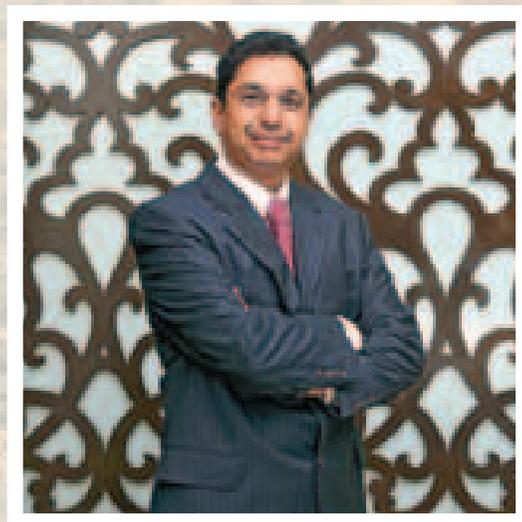
Project SHARE farmer groups of Bankra village, Jahajpur block, Bhilwara and Dhobda village, Hindoli block, Bundi have taken the responsibility to maintain and manage the drills for use by the Project and other farmers.



Jyotsna Bhatnagar with Hugh Grant, Chairman, President & CEO, Monsanto Company at the Sustainable Yield Global Pledge Awards

The recognition

Project SHARE's seed-cum-fertilizer drill was awarded the winner in the 'Produce More' category and the Judges Choice Award at the Monsanto Sustainable Yield Global Pledge Awards, 2011. In addition, it was awarded a Citation of Recognition by the Missouri House of Representatives for its exemplary work on sustainable agriculture with small and marginal farmers in India.



D. Narain leads the India region

Sustainable agriculture is our vision and wherever in the world we do business, we seek to direct our efforts at making agriculture sustainable, conserving resources and improving the lives of farmers. Our commitment is underscored by our Pledge that drives our every action within our organization. The Sustainable Yield Pledge Awards are a celebration of not just our commitment to values, but also a best-practice sharing opportunity for all our employees globally.

The Sustainable Yield Pledge Awards is a celebration of the power of sustainable agriculture, innovation and partnerships, all aimed at improving lives of farmers. Our commitments are aimed at creating a real, tangible difference and over the years, we have succeeded in enabling and strengthening farming communities. The seed-cum-fertilizer drill, for which Project SHARE won multiple awards is a remarkable testimony to the value of such partnerships. Our partner NGO Indian Society of Agribusiness Professionals (ISAP), our team members across functions, local villagers and other stakeholders came together in designing a unique, completely home grown and sustainable solution that addressed the needs of farmers. Such innovations promote ownership and prove the value of collaboration. For us, this is a significant achievement. It is also a responsibility, to continuously and consistently work on out-of-the-box solutions to contribute towards ensuring food security for our people and a better future for those employed in agriculture.

Able. Enable. Sustainable.

Sustainable Development



As an agriculture company, improving farmers' lives is at the core of our corporate and societal commitment. In keeping with our single-minded focus on sustainable agriculture, our efforts are helping enhance yields, incomes, farming convenience and peace of mind.

Our commitments help farmers succeed, and in turn, help transform their lives, strengthening Indian agriculture and rural communities.

Over the years, we have been able to enable and strengthen farming communities sustainably, through successful partnerships with the state and non-governmental organizations. Through the Monsanto Fund - the philanthropic arm of the Monsanto Company, USA - we endeavor to improve people's lives by bridging the gap between their needs and resources.

Through our direct and indirect initiatives in community development, we have made a social investment of ~Rs. 3.8 crores in the areas of sustainable agriculture, education and disaster rehabilitation in 2010-11 alone.



Improving lives: *enabling dreams*

Taking forward our commitment to produce more and improve farmers' lives, Project SHARE (Sustainable Harvest - Agriculture, Resources, Environment) enables farmer engagement in sustainable agriculture. The four-year pilot program was launched in 2009-10 in partnership with

the Indian Society of Agribusiness Professionals (ISAP), a not-for-profit organization with one of the world's largest networks of agriculture and allied sector professionals. With the help of activities such as agriculture and extension services, innovation and skill up-gradation the project is helping the 10,000 farmer beneficiaries achieve higher yields and higher income.

Project SHARE: Process chain



The project has managed to engage in sustainable agronomic methods and helped in increasing the production of farmers significantly thus improving their standard of living. Some key highlights:

- More than 1,000 maize and cotton field demonstrations including those commissioned by Department of Maize Research and Directorate of Cotton Development.
- More than 500 pre-sowing and post-harvest training programs covering all 10,000 beneficiaries. Trainings covered topics of soil health, plant nutrition, adequate spacing and plant population, water conservation, pest management and intercropping with pulses to raise cropping intensity.
- 400 Project SHARE farmers visited Government-run institutes including Central Institute for Cotton Research and *Krishi Vigyan Kendras* (VKVs) to understand and familiarize themselves with farming best practices.
- A significant initiative under this project has been to develop ways to address the growing issue of water scarcity not just in Rajasthan, but also in Andhra Pradesh and Maharashtra, by facilitating innovative techniques to manage and store rain water through water harvesting and other facilities.
- More than 300 Women's Self-Help Groups (SHGs) have been formed in all project geographies. SHG members keen to earn extra income for their family have undergone trainings on micro-enterprise activities such as vermi composting, dairy, poultry, sewing, kitchen gardens and how to sustain the group through micro-finance and market linkages.
- Buyer-seller meets organized for maize farmers including a Memorandum of Understanding (MoU) between a bulk buyer and 40 groups in Rajasthan.



Monsanto's Beachell Borlaug International Scholars Program

Globally 12 scholarships were awarded this year - 6 were from India.



Chetan Patokar
MSc, GB Pant University,
Pantnagar



Nitika Sandhu
MSc and PhD, CCS Haryana
Agricultural University



Prakash Gangashetty
MSc and PhD, University
of Agricultural Sciences,
Dharwad



Dharminder Bhatia
MSc and PhD, Punjab
Agricultural University



H. B. Mahesh
MSc and PhD, University of
Agricultural Sciences,
GKVK Bangalore



Anuj Kumar
MSc, SVP University of
Agriculture, Meerut
PhD, University of Arkansas

Monsanto's Beachell Borlaug International Scholars Program: *helping students dream*

Recognizing the importance of rice and wheat in global food security, Monsanto Company pledged \$10 million to improve yields in these crops as part of its commitment to sustainable yield. Monsanto's Beachell-Borlaug International Scholars Program is the result of that pledge, established in 2009 in honor of two of the world's most pre-eminent rice and wheat breeders: Dr. Henry Beachell and Dr. Norman Borlaug. The primary objective of this prestigious fellowship program is to develop highly educated rice and wheat plant breeders who can serve as future agricultural leaders. As part of round three, globally 12 scholarships were awarded this year - 6 of which were from India.

Our partnerships in sustainable development



Strengthening nutritional support for Government's Mid-day Meal program with Akshaya Patra Foundation: *nurturing children - the most potent dreamers*

Akshaya Patra Foundation, implementing one of the world's largest school-meal programs, partnered with Monsanto Fund to strengthen nutritional support for the government's Mid-day Meal program in Jaipur, Rajasthan. This partnership enabled establishing farming infrastructure to provide nutritional vegetables for the Mid-Day Meal program covering more than

150,000 students in 1,400 government schools in and around Jaipur. As part of this pilot initiative, vegetable infrastructure spread across 9 acres of fertile land near Govindgarh in Jaipur was set up to enable cultivation of over 30,000 kgs of carrot, beetroot, brinjal, okra, among others. With the intention of providing nutritious vegetables even during off-seasons, solar dehydrating plants were installed which facilitate storage of vegetables. Green houses have been set up to allow cultivation of vegetables that need special agronomic conditions. In its first year, the project established a saving of Rs. 3 lac on vegetable bills, trained 100 farmers on various farming techniques and enabled practical exposure and education on nutrition to 1,755 students.



Alternative economic development project with SEED: *SHGs and credit access helps give wings to dreams*

Monsanto Fund's partnership with the Society for Educational Welfare and Economic Development (SEED) to improve the earnings of 100,000 small-holder farmers and women through better access to micro-credit and in farm and non-farm income generation in Chhattisgarh is one amongst our important commitments to improve farmer livelihoods.

The program implemented across 1,000 villages in 12 Blocks of Rajnandgaon and Dantewara districts of Chhattisgarh, worked on empowering underprivileged



communities, thereby allowing them to augment their household income and also participate in the nation's development process. The project commenced with awareness creation and dissemination of information to the tribal communities through various education and communication activities on income generation, followed up by formation of 9,000 SHGs/farmer groups for collective economic development. The members of these SHGs were equipped with entrepreneurship skills and financial knowledge by organizing cluster level training programs.

Based on the ground conditions and community inputs, the many trades identified for these groups for setting up micro-enterprises and are encouraged to engage in - farmin g, horticulture, dairy, poultry, piggery, goatery, tailoring and stitching, forest produce processing and basket weaving. Facilitation of credit linkages are expected to continue beyond the purview of the project.



Flood relief and rehabilitation with ADS: *restoring dreams*

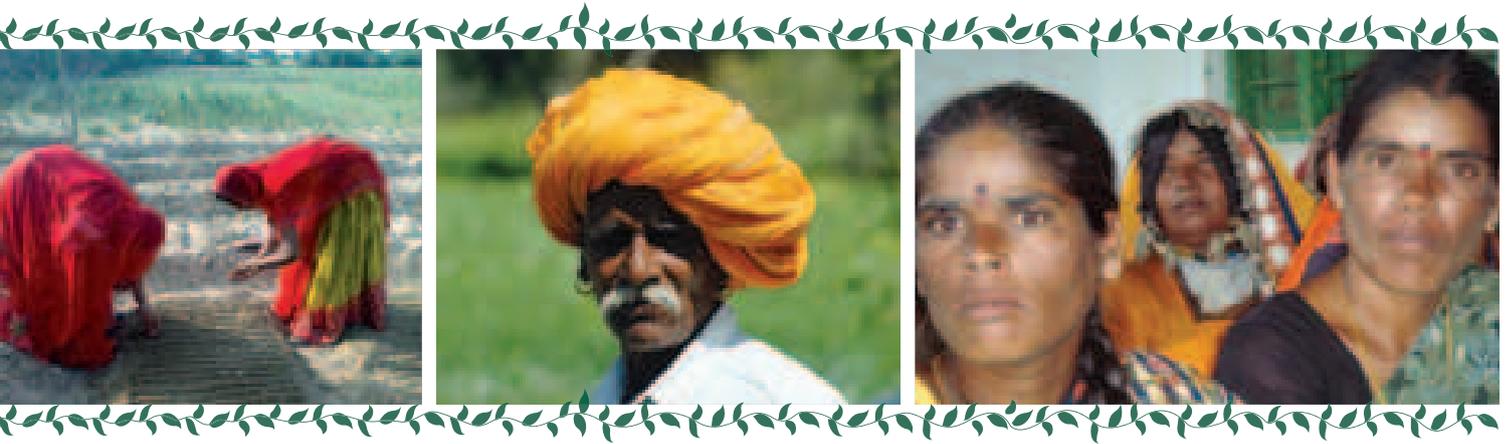
In 2009, Karnataka and Andhra Pradesh were severely affected by floods in South India - the worst damage that can happen to soil quality and thereby agriculture. Continuing with the Company's relief efforts, Monsanto Fund entered into a partnership with the NGO Access Development Services (ADS) to work on an extended rehabilitation project in the two

largely agrarian and highly fertile states. Working in 20 villages of Mahabubnagar and Raichur districts in Andhra Pradesh and Karnataka respectively, the three-year project aims to rehabilitate some of the worst affected farmers by repairing their losses in terms of sand casting and soil fertility restoration, forming Farmer Producer Groups to conduct agricultural training and federating them into Producer Business Groups (PBGs). As established by ADS in other parts of the country, the PBGs will be trained and strengthened to become distributors for seeds and fertilizers, taking the co-operatives model a step further.

bharti

Equipping teachers to provide quality education to rural children with Bharti Foundation: *the enabler of nascent dreams*

Bharti Foundation's flagship initiative, Satya Bharti School Program, reaches out to over 30,000 children, with particular focus on the girl child, from socially and economically disadvantaged backgrounds by offering them access to free quality education through its 236 village primary schools and one senior secondary school. Through the partnership with Monsanto Fund, teacher training programs were conducted for a period of one year for 72 Satya Bharti Primary Schools across the states of Punjab, Haryana and Rajasthan, covering more than 400 teachers and 15,000 children.



Fellowship programs to enhance rural livelihoods through agriculture with CTI: *supporting dreams*

Compatible Technologies International (CTI) initiated a Fellowship program to support students pursuing M. Tech. studies in Technology and Development at CTARA (Center for Technology Alternatives for Rural Areas) IIT Bombay. Monsanto Fund, with the common vision of improving the lives of rural households around the world, supported two CTI Program fellowships at CTARA. Graduates from this program are expected to lead development of rural India through professional engagement in Government, Non-Profit and Corporate CSR sectors. Some of them may also turn social entrepreneurs.



United Way Mumbai

Improving sustainable agriculture, nutrition and health with United Way of Mumbai: *making dreams inclusive*

United Way of Mumbai, in collaboration with NGOs, Action for Food Production (AFPRO) and Forum for Rural Development (FORD), partnered with Monsanto Fund, to improve lives of small and marginal farmers in 14 arid zone villages in Andhra Pradesh through strengthening agriculture practices and governance activities. The project focuses on capacity enhancement in identified Gram Panchayats to better access and leverage government schemes to improve agricultural production and

livelihood of small and marginal farmers in the project areas. The project has positively impacted more than 1,330 families and 5,700 beneficiaries.

United Way of Mumbai and Monsanto Fund also successfully completed a three-year project aimed at ensuring food security for 5,000+ underprivileged households in Andhra Pradesh, Gujarat and Maharashtra initiated in 2008. The concept of kitchen gardens has been well accepted among women. They are now growing various vegetables and fruits in their backyard and fields and are more confident on self development with food and nutrition security. They also practice better hygiene and sanitation habits. Adolescent girls are now aware on menstrual hygiene and women have been educated about proper health care during pregnancy and reproductive child care.



Literacy enhancement project with Sikshana Foundation: *building blocks of dreams*

Sikshana Foundation, committed to improving the educational standards in the public education system partnered with Monsanto Fund on a Literacy Enhancement project in Karnataka. The Project focuses on improving academic standards - ability to read and write, basic computation and expression as per the minimum learning levels defined by the Department of Education, thereby improving learning levels of students in rural primary government schools in the state.



Jyotsna Bhatnagar leads CSR and Sustainability

"Sustainable agriculture is key to building a firm foundation for sustainable development. As a sector that feeds, clothes and fuels the world's 6 billion plus population and as a Company that understands this criticality, sustainable development is what we are all about. We believe we are able to enable farming communities be sustainable. It is this belief that drives our business purpose and social investment towards a common convergence of empowering farmers to innovate, farm wisely and earn better returns. The seed-cum-fertilizer drill developed under Project SHARE, which received recognition at the Monsanto Sustainable Yield Pledge Awards, is one of the several testimonies to this belief."

Fulfilling dreams

Making education count



In an economy still largely agriculture driven, education has come to play a new part in the rural public school. Not just of imparting knowledge that its urban counterpart will do, but also contextualizing it for its audience.

Bengaluru-based Sikshana Foundation's holistic model of education makes an attempt to ensure that every child acquires basic skills for him or her to make informed choices about the path forward.

India has made progress in terms of increasing primary education, attendance rate and expanding literacy to approximately two-thirds of the population. India's improved education system is often cited as one of the main contributors to the economic rise of India.

However, India continues to face stiff challenges. Despite growing investment in education, 25% of our population is still illiterate. Our country is striving towards achieving the 100% literacy mark. The Government provides infrastructure and people resources, but due to the mass it must cover, reaching the goal is an uphill task. This is where private institutions and Public Private Partnerships can play an important role. Sikshana Foundation brings management practices and principles into the education system followed by public schools in rural areas.

Sikshana Foundation was established in 2003 with its mission of nurturing, empowering and improving government schools. They train teachers, mentor children and spread awareness about qualitative education among parents, all aimed at improving academic standards.

Today, Sikshana Foundation covers 600 schools and 75,000 children across Karnataka, Andhra Pradesh and Gujar at.

Operating with an annual budget of over 2.5 crores, they have partnered with state governments and donors (both individuals and organizations) to improve and enhance the process of learning. The association with Monsanto Fund began in 2010, with a Literacy Enhancement project in Karnataka which aimed at improving learning levels of more than 3,400 students in 30 rural primary government schools in the state.

Monsanto Fund understands that a rigorous and process driven model like Sikshana Foundation, works on motivation. That about 80-85% schools under Sikshana Foundation's scope have shown visible results, despite many unpredictable variables, is a feat.

Prasanna, CEO Sikshana Foundation shares, *"Education is no more about measurement; it is about feeling. It is no more about a casual approach, but a more transparent and accountable one."*



The beginning was a dream

“We wanted to make it a more workable model of making education accessible in the real sense,” says Prasanna. He dreams of a day where literacy is a given and children have access to education with the basic fundamentals of learning.

I once met a kid by the roadside who was selling skull caps. I asked him, *“Why are you not in school?”* Pat came his reply, *“Of course I go to school...to a private school.” “How come? Aren’t they more expensive?”* I asked.

“My parents want me to have the best education,” was his answer.

I wondered if he is indeed getting the quality of education that his parents think they are paying their hard earned money for? This made me think of an institutional approach to improving the quality of learning in government schools.

The establishment of Sikshana Foundation can perhaps be traced back to this conversation.



Capacity creation is an imperative

India's population is growing by ~15 million people per year. We are not producing enough grain to feed this growing population. Today we produce about 234 million MT of grain. By 2021, we will need about 30 and by 2050 - 450 million MT. Professionals trained in agriculture can play a big role in making this possible.

Dr. Manjit S. Kang, who has spent more than three decades in the field of agriculture education says, *"We need to encourage students from rural backgrounds to pursue their education in agriculture, as a way to reduce the pressure on urban employment, make farming more attractive and ensure that many more rural youngsters take up agriculture as a career."*

It is encouraging that recent data being collected by Indian Council for Agricultural Research (ICAR) have revealed that people, particularly youngsters, are of late returning to agriculture.

Agriculture employs the maximum number of people in India. However, many of them are untrained and often are following the staid custom or convention. Agronomic practices and agricultural techniques are key to ensuring consistent and sustainable yields. And for that to happen, a steady stream of students interested in taking up agriculture, needs to be ensured. Dr Kang adds, *"From an admissions point of view too, I feel there is a need to re-evaluate the current mechanism, which is weighing in favour of urban students. There should be an integrated course for agriculture which students can take*

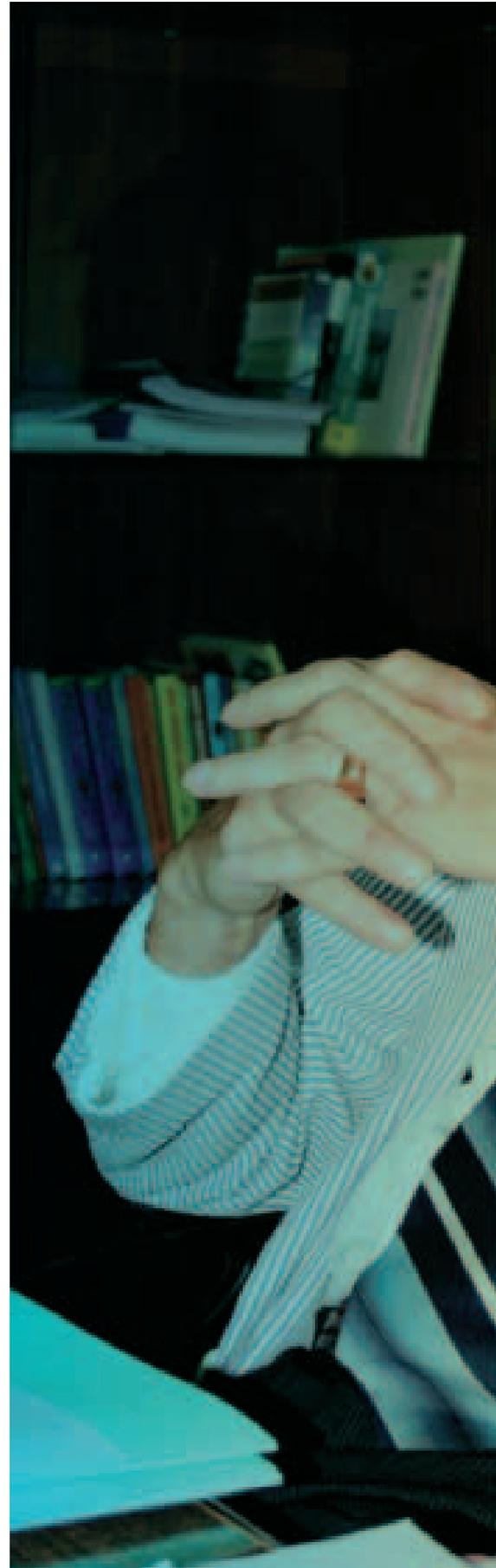
up immediately after their plus two, leading up to a PhD."

Indian agricultural universities have immensely talented students. We need to ensure that these students are exposed to global agricultural practices and studies, so that there is an adoption of best-practices. In addition, teachers should also be exposed to an international agricultural eco-system, so that they can bring back their learnings and benefit India.

Companies like Monsanto, have a significant role to play in this endeavor. Some steps have already been taken in this direction, with the recruitment that Monsanto is doing from agri-university campuses.

Industry needs to institute scholarships and fellowship programs to engage more closely and effectively with universities to provide on-ground training and ensure exposure to agricultural research. Agriculture and agri-based industries such as food processing need to be made more attractive, which will further fuel a steady flow of talent into the industry.

It is important to also invest in teacher training. I strongly believe that teachers should also be provided internships with industries and research assignments in other countries.





"Agricultural universities have as important a role to play in ensuring global food security as farmers themselves."

Dr. Manjit S. Kang, Former Vice Chancellor, Punjab Agricultural University

"I dream of a time when our universities will begin to look outward and there will be a more global exchange of people, ideas and practices in agriculture. To me, this is possible, if we think about the poor farmer's son, who instead of dreaming to be an executive in the cities, wants to be a farmer and improve his family's condition. Not because it's a duty but because it's a perfectly respectable career."



Dr. Kang with Monsanto team

Our people are *dream* catalysts

Human Resources



Dreams are the strength to imagine a world beyond the present. They are seeds of change against the roadblocks of yesterday. Our people are conscious about what they have set out to do. They are, therefore, the bearers of many a farmer's dream.

From graduate trainees to the leadership team, scientists to our sales force, we are a company driven by people and their collective vision. As an organization, we are committed to catalyzing the realization of our people's dreams by providing an inclusive, exciting, caring, empathetic and rewarding work environment.

Our talent DNA is a unique mix of immense pride of contributing to society and to farmers; understanding ground realities as well as policy level changes; ability to connect with rural sensibilities while being able to translate the best-in-class innovations for the benefit of agriculture. Attracting the right talent for our industry and organization is a key focus area for us. Our uniqueness lies in the intensity and thoroughness with which we source talent. We are transparent, open and consistent in our communication which helps build our employer brand powerfully and we actively seek talent from various industries to garner diverse thought processes and skills. Our online career support tool called Talent Acquisition Solution (TAS) is a convenient, paperless and transparent recruitment process and is significantly speeding up the process at lower costs. We also rely heavily on employee references. After all, they are our single largest group of brand ambassadors.

We are equally focused on enhancing skill sets and capabilities and are constantly evolving - realigning ideas, customizing skill sets to help our colleagues serve

millions of farmers in the ever demanding agriculture environment. This requires strong leadership in addition to passion and commitment and hence has led us to focus on some key priorities.

Enhancing capabilities

Training programs are instrumental in motivating ambitious team members, as well as rewarding and motivating achievers. MIL's training initiatives focus on the latest know-how and organizational understanding. Our people, in turn, perform better, achieve better and thereby, fulfill the dreams of all our stakeholders.

Strategic Workforce Planning: Building a talent pool

Strategic Workforce Planning is a long-range human resource plan. It is the analytical, forecasting and planning process that connects and directs talent management activities to ensure that our organization has the right people, in the right places at the right time to execute our business strategy. It has allowed us to put greater thought into strategic and proactive initiatives.

Some key training initiatives this year

- Improve Analytical Skills - In collaboration with Indian Institute of Management, Ahmedabad (IIM-A)
- Value Selling in the marketplace
- Winning in Markets - The Monsanto Way
- High Impact Communication and Presentation Skills
- Leadership Development Program - designed to build perspective and better decision making



* Courtesy: People Matters Magazine

Creating a Great Place To Work is enshrined in our 'Monsanto Pledge' - our value statement

With elements of Dialogue, Transparency, Sharing, Benefits, Respect, Act as Owners to Achieve Results - our pledge is a declaration that compels us to listen more, to consider our actions and their impact broadly and to lead responsibly. Our Company reflects the cultures, ideas and interests of all the customers we serve and communities we touch, while integrating those important perspectives into every area of our business. We continue to remain focused on individual capability enhancement, skill development, rewards and recognition and personal and career growth. We are aware that it is our people who help realize a million farmer dreams. It is their enthusiasm, passion and commitment, combined with guidance from a talented leadership team and people-focused policies which makes us a Great Place To Work.

Building partnerships in agriculture

As a company committed to sustainable agriculture, working with the sector that impacts more than half of the people in our country, we are also aware of our responsibility to ensure the attractiveness of agriculture as a career. We have initiated partnerships with Agriculture Universities in order to tap into the talent pool and ensure that students get access to challenging opportunities to supplement their academic education. This not only accelerates rural employment, but also aids capacity building for India's agriculture sector - where a shortfall of trained resources has been noticed.



Atul Sharma leads Human Resources

"MIL allows for a flexible and result-oriented approach. Our culture is entrepreneurial and team-oriented, encouraging colleagues to take greater responsibility for their careers, to grow both personally and professionally. The people strategy is core to our business strategy. We are trying to create a pool of talent for us and the industry, in various ways - direct recruitment from universities, cross-functional hires and lateral movements within the organization for people to get a holistic experience. To me, this represents a major factor in the fulfillment of farmer and stakeholder dreams because ultimately, it is our people who will deliver on these. Capacity building and consistent training and upgradation of skills is another area where we focus and the consistent recognition as preferred employers validates the relevance of our practices."



I wanted to become a doctor. But destiny had other plans. It got me fascinated with agriculture and brought me from my native town Bhubaneswar in Odisha to Gujarat. Having now spent more than three years with MIL, my foundation and learning ground in agriculture, I haven't looked back. All my dreams are now centered around agriculture, including the ambition to be an entrepreneur some day.

In the time that I have been working here, I have seen a revolution take place. Yield levels have increased. A solid step towards food security has been taken. Tribal farmers who were once struggling to eat two square meals a day, today are self-sufficient or may even have a surplus. Quality of life has improved. My organization has contributed immensely to making this possible and as someone who is part of it, I consider it a personal achievement too.

Today, my biggest satisfaction is being able to witness this transformation. As I travel around the districts, meeting farmers,

on-ground teams, NGOs and others in the course of my work, I realize that people recognize and respect MIL as a brand. I am also considered a part of many families and people open their lives up to me. That is a very satisfying and humbling experience. I am thankful to MIL for giving me this opportunity.

The commitment of my company towards sustainable agriculture of producing more with less and improving lives across all business areas keeps me motivated. The kind of security and support that our organization provides is also exemplary. For instance, the Vehicle Safety program is extremely important for people like us on the field, traveling long distances amidst difficult terrains. Also, being a woman, the Company leadership has always advised me to stay at decent and safe hotels, even it means spending a day extra travelling.

MIL has given me the opportunity to work across a variety of functions and geographies. This has fuelled my entrepreneurial dream - and if ever I become one, it will be in agriculture.

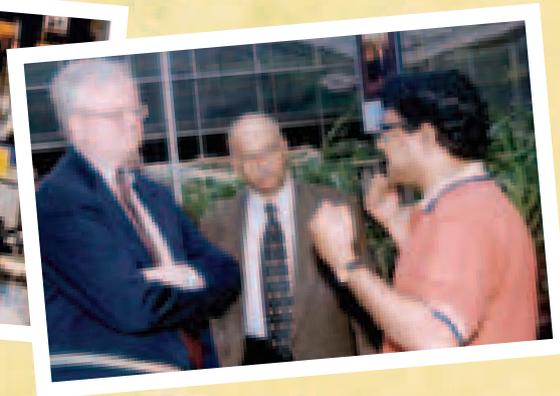
Anita Binaker

manages Project Sunshine, Gujarat along with other colleagues

Encouraging 'women power' in the field

We have been successful in attracting, developing and retaining women colleagues across wide-ranging roles involving scientific skills and business acumen on the one hand and rural sales and marketing skills on the other. We take pride in the fact that our women workforce recognizes us as an organization which 'embodies equality and lack of discrimination and discourages gender bias'. An equal-opportunity company, the egalitarian mix in our workforce represents our myriad capabilities. We create an enabling environment for our colleagues to perform their best amidst the challenges rural India offers.

- Mapping skill sets and cultural attributes with the roles, sans gender biases
- Merit-based career progression; in doing so, presenting challenging and fulfilling work opportunities
- Apart from the regular mentorship program, our colleagues actively seek advice and derive inspiration from senior women in leadership
- Encouragement to preserve their sense of independence and security in every sphere of work, including using well-equipped self-driven vehicles even in the rural landscape



Till a certain spring night in a boys' hostel and in my crisp twenties, I was a sworn biology hater. That night, I read the whole textbook on immunology by I.M. Roitt and a conversion was triggered. I was drawn into the exciting world of biology and my poetic imagination was inseparably fused with the fascinating world of genes and genomics. As I went deeper, biology opened itself, I was amazed to know how DNAs within living beings are activating and deactivating with almost orchestrated, musical regulation, to make someone smile or be sad, or indeed make a flower blossom or fall.

Dreams were redrawn. Now, I saw myself as someone who could also bring about change. I wanted to explore using the possibilities that genomics offered for human good. By focusing on important challenges facing the global community. Of hunger. Of malnutrition and of inequitable food distribution. Could the innovations in plant science, its game changing technology help bring advancements in agriculture biotechnology, put food on the plates of millions who were going to bed hungry every night?

More food. Better food. This was a global priority (and continues to be). And this is the desire and dream that drove me.

Dreams often need a supporter, a facilitator. My organization extended its hands to my dreams and played the role of a mentor in nurturing it. Years ago, I was inspired by their technological breakthroughs that fuelled the world of transgenics. The era of true revolution in plant science had started.

I am happy that my dreams are dovetailed with those of my company. The opportunity to work on solutions that can answer the most potent of world challenges is exciting. And the realization that we are now using that inspiration of a certain spring night in a boys' hostel to help crops be insect and disease free, drought resistant and increasingly nutritious is what binds me to this place. We are helping produce more by using less and improving farmer's life. And to me, that is the continuous fulfillment of a dream cherished for long.

Dr. Santanu Dasgupta

leads Scientific Affairs



Board of Directors



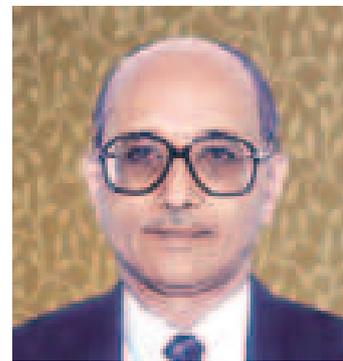
Sekhar Natarajan
Chairman

Over the last three decades, Mr. Natarajan has led Monsanto India as an organization that today is a growth leader in Indian agriculture. He is a strategic thinker with rich global experience in Business Development and Mergers and Acquisitions (M&A). After his 30-year stint, Mr. Natarajan has opted for an early retirement from Monsanto India. He is now Managing Partner at 'S N Consultants', a firm he founded to provide strategic advisory services and M&A help in the field of Agriculture.



R. C. Khanna
Director

Mr. Khanna holds B. Com. (Lond.), FCA (Eng. & Wales), ACMA, FCA and AICWA qualifications. Mr. Khanna retired as the Senior Partner of M/s. A.F. Ferguson & Co., Chartered Accountants, in 1989. He joined the Board of MIL in 1975.



H. C. Asher
Director

Mr. Asher holds M. A. and LL .B. degrees from Mumbai University. He is a Senior Partner of M/ s. Crawford Bayley & Co., a leading firm of Advocates and Solicitors in Mumbai and is a well recognized expert in corporate and commercial laws. Mr. Asher is also a director on the Boards of many other reputed companies. He joined the Board of MIL in 1973.



Pradeep Poddar
Director

Mr. Poddar is a Chemical Engineer from UDCT, Mumbai and an MBA from IIM, Ahmedabad. He has vast experience in the consumer goods industry, having served as part of top-management at Glaxo, Heinz and Tatas. The Wisitex Foundation and Karnataka Government conferred on him the Udyog Ratna Award in the year 2001 for his distinguished contribution to the food industry. He is presently the Managing Director of Mount Everest Mineral Water Limited - a Tata Enterprise and he is leading the Tatas foray into water and functional beverages globally. He represents the Tata interest on the Boards of Nourishco - the Joint Venture Company with Pepsico and the Rising Beverage Company (Activate Beverages) in USA. He is also a trustee on the Board of United Way, Mumbai. He joined the MIL Board in January 2006.



Amitabh Jaipuria
Managing Director

Mr. Jaipuria is a science graduate and has a PGDBM qualification in Business Management (Marketing & Finance) from XLRI, Jamshedpur. He has vast business experience of 22 years, in the fields of Revenue management, Marketing, Manufacturing and Strategic Management, spanning diverse industries and businesses, such as FMCG, Services, Consumer durables and Agriculture. His last assignment was with Pepsico India Holdings Pvt. Ltd., Mumbai as Executive Director West Market unit. He was appointed as the Managing Director of MIL in 2007.



Ravinder K. Reddy
Director

Mr. Reddy is - a post-graduate in Agricultural Sciences from the ANGRAU University, Andhra Pradesh. He has been with the Monsanto Group for 19+ years and presently holds the position of Group Manufacturing Lead - India. In this role, he is responsible for the entire field production, operations and capital projects. He joined the MIL Board in 2009.

NOTICE

Notice is hereby given that the 61st Annual General Meeting of Monsanto India Limited will be held on Monday, 26th September, 2011 at 11:00 a.m. at Y. B. Chavan Auditorium, Gen. Jaganath Bhosale Marg, Nariman Point, Near Sachivalay Gymkhana, Mumbai - 400 021, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2011 and the Profit and Loss Account for the year ended on that date, together with the reports of the Directors and Auditors thereon.
2. To declare a dividend.
3. To appoint a Director in place of Mr. H. C. Asher, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Sekhar Natarajan, who retires by rotation and, being eligible, offers himself for re-appointment.
5. To re-appoint M/s. Deloitte Haskins & Sells, Chartered Accountants, Mumbai, as auditors to hold office from the conclusion of this meeting until conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

6. To consider and if thought fit to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED that in accordance with the provisions of Sections 198, 269, 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (“the Act”), the Company hereby approves re-appointment of Mr. Amitabh Jaipuria as the Managing Director of the Company for a period of three years with effect from 1st November, 2010, upon the terms and conditions including remuneration, as are set out in the Agreement dated 18th November, 2010 and revised by Supplementary Agreement dated 15th February, 2011 thereto (collectively, referred to as “the Agreement”) executed between the Company and Mr. Amitabh Jaipuria, copies of which are placed before this meeting, which Agreement be and is hereby specifically approved with liberty to the Board of Directors to alter and vary the terms and conditions of the said Agreement, for unexpired period, in such manner as may be agreed between the Board of Directors and Mr. Amitabh Jaipuria and in accordance with the applicable provisions of the Act and any amendment thereto or re-enactment thereof.

RESOLVED further that, subject to the approval of Central Government, if necessary, in the event of any absence or inadequacy of profit in any financial year, the aforesaid remuneration shall be paid as minimum remuneration subject to the ceiling specified in Part II of Schedule XIII of the Act and any amendment thereto or re-enactment thereof.

RESOLVED further that for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion deem desirable, necessary, expedient, usual or proper to implement this resolution.”

7. To consider and, if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:

“RESOLVED THAT

- (a) pursuant to the provisions of Sections 16, 94 and other applicable provisions, if any, of the Companies Act, 1956, the authorized share capital of the Company be and is hereby increased from Rs. 10,00,00,000/- (Rupees Ten Crores only) divided into 1,00,00,000 (One Crore) equity shares of Rs. 10/- each to Rs. 20,00,00,000/- (Rupees Twenty Crores only) divided into 2,00,00,000 (Two Crores) equity shares of Rs. 10/- each and that the new shares shall rank pari passu with the existing equity shares of the Company;
- (b) in Clause 5 of the Company's Memorandum of Association, the words ‘The Authorized Share Capital of the Company is Rs. 10,00,00,000/- (Rupees Ten Crores only) divided into 1,00,00,000 (One Crore) Equity Shares of Rs. 10/- (Rupees Ten) each.’ be and are hereby substituted with the words ‘The Authorized Share Capital of the Company is Rs. 20,00,00,000/- (Rupees Twenty Crores only) divided into 2,00,00,000 (Two Crores) Equity Shares of Rs. 10/- (Rupees Ten) each.’

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things and execute all such deeds, documents, instruments and writings as it may in its sole and absolute discretion deem necessary or expedient and to settle any question, difficulty or doubt that may arise in regard thereto.

8. To consider and, if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:
“RESOLVED THAT pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be and are hereby amended by deletion of the existing Article 4 and by substitution therefor the following:
- ‘4. The Authorized Share Capital of the Company is Rs. 20,00,00,000/- (Rupees Twenty Crores only) divided into 2,00,00,000 (Two Crores) Equity Shares of Rs. 10/- (Rupees Ten) each.’
9. To consider and, if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:
“RESOLVED THAT
- (a) pursuant to the applicable provisions of the Companies Act, 1956, the provisions contained in the Articles of Association of the Company and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and such other necessary approvals, permissions and sanctions, as may be required, and subject to such terms and conditions and modifications, if any, as may be specified while according such approvals, the consent of the members be and is hereby accorded to the Board of Directors of the Company (‘the Board’, which term shall be deemed to include any Committee thereof) for capitalization of a sum not exceeding Rs. 8,63,15,740/- (Rupees Eight Crores Sixty Three Lacs Fifteen Thousand Seven Hundred Forty only) from the Share Premium Account to the extent received in cash only and balance from the General Reserve and the said amount be transferred to the Share Capital Account and be applied for issue and allotment of 8,631,574 equity shares of Rs. 10/- (Rupees Ten) each to and amongst the members of the Company whose names appear on its Register of Members on such date(s) determined by the Board and hereinafter called the “Record Date” in proportion to the equity shares held by them respectively in the Company as on the Record Date and to apply the said sum in paying up in full, the unissued equity shares of the Company of Rs. 10/- each at par, such shares (hereinafter referred to as the ‘Bonus Shares’) be allotted, distributed/credited as fully paid up to and amongst such members in proportion of ONE such Bonus Share for every existing ONE equity share held by them respectively as on the Record Date and that the Bonus Shares so distributed, for all purpose, be treated as an increase in the nominal amount in the capital of the Company held by such member, and not as income;
- (b) the Bonus Shares so allotted shall be subject to the terms and conditions contained in the Memorandum and Articles of Association of the Company;
- (c) the Bonus Shares, as and when issued, rank pari passu in all respects, including the full dividend for the financial year in which the Bonus Shares are allotted, with the existing equity shares of the Company;
- (d) no allotment letters shall be issued to the allottees of the Bonus Shares and that the certificate(s) in respect of Bonus Shares shall thereafter be dispatched to the allottees within the prescribed period except in respect of those allottees, who hold equity shares in the Company in dematerialised form or opt for issue of Bonus Shares in dematerialised form, the Bonus Shares shall be credited to the respective beneficiary accounts of such allottees with their respective Depository Participants;
- (e) the allotment and issue of the Bonus Shares to any non-resident members shall be subject to the approval, if any, required from the Reserve Bank of India under the Foreign Exchange Management Act, 1999 for the time being force; and

- (f) for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things and execute all such documents, instruments and writings as may be required and as it may, in its sole and absolute discretion, deem necessary, expedient or incidental in regard to issue of Bonus Shares, including but without limitation to filing of any documents with Securities and Exchange Board of India, Stock Exchanges where shares of the Company are listed, Depositories and/or other concerned authorities, applying and seeking necessary listing approvals from the Stock Exchanges and to settle any question, difficulty or doubt that may arise in regard thereto."

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

ITEM NO. 6

- A. The Board of Directors, at their meeting held on 28th October, 2010, re-appointed Mr. Amitabh Jaipuria as Managing Director of the Company for a period of three years with effect from 1st November, 2010, subject to the approval of the shareholders in a general meeting.

The material terms and conditions of the appointment contained in the Agreement dated 18th November, 2010 made between the Company and Mr. Amitabh Jaipuria were as follows:

(i)	Basic Salary	: Rs. 30,10,437/- per annum
(ii)	Other Allowances	: Rs. 27,34,966/- per annum
(iii)	Incentive, Performance Bonus and Increment	: As determined by the Board of Directors/ Remuneration Committee from time to time and within the overall Company's Scheme.
(iv)	Accommodation/House Rent Allowance [HRA]	: A Company's leased accommodation [CLA] shall be provided. In case no CLA is provided, the HRA will be paid out.
(v)	Medical Benefits	: a) Mediclaim Policy as per Company's scheme. b) Reimbursement of medical expenses to the extent of Rs. 21,000/- per annum.
(vi)	Club Facility	: Fees for one club as may be decided by the Company from time to time. Fees not to include admission and life membership fees.
(vii)	Leave Travel Allowance	: Rs. 2,50,870/- per annum
(viii)	Insurance	: a) Group Personal Accident Policy: As per Company's Scheme. b) In addition, the cost of insurance cover against the risk of any financial liability or loss because of any error of judgment as the 'Managing Director' of the Company, as may be approved by the Board of Directors from time to time.
(ix)	Leave Entitlement	: As per Company's Scheme.
(x)	Contribution to the Provident Fund, Superannuation Fund or any other Fund	: As per Company's Scheme.
(xi)	Gratuity	: As per Company's Scheme.
(xii)	Automobile	: A fully maintained motor car for official use as per the rules of the Company.
(xiii)	Communication Facility	: Mobile phone and residence landline telephone facilities will be reimbursed.
(xiv)	Stock Options or Stock Appreciation Rights Plan (SAR) or Restricted Stock Units (RSU)	: Eligible to participate in the Stock Options/ Stock Appreciation Rights Plans etc. as in existence/ to be declared by the Monsanto Company, USA from time to time, including RSU granted, if any.
(xv)	The terms and conditions of the said appointment and/or agreement may be altered, enhanced or varied from time to time by the Board as it may, in its discretion, deem fit.	
(xvi)	The Agreement may be terminated by either party giving the other party six months' notice.	
(xvii)	The Managing Director shall not be entitled to receive any fees for attending meetings of the Board.	

If, in any financial year, the Company has no profits or its profits are inadequate, the Company will pay the remuneration set in the Agreement as minimum remuneration to the Managing Director, subject to such approvals as may be required under the applicable provisions of the Companies Act, 1956 and/or any other applicable laws. During the currency of this Agreement, the Managing Director shall not directly or indirectly engage himself in any other business, occupation or employment except as 'Advisor' to any group/affiliates or subsidiary companies of Monsanto Company, USA either in India or abroad on such remuneration and terms and condition as will be decided mutually between such companies and the Managing Director.

The Agreement is terminable by the Company for neglect of duty, dishonesty etc. or in case of insolvency, composition or arrangement. The Managing Director will maintain confidentiality of the information accessed by him during his tenure with the Company.

Abstract of the Agreement pursuant to the provisions of Section 302 of the Companies Act, 1956, has already been circulated to the members.

- B. The Board of Directors, at their meeting held on 28th January, 2011 has varied the terms of remuneration payable to Mr. Amitabh Jaipuria as the Managing Director. A supplementary agreement was executed on 15th February, 2011 ("Supplementary Agreement") to that effect. Under the said Supplementary Agreement, the Company shall pay an enhanced basic salary of Rs. 34,48,821/-, House Rent Allowances of Rs. 17,24,411/-, Other Allowances of Rs. 29,43,990/- and Leave Travel Allowance of Rs. 2,87,402/- per annum effective 1st January, 2011 with other terms and conditions remaining unchanged.

Post this increase in remuneration, an abstract of the Agreement pursuant to the provisions of Section 302 of the Companies Act, 1956, was also circulated to the members.

The Agreement is available for inspection by the members of the Company at its Registered Office at Ahura Centre, 5th Floor, 96, Mahakali Caves Road, Andheri (East), Mumbai 400 093 between 4.00 p.m. and 5.00 p.m. on any working day of the Company up to the date of Annual General Meeting.

Your Directors recommend the resolution for your approval.

Mr. Amitabh Jaipuria is interested in the said resolution. None of the other Directors of the Company is, in any way, concerned or interested in the said resolution.

ITEM NOS. 7 & 8

The present authorized share capital of the Company is Rs. 10,00,00,000/- (Rupees Ten Crores). The Company is proposing to issue bonus equity shares which would result in the paid up capital of the Company exceeding its authorized share capital. Therefore, in order to enable the Company to proceed with the issue of bonus equity shares, it is proposed to increase the authorized share capital of the Company. Such increase in the authorized share capital requires alteration of Clause 5 relating to the authorized share capital in the Memorandum of Association and Article 4 in the Articles of Association of the Company.

Accordingly, approval of the members of the Company is sought pursuant to the provisions of Sections 16, 94 and all other applicable provisions of the Companies Act, 1956 for increase in authorized share capital and consequent amendment in the existing Capital Clause 5 in the Memorandum of Association of the Company.

Further, approval of the members of the Company is also sought pursuant to the provisions of Section 31 and all other applicable provisions of the Companies Act, 1956 for consequent amendment of Article 4 relating to authorized share capital in the Articles of Association of the Company by way of passing of special resolution.

A copy of the Memorandum and Articles of Association of the Company together with the proposed alterations is available for inspection by the members of the Company at the Registered Office of the Company on all working days between 11.00 a.m. to 1.00 p.m. upto the date of the Meeting.

Your Directors thus recommend the resolutions at Item Nos. 7 and 8 of the accompanying Notice for your approval.

None of the Directors of the Company is, in any way, concerned or interested in the said resolutions.

ITEM NO. 9

With a view to bridge gap between capital and fixed assets, reward shareholders and increase liquidity in the shares of the Company, the Board of Directors ('the Board') at its meeting held on 13th August, 2011 have recommended an issue of Bonus Shares in the proportion of ONE equity shares for every ONE existing equity share held by the members in the Company on the Record Date determined by the Board of Directors i.e. 7th September, 2011, by capitalizing the Share Premium Account to the extent received in cash only and balance from the General Reserve. The proposal to issue bonus shares also covers 400 bonus shares to be kept in reserve for allotment in respect of applications for Rights Issue of shares made by the Company in the year 1995 pending allotment.

As per Article 175 of the Articles of Association of the Company, the members are required to approve the issue of Bonus Shares.

It is also necessary to authorize the Board of Directors of the Company to complete all the regulatory formalities in connection with the issue of Bonus Shares.

Your Directors thus recommend the resolution at Item No. 9 of the accompanying Notice for your approval.

Directors of the Company may be deemed to be concerned or interested in the resolution to the extent of their shareholdings in the Company or to the extent of the shareholdings of the companies/institutions/trusts of which they are directors or members or trustees.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. A PROXY, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. The Register of Members and Share Transfer books of the Company will be closed on 7th September, 2011.
3. The payment of dividend, upon declaration by the shareholders at the forthcoming Annual General Meeting, will be made on or after 26th September, 2011 as under:
 - a) To all those beneficial owners holding shares in electronic form as per the beneficial ownership data as may be available to the Company by National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") as at the end of the day on 6th September, 2011.
 - b) To all those members holding shares in physical form after giving effect to all the valid share transfers lodged with the Company before the closing hours on 6th September, 2011.
4. Shareholders are requested to intimate, indicating their folio number, the changes, if any, of their registered addresses to the Company or to Company's Registrar and Share Transfer Agents ("RTA") viz. Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (W), Mumbai - 400 078, in case shares are held in physical form or to their respective Depository Participant ("DP") in case the shares are in dematerialized form.

The particulars recorded with the DPs will be considered for making the payment of dividend either by issuing physical instruments or through Electronic Clearing System ("ECS"). The Shareholders are requested to take appropriate action in the matter, in their own interest, to avoid delay in receiving the payment of dividend.

Where dividend payments are made through ECS, intimations regarding such remittances would be sent separately to the shareholders.

5. Trading in the Company's shares through stock exchanges is permitted only in dematerialized/electronic form. The equity shares of the Company have been registered with both NSDL as well as CDSL to enable shareholders to hold and trade the securities in dematerialized/ electronic form. In view of the numerous advantages offered by the depository system, members holding shares in the Company in physical form are requested to avail of the facility of dematerialisation.
6. Shareholders desiring any information as regards to the accounts are requested to write to the Company Secretary at least 7 days prior to the Annual General Meeting, so as to enable the Company to keep the information ready.

7. In accordance with the provisions of Section 205A of the Companies Act, 1956, the Company has transferred unclaimed interim dividends for the year ended 31st March, 2004 to the “Investor Education & Protection Fund” (IEPF).
8. In terms of Sections 205A and 205C of the Companies Act, 1956, any dividend remaining unpaid for a period of seven years from the due date of payment is required to be transferred to the IEPF. Members who have not encashed their final dividend warrants for the year 2003-04 or thereafter, are requested to write to the Company or the RTA. It may be noted that once the unclaimed dividend is transferred to the IEPF as above, no claim shall lie with the Company in respect of such amount.

In case of non-receipt of the dividend warrants, the shareholders are requested to contact the Company's RTA/the Registrar of Companies as mentioned hereunder:

Dividend for the Financial Year	Contact	Action by Shareholder
Up to 1994-95	Office of the Registrar of Companies “EVEREST” 5 th Floor, 100, Marine Drive, Mumbai - 400 002.	Claim in Form No. II of the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978
1995-96 to 2003-04 (interim)	Non-recoverable since the unpaid amount has been transferred to Investor Education and Protection Fund.	-
2003-04 (final dividend) to 2010-11 (interim)	Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai - 400 078.	Request letter on plain paper.

Given below are the proposed dates for transfer of the unclaimed dividend to the IEPF by the Company:

Dividend for the Financial Year	Date of Declaration	% of Dividend	Due Date for Transfer to IEPF
2003-2004	10.09.2004	100	10.10.2011
2004-2005 ⁽¹⁾	23.10.2004	100	22.11.2011
2004-2005	08.09.2005	130	08.10.2012
2005-2006 ⁽¹⁾	14.11.2005	1200	14.12.2012
2005-2006	18.09.2006	100	18.10.2013
2006-2007 ⁽¹⁾	26.10.2006	100	25.11.2013
2006-2007 ⁽¹⁾	15.03.2007	100	14.04.2014
2006-2007	31.08.2007	25	30.09.2014
2007-2008 ⁽¹⁾	29.10.2007	120	28.11.2014
2007-2008 ⁽¹⁾	15.05.2008	1800	15.06.2015
2007-2008	22.09.2008	150	22.10.2015
2008-2009 ⁽¹⁾	24.10.2008	120	26.11.2015
2008-09	10.09.2009	120	10.10.2016
2009-10 ⁽¹⁾	16.10.2009	100	15.11.2016
2009-10	21.07.2010	75	20.08.2017
2010-11 ⁽¹⁾	28.10.2010	100	27.11.2017

⁽¹⁾ Interim Dividend

9. The shareholders holding shares in physical form can avail of the nomination facility by filing Form 2B (in duplicate) with the Company or its RTA which will be made available on request and, in case of shares held in demat form, the nomination has to be lodged with their DP. For convenience, nomination form is attached at the end of the Annual Report.
10. Pursuant to amended Clause 5A of the listing agreement which provides that shares held physically and remained unclaimed by shareholders due to insufficient/incorrect information or any other reason should be transferred in the demat mode to one folio in the name of 'Unclaimed Suspense Account' with one of the depository participants. The Company is in the process of taking steps in this regard.
11. The shareholders can obtain more information on Investor Protection on SEBI/ Stock Exchange sites, which are www.sebi.gov.in, www.bseindia.com and www.nseindia.com.
12. The particulars of Directors retiring by rotation and/or eligible for re-appointment are given in the Corporate Governance section of this Annual Report.
13. Members are requested to bring the Annual Report and the Attendance Slip to the Annual General Meeting.

By Order of the Board of Directors

SANDEEP KULKARNI

Chief Financial Officer,
Strategy Lead & Company Secretary

Mumbai: 13th August, 2011

FINANCIAL SUMMARY for 10 Years

(Rs. in Lacs)

	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02
I. INCOME, PROFIT & DIVIDEND										
Sales (Net)	35826	41014	38700	36523	30922	33084	37758	33330	29391	29606
Other Income	1221	1254	1514	6656 ⁽¹⁾	3139 ⁽¹⁾	1460	1247	995	578	308
Total Income	37047	42268	40214	43179	34061	34544	39005	34324	29969	29914
Profit Before Depreciation, Interest & Tax	6138	6953	10051	13817	8748	8380	9751	9196	6587	4275
Depreciation	1081	1148	1335	1270	809	782	794	843	653	618
Profit Before Interest & Tax (PBIT)	5057	5805	8716	12547	7939	7598	8957	8353	5934	3657
Interest	28	29	24	35	24	22	22	20	25	199
Profit Before Tax (PBT)	5029	5777	8693	12512	7915	7576	8935	8333	5909	3459
Tax	746	395	1339	2495	862	299	1257	1403	851	349
Profit After Tax (PAT)	4283	5382	7354	10017	7053	7276	7678	6930	5059	3110
Dividend	1726	1510	2071	17866	1942	11221	1985	1726	1079	690
Dividend - Rs. per share	20.00 ⁽²⁾	17.50 ⁽³⁾	24.00 ⁽⁴⁾	207.00 ⁽⁵⁾	22.50 ⁽⁶⁾	130.00 ⁽⁷⁾	23.00	20.00	12.50	8.00
II. SHARE CAPITAL & CAPITAL EMPLOYED										
Share Capital	863	863	863	863	863	863	863	863	863	863
Reserves and Surplus	36569	34295	30678	25748	36634	31839	37357	31934	26951	23110
Net Worth (Shareholders' Fund)	37432	35158	31541	26611	37497	32702	38220	32797	27814	23973
Loans (Secured and Unsecured)	-	-	-	-	-	-	200	200	200	237
Total Capital Employed	37432	35158	31541	26611	37497	32702	38420	32997	28014	24210
Represented by										
Fixed Assets (Net)	9270	11560	11362	11443	11263	7544	6451	6337	6721	6256
Investments	15136	8072	5797	25514	18216	5016	20165	-	-	-
Net Current & Other Assets	13025	15526	14382	(10346)	8019	20142	11804	26660	21293	17954
Total Assets	37432	35158	31541	26611	37497	32702	38420	32997	28014	24210
III. RETURN										
On Sales(PBT) %	14	14	22	34	26	23	24	25	20	12
On Capital Employed(PBIT) %	14	17	28	47	21	23	23	25	21	15
On Shareholders' Funds(PAT) %	11	15	23	38	19	22	20	21	18	13
Per Share (PAT) Rs.	50	62	85	116	82	84	89	80	59	36

(1) Includes divestiture income

(2) Interim dividend of Rs. 10 and Final dividend of Rs. 10

(3) Interim dividend of Rs. 10 and Final dividend of Rs. 7.50

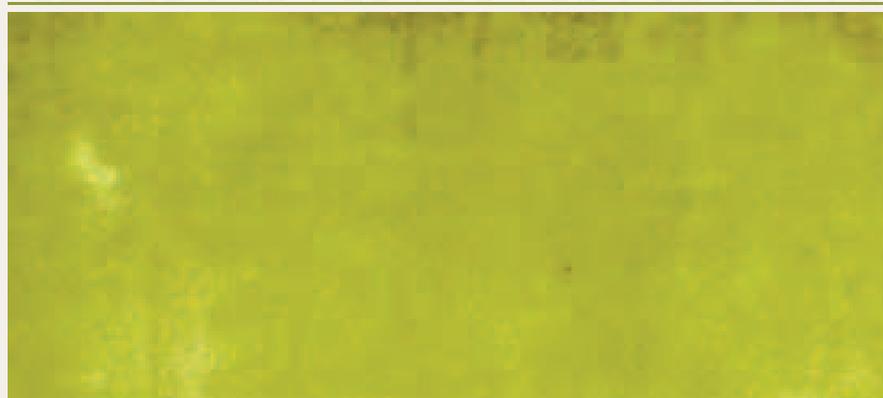
(4) Interim dividend of Rs. 12 and Final dividend of Rs. 12

(5) 1st Interim dividend of Rs. 12, 2nd Interim dividend of Rs. 180 as a 'special dividend' and Final dividend of Rs. 15

(6) 1st and 2nd Interim dividend of Rs. 10 and Final dividend of Rs. 2.50

(7) Interim dividend of Rs. 120 including 'special dividend' of Rs. 110 and Final dividend of Rs. 10

Directors' Report



To the Shareholders,

Your Directors have pleasure in presenting their 61st Annual Report together with the audited accounts for the year ended 31st March, 2011.

FINANCIAL HIGHLIGHTS

(Rs. in Lacs)

	Year ended 31 st March, 2011	Year ended 31 st March, 2010
Net Sales	35826	41023
Profit Before Taxes	5029	5777
Taxation	746	(395)
Balance of Profit	4283	5382
Add: Balance brought forward from previous year	9519	6440
AMOUNT AVAILABLE FOR APPROPRIATION	13802	11822
APPROPRIATED AS UNDER:		
a. Interim Dividend	863	863
b. Tax on Interim Dividend	143	147
c. Proposed Final Dividend	863	647
d. Tax on proposed Final Dividend	140	108
e. Transfer to General Reserve	428	538
Balance in Profit & Loss Account	11364	9519
	13802	11822

During the financial year under review, the net sales of the Company were Rs. 358.3 Crores as against Rs. 410.2 Crores in the financial year 2009-10. Net sales for the financial year 2009-10 included sales of Rs. 64.1 Crores for Butachlor and Alachlor business sold by the Company in the year 2007-08, the sales of which have been marginal during the financial year 2010-11. These sales were made as a part of the manufacturing support agreed with the buyers of the said business at the time of sale. Net sales for the financial year under review, excluding the impact of such sales of Butachlor and Alachlor as aforesaid, have grown marginally by over 3% as compared to the previous year.

Profit before tax decreased by 13% to Rs. 50.3 Crores in the financial year 2010-11 from Rs. 57.8 Crores in the financial year 2009-10. The main reason for the reduction in the profit has been on account of diminution in the value of assets of the Company's facility at Eluru, Andhra Pradesh as part of a plan to consolidate manufacturing operations in Hyderabad, Andhra

“ The main reason for the reduction in the profit has been on account of diminution in the value of assets of the Company’s facility at Eluru, Andhra Pradesh as part of a plan to consolidate manufacturing operations in Hyderabad, Andhra Pradesh in order to enhance operational savings. ”

Pradesh. In order to enhance operational savings, the Company decided to shift the seed processing and drying operations at Bellary, Karnataka and Eluru to Hyderabad. The relevant assets at Eluru and Bellary have been shown under ‘Assets held for sale’ in the Company’s balance sheet. The said assets are valued at the lower of net book value and net realizable value in accordance with Accounting Standard 10 - Accounting for Fixed Assets. Therefore, in case of assets at Eluru, the net realizable value has been lower by Rs. 1217 Crores based on a letter of intent issued by the Company to a prospective buyer and the loss has been recognized in the Profit and Loss Account. In respect of fixed assets at Bellary, the management expects to obtain net realizable value higher than the net book value of the assets. Therefore, the fixed assets at Bellary are carried at net book value. Without this Rs. 12.17 Crores charge, the PBT would have been 8% higher than the previous year.

Profit after tax decreased by 20% to Rs. 42.8 Crores in the financial year 2010-11 from Rs. 53.8 Crores in the financial year 2009-10. Without restructuring impact, the PAT would have been 2% higher than the previous year.

These results have been delivered despite the intense price pressure on Roundupfi glyphosate herbicides and the one-time write off in relation to diminution in value of assets described above.

OPERATIONAL HIGHLIGHTS

The Company’s seeds sales increased by 1% from Rs. 266.31 Crores in the financial year 2009-10 to Rs. 269.34 Crores in the financial year 2010-11. The domestic trade business saw strong growth in net sales of 8%. However, there is a reduction in exports and bulk sale by 80% as a result of lower exports to South East Asia. In order to sustain and grow the business, appropriate investments are being made in production, quality and breeding.

The Company’s glyphosate sales increased by 20% from Rs. 73.99 Crores in the financial year 2009-10 to Rs. 88.70 Crores in the financial year 2010-11 despite the pricing challenge which continues to exist in the glyphosate business. The Company’s product continues to garner a quality premium as compared to that of competitors. This business has seen robust growth in volumes of 30% on account of prolonged rains, increasing cost of labor for manual weeding and proactive customer related campaigns.

DIVIDEND

Your Directors had declared an interim dividend of Rs. 10/- (@ 100%) per equity share.

Your Directors are pleased to recommend a final dividend of Rs. 10/- (@ 100%) per equity share for the year 2010-11.

The total dividend for the year would be Rs. 20/- (@ 200%) per equity share including the proposed final dividend.

CORPORATE GOVERNANCE

A detailed report on the corporate governance system and practices of the Company forming part of this report is given as a separate section of the Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS

A management discussion and analysis on the business and operations of the Company forming part of this report is given as a separate section of the Annual Report.

DIRECTORS

The following changes occurred in the Board of Directors of the Company during the financial year:

Mr. Amitabh Jaipuria was re-appointed as the Managing Director of the Company effective 1st November, 2010.

Mr. H. C. Asher retires by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment.

Mr. Sekhar Natarajan retires by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

In compliance with Section 217(2AA) of the Companies Act, 1956 ("the Act"), your Directors, on the basis of information made available to them, confirm the following:

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed;
- b) They have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) The annual accounts are prepared on a going concern basis.

PERSONNEL

The Company continues to maintain cordial relationship with its workforce at all locations. Continuous upgradation of core skills, through training programs conducted by internal as well as external agencies, are an integral part of human resources development policy of the Company.

Information as per Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended, is available at the registered office of your Company. This is given in an annexure which forms part of this report. However, in terms of Section 219(1)(b)(iv) of the Act, this report and accounts are being sent to the shareholders excluding this annexure. Any shareholder interested in obtaining this annexure may write to the Company Secretary at the registered office of the Company.

AUDITORS

M/s. Deloitte Haskins & Sells, Chartered Accountants, retire as auditors of the Company at the ensuing Annual General Meeting and, being eligible, are proposed for re-appointment.

COST AUDITORS

The report of Mr. M. B. Ashtamker , Cost Accountant, in respect of audit of the cost accounts maintained in respect of insecticides manufactured by the Company, for the financial year 2009-10 was submitted to the Central Government on 3rd June, 2010 within prescribed time. Mr. M. B. Ashtamker, Cost Accountant, was re-appointed as the Cost Auditor for the financial year 2010-11 and the report thereof will be submitted to the Central Government in due course.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

The information required to be furnished pursuant to Section 217(1)(e) of the Act read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is enclosed as Annexure - 1 and forms part of this report.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of earnings and expenditure in foreign currency are given in Notes to Accounts in Schedule 14, paras 6 and 7.

ACKNOWLEDGEMENT

Your Board acknowledges the service rendered by the employees of the Company for the satisfactory performance of the Company. The Board appreciates the continued support from Monsanto Company, USA. The Board thanks its shareholders, channel partners, and other business associates for their support. Without this support, the Company would not be able to successfully serve its farmer customers whose success eventually determines the Company's success.

For and on behalf of the Board of Directors

Mumbai: 30th May, 2011

Sekhar Natarajan
Chairman

Annexure-1

Information required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

I. CONSERVATION OF ENERGY:

<p>(a) Energy conservation measure taken;</p> <p>(b) Additional investments and proposals, if any, being implemented for reduction in consumption of energy;</p> <p>(c) Impact of the measures at (a) and (b) above for reduction in energy consumption and consequent impact on the cost of production of goods.</p>	<p>The Company continues to take all possible steps to conserve energy. These include efficient electric fittings and equipment that consumes less energy than conventional ones.</p>
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FORM A

Form for disclosure of particulars with respect to conservation of energy.

A. Power and Fuel Consumption

	Current Year 2010-11	Previous Year 2009-10
1. ELECTRICITY:		
a) Purchased Units (000's)	2590.63	3989.97
Total Amount (Rs. in Lacs)	156.73	269.11
Rate/Unit (Rs.)	6.05	6.74
b) Own Generation:	-	-
1. Through diesel generator-Unit's (000's)	309.26	423.35
2. Total Amount (Rs. in Lacs)	51.52	41.18
3. Rate/Unit (Rs.)	16.66	9.73
c) Through steam turbine/generator	-	-
2. COAL	-	-
3. FURNACE OIL - HS DIESEL:		
Purchased - Ltrs (000's)	-	-
Total Amount (Rs. in Lacs)	-	-
Rate/Ltr. (Rs.)	-	-
4. OTHERS - GAS:		
Purchased - Kgs (000's)	318.83	837.40
Total Amount (Rs. in Lacs)	166.15	403.56
Rate/Kg. (Rs.)	52.11	48.19

B. Consumption per unit of production

The Company manufactures a wide range of products which pass through various operations before reaching the finishing stage. It is, therefore, not feasible to furnish the information in respect of consumption per unit of production.

II. TECHNOLOGY ABSORPTION

FORM B

Form for disclosure of particulars with respect to Technology absorption.

A. Research and Development (R&D):

1. Specific areas in which R&D carried out by the Company	Breeding and testing of new hybrid varieties of seeds. Study of new technologies in maize.
2. Benefits derived as a result of above R&D	Identified new hybrid seeds which suit various agro climatic conditions and meet farmers' requirements. Initial knowledge of new technologies in maize.
3. Future Plan of Action	Continuous efforts for development of new high quality and specific maturity hybrid seeds as well as seeds that have the ability to protect the yield.
4. Expenditure on R&D	(Rs. in Lacs)
a) Capital	697.11 (including CWIP)
b) Recurring	824.88
c) TOTAL	1521.99

B. Technology Absorption, Adaptation and Innovation:

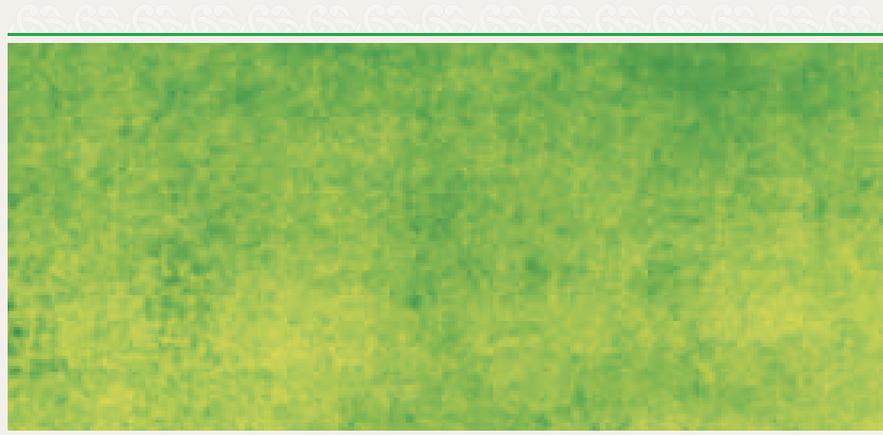
1. Efforts in brief, made towards technology absorption, adaptation and innovation.	The Company is working on and studying new technologies in maize.
2. Benefits derived as a result of the above efforts, e.g.; product improvement, cost reduction, product development, import substitution etc.	New maize technologies will help farmers in protecting their yield by reducing losses caused by insects and weeds. This will be an improvement on current products.
3. Imported technology (imported during the last 5 years reckoned from the beginning of the financial year)	During the last five years no technology has been imported by way of foreign collaboration or otherwise.

For and on behalf of the Board of Directors

Mumbai: 30th May, 2011

Sekhar Natarajan
Chairman

Report on Corporate Governance



The Company's philosophy of Corporate Governance is based on preserving core values and ethical business conduct and a commitment to maximize shareholders value on a continuous basis while looking after the welfare of all the other stakeholders.

Keeping in view the Company's size and complexity in operations, the Company's Corporate Governance framework is based on the following principles:

- Appropriate size and composition of the Board with each Director bringing in key expertise in different areas;
- Systematic information flow to the Directors to enable them to effectively discharge their fiduciary duties;
- Ethical business conduct by the management and employees;
- Appropriate systems and processes for internal controls on all operations, risk management and financial reporting; and
- Timely and accurate disclosure of all material operational and financial information to the stakeholders.

BOARD OF DIRECTORS

The Company has a Board of Directors comprising of eminent individuals from diverse fields. The Board acts with autonomy and independence in exercising its strategic supervision, discharging its fiduciary responsibilities and ensuring that the management observes the highest standards of ethics, transparency and disclosure.

The details of the Board are given in Table 1.

The Directors are experts in the diverse fields of manufacturing, law, accounting and business strategy. Every member of the Board, including the Non-executive Directors, has full access to any information related to the Company.

The Board consists of Executive and Non-Executive Directors. The present strength of the Board is six Directors comprising of one Executive and five Non-Executive Directors including the Chairman of the Company. One-third of the Board consists of Independent Directors.

Monsanto Company, USA has certain rights enshrined in the Articles of Association pertaining to the appointment of Directors.

Table 1: Composition of the Board of Directors

Name of Directors	Category of Directors	Relationship with other Directors	Number of Directorships and Committee Memberships/ Chairmanships (including Monsanto India Limited)			
			Directorships under Section 275 ⁽¹⁾	Other Directorships	Committee Memberships ⁽²⁾	Committee Chairmanships ⁽²⁾
Mr. Sekhar Natarajan	Chairman & Non-Executive	None	2	-	-	-
Mr. Amitabh Jaipuria	Managing Director	None	2	-	1	-
Mr. R. C. Khanna	Non-Executive	None	3	1	1	3
Mr. H. C. Asher	Independent & Non-Executive	None	10	6	6	2
Mr. Pradeep Poddar	Independent & Non-Executive	None	3	-	3	1
Mr. Ravinder K. Reddy	Non-Executive	None	1	-	-	-

⁽¹⁾ Directorship other than in foreign/private companies/non-profit organizations.

⁽²⁾ Membership/Chairmanship in Audit and Shareholders' Grievances Committees of all public limited companies, whether listed or not, including Monsanto India Limited.

BOARD MEETINGS

The Board met 6 times during the financial year 2010-11 on 15th May, 2010, 21st July, 2010, 28th September, 2010, 28th October, 2010, 28th January, 2011 and 28th March, 2011. One meeting of the Board was held in each quarter as required under the Companies Act, 1956. The Company has complied with the requirement, under the Listing Agreement, of its Board meeting at least four times in a year with time gap of less than four months between any two meetings.

Details of Directors and their attendance at the meeting of the Board and Annual General Meeting (AGM) are given in Table 2.

Table 2: Attendance details at the Board Meetings and AGM

Name of the Director	Board Meetings held in Directors' Tenure	Board Meetings Attended	Attendance at Last AGM held on 21 st July, 2010
Mr. Sekhar Natarajan	6	6	Yes
Mr. Amitabh Jaipuria	6	6	Yes
Mr. R. C. Khanna	6	6	Yes
Mr. H. C. Asher	6	6	Yes
Mr. Pradeep Poddar	6	5	Yes
Mr. Ravinder K. Reddy	6	5	Yes

BOARD COMMITTEES

Audit Committee

The role of the Audit Committee is in accordance with the provisions of Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956 and includes overseeing the Company's financial reporting process, reviewing the financial statements and the adequacy of internal audit. The role of Audit Committee includes discussing with internal and statutory auditors periodically about their scope of audit and adequacy of internal control systems.

The Audit Committee comprises of Mr. Pradeep Poddar - Chairman, Mr. H. C. Asher - Member and Mr. R. C. Khanna - Member, all being Non-Executive Directors. Mr. H. C. Asher and Mr. Pradeep Poddar are Independent Directors. The Company Secretary acts as Secretary of the Audit Committee.

The Chairman, Managing Director, Chief Financial Officer, Director - Legal Affairs, Internal Auditors and Statutory Auditors are invited to the Audit Committee meetings.

The Audit Committee met during the Financial Year on 15th May, 2010, 21st July, 2010, 28th October, 2010 and 28th January, 2011.

Details of members of Audit Committee and their attendance at the Committee's meetings are given in Table 3.

Table 3: Attendance Details in the Audit Committee Meetings

Name of the Member	Audit Committee Meetings Held	Audit Committee Meetings Attended
Mr. R. C. Khanna	4	4
Mr. H. C. Asher	4	4
Mr. Pradeep Poddar	4	3

Remuneration Committee

The Remuneration Committee considers and recommends to the Board the payment of remuneration/incentive etc. to the Managing Director. The Committee comprises of Mr. R. C. Khanna - Chairman, Mr. H. C. Asher - Member and Mr. Pradeep Poddar - Member.

During the Financial Year, the Committee met on 28th October, 2010 and 28th January, 2011.

Details of members of Remuneration Committee and their attendance at the Committee's meetings are given in Table 4.

Table 4: Attendance Details in the Remuneration Committee Meetings

Name of the Director	Remuneration Committee Meetings Held	Remuneration Committee Meetings Attended
Mr. R. C. Khanna	2	2
Mr. H. C. Asher	2	2
Mr. Pradeep Poddar	2	1

Investors'/Shareholders' Grievances Committee

The Investors'/Shareholders' Grievances Committee considers the redressal of shareholders' and investors' complaints/grievances. The Committee also considers matters concerning the issue of duplicate share certificates, complaints regarding transfer of shares, non-receipt of dividends and Annual Report, dematerialisation of share certificates etc.

The Committee is comprised of Mr. R. C. Khanna - Chairman, Mr. H. C. Asher - Member, Mr. Pradeep Poddar - Member and Mr. Amitabh Jaipuria - Member.

The Company Secretary, who is also the Compliance Officer, is the Secretary of this Committee.

The Committee met on 16th April, 2010. Details of members of the Investors'/Shareholders' Grievances Committee and their attendance at the Committee's meeting are given in Table 5.

Table 5: Attendance details in the Investors'/Shareholders' Grievances Committee Meeting

Name of the Director	Investors'/ Shareholders' Grievances Committee Meeting Held	Investors'/ Shareholders' Grievances Committee Meeting Attended
Mr. R. C. Khanna	1	1
Mr. H. C. Asher	1	1
Mr. Pradeep Poddar	1	-
Mr. Amitabh Jaipuria	1	-

During the Financial Year, the Company has received 63 complaints. All complaints have been resolved by the Company.

SHARE TRANSFER SYSTEM

The Company's shares being in compulsory dematerialized (demat) list are transferable only through the depository system. Shares in physical form are processed by the Registrars and Share Transfer Agents (RTA) and approved by the Share Transfer Committee of the Company. The share transfers are processed within a period of 15 days from the date of receipt of the transfer documents by RTA provided requisite documents are in order.

The Company has a Share Transfer Committee comprising of Mr. Amitabh Jaipuria - Managing Director, Mr. Sandeep Kulkarni - Chief Financial Officer, Strategy Lead & Company Secretary and Mr. Sharad Kumar - Director-Legal Affairs. The Committee meets once a fortnight or as and when required and approves all matters related to shares i.e. transfers, transmission, dematerialisation and rematerialisation of shares.

REMUNERATION TO DIRECTORS

The Board is comprised of one Executive Director (Managing Director) and five Non-Executive Directors.

The Managing Director receives a monthly salary, perquisites and performance pay as per the policies of the Company and the agreement executed by him and the company at the time of his appointment as such. No sitting fees is paid to him for attending the meetings of the Board or Board Committees. In the event of the Managing Director desiring to leave the service of the Company, he is required to provide to the Company 180 days' notice in writing. However, the Company may, at its sole discretion relieve the Managing Director of his duties at any time during his notice period and, in that event, he will be paid his basic salary for the balance notice period of 180 days.

Mr. Sekhar Natarajan and Mr. Ravinder K. Reddy do not receive any salary, sitting fees or commission from the Company. All other Non-executive Directors receive sitting fees for attending the meetings of the Board and Board Committees and commission on the net profits of the Company, as decided by the Board, within the overall limits approved by the Shareholders.

The criterion for making payments to the Managing Director is:

1. Salary paid to the Managing Director is recommended by the Remuneration Committee and approved by the Board and the Shareholders. Perquisites, retirement benefits and performance pay are also paid/provided to the Managing Director in accordance with the Company's compensation policies, as applicable to all employees of the Company.

2. Remuneration paid to the Managing Director is determined keeping in view the industry benchmarks.

The criterion for making payments to other Directors is:

1. Directors are paid sitting fees of Rs. 10,000/- for each meeting of the Board and Audit Committee attended by them. Sitting fees of Rs. 5,000/- per meeting attended by them is paid for attending other Committee meetings.
2. Shareholders of the Company have approved payment of commission in the aggregate not exceeding 1% of net profits calculated in accordance with Section 198 of the Companies Act, 1956, collectively, to all the Directors except Managing Director, Wholtime Directors and Directors nominated by Monsanto Company, USA. The Board decides proportion and manner of payment of such commission every year subject to the above said overall limit approved by the Shareholders.

The remuneration paid or payable to the Directors is given in Table 6.

Table 6: Remuneration Paid/Payable to the Directors for Financial Year 2010-11

(Rs. in Lacs)

Name of Directors	Sitting Fees	Salary & Perquisites	Incentive / Commission	Total
Mr. Sekhar Natarajan	-	-	-	-
Mr. Amitabh Jaipuria	-	101.11	4.66	105.77
Mr. R. C. Khanna	1.15	-	8.50	9.65
Mr. H. C. Asher	1.15	-	8.50	9.65
Mr. Pradeep Poddar	0.85	-	8.50	9.35
Mr. Ravinder K. Reddy	-	-	-	-

The Company has no stock option/ pension plan for the Directors of the Company. However, employees of the Company including Managing Director of the Company and nominee Directors of Monsanto Company, USA are entitled for the Stock Options declared by the parent company i.e. Monsanto Company, USA, from time to time.

MANAGEMENT

The management of the Company has developed and implemented policies, procedures and practices that attempt to translate the Company's future plans into reality. The management also identifies, measures, monitors and minimizes the risk factors in the business and ensures safe, sound and efficient operations. These are internally supervised and monitored through the India Leadership Team of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report forms part of this Annual Report.

INTERNAL CONTROL SYSTEMS

The Company has both, external and internal audit systems in place. Auditors have access to all records and information of the Company. The Board and the management periodically review the findings and recommendations of the auditors and take necessary corrective actions wherever necessary. The Board recognizes the work of the auditors as an independent check on the information received from the management on the operations and performance of the Company.

The integrity and reliability of the internal control systems are achieved through clear policies and procedures, process automation, careful selection, training and development of employees, and an organization structure that segregates responsibilities.

MEANS OF COMMUNICATION

During the Financial Year under reference, quarterly results were published in widely circulated national and local daily newspapers i.e. The Business Standard and Sakaal. Financial Results were not sent individually to the shareholders.

As per the requirement of Clause 47(f) of the Listing Agreement, the Company has designated an e-mail ID i.e. investorcare.india@monsanto.com of the grievance redressal division exclusively for the purpose of registering the complaints by investors and the ID has also been displayed on the Company's website.

The Company's results and official news releases are displayed on the Company's website www.monsantoindia.com. There were no presentations made to the institutional investors or analysts during the Financial Year.

DISCLOSURES

Material Transactions with the Company

Except the details of transactions given in Schedule 14 (Note No. 16) of the Notes to Accounts, the Company had no material transaction with its promoters, directors or the management, their relatives etc. that may have had a potential conflict of interest with the Company.

Compliances in Respect of Capital Markets

The Company has complied with all regulatory requirements on capital market and has not been imposed any penalty/strictures by the Stock Exchanges or SEBI or any other statutory authorities.

Shareholding of Directors

Mr. Sekhar Natarajan and Mr. R. C. Khanna are holding 400 and 1618 equity shares respectively in their individual names. Mr. R. C. Khanna is also holding 1,94,988 equity shares in the capacity of Karta of his HUF. No other Directors are holding any shares in the Company.

CODE OF CONDUCT

The Board has adopted a Code of Conduct for all Directors and Senior Management personnel of the Company. The Code of Conduct is posted on the website of the Company.

All Directors and Senior Management personnel affirm compliance with the code on annual basis. Based on the affirmations received from Directors and Senior Management personnel, the Managing Director of the Company has signed the following certificate:

To the shareholders of Monsanto India Limited

I, Mr. Amitabh Jaipuria, Managing Director of the Company, hereby certify that the Board Members and Senior Management personnel have affirmed that they have complied with the "Code of Business Conduct" of the Company.

Mumbai: 30th May, 2011

Amitabh Jaipuria
Managing Director

WHISTLE BLOWER POLICY

The Company has not adopted a Whistle Blower Policy. However, the Company's strong compliance program encourages employees to raise and report concerns in a transparent way.

The Company is also covered by the global Whistle Blower Policy of Monsanto Company, USA, where any employee can raise any issues before the management as and when required.

As a part of this global policy, no retaliatory action may be taken against any whistle blower.

Compliance with Mandatory and Non-mandatory Requirements

The Company has fully complied with the mandatory requirements of Clause 49 of the Listing Agreement with the Stock Exchanges. Further, the Company has adopted non-mandatory requirement of Clause 49 of the Listing Agreement, viz., Remuneration Committee of the Board, which has been constituted to determine the remuneration of a Executive Director or Managing Director. The Company also maintains the office of the Non-Executive Chairman at its expenses.

BRIEF PROFILE OF DIRECTORS PROPOSED TO BE APPOINTED/RE-APPOINTED:

Mr. H. C. Asher holds M.A., LL.B. degree from Mumbai University. He is a Senior Partner of Messrs. Crawford Bayley & Co., a leading firm of Advocates and Solicitors in Mumbai. He has been in practice for over 50 years and has vast experience in the legal field and, particularly, on matters relating to corporate laws.

His current directorships/ memberships of committees are as follows:

Name of the Company	Nature of Interest	Chairmanship or Membership of Committee of the Board
1. Allied Pickfords Private Limited	Director	-
2. Diamant Boart Marketing Private Limited	Director	-
3. Elof Hansson (India) Private Limited	Director	-
4. Grant Investrade Limited	Director	-
5. Gulf Oil Corporation Limited	Director	Member - AC
6. Hind Filters Limited	Director	-
7. Hinduja Ventures Limited	Director	-
8. The Indian Card Clothing Company Limited	Director	Member - AC Chairman - ISGC
9. Ingersoll-Rand (India) Limited	Director	Chairman - AC Member - ISGC
10. KELTECH Energies Limited	Director	-
11. Lakshmi Synthetic Machinery Manufacturers Limited (in liquidation)	Director	-
12. Monsanto India Limited	Director	Member - AC Member - ISGC Member - RC
13. PRS Technologies Private Limited	Director	-
14. Oerlikon Textile India Private Limited	Director	-
15. TUV India Private Limited	Director	-
16. IDL Explosives Limited	Director	-

AC : Audit Committee

ISGC : Investors'/Shareholders' Grievances Committee

RC : Remuneration Committee

Mr. Sekhar Natarajan, holds degrees of B.Com. (Hons.), ACA, AICWA, and was associated with Monsanto for more than 30 years in various roles in India as well as in the USA from 1980 to 2010.

Mr. Sekhar Natarajan was the India Regional Lead for all Monsanto businesses until August, 2010. Since leaving Monsanto, he has been engaged in running his independent consultancy business.

He had joined the Company in 1980 and joined the Board in 1997. He served as the Managing Director of the Company till the year 2005 when he relocated to Monsanto Company, USA. He returned to India and once again joined the Board as Chairman of the Company effective 3rd November, 2006. He continues to serve as a Non-executive Chairman of the Company.

His current directorships/memberships of committees are as follows:

Name of the Company	Nature of Interest	Chairmanships or memberships of Committee of the Board
1. Monsanto India Limited	Chairman	-
2. Maharashtra Hybrid Seeds Company Limited	Director	-

GENERAL SHAREHOLDERS INFORMATION

Address for correspondence:	Monsanto India Limited, Ahura Centre, 5 th Floor, 96, Mahakali Caves Road, Andheri (East), Mumbai - 400 093
	Tel: 022-2824 6450/6702 9851 Fax: 022-2824 6452/2824 4707 Email: investorcare.india@monsanto.com

Annual General Meeting and Dividend

Date and Time	Monday, 26 th September, 2011 at 11.00 a.m.
Venue	Y. B. Chavan Auditorium, Gen. Jaganath Bhosale Marg, Nariman Point, Near Sachivalay Gymkhana, Mumbai - 400 021.
Last Date for Receipt of Proxy Form	24 th September, 2011 before 11.00 a.m.
Date of Book Closure	7 th September, 2011
Dividend Payment Date	On or after 26 th September, 2011

Annual General Meetings held during the Last Three Years

Sr. No.	Date	Venue	Time	Special Resolution Passed
58 th AGM	22 nd September, 2008	M. C. Ghia Hall, Bhogilal Hargovindas Building, 2 nd Floor, 18/20, Kaikhushru Dubash Marg, Mumbai - 400 001.	11.00 a.m.	None
59 th AGM	10 th September, 2009	M. C. Ghia Hall, Bhogilal Hargovindas Building, 2 nd Floor, 18/20, Kaikhushru Dubash Marg, Mumbai - 400 001.	11.00 a.m.	Approval for payment of Commission to the Non-Executive Directors
60 th AGM	21 st July, 2010	M. C. Ghia Hall, Bhogilal Hargovindas Building, 2 nd Floor, 18/20, Kaikhushru Dubash Marg, Mumbai - 400 001.	11.00 a.m.	Appointment of Mr. Ravinder K. Reddy as an Additional Director

Ballots

No special resolutions were passed through postal ballots in the Financial Year

Financial Calendar

Financial Year	1 st April to 31 st March
Declaration of financial results for the quarter ending 30 th June, 2011	4 th week of July, 2011
Declaration of financial results for the quarter ending 30 th September, 2011	4 th week of October, 2011
Declaration of financial results for the quarter ending 31 st December, 2011	4 th week of January, 2012
Declaration of financial results for the quarter ending 31 st March, 2012	Last fortnight of May, 2012
AGM for the year ending 31 st March, 2012	Last fortnight of July 2012

Shares Information

Listing on Stock Exchanges	Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 023. National Stock Exchange of India Ltd., Exchange Plaza, 5 th Floor, Plot No. C/1, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051.
Listing Fees	Listing fees of both the Stock Exchanges have been paid for the year 2011-12.
Stock Code: ● Bombay Stock Exchange Limited ● National Stock Exchange of India Ltd. ● International Securities Identification Number (ISIN)	524084 MONSANTO INE274B01011
Registrar and Share Transfer Agents/ Address for Correspondence	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai - 400 078. Tel: 022-2596 3838, 022-2594 6970 ● Fax: 022-2596 2691 Email: rnt.helpdesk@linktime.co.in
Compliance Officer	Mr. Sandeep Kulkarni Chief Financial Officer, Strategy Lead & Company Secretary
Dematerialisation of shares and liquidity	78.06% of the paid-up capital of the Company has been dematerialised as on 31 st March, 2011.
Outstanding GDRs/ADRs/ Warrants or any Convertible instruments	Not Applicable.

Shareholding Pattern and Distribution Schedule as on 31st March, 2011

Shareholding Pattern

Category	No. of Shares	%
Promoters	62,27,022	72.15
Mutual Funds	3,41,752	3.96
Trust	690	0.01
Bodies Corporate	5,46,018	6.33
Public	12,05,261	13.96
NRI/FIIs/OCBs	69,860	0.81
Others	2,40,571	2.79
TOTAL	86,31,174	100.00

Distribution Schedule

Category	No. of Shareholders	No. of Shares
Upto 100	11,357	2,65,712
101 - 200	960	1,61,210
201 - 500	1,076	3,65,578
501 - 1000	189	1,36,797
1001 - 5000	133	2,79,088
5001 - 10000	8	57,784
10001 and above	19	73,65,005
TOTAL	13,742	86,31,174

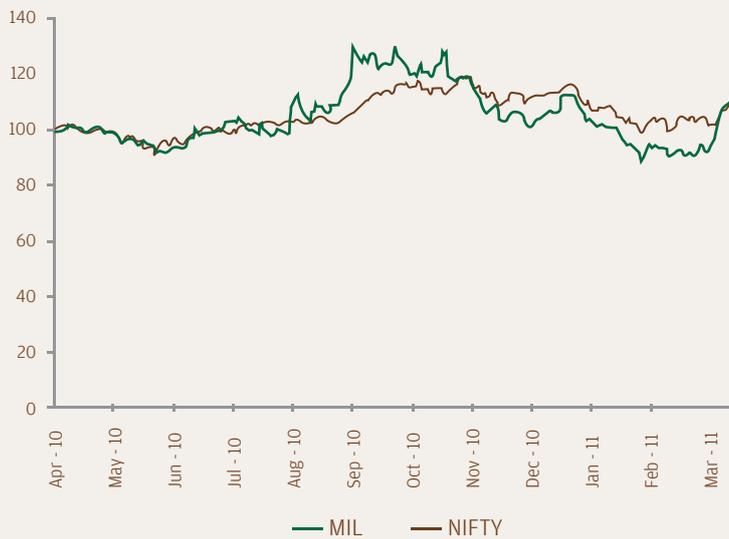
Share Price performance

High-low share prices on BSE and NSE

Category	BSE			NSE		
	High (Rs.)	Low (Rs.)	No. of shares	High (Rs.)	Low (Rs.)	No. of shares
April-10	1,765.00	1,661.05	23,038	1,764.40	1,660.00	29,549
May-10	1,709.95	1,555.00	14,958	1,719.00	1,550.00	22,051
June-10	1,765.00	1,558.00	47,836	1,760.50	1,553.00	46,196
July-10	1,810.00	1,651.00	759,892	1,804.25	1,645.00	185,684
August-10	1,970.70	1,666.05	195,601	1,969.00	1,665.15	307,938
September-10	2,265.00	1,840.50	240,311	2,263.30	1,850.00	331,015
October-10	2,229.00	2,002.00	88,548	2,230.00	1,995.00	119,560
November-10	2,063.95	1,725.00	419,015	2,065.00	1,726.05	46,337
December-10	2,011.00	1,686.10	26,639	2,005.00	1,702.00	38,721
January-11	1,940.00	1,616.60	15,900	1,989.00	1,575.00	18,829
February-11	1,789.00	1,499.90	14,732	1,649.00	1,500.00	19,422
March-11	1,975.00	1,530.05	48,708	1,990.00	1,525.00	94,878



Share Price movement on NSE vis-s-vis CNX Nifty



PLANT LOCATIONS

Herbicides:	1, 4 & 5, Madhuban Industrial Estate, Madhuban Dam Road, Rakholi, Silvassa - 396 240. Union Territory of Dadra & Nagar Haveli.
Seeds:	Village: Bapirajagudem Pedavegi Mandal, Vijaya Rai Post, District: West Godavari - 534 475 Eluru, Andhra Pradesh.
	Moka Road, Srivara Village, Bellary - 583 103, Karnataka.
	Survey No. 677-679, Village: Lalgudi Malakpet, Shamirpet, District: Ranga Reddy - 500 078, Andhra Pradesh.

