

India's top 20 pesticide producers growing under difficulties

Different from China's 2012 top 20 who have achieved significant growth, only majority of top 20 of Indian counterparts could maintain growth in 2012 while several ones suffered downturn. The delay monsoon in the 2012-13 planting season in India and the drought in some states affected the planting activity and the demand for pesticides, causing an impact to the sales of Indian companies. The United Phosphorus continued to rank No.1 overwhelmingly with its sales of 84.75 billion Rupees, having achieved growth in both Indian domestic market and overseas market, especially a significant growth in Latin American and North America.

The agrochemical sales of India in 2012 were \$3.8 billion, including export of \$1.8 billion; the agrochemical business volume accounted for 3.5% of the total chemical industry. Insecticides are the largest variety of India's crop protection-oriented chemicals sales, which roughly accounted for 55% of the total, the main service target being rice and cotton. Because India's pesticide use is quite low, which is only 0.6kg/hectare while global average 3kg/hectare. Therefore the value lost each year due to pest damage amounted to \$8.5 billion. The reason for the lower use of pesticide lies on the low purchasing power, lack of awareness of pesticide application, shortage of usable pesticide, dispersed plantation area and the excessively reliance on monsoon climate.

The continued growing population put on a pressure on food supply, the fast urbanization process has reduced the cultivated land; these are the main reasons for India's growing pesticide consumptions; increase of crop output is the momentum of agrochemicals development. These

Sales of top 20 Indian agrochemical firms in 2012				
Ranking	Company	FY2012-13 ¹ (Rs. million)	FY2011-12 ² (Rs. million)	Change%
1	United Phosphorus	84,750	70,550	+20.1
2	Rallis India	14,582	12,749	+14.4
3	Gharda Chemicals	10,866	9,969	+9.0
4	Indofil Industries	10,310	8,825	+16.8
5	Excel Crop Care	7,712	6,839	+12.8
6	Dhanuka Agritech	6,437	5,762	+11.7
7	PI Industries	6,376	5,620	+13.5
8	Nagarjuna Agrichem	6,223	6,469	-3.8
9	Punjab Chemicals & Crop Protection ³	6,200	5,970	+3.9
10	Insecticides India	6,169	5,218	+18.2
11	Sulphur Mills Limited	5,400	n/a	n/a
12	Sabero Organics	5,148	3,584	+43.6
13	Coromandel International	4,910	4,423	+11.0
14	Atul Ltd	3,850	3,377	+14.0
15	Meghmani Organics	3,398	3,974	-14.5
16	Jubilant Industries	2,752	3,042	-9.5
17	Bharat Rasayan	1,876	1,420	+32.1
18	Biostadt India Ltd.	1,800	n/a	n/a
19	Bhagiradha Chemicals & Industries	1,599	759	+110.7
20	Aimco Pesticides	1,293	1,147	+12.7

Note:
 1. FY2012-13 ended on March 31, 2013 (except Punjab Chemicals & Crop Protection) ;
 2. FY 2011-12 ended on March 31, 2012 (except Punjab Chemicals & Crop Protection) ;
 3. