



RALLIS INDIA LIMITED

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Yash Sheth
Company Secretary

18th July, 2019

The General Manager
Corporate Relationship Dept.
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Mumbai 400 001
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Scrip Code: 500355

Asst. Vice President
National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor
Plot No. C/1, G Block
Bandra - Kurla Complex, Bandra (E)
Mumbai 400 051
Fax No. 2659 8237 / 2659 8238
Symbol: RALLIS

Dear Sir,

Sub: Investor Presentation.

With regard to the Conference Call scheduled on 19th July, 2019 and pursuant to Regulation 30 read with Schedule III Part A Para A of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, we are enclosing the Investor presentation to be made at the aforesaid conference for your reference and records.

Thanking you,

Yours faithfully,
RALLIS INDIA LIMITED

(YASH SHETH)



RALLIS INDIA LIMITED

Results Presentation

Q1 FY20



DOMESTIC CROP
PROTECTION



INTERNATIONAL
BUSINESS



CONTRACT
MANUFACTURING



SEEDS



PLANT GROWTH
NUTRIENTS



AGRI
SERVICES

Disclaimer

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Rallis India Limited does not undertake any obligation to update or revise forward look statements, whether as a result of new information, future events or otherwise.

Rallis – Areas of Strength



Well entrenched connect with the Indian farmer

(Domestic business)

- Crop Protection
- Plant Growth Nutrients (PGN)
- Soil conditioners
- Seeds



Chemistry

(International business)

- Partnering with global innovators
- Strong R&D & executional capabilities
- Environmentally adhering products

Proven capabilities make Rallis a Preferred Partner of Choice for Innovators

Domestic business

Leading Agrochemical Company

Presence across value chain: Seeds — Soil conditioners – Crop Protection Chemicals- Plant growth nutrients

Market share: ~ 6% (Crop protection & PGN), ~3% (Seeds)

Strong & Healthy pipeline of sustainable products

Nation wide footprint – 3,500 dealers & 40000+ retailers



International Business – Primed for growth

Alliances

- Developing Technical for global Agro chemicals players
- **Key products**
 - **Pendimethalin:** Used as a pre-emergence herbicide to control annual grasses and certain broad leaved weeds. Global market size: **413Mn USD**
 - **Acephate:** An organophosphate foliar and soil insecticide used primarily for control of aphids, leaf miners, caterpillars, sawflies, thrips, and spider mites. Global market size: **510Mn USD**
 - **Hexaconazole:** is a Broad-spectrum systemic triazole fungicide used for the control of many fungi particularly Ascomycetes and Basidiomycetes, used chiefly for the control of rice sheath blight in China, India, Vietnam and parts of East Asia. Global Market size: **149 Mn USD**
 - **Metribuzin:** herbicide used both pre- and post-emergence in crops including soy bean, potatoes, tomatoes and sugar cane. Global market size: **196 Mn USD**
 - **Metalaxyl:** an acylalanine fungicide used to control Pythium in a number of vegetable crops, and Phytophthora in peas, Global market size: **89 Mn USD**

Source: Kleffmann market research FY17-18

Contract Manufacturing

- Developing molecules for global - Agro chemical players
- Key products - Poly Ether Ketone Ketone (PEKK) & Metconazole
- **Poly Ether Ketone Ketone (PEKK)**
 - Major supplier of PEKK for Solvay
 - Polyetheretherketone (PEKK) is a high-performance, engineering thermoplastic characterized by an unusual combination of properties - resistance to chemicals, wear, fatigue
 - PEKK and its composites are widely used in aerospace, automotive, structural, high temperature electrical and biomedical applications
- **Metconazole**
 - Fungicide supplied to Kureha Chemicals, a leader in speciality chemicals

FACTS

1st Indian company to introduce a new molecule in India

1st company to set up an R&D centre in the country

Opportunity Size: Agrochemicals products worth US\$ 2.9 bn expected to go off patent between 2017 -20

Seed business

Metahelix develops, produces and sells hybrid seeds including Paddy, Millet, Maize and Bt Cotton with main exposure (80-85%) to the Kharif season

Strong market position - among top 3 in Hybrid Paddy(3rd) & Hybrid Millet (3rd) and Maize (6th). With over a million packets sold, our Bt Cotton portfolio is fast growing

Farmer base of 3 Mn up from 1 Mn in FY15

Seasonal business – Q1 & Q2 accounting for 85% of revenues

The Board approved the merger of Metahelix (a wholly owned subsidiary of the Company) with the Company under a Scheme of Amalgamation subject to necessary statutory approvals from various regulatory authorities





Strategic Initiatives

Domestic business:

- Refreshing distribution channel : Adding distributors to enhance growth
- Revitalized channel policies
- Increase focus on new product launches
- Improve connect between distributors and Company

International business:

- Investing in capacity expansion
- Registration in International markets
- Expand foot prints in South East Asian countries and Africa

Q1 FY20 - Performance Highlights

- Revenue growth of 8.8% for the quarter over PY largely driven by International business and Seed business (Seasonally strong quarter)
 - International business delivered growth of 12% and contributed 39% share in Standalone revenue
 - Seed business growth of 2.6% primarily driven by Bajra, Maize & Cotton
 - Domestic Crop Protection Chemicals business remained soft due to challenging conditions
- PAT for the quarter stood at Rs. 67.57 crore higher by 23.8%
- Completed first stage expansion of Metribuzin 500 metric tons in June 2019; commercial production started.

Seed business - Performance

Robust performance in a seasonally strong quarter

- Performance largely driven by Paddy, Maize and BT cotton
 - Cotton & Maize combined contributed 83% of the overall sales
- Good traction for Millet new hybrids MP 7171 & MP 7878 @470 MT (PY ~100 MT). Moderate impact of short supplies
- Sowing area witnessed double digit decline during the quarter
- Undertaking efforts towards building a complete and a robust portfolio – plan to expand into Rabi through alliances

Capex - Update

- **Capex of Rs. 800 crore over FY19-24/25** for strengthening domestic & International business; build product pipeline; streamline supply chain

- **Scaling up capacities of selective molecules -**
 - Completed first stage capacity expansion of Metribuzin 500 MT in June 2019 and initiated commercial production
 - Phase II – Addition of 500 tons to be completed by December 2020
 - Commencement of commercial operations of the above projects coupled with efforts towards ramping up utilization in Pendimethalin to support International Business

- **Capex for backward Integration:** Plan to invest Rs 140 crore into backward integration for few of the technical

Operational Highlights

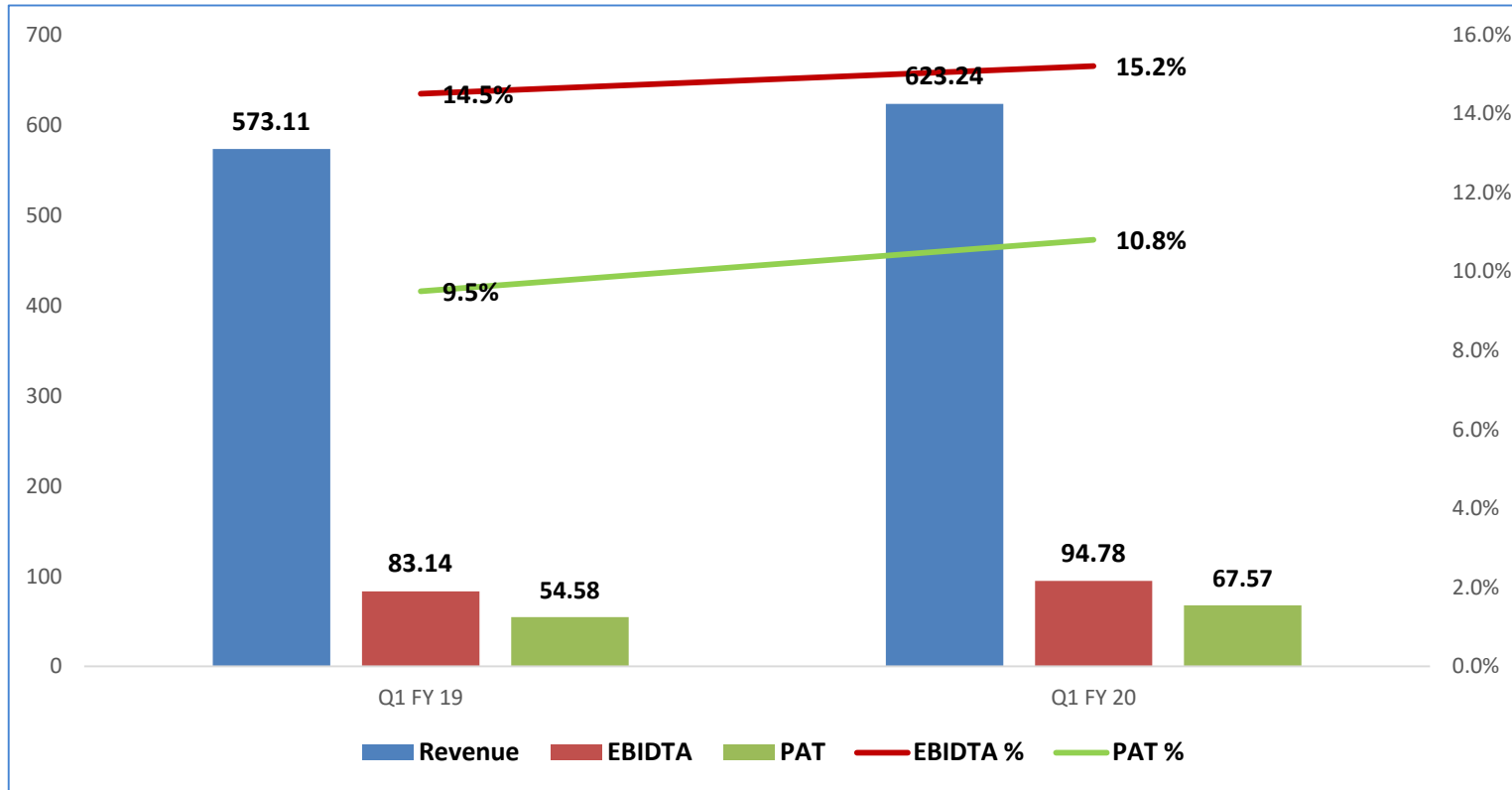
- The company received NABL certification for its R & D unit at Bengaluru
- It also received registration certificate of 2 products- Zygant (**Flubendiamide 0.7% GR**) & Ayaan (**Kresoxim-methyl 40% + Hexaconazole 8% WG**)- Launch planned in July 2019

Widening footprint

- New Channel policy announced earlier in the quarter is well accepted by the channel.
- Expansion of channel network is an ongoing process

Consolidated Financials

Rs. crs





Contact Us

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