Auditors' Certificate

To the Members of Monsanto India Limited

We have examined the compliance of conditions of Corporate Governance by Monsanto India Limited for the year ended 31st March, 2011, as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

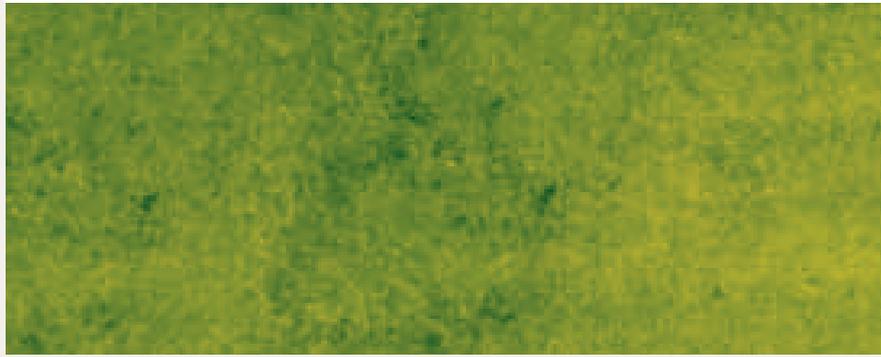
We state that such compliance is neither an assurance as to the future viability of the Company nor efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Deloitte Haskins & Sells
Chartered Accountants
(Registration No. 117366W)

R. Laxminarayan
Partner
Membership No. 33023

Mumbai: 30th May, 2011

Management Discussions and Analysis

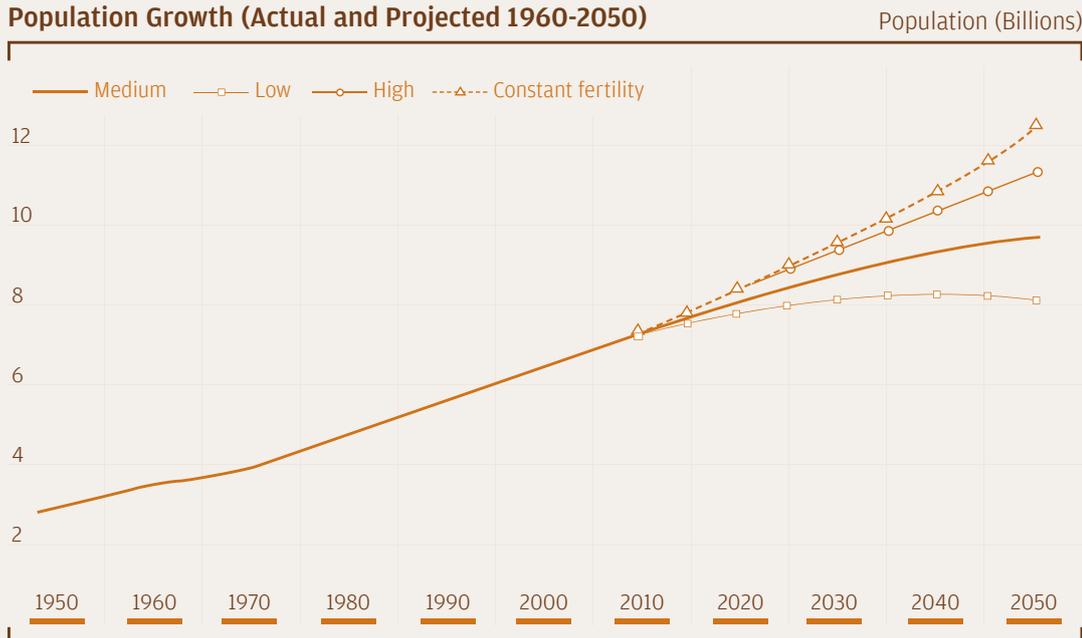


OVERVIEW

As the world's second most populous country with a third of our population living below the poverty line (on less than 2,000 K calories per day), there is an urgent need to increase availability and access to food grains, animal feed and fibre.

By 2050, the population of the world is likely to reach nine Billion and the population of India is likely to be at 1.63 Billion. This increase in population will generate massive new demand for food, feed and fiber. At the same time the land used for cultivation is constant or diminishing in most parts of the world including India. Agricultural land can be increased in a very few places and that too at the cost of forests - an unacceptable cost in today's world.

Population Growth (Actual and Projected 1960-2050)



(Source: World Population Prospects, The 2006 Revision, United Nations Report, 2007)

INDIA PERSPECTIVE

To provide feed and clothe India's growing population, farm production must increase on a continuous basis through improvements in farm productivity. The genetic capability of the seed must also improve as a result.

Alarming Facts

- Over 9 Billion mouths to feed by 2050
- Ratio of arable land to population declining by 40-55 %, which means lesser agricultural land and more people
- 3.9 Billion people living under severe water stress by 2030
- One hectare of land will need to feed 5 people in 2025 (In 1960 one hectare of land was required to feed only two people)

India has been the second most successful growth economy during the past five years. However, growth in agriculture - which employs over 55% of India's population but contributes only 14.2% of India's GDP, has lagged the rest of the economy. Growth in agriculture productivity has also lagged growth in population - particularly in the regions which had contributed significantly to the success of the first green revolution. Food inflation has also become a matter of grave concern in India given that a large portion of the per capita income is spent on food. India now needs another green revolution led by the latest agricultural technology available today - molecular breeding, customized agronomic extension services and access to biotechnology.

These technologies are already making a huge impact on global agriculture and are helping improve productivity of crops such as maize, cotton, soyabeans, canola and sugarcane in many countries. Many institutions in India too, are now working towards developing and adopting newer technologies in the agriculture sector, in many important crops. The future for such technologies is promising and due to the challenges we face today, is increasingly inevitable.

The advances in biotechnology and their integration with plant breeding are likely to be an integral part of the impending second green revolution in Indian agriculture. Given that biotechnology will play an increasingly important part in Indian Agriculture, it is heartening to see many reputed Indian Universities and Institutions take the lead by designing research programs in many important crops. Given the depth of talent in our Agricultural Institutions, we are confident that this second green revolution will indeed be led by Indian scientists.

India has benefited enormously from better hybrid seeds and with the introduction of biotech in India's first biotech-enhanced crop, i.e. Bt cotton with in-built insect protection technologies. Farmers doubled the production of cotton within seven years making India the world's second largest producer and exporter. India now has 9.4 Million hectares under biotech (cotton) cultivation in 2010. This has meant millions of farmers have improved their earnings from cotton farming and have reduced exposure to chemical sprays, thus improving lives meaningfully. The biotech led cotton revolution has rightly been called our second 'white' revolution (the first being that of Milk).

In a similar fashion, we are witnessing the beginnings of a 'yellow revolution' in maize as hybridization and better farm management has helped increase maize production by 60% in eight years, while hybrid acres are not up by as much. Going forward these gains will be enhanced due to increased hybridization, higher yielding hybrids, better farm practices and most importantly access to biotech.

OVERVIEW OF INDIAN AGRICULTURE SECTOR

The 11th Five Year Plan recognizes the importance of agriculture and the Government of India is focusing on the agriculture sector to achieve agriculture productivity and inclusive GDP growth. At the current pace of growth, meeting the future food grain, fibre and feed demand would be an uphill task.

The total seed market in India is approximately Rs. 8,000 Crores which is relatively small compared to India's agricultural acres and compared to the total value of agricultural produce. The Maize seeds market in India is estimated at approximately Rs. 750 Crores and is extremely competitive.

Agriculture Sector Growth Trends

	2005-06	2006-07	2007-08	2008-09 ^{PE}	2009-10 ^{QE}	2010-11 ^{AE}
Agriculture, Forestry and Fishing	5.1	4.2	5.8	-0.1	0.4	5.4

(^{PE}: Previous Estimates, ^{QE}: Quick Estimates and ^{AE}: Advance Estimates)

(Source: Economic Survey, 2010-11)

Seeds and herbicides are important input components for productive agriculture. In the significant advances that India made in agriculture in the last four decades, the role of the agriculture input industry has been substantial. The expansion of the seeds industry has occurred in parallel with growth in agricultural productivity. Improved seed is the most important factor in improved agricultural productivity.

Indian agriculture faces many challenges today - from limited availability of quality seeds, to soil degradation, to depleting water tables, to reduced farm labor availability, amongst many others. The progressive policies of various governments and social schemes such as the NREGA have provided alternate avenues of employment and earnings to a large section of the rural population thus reducing the availability and increasing the cost of farm labor, which means that practices such as manual weeding become difficult and uneconomical.

Across India, Universities, Scientists and Agri-business companies are developing new technologies and models to tackle some of these challenges and to reach out to farmers and consumers. Investments are also being made in modern supply chains and new retail formats for supply of agri-inputs – from seed to nutrients to crop protection chemicals.

The Indian agricultural sector is changing and catching up with the rest of the world, and there is an increasing realization that it needs to - and indeed can, change much faster. The Government, Public and Private sector players share the responsibility of making this happen.

INDUSTRY STRUCTURE

Seeds

Seed is the most important input component for productive agriculture. Although the Indian seed market is one of the largest, it is almost exclusively supplied by locally produced and farmer saved seeds. Farmers retain seed of major food crops and commercial crops for many years, and the largest volume of seed trade involves local exchanges of established self-pollinating varieties. The seed replacement rate in most crops is very low, with the exception of cotton and some vegetables. The use of hybrid seeds is mostly confined to cotton, and to some extent to maize, millets, sunflower, and a few vegetables.

However, awareness about the high yield and quality of produce from hybrid seeds is beginning to attract farmers to switch over to hybrids in many important crops. Many institutions are also doing extensive research in hybrid varieties.

The total seed market in India is approximately Rs. 8,000 Crores which is relatively small compared to India's agricultural acres and compared to the total value of agricultural produce. The Maize seeds market in India is estimated at approximately Rs. 750 Crores and is extremely competitive. There are two distinct types of entities - Original Research based players who invest in developing new varieties and the Generic players who access Germplasm and basically multiply seeds and sell.

Following the easing of government regulations and the implementation of a new seed policy in 1988, the private sector seed companies have started playing a major role in seed development and marketing. The Government's decision to embrace biotechnology as one of the means of achieving higher agricultural productivity and enhanced food security has attracted several leading biotechnology-focused global seed companies to India, including Monsanto.

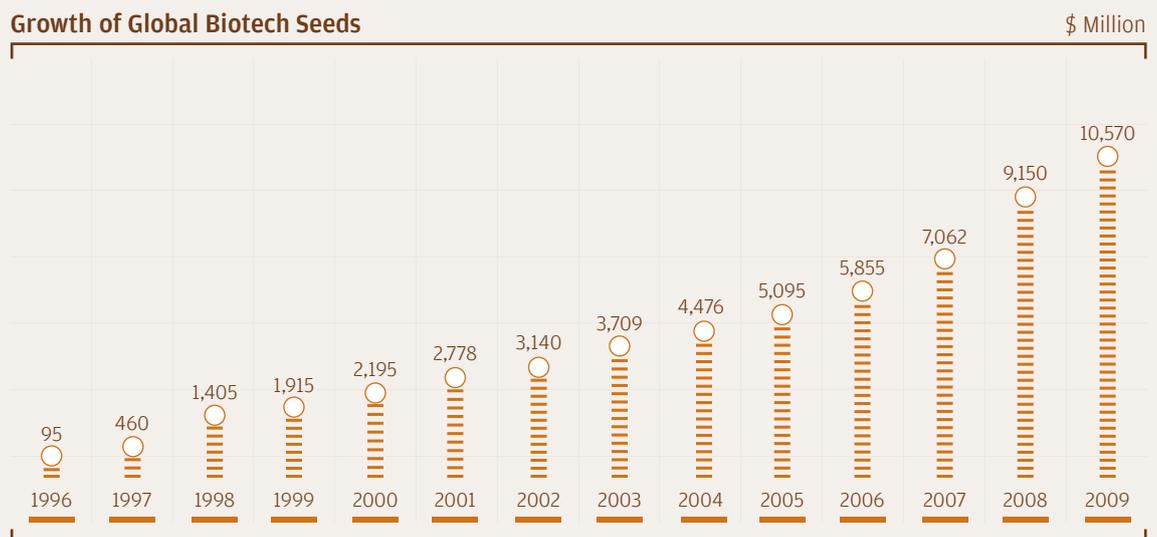
This market will grow strongly on the back of increased hybridization in key crops, increased farmer realization of the benefits of new seeds every year, increased knowledge of farm practices and due to better access to newer technologies. One other factor that will contribute strongly to its growth is India's recent introduction of the necessary laws to protect unique and distinct plant varieties under the Protection of Plant Varieties and Farmers' Rights Act, 2001.

Plant biotechnology

During 2009, the overall planted area of biotech crops rose by 5.1% to reach 311.6 Million acres globally. This in turn was a major contributing factor to the rise in the sales of biotech seeds, which reached Rs. 478.61 Billion (*Source: Croplife International*). Apart from the higher planted area, the other key factor influencing this increase in value is the increasing adoption of third and fourth generation biotech in many crops.

A record of 15.4 Million farmers, in 29 countries, planted 148 Million hectares (365 Million acres) in 2010, a sustained increase of 10% or 14 Million hectares (35 Million acres) over 2009. Countries that have adopted Biotech now include: U.S., Brazil, Argentina, India, Canada, China, Paraguay, South Africa, Uruguay, Bolivia, Philippines, Australia, Burkina Faso, Spain, Mexico, Chile, Columbia, Honduras, Czech Republic, Portugal, Romania, Poland, Costa Rica, Egypt and Slovakia. Almost half (46%) of the global biotech area was planted by developing countries. It is expected that the increasing realization that Agricultural Biotech offers credible hope for poverty reduction and increasing farm output, will soon lead to developing nations taking the lead from industrial countries in this vital area. (*Source: ISAAA*)

Growth of Global Biotech Seeds



(Source: Phillips McDougall, 2010)

Industry structure - herbicides

Agro chemicals have become an integral part of the development process of agriculture and their use is expected to increase manifold in India. Indian agriculture is still very dependent on traditional practices and its insecticides, pesticides and herbicides usage is still very low. Globally, herbicides represent the largest group within agro chemicals, while in India this is still not the case. Chemical weed control is slowly becoming one of the more important and reliable measures in weed management systems in India.

There are many growth drivers of this business, some important ones are:

- The increasing practice of conservation tillage, wherein crops are grown with minimal turning of the soil/tilling. Crops grown without tillage use water more efficiently, the water-holding capacity of the soil increases, and water losses from runoff and evaporation are reduced. In addition, soil organic matter and populations of beneficial insects are maintained, soil nutrients are less likely to be lost from the field and less time and labor is required to prepare the field for planting.
- The rise in farm labor costs and the continuous decrease in the availability of farm labor.
- The increasing use of herbicide tolerant crops across the world and the resultant use of herbicides for 'over the top' application.

In India, herbicides are manufactured and marketed by many global and local companies. The industry also faces competition from generic players in the industry.

In India and globally, glyphosate is the most significant herbicide product and is preferred by farmers because it is relatively 'safe' and very effective. This market in India is extremely competitive with 150+ manufacturers and many more brands being available. Most of these players import their requirement of the intermediate product from countries such as China. Unfortunately, many of these products are also of questionable and inconsistent quality. This market is also characterized by extreme price competition. Monsanto has a strong market position based on its quality and brand reputation.

OPERATIONAL REVIEW

Dekalbfi hybrid maize seeds

The demand for maize in India is continuously growing due to population growth, increasing prosperity and the changing food habits which in turn are driving the demand for poultry and starch products. The productivity of maize in India is low due to the use of conventional seeds, low seed replacement rates, low hybridization and significant loss of yields to weeds and pests. The Company estimates that at present, hybridization is at less than 50%, which is increasing but at a slow pace.

The Company's maize seeds are sold under the Dekalbfi brand name and are well established within the farming community.

During the year, the Company's seeds sales increased significantly recording strong double-digit percentage growth. The Company's seed business also improved during the year through a combination of high quality new products and a better product mix. At the same time costs of manufacture and sales were kept strictly under control.

The Company's focus through the year has been on developing the market and educating the farmer on the benefits of the Company's superior products. The Company probably has one of the largest direct contact programs in the country today.

The increase in the sales is being well supported by appropriate investments in production, quality and breeding to sustain the growth.

During the year, the Company's seeds sales increased significantly recording strong double-digit percentage growth. The Company's seed business also improved during the year through a combination of high quality new products and a better product mix.

Some characteristics of the market in 2010-11:

There are two main seasons for Maize in India, the Wet Season or Kharif (June - August planting) and the Dry Season also known as Rabi (October - December planting). The Kharif season accounts for over 75% of the volumes but is lower in value than the Rabi market on a per unit basis.

Kharif season

- Unprecedented crop shift to cotton (> 1 Million ha), sugar cane (0.4 Million ha), oilseeds (0.2-0.3 Million ha) and pulses and a consequent decline in maize acres since some of these acres have come at the cost of maize.
- Andhra Pradesh and Karnataka in particular have lost acres to cotton.
- Some State Governments have started encouraging Wheat in the Rabi season and had reduced encouragement to maize.
- A very aggressive strategy by some competition companies in the subsidy business led to lower volumes in Karnataka.
- As a strategy we have also been phasing out our older hybrids quite aggressively and this portfolio has declined sharply while the new hybrids are in the process of ramping up.
- We have gained volumes and share in some of the major markets of the Country.
- In spite of these adverse factors, our Kharif volumes have been maintained.

Rabi season

- We have done well in the high value Rabi season. Our superior yielding hybrids such as DKC 9081 and Pinnacle have been appreciated by the advanced farmers and this has led to increasing sales, spread and penetration.
- The overall market is estimated to be down by approximately 12-15%. This was due to lack of proper moisture in the fields in some important markets.
- The Bihar maize acres came down due to the encouragement given to wheat. Another factor was the setback suffered by the farmers due to environmental factors last year, leading to a fear psychosis in some sections.
- In Andhra Pradesh sowing was delayed due to unseasonal and prolonged rain in coastal AP. Acreage was also lost to cotton in some parts since cotton was kept in the fields longer than usual due to high cotton prices.

Roundupfi herbicide

The Company's glyphosate based herbicide is sold under the popular brand - Roundupfi. Glyphosate is the world's largest selling single molecule in the Agricultural Chemicals market and Roundupfi is the largest selling Glyphosate herbicide brand globally. The Company also sells bulk glyphosate to corporate customers.

The Company's glyphosate based herbicide is sold under the popular brand - Roundupfi. Glyphosate is the world's largest selling single molecule in the Agricultural Chemicals market and Roundupfi is the largest selling Glyphosate herbicide brand globally.

Despite intense price competition in the herbicides business, the sales of the Roundupfi brand increased in volume terms. This is a huge achievement and one which underlines the core brand strength.

The Glyphosate business is seeing two distinct trends in India - demand expansion due to labor shortage and at the same time intense price competition. Therefore the Company has increased its focus market development as well as on reducing costs - both fixed as well as variable. These actions should result in a lower cost to make, sell and deliver the Company's products and will enable the Company to compete more effectively in the market.

Some of the factors impacting business in the year 2010-11 were:

- Prolonged rains during September - October 2010 leading to higher weed pressure and as a result leading to higher Glyphosate volumes.
- Competition pressure intensifies, leading to lower realization and margin, despite good demand and an increase in prices of raw material for glyphosate.
- Increasing labor costs and reduced labor availability continues to boost the shift away from manual to chemical weeding.
- Proactive customer awareness campaign on quality as well as effective channel programs to enhance retail visibility, helped in increasing our brand volumes.

FINANCIAL REVIEW

During the financial year under review, the net sales of the Company were Rs. 358.3 Crores as against Rs. 410.2 Crores in the financial year 2009-10. Net sales for the financial year 2009-10 included sales of Rs. 64.1 Crores of the Butachlor and Alachlor business sold by the Company in the year 2007-08, we have very marginal sales of these during the financial year 2010-11. These sales were made as a part of the manufacturing support agreed with the buyers of the said business at the time of sale. Net sales of on-going businesses for the financial year under review, excluding the impact of such sales of Butachlor and Alachlor as aforesaid, have grown at over 3% as compared to the previous year.

Profit before tax was Rs. 50.3 Crores in the financial year 2010-11 vs Rs. 57.8 Crores in the financial year 2009-10. The main reason for the reduction in the profit has been on account of a one time Asset Impairment charge of Rs. 12.17 Crores due to the diminution in the value of assets of the Company's facility at Eluru, Andhra Pradesh. Net of this one time charge of Rs. 12.17 Crores, the Company's profit before tax for the year ended March 2011, would have been 62.46 Crores.

As part of a plan to consolidate manufacturing operations in Hyderabad (Andhra Pradesh) in order to enhance operational savings, the Company decided to shift the seed processing and drying operations at Bellary, Karnataka and Eluru to Hyderabad. The relevant assets at Eluru and Bellary have been shown under 'Assets held for sale' in the Company's balance sheet. The said assets are valued at the lower of net book value and net realizable value in accordance with Accounting Standard 10 - Accounting for Fixed Assets. Therefore, in case of assets at Eluru, the net realizable value has been lower by Rs. 12.17 Crores

based on a letter of intent issued by the Company to a prospective buyer and the loss has been recognized in the Profit and Loss Account. In respect of fixed assets at Bellary, the management expects to obtain net realizable value higher than the net book value of the assets. Therefore, the fixed assets at Bellary are carried at net book value.

Profit after tax was Rs. 42.8 Crores in the financial year 2010-11 vs Rs. 53.8 Crores in the financial year 2009-10. Net of the one time asset impairment charge of Rs. 12.17 Crores, the Company's Profit before tax for the year ended 31st March 2011, would have been Rs. 55.0 Crores.

These results have been delivered despite the intense competitive pressures on Roundupfi glyphosate herbicides as well as on Maize seeds, and also the one-time write off in relation to diminution in value of assets described above.

OPPORTUNITIES

India has a unique opportunity. Given the spirit of our entrepreneurial farmers, the scientific talent in our agricultural universities and in our industry, and the second largest farm acres globally - if we can increase crop yields sustainably, we can not only achieve domestic food security but can also be a positive contributor towards helping meet the world's needs for food, feed and fibre. We have the opportunity to become a major agricultural powerhouse and thus enhance our global standing.

Indian agriculture presents an important opportunity for companies such as ours that are focused on long-term value creation. An effective Indian seed industry with the right access to technology and with a continuous pipeline of improved high quality seed varieties at competitive prices, would serve as a catalyst to increase food, feed and fibre production and for sustained agricultural and socio-economic development.

Many of the problems that impede the productivity of Indian farmers have defied a solution through conventional breeding approaches. These include yield losses to widespread weeds, moisture stress, expanding salinity, new pests and biotypes of higher virulence as well as poor shelf life. Some of these problems may be effectively solved through a biotech approach and the Company is working towards that.

Maize demand in the country is expanding due to the increasing consumption of poultry and starch products as well as from industry in general. Many State governments are also considering specific encouragement for maize farming. We do believe that this will lead to sustained demand for quality maize seeds.

Increased labor cost for manual weeding and increased farmer awareness on the benefits of non-manual weeding as well as increasing use of conservation tillage present robust opportunities for growth in the glyphosate business.

THREATS, RISKS AND CONCERNS

Competition: The Company's products face intense competition from products of many Indian and global competitors. Competition from generic players in the herbicide business continues to exert pressure.

Nature and other such non-controllable factors: Agricultural activities are still greatly dependant upon the vagaries of the monsoon and upon soil conditions as well as on the political environment.

Macro economic factors: like generalized recession, high food inflation, subdued demand, availability of skilled labor, quality inputs as well as global commodity cycles may affect the business of the Company as also the industry at large.

Regulatory and legal environment: The business of the Company is dependent on various laws, regulations and policies announced by the regulatory agencies and the various government bodies from time to time. Any developments in these areas affecting the freedom of the Company to operate may adversely affect the business and growth of the Company.

Exchange rates: The Company imports a lot of its raw materials and hence the business is susceptible to the volatility of the exchange rates and import duties.

Demand: Open pollinated seeds account for approximately 56% to 58% of the maize seeds market in India. The growth of maize seeds sales depends largely on continuing hybridization of the maize seeds business.

OUTLOOK

The Company continues to remain focused on its key objectives of adding value to Indian farmers, consumers and all other stakeholders as well as on profitable and sustainable growth, maximizing operational efficiencies and striving to attain the highest standards of quality, safety and productivity.

Through: continuous breeding research efforts; new product offerings; effective sales and marketing strategies; a strong brand; far reaching distribution infrastructure; and investments in people development, the Company is hopeful of maintaining its performance going forward.

We continue to make efforts to bring the latest technologies for the benefit of the Indian farmer. These technologies will not only enhance and preserve yield but will also help mitigate external risks. These efforts have been generally well received both by the Government and the farmer though some misguided elements with uncertain objectives, have of late begun to exert pressure through a misinformation campaign. Your Company has responded appropriately and has increased its outreach efforts. Continued success in these efforts is critical to maintain our growth prospects.

The overall outlook for the growth of the maize seeds business continues to be positive and the management remains optimistic with regards to continued growth. Competition from generic players in the herbicide business continues to exert pressure on the margins of the Company's glyphosate product, Roundupfi. The operations and margins of the Company are also impacted by currency movements.

INTERNAL CONTROL SYSTEMS

The internal control system in the Company is reviewed by the Audit Committee of the Board of Directors, which provides assurance of the effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations. The transactions of the Company are authorized, recorded and reported in conformity with generally accepted accounting practices. The internal audit of the Company is conducted by a reputed independent company appointed by the management. The observations and recommendations of the internal auditors are reviewed by the Audit Committee and adequate follow up measures taken to overcome identified control weaknesses.

All employees are rigorously trained to follow the Company's business conduct guidelines with integrity as the foundation of every transaction and activity that is undertaken.

HUMAN RESOURCES

The increasingly challenging work environment of the Company means that all employees need to continuously develop their skills to stay ahead of the competition and to respond effectively to the new opportunities and challenges that are emerging in our fast paced world. Our culture has always allowed our people to set their own personal development targets and gives them the freedom to achieve them.

The Company continues to invest in its people by providing appropriate retooling programs to help people refresh their skills inventory. A robust implementation of our unique 'Development, Performance and Rewards' program provides an opportunity for all employees not only to be recognized and rewarded for efforts but also to develop and grow into leadership positions within the organization. The focus continues to be on providing an enabling environment that motivates employees to perform at their best. The Company has been recognized for its efforts in this field by various forums including a top 50 position at the prestigious 'Great Places to Work' awards, yet again.

As on 31st March, 2011, the number of people employed by the Company was 389.

CAUTIONARY STATEMENT

The statement made in this section describes the Company's objectives, projections, expectations and estimations which may be 'forward looking statements' within the meaning of applicable securities laws and regulations.

The annual results can differ materially from those expressed or implied, depending on the economic and climatic conditions, government policies and other factors which are beyond the control of the Company.

AUDITORS' REPORT

TO THE MEMBERS OF MONSANTO INDIA LIMITED

1. We have audited the attached Balance Sheet of Monsanto India Limited ('the Company') as at 31st March, 2011, the Profit and Loss Account and also the Cash Flow Statement of the Company for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 (CARO) issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report as follows:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956;
 - e. in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
 - ii. in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date; and
 - iii. in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.
5. On the basis of the written representations received from the directors as on 31st March, 2011 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of Section 274(1) (g) of the Companies Act, 1956.

For DELOITTE HASKINS & SELLS

Chartered Accountants

(Registration No. 117366W)

R. Laxminarayan

Partner

(Membership No. 33023)

MUMBAI, 30th May, 2011

ANNEXURE TO THE AUDITORS' REPORT

RE: MONSANTO INDIA LIMITED

(Referred to in paragraph 3 of our Report of even date)

- (i) Having regard to the nature of the Company's business, clauses (xiii) and (xiv) of CARO are not applicable.
- (ii) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - (c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company. Attention is invited to Note 28 of Schedule 14 regarding fixed assets retired from active use and held for sale, which in our opinion, has not affected the going concern status of the Company.
- (iii) In respect of its inventories:
 - (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
 - (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iv) The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties listed in the Register maintained under section 301 of the Companies Act, 1956.
- (v) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control systems.
- (vi) In respect of the contracts or arrangements referred to in section 301 and their entry in the Register required to be maintained under that section, to the best of our knowledge and belief and according to the information and explanations given to us, the Company has not entered into any contracts or arrangements that need to be entered in the Register maintained in pursuance of section 301 of the Companies Act, 1956. Hence, clause (v) of Para 4 of the Order is not applicable to the Company for the year.
- (vii) According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year. Hence, clause (vi) of paragraph 4 of the Order is not applicable to the Company for the year.
- (viii) In our opinion, the internal audit functions carried out during the year by a Company appointed by the Management have been commensurate with the size of the Company and the nature of its business.
- (ix) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956 in respect of its herbicides business and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete. To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records for any other product of the Company.

- (x) According to the information and explanations given to us in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and any other material statutory dues applicable to it with the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty, Excise Duty and Cess and other material statutory dues in arrears as at 31st March, 2011 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income-Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited as on 31st March, 2011 on account of disputes are given below:

Statute	Nature of the Dues	Amount Involved in (Rs. in Lacs)	Period to which the amount relates	Forum where Dispute is pending
Income Tax Act, 1961	Income Tax demand	69.53	Assessment Year 2004-2005	Commissioner of Income Tax (Appeals)
		34.71	Assessment Year 2005-2006	Income Tax Appellate Tribunal
		171.22	Assessment Year 2006-2007	Commissioner of Income Tax (Appeals)
		2,270.34	Assessment Year 2007-2008	Commissioner of Income Tax (Appeals)
Dadra and Nagar Haveli Value Added Tax Regulation, 2005	Sales Tax demand	340.30	Assessment Year 2004-2005	Deputy Commissioner of Sales Tax-Dadra and Nagar Haveli
Uttar Pradesh Trade Tax Act, 1948	Sales Tax demand	0.28	Assessment Year 1999-2000	Joint Commissioner of Trade Tax, Uttar Pradesh
		3.83	Assessment Year 2002-2003	Joint Commissioner of Trade Tax, Uttar Pradesh
		29.31	Assessment Year 2004-2005	Deputy Commissioner of Sales tax, Lucknow
Gujarat Sales Tax Act, 1969	Sales Tax demand	43.74	Assessment Year 2001-02 to 2005-06	Deputy Commissioner Commercial Taxes (Appeals), Gujarat
Bombay Sales Tax Act, 1959	Sales Tax demand	3.31	Assessment Year 2003-2004	Joint Commissioner of Sales tax (Appeals), Mumbai
Central Sales Tax Act, 1956	Sales Tax demand	10.71	Assessment Year 2003-2004	Joint Commissioner Appeal, Maharashtra
Bombay Sales Tax Act, 1959	Sales Tax demand	7.76	Assessment Year 2004-2005	Joint Commissioner Appeal, Maharashtra
Bihar Finance Act, 1981	Sales Tax demand	1.19	Assessment Year 2000-2001	Deputy Commissioner, Commercial Taxes (Assessment)- Bihar
Kerala Value Added Tax, 2003	Sales Tax demand	23.31	Assessment Year 2005-2006 & 2006-07	Deputy Commissioner, Commercial Taxes (Appeals), Kerala
Central Sales Tax Act, 1956	Sales Tax demand	13.82	Assessment Year 2003-2004 & 2004-05	Deputy Commissioner, Commercial Taxes (Appeals)- Punjab

- (xi) The Company has no accumulated losses as at 31st March, 2011 and has not incurred any cash loss during the financial year ended on that date and in the immediately preceding financial year.
- (xii) In our opinion and according to the information and explanations given to us, the Company has not borrowed from any bank, financial institution or issued any debentures.
- (xiii) According to the information and explanations given to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. Hence, clause (xv) of paragraph 4 of the Order is not applicable to the Company for the year.
- (xv) To the best of our knowledge and belief and according to the information and explanations given to us, there are no term loans availed during the year. Hence clause (xvi) of paragraph 4 of the said Order is not applicable to the Company.
- (xvi) According to the information and explanations given to us and on an overall examination of the Balance Sheet and other records of the Company, we report that no funds raised on short-term basis have been used for long term investment.
- (xvii) The Company has not made any preferential allotment of shares during the year. Hence, clause (xviii) of paragraph 4 of the said Order is not applicable to the Company.
- (xviii) According to the information and explanations given to us, the Company has not issued any debentures during the year and hence, clause (xix) of paragraph 4 of the Order is not applicable to the Company for the year.
- (xix) According to the information and explanations given to us, the Company has not raised any money by public issue during the year. Hence, clause (xx) of paragraph 4 of the Order is not applicable to the Company for the year.
- (xx) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Registration No. 117366W)

R. Laxminarayan
Partner
(Membership No. 33023)

MUMBAI, 30th May, 2011

Balance Sheet as at 31st March, 2011

(Rs. in Lacs)

	Schedules	As at 31 st March, 2011	As at 31 st March, 2010
I. SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	1	863.12	863.12
Reserves and Surplus	2	36,568.65	34,295.17
TOTAL		37,431.77	35,158.29
II. APPLICATION OF FUNDS			
FIXED ASSETS	3		
Gross Block		13,945.41	18,830.83
Less: Depreciation		5,182.88	7,365.56
Net Block		8,762.53	11,465.27
Capital Work-in-Progress		507.68	95.18
		9,270.21	11,560.45
INVESTMENTS	4	15,136.33	8,072.26
DEFERRED TAX ASSETS (NET)		295.93	248.97
CURRENT ASSETS, LOANS AND ADVANCES			
Inventories	5	13,032.66	18,248.63
Sundry Debtors	6	4,084.80	4,511.16
Cash and Bank Balances	7	1,667.94	3,165.94
Other Current Assets	8	26.35	23.70
Assets held for Sale		1,066.19	-
Loans and Advances	9	3,747.41	2,309.17
		23,625.35	28,258.60
LESS:			
CURRENT LIABILITIES AND PROVISIONS	10		
Current Liabilities		8,256.58	10,822.72
Provisions		2,639.47	2,159.27
		10,896.05	12,981.99
NET CURRENT ASSETS		12,729.30	15,276.61
TOTAL		37,431.77	35,158.29
Significant Accounting Policies and Notes to Accounts	14		

In terms of our report attached

For and on behalf of the Board

For Deloitte Haskins & Sells
Chartered Accountants

Sekhar Natarajan
Chairman

Amitabh Jaipuria
Managing Director

R C Khanna
Director

R. Laxminarayan
Partner

H C Asher
Director

Ravinder K Reddy
Director

Pradeep Poddar
Director

Sandeep Kulkarni

Mumbai: 30th May, 2011

Chief Financial Officer & Company Secretary

Profit and Loss Account for the Year Ended 31st March, 2011

(Rs. in Lacs)

	Schedules	Year ended 31 st March, 2011	Year ended 31 st March, 2010
INCOME			
Sales (Gross)		36,955.96	41,939.13
Less: Excise Duty		1,129.93	916.56
Sales (Net)		35,826.03	41,022.57
Other Income	11	1,220.66	1,254.47
		37,046.69	42,277.04
EXPENDITURE			
Materials and Inputs	12	14,760.63	22,241.60
Operation, Administration and Other Expenses	13	16,147.38	13,082.34
Interest		28.38	28.78
Depreciation and Amortization		1,081.20	1,147.63
		32,017.59	36,500.35
Profit Before Tax		5,029.10	5,776.69
PROVISION FOR TAXATION:			
Income Tax:			
Current		611.19	200.00
Tax Provision in respect of earlier years		181.79	167.00
Deferred		(46.96)	26.08
Wealth Tax		-	1.44
		746.02	394.52
Profit After Tax		4,283.08	5,382.17
Balance Brought forward from Previous Year		9,519.30	6,440.01
PROFIT AVAILABLE FOR APPROPRIATION		13,802.38	11,822.18
APPROPRIATIONS			
Interim Dividends		863.12	863.12
Tax on Interim Dividends		143.35	146.69
Proposed Dividend		863.12	647.34
Tax on Proposed Dividend		140.01	107.51
Transfer to General Reserve		428.31	538.22
Balance Carried Forward		11,364.47	9,519.30
		13,802.38	11,822.18
BASIC & DILUTED EARNINGS PER SHARE OF FACE VALUE OF RS. 10/- EACH (RS.) (REFER NOTE 26 OF SCHEDULE 14)		49.62	62.36
Significant Accounting Policies and Notes to Accounts	14		

In terms of our report attached

For and on behalf of the Board

For Deloitte Haskins & Sells
Chartered Accountants

Sekhar Natarajan
Chairman

Amitabh Jaipuria
Managing Director

R C Khanna
Director

R. Laxminarayan
Partner

H C Asher
Director

Ravinder K Reddy
Director

Pradeep Poddar
Director

Sandeep Kulkarni

Mumbai: 30th May, 2011

Chief Financial Officer & Company Secretary

Schedules Forming part of the Balance Sheet

(Rs. in Lacs)

	As at 31 st March, 2011	As at 31 st March, 2010
SCHEDULE 1 - SHARE CAPITAL		
AUTHORIZED:		
10,000,000 Equity Shares of Rs. 10/- each	1,000.00	1,000.00
ISSUED AND SUBSCRIBED:		
8,631,574 Equity Shares of Rs. 10/- each	863.16	863.16
PAID UP:		
8,631,174 Equity Shares of Rs. 10/- each fully paid-up	863.12	863.12
Notes:		
Of the above:		
1. 5,303,545 Equity Shares have been allotted as fully paid-up bonus shares, by capitalization of general reserve.		
2. 2,313,031 Equity Shares have been issued pursuant to agreements against the acquisition of businesses of group companies.		
3. a) 4,626,062 (Previous Year 3,667,252) Equity shares are held by Monsanto Holdings Private Limited, the holding company		
b) 1,600,960 Equity shares are held by Monsanto Company, USA, the ultimate holding company, and		
c) Nil (Previous Year 958,810) Equity shares are held by Bretco Holding (Mauritius) Limited, a subsidiary of the ultimate holding company		
SCHEDULE 2 - RESERVES AND SURPLUS		
SECURITIES PREMIUM ACCOUNT:		
Balance as per last Balance Sheet	14,140.05	14,140.05
GENERAL RESERVE:		
Balance as per last Balance Sheet	10,635.82	10,097.60
Add: Transfer from Profit & Loss Account	428.31	538.22
	11,064.13	10,635.82
Balance in Profit and Loss Account	11,364.47	9,519.30
	36,568.65	34,295.17

Schedules Forming part of the Balance Sheet

(Rs. in Lacs)

DESCRIPTION	GROSS BLOCK (AT COST)			DEPRECIATION/AMORTIZATION			NET BLOCK		
	As at 01.04.2010	Additions during the year	Assets Held for Sale during the year **	As at 31.03.2011	As at 01.04.2010	For the year	Assets Held for Sale during the year **	As at 31.03.2011	As at 31.03.2010
SCHEDULE 3 - FIXED ASSETS									
INTANGIBLE ASSETS- ACQUIRED									
Intellectual Property	218.40	-	-	218.40	105.56	43.68	-	149.24	112.84
Software	103.61	-	32.89	70.72	34.30	23.31	32.89	24.72	69.31
TANGIBLE ASSETS									
Freehold Land	1,009.71	1.68	23.39	988.00	-	-	-	-	1,009.71
Buildings	4,788.39	243.22	1,615.12	3,416.49	2,086.93	169.35	1,057.35	1,198.93	2,701.46
Leasehold Improvements	398.23	-	-	398.23	398.23	-	-	398.23	-
Plant and Machinery	10,423.03	415.33	3,562.61	7,234.12	3,886.66	698.88	1,940.23	2,622.54	6,536.37
Furniture, Fixtures and Office Equipments	1,594.31	141.36	143.32	1,588.88	732.61	131.42	89.24	772.82	861.70
Vehicles	295.15	-	-	30.57	121.27	14.56	-	16.40	173.88
Grand Total	18,830.83	801.59	5,377.33	13,945.41	7,365.56	1,081.20	3,119.71	5,182.88	8,762.53
Previous Year	17,624.33	1,348.01	-	18,830.83	6,285.12	1,147.63	-	7,365.56	11,465.27
Capital Work in Progress									507.68
									9,270.21
									11,560.45

** Refer Note No. 28 of schedule 14 regarding Asset held for Sale.

Schedules Forming part of the Balance Sheet

(Rs. in Lacs)

	As at 31 st March, 2011	As at 31 st March, 2010
SCHEDULE 6 - SUNDRY DEBTORS		
(Unsecured)		
Debts Outstanding for a period exceeding six months	1,845.02	1,624.48
Other Debts	2,306.75	2,909.68
(Refer Note 16 and 21 of Schedule 14)	4,151.77	4,534.16
Less: Provision for Doubtful Debts	66.97	23.00
	4,084.80	4,511.16
NOTE:		
CONSIDERED GOOD	4,084.80	4,511.16
CONSIDERED DOUBTFUL	66.97	23.00
	4,151.77	4,534.16
SCHEDULE 7 - CASH AND BANK BALANCES		
Balances with Scheduled banks:		
- In Current Accounts	574.63	128.44
- In Fixed Deposit Accounts	1,093.31	3,036.31
(Including Rs. 40.31 Lacs, Previous Year Rs. 40.31 Lacs in margin money account over which the banks have a lien).		
Balances with Others:		
- In Current Account with Citibank, Sri Lanka	-	1.19
(Maximum balance Rs. 5.36 Lacs, Previous Year Rs. 5.89 Lacs)		
	1,667.94	3,165.94
SCHEDULE 8 - OTHER CURRENT ASSETS		
Interest Accrued on deposits with banks and other advances	26.35	23.70
	26.35	23.70
SCHEDULE 9 - LOANS AND ADVANCES		
(Unsecured, Considered Good)		
Advances Recoverable in Cash or in Kind or for value to be received.		
-Advances to suppliers and employees	1,435.45	592.69
-Capital Advances	12.10	33.77
Deposits for Premises and others	149.94	152.81
Others (Refer Note 21 of Schedule 14)	1,386.68	961.86
	2,984.17	1,741.13
Advance Tax Net of Provisions Rs. 3,022.23 Lacs (Previous year Rs. 2,196.22 Lacs)	552.92	432.77
Balance with Government Authorities	210.32	135.27
	3,747.41	2,309.17

Schedules Forming part of the Balance Sheet

(Rs. in Lacs)

	As at 31 st March, 2011	As at 31 st March, 2010
SCHEDULE 10 - CURRENT LIABILITIES AND PROVISIONS		
A: CURRENT LIABILITIES		
Sundry Creditors (See note no. 19 of Schedule 14)		
Trade		
i) Total outstanding dues to micro enterprises and small enterprises	-	1.24
ii) Total outstanding dues to creditors other than micro and small enterprises	1,671.37	3,356.12
Others	4,008.69	3,750.26
Book Overdraft	-	1,142.14
Advances from Customers	2,526.34	2,525.56
Unclaimed Dividend	49.38	47.40
Due to Investor Education and Protection Fund	0.80	-
	8,256.58	10,822.72
B: PROVISIONS		
Leave Encashment	577.19	551.24
Gratuity	247.17	69.76
Taxation (Net of Advance Tax Rs. 3,465.54 Lacs Previous year Rs. 3,451.49 Lacs)	494.56	581.23
Sales Returns	317.42	202.19
Proposed Dividend	863.12	647.34
Tax on Proposed Dividend	140.01	107.51
	2,639.47	2,159.27
	10,896.05	12,981.99
NOTE ON MOVEMENT IN PROVISION FOR SALES RETURNS:		
Opening Balance	202.19	184.52
Return Reserve Created	7,251.37	7,679.94
Return Reserve Adjusted	(7,136.14)	(7,662.27)
NET CLOSING BALANCE	317.42	202.19
NATURE OF PROVISION:		
Provision has been made for expected sales returns which are established using historical information on the frequency of claims and management estimates regarding possible future incidence.		

Schedules Forming part of the Profit and Loss Account

(Rs. in Lacs)

	Year ended 31 st March, 2011	Year ended 31 st March, 2010
SCHEDULE 11 - OTHER INCOME		
INTEREST:		
(Tax deducted at Source Rs. 3.70 Lacs, Previous Year Rs. 8.94 Lacs)		
- Bank Deposits	36.14	46.80
- Others	22.38	18.86
Dividend Income - Current Investments	614.07	275.91
Royalty and Licensing Fees	385.65	508.74
Exchange Gain (net)	-	346.72
Other sundry income/receipts	162.42	57.44
	1,220.66	1,254.47
SCHEDULE 12 - MATERIALS AND INPUTS		
Decrease/(Increase) in Stocks		
Opening Stock		
- Finished Goods	4,203.87	5,851.58
- Work in Process	12,499.62	10,130.20
	16,703.49	15,981.78
Closing Stock		
- Finished Goods	5,844.30	4,203.87
- Work in Process	5,919.92	12,499.62
	11,764.22	16,703.49
	4,939.27	(721.71)
Increase/(Decrease) in Excise Duty on Finished Goods	60.88	(14.56)
Raw Materials consumed		
Opening Stock	1,129.39	4,758.58
Add: Purchases	4,680.47	2,812.17
	5,809.86	7,570.75
Less: Closing Stock	1,009.08	1,129.39
	4,800.78	6,441.36
Seed Grower Payments and Production Cost	3,674.72	11,265.33
Packing Materials consumed	1,284.98	1,354.73
Purchases of Finished Goods	-	3,916.45
	14,760.63	22,241.60

Schedules Forming part of the Profit and Loss Account

(Rs. in Lacs)

	Year ended 31 st March, 2011	Year ended 31 st March, 2010
SCHEDULE 13 - OPERATION, ADMINISTRATION AND OTHER EXPENSES		
Personnel Costs:		
Salaries and Bonus (Refer note 27 of Schedule 14)	3,872.99	3,353.83
Contribution to Provident and Other Funds	378.15	283.45
Staff Welfare Expenses	75.27	82.27
	4,326.41	3,719.55
Stores and Spares Consumed	25.67	31.84
Light and Power	479.86	661.85
Rates and Taxes	371.16	338.52
Insurance	81.36	43.12
Rent	1,150.93	1,018.13
Repairs and Maintenance:		
- Buildings	13.20	20.97
- Plant and Machinery	53.58	207.13
- Others	22.60	29.05
	89.38	257.15
Freight, Forwarding charges	1,573.16	1,392.74
Travel and Entertainment	626.65	469.88
Vehicle Expenses and Hire Charges	747.24	935.14
Loss on disposal of Fixed Assets (net)	58.15	28.31
Diminution in value of Fixed Assets held for sale (Refer note 28 of Schedule 14)	1,217.00	-
Advertising and Promotions	1,693.74	1,245.61
Commission and Royalty	155.01	152.04
Cash Discount	1,123.50	1,133.30
Bank Charges	53.71	71.71
Doubtful Debts written off	17.87	133.84
Less: Adjusted against provision	(17.87)	(133.84)
	-	-
Provision for Doubtful Debts	61.84	4.00
Directors' Fees and Commission to Non-Executive Directors	28.65	29.00
Consultancy Fees	521.66	506.42
Exchange Loss	72.04	-
Miscellaneous Expenses (including Research and Development expense of Rs. 275.95 Lacs Previous year Rs. 231.96 Lacs)	1,690.26	1,044.03
	16,147.38	13,082.34

Schedules Forming part of the Financial Statements for the year ending 31st March, 2011

SCHEDULE 14: SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

I. COMPANY BACKGROUND:

Monsanto India Limited (the 'Company') was incorporated on 8th December, 1949. The Company is presently engaged in the business of production and sale of agricultural inputs, namely, chemicals and hybrid seeds. The Company's corporate office is located in Mumbai. It has a chemical production unit at Silvassa, hybrid seeds processing and drying units at Hyderabad and breeding stations at Bangalore and Hyderabad. During the year hybrid seeds processing and drying operations at Bellary and Eluru were shifted to Hyderabad.

II. SIGNIFICANT ACCOUNTING POLICIES:

(A) Basis of preparation of financial statements:

The accompanying financial statements have been prepared under the historical cost convention, in accordance with Indian Generally Accepted Accounting Principles and as per the provisions of the Companies Act, 1956.

(B) Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and differences between actual results and estimates are recognized in the periods in which the results are known/materialize.

(C) Tangible Fixed Assets and Depreciation

Fixed Assets are valued at their historical cost of acquisition or construction less accumulated depreciation. Cost includes all costs incurred to bring the assets to their present location and condition.

Depreciation on Tangible Fixed Assets is provided for on straight line basis in accordance with Section 205 (2) (b) of the Companies Act, 1956 (the Act) as follows:

- (i) On fixed assets (except as stated below), at the rates specified in Schedule XIV to the Act.
- (ii) Field vehicles are depreciated at the rate of 20%.
- (iii) Plant and Machinery other than dryer is depreciated at the rate of 10%. Dryer is depreciated at the rate of 5%.
- (iv) Mobile phones (Blackberry) have been depreciated at the rate of 33.33%
- (v) Leasehold improvements are amortized over the unexpired period of lease.
- (vi) Factory Buildings are depreciated at the rate of 5%.

(D) Intangible Assets and Amortization

Intangible Assets are valued at their cost less accumulated amortization. Cost includes all costs incurred to bring the assets to their present location and condition.

Intellectual Property Rights are amortized on a Straight Line basis over its useful life which is estimated by the management to be 5 years.

Computer Software is amortized on a Straight Line basis over its useful life which is estimated by the management to be 6 years.

(E) Impairment

An asset is considered as impaired in accordance with Accounting Standard 28 on Impairment of Assets when at balance sheet date there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the asset's net selling price and value in use). In assessing the value in use, the estimated future cash flow expected from the continuing use of the asset and its ultimate disposal are discounted to their present value using a predetermined discount rate. The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the profit and loss account.

Schedules Forming part of the Financial Statements for the year ending 31st March, 2011

(F) Investments:

Current investments are stated at the lower of cost and fair value.

(G) Inventories:

Inventories are measured at the lower of cost and net realizable value.

Costs of inventories comprise all costs of purchase - net of CENVAT, costs of inputs for standing crops, cost of conversion and other costs incurred in bringing the inventory to their present location and condition. Cost of Raw Materials, Packing Materials and finished goods (Traded Goods) are determined on FIFO basis. Cost of Work in Process and Finished Goods (manufactured) are determined by the absorption costing method.

(H) Revenue Recognition:

(i) Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection. Revenue on sale of products is recognized on delivery of the products, when all significant contractual obligations have been satisfied, the property in the goods is transferred for a price, significant risks and rewards of ownership have been transferred and no effective ownership control is retained.

Sales are stated inclusive of excise duty and net of returns, trade discounts and sales tax recovered. The amount of excise duty that is included in the amount of turnover (gross) is presented as a reduction from gross sales in accordance with the Accounting Standard interpretation ASI 14 "Disclosure of revenue from sales transactions".

(ii) Revenue in respect of royalty, commission, etc. is recognized in accordance with contractual obligations.

(iii) Interest income is recognized on a time proportion basis.

(I) Foreign Currency Transactions:

(i) Transactions in foreign currency are recorded at the average monthly exchange rates, during the months in which the transactions are effected.

(ii) Exchange differences arising on settlement of revenue transactions are recognized in the Profit & Loss Account.

(iii) Monetary items denominated in foreign currency are restated using the exchange rates prevailing at the date of the balance sheet. Gains/losses arising on restatement and on settlement of such liabilities are recognized in the profit and loss account.

(J) Employee Benefits:

(i) Provident fund is a defined contribution scheme and the contributions as required by the statute made to Government Provident Fund are charged to profit and loss account.

(ii) Superannuation fund is a defined contribution scheme. The Company contributes a sum equivalent to 15% of eligible employees salary to Superannuation Fund administered by trustees and managed by life insured company. The Company recognizes such contribution as an expense as and when incurred.

(iii) The Company participates in a group gratuity cum life insurance scheme administered by the TATA AIG Life Insurance Company Ltd. Being a defined benefit plan, annual contributions made to the scheme are as per the intimations received from the TATA AIG Life Insurance Company Ltd. The Company accounts for liability for future gratuity benefits based on an actuarial valuation conducted by an independent actuary. The net present value of the Company's obligation is determined based on the projected unit credit method as at the Balance Sheet date. Additionally shortfall, if any, between the balance in the fund with TATA AIG Life Insurance Company Ltd. and actuarial valuation obtained from an independent actuary is charged to the profit and loss account.

Schedules Forming part of the Financial Statements for the year ending 31st March, 2011

- (iv) The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employee is recognized during the period when the employee renders the service. These benefits include performance incentives and non vesting accumulated compensated absences.
- (v) The liability for compensated absences is an other long term benefit and is wholly unfunded. The liability for number of days of unutilized leave at each Balance Sheet date is provided for based on an independent actuarial valuation.
- (vi) The actuarial gains and losses are recognized immediately in the statement of Profit and Loss Account.

(K) Earnings Per Share:

The Company reports Earnings Per Share (EPS) in accordance with Accounting Standard 20 on Earnings Per Share. Basic EPS is computed by dividing the net profit for the year by the weighted average number of equity shares outstanding during the year.

(L) Taxation:

Income tax is accounted for in accordance with Accounting Standard 22 on Accounting for Taxes on Income. Taxes comprise both current and deferred tax.

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws.

The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or deferred tax liability. They are measured using the substantively enacted tax rates and tax regulations. The carrying amount of deferred tax assets at each balance sheet date is reduced to the extent that it is no longer reasonably certain that sufficient future taxable income will be available against which the deferred tax asset can be realized.

(M) Operating Lease:

Operating lease payments are recognized as expenditure in the profit and loss account on a straight-line basis, which is representative of the time pattern of benefits received from the use of assets taken on lease.

(N) Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving a substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an out flow of resources. Contingent liabilities are not recognized but are disclosed in the financial statements. Contingent assets are neither recognized nor disclosed in the financial statements.

(O) Cash Flow Statement:

The Cash Flow Statement is prepared by the indirect method set out in Accounting Standard- 3 on Cash Flow Statement and presents cash flows by operating, investing and financing activities of the Company. Cash and cash equivalents presented in the cash flow statement consist of cash on hand and balances in current and demand deposits with banks.

Schedules Forming part of the Financial Statements for the year ending 31st March, 2011

III. NOTES TO ACCOUNTS

(Rs. in Lacs)

	31 st March, 2011		31 st March, 2010	
1. Estimated amount of contracts remaining to be executed on capital account and not provided for excluding capital advances of Rs. 12.10 Lacs (Previous year Rs. 33.77 Lacs)		228.84		94.34
2. Contingent Liabilities in respect of the following matters:				
i) Income-tax		2,820.79		2,165.27
ii) Sales tax		390.95		1,457.94
iii) Claims against the Company not acknowledged as debts		91.58		59.77
Note: In respect of items mentioned above, till matters are finally decided, the financial effect cannot be ascertained.				
3. Managerial Remuneration:				
a) Remuneration to the Managing Director				
Salary, bonus and incentives		90.80		78.19
Contribution to Provident and other funds		8.42		7.48
Monetary Value of Perquisites		6.55		12.84
TOT AL		105.77		98.51
b) Commission to Non-Executive Directors		25.50		25.50
c) Directors' Fees		3.15		3.50
TOT AL		134.42		127.51
Notes:				
Provision for Leave Encashment, ESOP outflows and contribution to Gratuity Funds have been made on a group basis and separate figures applicable to individual employees are not available and therefore, the same have not been considered in the above computation.				
d) Computation of Net profits as per Section 349 read with Section 309(5) and Section 198 of the Companies Act, 1956.				
Profit Before Tax		5,029.10		5,776.69
Add: Managerial Remuneration	131.27		124.01	
Diminution in value of Fixed Assets held for sale	1,217.00		-	
Provision for Doubtful Debts, Advances and Deposits	61.84		4.00	
		1,410.11		128.01
Profit as per section 349		6,439.21		5,904.70
Commission to Non-Executive Directors				
@ 1% of the Profit - Rs. 6,439.21 Lacs (previous year Rs. 5,904.70 Lacs) restricted to:		25.50		25.50

Schedules Forming part of the Financial Statements for the year ending 31st March, 2011

(Rs. in Lacs)						
			31 st March, 2011	31 st March, 2010		
4. Auditors' Remuneration:						
(a) Statutory Auditor:						
Audit fees			12.00		10.00	
Other services			5.25		5.25	
Tax Audit			5.00		5.00	
Out-of-pocket expenses			0.14		0.21	
Service Tax on above			2.29		2.09	
			24.68		22.55	
(b) Cost Auditor:						
Audit fees			0.75		0.60	
5. Value of Imports calculated on C.I.F. basis						
Raw Materials and Finished Goods			5,241.63		5,340.35	
Capital Goods			-		231.84	
6. Earnings in foreign currency (on accrual basis)						
FOB Value of Exports			1,057.73		1,782.76	
7. Expenditure in foreign currency (on accrual basis)						
Travel Expenses			15.27		27.43	
Professional Consultancy Fees			9.96		7.44	
Salaries			68.78		145.88	
Communication Expenses			0.88		26.41	
Others (including reimbursement of expenses)			40.37		51.39	
8. Remittance in foreign exchange on account of Dividends to non-resident shareholders						
(Rs. in Lacs)						
Dividend in respect of the year ended	No. of Shares	No. of Shareholders	31 st March, 2011		31 st March, 2010	
2008-09 (Final)	3,084,770	2		-		370.17
2009-10 (Interim)	3,084,770	2		-		308.48
2009-10 (Final)	2,559,770	2	191.98			-
2010-11 (Interim)	1,984,770	2	198.48			-

Schedules Forming part of the Financial Statements for the year ending 31st March, 2011

(Rs. in Lacs)

	31 st March, 2011		31 st March, 2010	
	Qty	Value	Qty	Value
9. Sales (including trading products)				
Agricultural Chemicals				
- KL	4,803	10,022.08	5,683	12,015.00
- MT-Traded goods	-	-	1,940	2,696.17
Seeds (MT)	26,092	26,933.88	21,439	27,227.96
(Quantities are inclusive of shortages/excesses, write offs and samples)		36,955.96		41,939.13
10. Opening Stock of Finished Goods				
Agricultural Chemicals - KL	910	1,544.60	1,308	1,936.42
Seeds (MT)	10,305	2,659.27	10,054	3,915.16
11. Closing Stock of Finished Goods				
Agricultural Chemicals - KL	1,288	1,846.42	910	1,544.60
Seeds (MT)	7,548	3,997.88	10,305	2,659.27
12. Purchases of Finished Goods (Traded)				
Seeds (MT)	-	-	1,954.81	3,916.45
13. Quantitative information in respect of goods produced				
i) Licensed Capacity	Not Applicable		Not Applicable	
Licensed capacity per annum not indicated due to abolition of industrial licenses as per notification No. 477(E) dated 25 th July, 1991 issued under Industries (Development & Regulation) Act, 1951				
ii) Installed Capacity (as certified by the Management)	27,035 KL of Formulation & Packing Per annum 30,000 MT of Seeds per annum. (Single Shift Basis)		27,035 KL of Formulation & Packing Per annum. 30,000 MT of Seeds per annum. (Single Shift Basis)	
iii) Actual Production				
Agricultural Chemicals				
- KL		5,181		5,294
- Seeds (MT)		23,335		23,518

Schedules Forming part of the Financial Statements for the year ending 31st March, 2011

(Rs. in Lacs)

	31 st March, 2011		31 st March, 2010	
	Qty	Value	Qty	Value
14. Raw Materials Consumed				
Alachlor Technical (KL)	-	-	55.83	92.06
Butachlor Technical (KL)	-	-	735.71	1,194.10
Glyphosate IPA Salt (KL)	3,987.58	4,045.67	2,920.18	4,219.68
Others	932.10	755.11	-	935.52
		4,800.78		6,441.36
	%	(Rs. in Lacs)	%	(Rs. in Lacs)
Imported	99.91	4,796.54	96.58	6,221.29
Indigenous	0.09	4.24	3.42	220.07
	100	4,800.78	100	6,441.36
15. Packing Materials & Stores and spares Consumed	%	(Rs. in Lacs)	%	(Rs. in Lacs)
Packing Material				
Indigenous	100	1,284.98	100	1,354.63
Imported	-	-	-	-
	100	1,284.98	100	1,354.63
Stores and Spares Consumed				
Indigenous	100	25.67	100	31.84
Imported	-	-	-	-
	100	25.67	100	31.84

16. Related Party Disclosure:

Names of related parties and description of relationship

A. Holding Company:

Monsanto Holdings Private Limited (from 23rd November, 2010) (MHPL)
Ultimate Holding Company- Monsanto Company, USA (MUSA)

B. Fellow Subsidiaries:

P.T. Branita Sandhini, Monsanto Philippines INC , Monsanto Thailand L td, Bretco Holding (Mauritius) Ltd, Monsanto Singapore Pte Ltd, Monsanto Pakistan Agri-tec (Pvt) Ltd, Seminis Vegetable Seeds Inc., PT Monagro Kimia, Monsanto AG Products LLC, Monsanto Ag Technology LLC, Monsanto Inter-America Co, Monsanto Chile S.A., Monsanto Holland B V, Monsanto Far East Ltd., Monsanto Korea Inc, Seminis Beijing Co. Ltd., Monsanto Holdings Private Limited (till 22nd November, 2010)

Schedules Forming part of the Financial Statements for the year ending 31st March, 2011

C. Key Managerial Personnel:

Mr. Amitabh Jaipuria, Managing Director

(Rs. in Lacs)

Nature of Transactions	Year Ended 31 st March, 2011					Year Ended 31 st March, 2010			
	Ultimate Holding Co. MUSA	Holding Co. MHPL	Fellow Subsidiary	Key Managerial Personnel	Total	Holding Co. MUSA	Fellow Subsidiary	Key Managerial Personnel	Total
PURCHASE OF GOODS	4,520.40	-	-	-	4,520.40	4,726.53	-	-	4,726.53
Monsanto Company, USA	4,520.40	-	-	-	4,520.40	4,726.53	-	-	4,726.53
SALE OF GOODS	-	-	156.75	-	156.75	-	1,855.13	-	1,855.13
Monsanto Thailand Ltd.	-	-	133.31	-	133.31	-	679.61	-	679.61
Monsanto Far East Ltd.	-	-	23.44	-	23.44	-	67.43	-	67.43
Monsanto Holdings Private Ltd.	-	-	-	-	-	-	578.67	-	578.67
Monsanto Pak Agri tech Private Limited	-	-	-	-	-	-	529.42	-	529.42
PURCHASE OF FIXED ASSET	-	-	-	-	-	9.02	-	-	9.02
Monsanto Company, USA	-	-	-	-	-	9.02	-	-	9.02
EXPENSES TOWARDS ROYALTY	-	155.01	-	-	155.01	-	152.04	-	152.04
Monsanto Holdings Private Ltd.	-	155.01	-	-	155.01	-	152.04	-	152.04
RENT	-	339.71	-	-	339.71	-	277.4	-	277.4
Monsanto Holdings Private Ltd.	-	339.71	-	-	339.71	-	277.4	-	277.4
MANAGING DIRECTOR / MANAGERS REMUNERATION	-	-	-	105.77	105.77	-	-	98.51	98.51
Amitabh Jaipura	-	-	-	105.77	105.77	-	-	98.51	98.51
REIMBURSEMENT OF EXPENSES (NET)	331.07	374.12	250.21	-	955.40	85.35	2,838.12	-	2,923.47
Monsanto Company, USA	331.07	-	-	-	331.07	85.35	-	-	85.35
Monsanto Singapore Pte Ltd	-	-	54.83	-	54.83	-	(44.06)	-	(44.06)
Monsanto Philippines	-	-	(0.76)	-	(0.76)	-	-	-	-
PT Branita Sandhini	-	-	36.09	-	36.09	-	96.14	-	96.14

Schedules Forming part of the Financial Statements for the year ending 31st March, 2011

(Rs. in Lacs)

Nature of Transactions	Year Ended 31 st March, 2011					Year Ended 31 st March, 2010			
	Ultimate Holding Co. MUSA	Holding Co. MHPL	Fellow Subsidiary	Key Managerial Personnel	Total	Holding Co. MUSA	Fellow Subsidiary	Key Managerial Personnel	Total
Monsanto Thailand Ltd	-	-	3.61	-	3.61	-	2.87	-	2.87
Monsanto SAS	-	-	(8.18)	-	(8.18)	-	-	-	-
Seminis Beijing Co Ltd	-	-	(1.03)	-	(1.03)	-	0.27	-	0.27
Monsanto Far East Ltd.	-	-	1.30	-	1.30	-	2.07	-	2.07
Monsanto Ag Product LLC	-	-	(32.83)	-	(32.83)	-	-	-	-
Mahyco Monsanto Biotech (I) Ltd.	-	-	129.40	-	129.40	-	894.68	-	894.68
Monsanto Pakistan Agritech (Pvt) Ltd	-	-	-	-	-	-	0.77	-	0.77
Monsanto Inter America Company	-	-	67.78	-	67.78	-	(86.70)	-	(86.70)
Monsanto Holdings Private Ltd.	-	374.12	-	-	374.12	-	1,972.08	-	1,972.08
PAYMENT OF DIVIDENDS	280.17	699.27	110.29	-	1,089.73	351.78	1,017.34	-	1,369.12
Monsanto Company, USA	280.17	-	-	-	280.17	351.78	-	-	351.78
Monsanto Holdings Pvt Ltd.	-	699.27	-	-	699.27	-	691.30	-	691.30
Bretco Holdings (Mauritius) Ltd	-	-	110.29	-	110.29	-	326.04	-	326.04
OUTSTANDING AT YEAR END SUNDRY DEBTORS	-	-	162.31	-	162.31	-	288.52	-	288.52
Monsanto Thailand Ltd	-	-	138.87	-	138.87	-	222.98	-	222.98
Monsanto Far East Ltd.	-	-	23.44	-	23.44	-	65.54	-	65.54
LOANS AND ADVANCES	-	725.65	269.25	-	994.90	28.46	603.82	-	632.28
Monsanto Company, USA	-	-	-	-	-	28.46	-	-	28.46
Monsanto Holdings Pvt Ltd.	-	725.65	-	-	725.65	-	413.81	-	413.81
Monsanto Pakistan Agritech (Pvt) Ltd	-	-	0.74	-	0.74	-	0.74	-	0.74
Seminis Beijing Company Ltd.	-	-	0.33	-	0.33	-	0.25	-	0.25

Schedules Forming part of the Financial Statements for the year ending 31st March, 2011

(Rs. in Lacs)

Nature of Transactions	Year Ended 31 st March, 2011					Year Ended 31 st March, 2010			
	Ultimate Holding Co. MUSA	Holding Co. MHPL	Fellow Subsidiary	Key Managerial Personnel	Total	Holding Co. MUSA	Fellow Subsidiary	Key Managerial Personnel	Total
Monsanto Far East Ltd.	-	-	3.79	-	3.79	-	0.25	-	0.25
Monsanto Singapore Pte Ltd	-	-	2.47	-	2.47	-	14.48	-	14.48
Monsanto Thailand Ltd	-	-	0.13	-	0.13	-	2.87	-	2.87
Mahyco Monsanto Biotech (I) Ltd.	-	-	235.34	-	235.34	-	109.39	-	109.39
PT Branita Sanhini	-	-	26.45	-	26.45	-	30.99	-	30.99
Monsanto AG Products LLC	-	-	-	-	-	-	31.04	-	31.04
SUNDRY CREDITORS	834.78	248.95	100.89	-	1,184.62	1,434.16	147.43	-	1581.59
Monsanto Company, USA	834.78	-	-	-	834.78	1,434.16	-	-	1434.16
Seminis Beijing Company Ltd.	-	-	2.82	-	2.82	-	1.80	-	1.80
PT Monagro Kimia	-	-	0.06	-	0.06	-	0.06	-	0.06
Monsanto Thailand Ltd.	-	-	1.34	-	1.34	-	1.35	-	1.35
Monsanto Singapore Pte Ltd	-	-	4.76	-	4.76	-	-	-	-
Monsanto Philippines	-	-	0.73	-	0.73	-	-	-	-
Monsanto SAS	-	-	8.73	-	8.73	-	-	-	-
Monsanto Ag Technology LLC	-	-	50.88	-	50.88	-	51.24	-	51.24
Monsanto Holdings Pvt. Ltd	-	248.95	-	-	248.95	-	-	-	-
Monsanto Ag Product LLC	-	-	31.57	-	31.57	-	-	-	-
Monsanto Inter America Co	-	-	-	-	-	-	92.98	-	92.98

17. The dominant source and nature of the risks and returns of the agricultural chemistry and seeds activities of the Company not being significantly different, the Company operates a single segment of activity, "Agricultural Inputs", within the same geography.

Schedules Forming part of the Financial Statements for the year ending 31st March, 2011

18. The Company has incurred the following expenses towards operating leases pertaining to vehicles, office equipments, warehouses and residential premises. Lease agreements are executed for a period ranging from 11 to 48 months.

(Rs. in Lacs)

	As at 31 st March, 2011		As at 31 st March, 2010	
Cancellable		1,150.93		993.42
Non-Cancellable		685.41		711.02

The Company is obligated under non-cancelable leases pertaining to vehicles and office equipment to pay the following amounts in future as given below:

(Rs. in Lacs)

	As at 31 st March, 2011		As at 31 st March, 2010	
Upto 1 year -		1,224.03		939.16
1 to 5 years -		2,940.85		2,953.15

19. The disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) have been made on the basis of confirmations received from suppliers regarding their status under the said act;

(Rs. in Lacs)

Sr No		As at 31 st March, 2011		As at 31 st March, 2010	
1.	Outstanding principal Amount & Interest as on 1 st April, 2010.				
	- Principal Amount		-		1.24
	- Interest due thereon		-		-
2	Amount of interest paid along with the amounts of payment made beyond the appointed day		-		-
3	Amount of interest due and payable (where the principal has already been paid but interest has not been paid)		-		-
4	The amount of interest accrued and remaining unpaid at the end of each accounting year.		-		-
5	The amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act		-		-

Schedules Forming part of the Financial Statements for the year ending 31st March, 2011

20. The Company has continually maintained a position that its income from agricultural activities (which involves growing seeds in various states through local growers), is not tax able. This contention has also been upheld by the Honorable Income-tax Appellate Tribunal, Mumbai for Assessment Years 1993-94 through 2001-02 and Assessment years 2003-04 and 2004-05. This position is also followed by CIT (Appeals) for Assessment Year 2002-03 and 2006-07.

21. Balances due from companies under the same management -

(Rs. in Lacs)

	Year Ended 31 st March, 2011		Year Ended 31 st March, 2010	
Included in Loans and Advances - Schedule 9				
(i) Monsanto Holdings Pvt. Ltd.		476.70		413.81
Maximum amount outstanding		1,380.91		2,310.10
(ii) Mahyco Monsanto Biotech (India) Ltd		235.34		109.39
Maximum amount outstanding		743.41		654.97

22. Deferred Tax Assets at year-end comprises of:

(Rs. in Lacs)

	31 st March, 2011		31 st March, 2010	
Provision for Doubtful Debts		5.56		2.82
Depreciation		191.15		119.51
Provision for Leave Encashment		47.93		67.25
Others u/s 43B of Income Tax Act, 1961		51.29		59.39
Net Deferred Tax Asset/(Liability)		295.93		248.97

23. Operation, Administration and Other Expenses in Schedule 13 includes expenses after reduction of reimbursements amounting to Rs. 955.40 Lacs (Previous year Rs. 2,923.46 Lacs) by Holding Co. and Fellow Subsidiaries towards the value of costs apportioned of the Company's employees and facilities in accordance with the agreements on allocation of expenses with the companies.

Schedules Forming part of the Financial Statements for the year ending 31st March, 2011

24. Disclosure as required under AS -15 regarding the Company's defined benefit plans is as follows:

I. Reconciliation of opening and closing balance of the present value of the defined benefit obligation for gratuity benefits is given below:

(Rs. in Lacs)

	As at 31 st March, 2011	As at 31 st March, 2010	As at 31 st March, 2009	As at 31 st March, 2008
Change in benefit obligations				
Present value of benefit obligations as at 1 st April, 2010	1,144.95	961.90	710.69	633.67
Service cost	119.21	80.08	80.08	71.22
Interest cost	91.60	67.33	56.86	50.69
Benefits paid	(247.27)	(75.17)	(115.41)	(243.39)
Actuarial (gain)/loss on obligations	116.17	110.81	229.68	198.50
Present value of benefit obligations as at 31 st March, 2011	1224.66	1,144.95	961.90	710.69

II. Reconciliation of opening and closing balance of the fair value of plan assets is given below:

(Rs. in Lacs)

	As at 31 st March, 2011	As at 31 st March, 2010	As at 31 st March, 2009	As at 31 st March, 2008
Fair value of plan assets, as at 1 st April, 2010	1,075.19	767.03	602.18	628.88
Expected return on plan assets	86.02	53.69	48.17	50.31
Actuarial gain/(loss)	(47.32)	5.23	26.04	(39.08)
Employer Contribution	110.87	324.41	206.05	205.46
Benefits paid	(247.27)	(75.17)	(115.41)	(243.39)
Fair Value of plan assets as at 31 st March, 2011	977.49	1,075.19	767.03	602.18

III. Actual return on Plan Assets:

(Rs. in Lacs)

	As at 31 st March, 2011	As at 31 st March, 2010	As at 31 st March, 2009	As at 31 st March, 2008
Expected Return on Plan Assets	86.02	53.69	48.17	50.31
Actuarial gain/(loss) on Plan assets	(47.32)	5.23	26.04	(39.08)
Actual Return on Plan Assets	38.70	58.92	74.21	11.23

Schedules Forming part of the Financial Statements for the year ending 31st March, 2011

IV. Amount recognized in the Balance Sheet

(Rs. in Lacs)

	As at 31 st March, 2011	As at 31 st March, 2010	As at 31 st March, 2009	As at 31 st March, 2008
Fair value of plan assets as at 31 st March, 2011	977.49	1,075.19	767.03	602.18
Present value of benefit obligations as at 31 st March, 2011	1224.66	1,144.95	961.89	710.69
Net asset/(liability) as at 31 st March, 2011	(247.17)	(69.76)	(194.86)	(108.51)

V. Cost recognized in the Profit and Loss Account

(Rs. in Lacs)

	As at 31 st March, 2011	As at 31 st March, 2010	As at 31 st March, 2009	As at 31 st March, 2008
Current service cost	119.21	80.08	80.08	71.22
Interest cost	91.60	67.33	56.86	50.69
Expected return on plan assets	(86.02)	(53.69)	(48.17)	(50.31)
Actuarial (gain)/loss	163.48	105.59	203.64	237.58
Net gratuity cost	288.27	199.31	292.40	309.18

VI. Reconciliation of the Liability recognized in the Balance Sheet:

(Rs. in Lacs)

	As at 31 st March, 2011	As at 31 st March, 2010	As at 31 st March, 2009	As at 31 st March, 2008
Opening Net Liability	69.76	194.86	108.51	4.79
Expense recognized	288.28	199.31	292.40	309.18
Employer Contribution	(110.87)	(324.41)	(206.05)	(205.46)
Amount recognized in the Balance Sheet	247.17	69.76	194.86	108.51

VII. Experience Adjustment

(Rs. in Lacs)

	As at 31 st March, 2011	As at 31 st March, 2010	As at 31 st March, 2009	As at 31 st March, 2008
Liability at the end of the Period	1,224.66	1,144.95	961.89	710.69
Fair value of plan assets as at the end of the period	977.49	1,075.19	767.03	602.18
Deficit/(Surplus)	247.17	69.76	194.86	108.51
Experience adjustments on plan liabilities (Gain)/Loss	10.01	(63.17)	229.68	135.94
Experience adjustments on plan Assets Gain/(Loss)	(47.31)	5.23	26.04	(39.08)

Schedules Forming part of the Financial Statements for the year ending 31st March, 2011

VIII. Actuarial assumptions used

	As at 31 st March, 2011	As at 31 st March, 2010	As at 31 st March, 2009	As at 31 st March, 2008
Discount rate	8.25% p.a.	8.00% p.a.	7.00% p.a.	8.00% p.a.
Salary escalation rate	9.30% p.a.	8.50% p.a.	7.00% p.a.	7.00% p.a.
Expected return on plan assets	8.25% p.a.	8.00% p.a.	7.00% p.a.	8.00% p.a.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The Company has adopted the revised Accounting Standard - 15 from the financial year 2006-07. Comparatives have been provided since 2007-08.

The Company's best estimate of contributions expected to be paid to the plan during the annual period beginning after 31st March, 2011 is Rs. 403.31 Lacs (Previous Year Rs. 193.63 Lacs)

(Rs. in Lacs)

The major categories of plan assets as a percentage of total plan	31 st March, 2011		31 st March, 2010	
	Gratuity Funded		Gratuity Funded	
INSURER MANAGED FUNDS		100.00%		100.00%
- Government Bonds		40.14%		40.14%
- Infrastructure Bonds		38.59%		38.59%
- Corporate Bonds		21.19%		21.19%
- Reverse Repo		0.08%		0.08%

25. The Company has accrued the liability for compensated absences based on the actuarial valuation as at the balance sheet date conducted by an independent actuary and provided for the actuarial liability at Rs. 577.19 Lacs (Previous Year Rs. 551.24 Lacs)

Actuarial assumptions used

	As at 31 st March, 2011	As at 31 st March, 2010
Discount rate	8.25% p.a.	8.00% p.a.
Salary escalation rate	9.30% p.a.	8.50% p.a.

26. Earnings Per Share (EPS)

	Year Ended 31 st March, 2011	Year Ended 31 st March, 2010
A. Profit Attributable to Equity Shareholders (Rs. in Lacs)	4,283.08	5,382.17
B. Number of Equity Shares outstanding during the year	8,631,174	8,631,174
C. Nominal Value of Equity Shares (Rs.)	10.00	10.00
Basic Earnings Per Share (Rs.) (A/B)	49.62	62.36

Note: There is no diluted EPS as there are no outstanding dilutive potential equity shares.

Schedules Forming part of the Financial Statements for the year ending 31st March, 2011

27. Monsanto Company, USA (MC) has established the Monsanto Company Long Term Incentive Plan. As a part of the plan, employees of Monsanto India Limited are provided with an opportunity to acquire shares of MC via stock option/equity-based awards. The eligible employees are granted the options which shall vest with the employees over a period of 3 years from the date of the grant and they can exercise the stock options after their vesting period through any of the following three methods viz., i) cashless sell; ii) cashless hold and iii) cash purchase. The employee can exercise the option within a stipulated period mentioned in the plan.

Monsanto India Limited measures compensation expense for stock options and equity-based awards (net of forfeitures) at their fair value determined using a Lattice binomial model on the date of grant and amortized over the vesting period. Accordingly, an amount of Rs. 259.33 Lacs (previous year Rs. 152.53 Lacs) has been debited to the profit and loss account for the year. This amount includes an amount of Rs. 2.83 Lacs (Previous Year Rs. 2.59 Lacs) incurred by the Company towards employee stock option plan for the Managing Director.

During the year MC has granted to employees of the Company 23,290 (Previous Year 23,450) options/stock awards on various dates of which none are vested. However 5,573 (Previous Year 11,210) options/stock-awards were withdrawn on account of employee resignations and 4,820 options were transferred from (Previous Year 713 options were transferred to) other group companies on employees being transferred resulting in an outstanding balance of 67,400 (Previous year 54,503) options/stock-awards at the end of the year.

28. As a part of consolidation of manufacturing operations in Hyderabad to achieve operational savings, the Company decided to shift the seed processing and drying operations from Bellary and Eluru to Hyderabad and hence the related fixed assets are shown under 'Assets held for sale' in the Balance Sheet. The said assets are valued at the lower of net book value and net realizable value in accordance with Accounting Standard 10 - Accounting for Fixed Assets. Accordingly, in the case of the assets at Eluru, the net realizable value is lower by Rs. 1,217.00 Lacs based on a letter of intent issued by the Company to the prospective buyer and the loss has been recognized in the Profit and Loss Account and shown under Schedule 13 - Operation, Administration and Other expenses. In respect of fixed assets at Bellary, the management expects to obtain net realizable value higher than the net book value of the assets. Accordingly, the fixed assets at Bellary are carried at net book value.
29. The Year end Foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

(Amount in Lacs)

	31 st March, 2011		31 st March, 2010	
	Rs.	USD	Rs	USD
a. Amounts receivable in Foreign Currency on account of Export of goods & services	216.77	4.84	314.59	7.07
b. Amounts payable in Foreign currency on account of the following				
- Imports of goods and services	952.06	21.27	4,938.22	110.91
- Capital Imports (including Intangibles)	-	-	237.71	5.34
- Advance	-	-	3.49	0.08

30. Comparative financial information:

Comparative financial information (i.e. the amounts and other disclosures for the preceding year presented above), is included as an integral part of the current year's financial statements and is to be read in relation to the amounts and other disclosures relating to the current year. Figures of the previous year have been regrouped/reclassified wherever necessary to correspond to figures of the current year.

Balance Sheet Abstract of 2010 - 2011 and company's general business profile.

1 REGISTRATION DETAILS

Registration No. State Code

Balance Sheet Date
Date Month Year

2 CAPITAL RAISED DURING THE YEAR (RS. IN LACS)

Public Issue Right Issue

Bonus Issue Private Placement

3 POSITION OF EMPLOYMENT AND DEPLOYMENT OF FUNDS (RS. IN LACS)

Total Liabilities Total Assets

SOURCES OF FUNDS (RS. IN LACS)

Paid - up Capital Reserves & Surplus

Secured Loans Unsecured loans

APPLICATION OF FUNDS (RS. IN LACS)

Net Fixed Assets Investments

Net current assets Misc. Expenditure

Accumulated Losses

4 PERFORMANCE OF COMPANY (RS. IN LACS)

Turnover Total Expenditure

Profit Before Tax Profit After Tax

Earning per Share in (Rs) Dividend Rate (%)

5 GENERIC NAMES OF THREE PRINCIPLE PRODUCTS AND ITEM CODE NOS. (ITC CODE)

Pesticides/Herbicides

Hybrid Seeds

Cash Flow Statement for the Year Ended 31st March, 2011

(Rs.in Lacs)

	Year ended 31 st March, 2011		Year ended 31 st March, 2010	
A. Cash flow from Operating Activities				
Net Profit Before Tax		5,029.10		5,776.69
Adjustments for:				
Depreciation and Amortization	1,081.20		1,147.63	
Interest Expense	28.38		28.78	
Provision for Doubtful Debts	61.84		4.00	
Interest Income	(58.52)		(65.65)	
Loss on sale/disposal of Fixed Assets (Net)	58.15		28.31	
Diminution in value of Fixed Assets held for sale	1,217.00		-	
Dividend Income from Mutual funds	(614.07)		(275.91)	
		1,773.98		867.16
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		6,803.08		6,643.85
Adjustments for:				
(Increase)/Decrease in Current Assets, Loans and Advances	(979.12)		926.61	
Decrease in Inventories	5,215.96		3,070.43	
(Decrease) in Current liabilities and Provisions	(1,078.69)		(3,829.30)	
		3,158.15		167.74
Net cash generated from operations		9,961.23		6,811.59
Direct Taxes paid (net)		(999.78)		(391.87)
Net cash generated from Operating Activities		8,961.45		6,419.72
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets (including capital work in progress)	(1,214.09)		(1,420.09)	
Interest Income received	55.87		155.65	
Investment in units of Mutual Funds	(19,088.24)		(17,376.35)	
Redemption in units of Mutual Funds	12,024.16		15,100.88	
Sale of Fixed Assets	107.36		46.00	
Dividend Income from Mutual funds	614.07		275.91	
Net Cash (used)/generated in Investing Activities		(7,500.87)		(3,218.01)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Dividend paid	(1,508.48)		(1,905.42)	
Tax on Dividend	(250.87)		(322.71)	
Interest paid	(57.09)		(26.28)	
Net cash used in Financing Activities		(1,816.44)		(2,254.41)

Cash Flow Statement for the Year Ended 31st March, 2011 *contd.*

(Rs.in Lacs)

	Year ended 31 st March, 2011	Year ended 31 st March, 2010
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(355.86)	947.30
CASH AND CASH EQUIVALENTS-OPENING BALANCE	2,023.80	1,076.50
CASH AND CASH EQUIVALENTS-CLOSING BALANCE	1,667.94	2,023.80

(Rs.in Lacs)

NOTES TO CASH FLOW STATEMENT:

1 Cash and Cash Equivalents include:

- Current Account	574.63	129.63
- Fixed Deposit	1,093.31	3,036.31
- Book Overdraft	-	(1,142.14)
	1,667.94	2,023.80

2 Cash and Cash Equivalent includes fixed deposits Rs. 40.31 Lacs (Previous year Rs. 40.31 Lacs), which are held by banks as margin money against bank guarantees issued.

3 a) Net profit before tax and (Increase)/Decrease in Trade and Other Receivables includes unrealized foreign exchange loss amounting to Rs. 3.35 Lacs (Previous Year Rs. 12.15 Lacs).

b) Also, Net profit before tax and Increase/(Decrease) in Trade and Other Payables includes unrealized foreign exchange gain amounting to Rs. 11.40 Lacs (Previous Year Rs. 35.01 Lacs).

4 Figures of the previous year have been recast wherever necessary to conform to the figures of the current year.

In terms of our report attached

For and on behalf of the Board

For Deloitte Haskins & Sells
Chartered Accountants

Sekhar Natarajan
Chairman

Amitabh Jaipuria
Managing Director

R C Khanna
Director

R. Laxminarayan
Partner

H C Asher
Director

Ravinder K Reddy
Director

Pradeep Poddar
Director

Sandeep Kulkarni

Mumbai: 30th May, 2011

Chief Financial Officer & Company Secretary

Monsanto India Limited

Registered Office: Ahura Centre, 5th Floor, 96, Mahakali Caves Road, Andheri (East), Mumbai - 400 093.

FORM 2B

(See Rules 4CC and 5D)

NOMINATION FORM

(For shares held in physical form)

To,
Link Intime India Private Limited
UNIT: MONSANTO INDIA LIMITED
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W),
Mumbai - 400 078.

From : _____

Folio No./
Client ID No. : _____
Shares held : _____

I am/we are the holder(s) of Shares of the Company as mentioned above. I/we nominate the following person(s) in whom all rights of transfer and/or amount payable in respect of Shares shall vest in the event of my/our death.

Nominee's Name										Age									
Date of birth*																			
Guardian's Name*																			
Occupation of		1.	Service		2.	Business		3.	Student		4.	Professional							
Nominee (✓)		5.	Household		6.	Farmer		7.	Others										
Nominee's Address																			
												Pin Code							
Telephone No.												Fax No.							
E-mail Address												STD Code							
Specimen Signature of Nominee/ Guardian (in case of nominee is minor)																			

* To be filled in case nominee is minor.

Kindly take the aforesaid details on record

Thanking you,
Yours faithfully,

Name of all the Holder(s) [as appearing on the Certificate(s)]	Signature as per specimen recorded with the Company
Sole/1 st holder	
2 nd holder	
3 rd holder	

Signature of two Witnesses

Name and Address	Signature with date

Instructions:

Please read the instructions given below very carefully and follow the same to the letter. If the form is not filled as per the instructions, the same will be rejected.

1. The nomination can be made by individuals only. Non-individuals including society, trust, body corporate, partnership firm, Karta of Hindu Undivided Family, holder of power of attorney cannot nominate. If the shares are held jointly all joint holders will sign (as per the specimen recorded with the Company) the nomination form. A non-resident Indian can be a nominee on non-repatriable basis.
2. A minor can be nominated by a holder of shares and in that event the name and address of the Guardian shall be given by the holder.
3. Transfer of share in favour of nominee and repayment of amount to the nominee shall be valid discharge by a Company against the legal heir.
4. Only one person can be nominated per folio.
5. Details of all the holders in a folio required to be filled; else there request will be rejected.
6. The nomination will be registered only when it is complete in all respects including the signature of (a) all the registered holders (as per the specimen recorded with the Company) and (b) the nominee.
7. Whenever the Shares in the given folio are entirely transferred or transposed with some other folio, then this nomination will stand rescinded.
8. On receipt of duly executed nomination form, the Company will register the form and allot a registration number and date. This number and Folio No./ID No. should be quoted by the nominee in all future correspondence.
9. The nomination can be revoked by executing fresh nomination form.
10. The Company will not entertain any claims other than those of a registered nominee, unless so directed by a Court.
11. In case of shareholders holding their shares in demat mode, the shareholders are requested to provide the details to NSDL/CDSL as the case may be through their respective Depository Participant.

FOR OFFICE USE ONLY

Nomination Registration Number

Registered Folio No./ID No.

Date of Registration

Checked by (Name & Signautre)

Monsanto India Limited

Registered Office: Ahura Centre, 5th Floor, 96, Mahakali Caves Road, Andheri (East), Mumbai - 400 093.

PROXY

DP. Id*	
---------	--

Master Folio No.	
------------------	--

Client ID*	
------------	--

I/We _____ of _____ in the District of _____ being a Member/Members of Monsanto India Limited hereby appoint of _____ in the district of _____ or failing him _____ of _____ in the district of _____ as my/our Proxy to attend and vote for me/us and on my/our behalf at the 61st ANNUAL GENERAL MEETING of the said Company to be held on 26th September, 2011 and at any adjournment thereof.

Signed this _____ day of _____ 2011.

Signature(s) of the Member(s) _____

Note:

- i) This Proxy must be deposited at the Registered Office of the Company, not later than 48 hours before the time of the meeting.
- ii) A PROXY NEED NOT BE A MEMBER.
- iii) *Applicable for investors holding shares in electronic form.

Affix
Revenue
Stamp

Monsanto India Limited

Registered Office: Ahura Centre, 5th Floor, 96, Mahakali Caves Road, Andheri (East), Mumbai - 400 093.

ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Hall

DP. Id*	
---------	--

Master Folio No.	
------------------	--

Client ID*	
------------	--

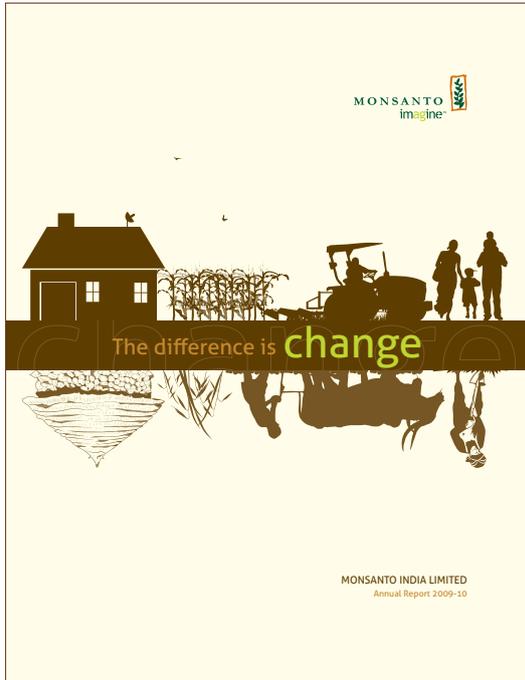
I hereby record my presence at the 61st ANNUAL GENERAL MEETING held at YB. Chavan Auditorium, Gen. Jaganath Bhosale Marg, Nariman Point, Near Sachivalay Gymkhana, Mumbai - 400 021 on 26th September, 2011 at 11.00 a.m.

Name of Proxy/Representative (in BLOCK Letter) (To be filled in if the Proxy attends instead of the Member)
--

Signature of The Member or Proxy/Representative _____

* Applicable for investors holding shares in electronic form.

Global recognition for Monsanto India Ltd.'s Annual Report 2009-10



Won the Gold Award in the Agri-Business category, and ranked 19 in the Global Top 50 annual reports list at 'The League of American Communications Professionals (LACP) Vision Awards' - The World's largest annual report competition, featuring 4,400+ companies from 25 countries.



The globally recognized ARC Awards 2011 (Annual Report Competition) which provide a platform for the highest standards in the annual report industry, bestowed the 'Honors' recognition to MIL's 'The Difference is Change' in the 'Overall Annual Report: Agriculture/Agri-Business' category.

Registered Office: Ahura Centre, B-Wing, 5th Floor, 96, Mahakali Caves Road, Andheri (East), Mumbai - 400 093, India.
www.monsantoindia.com

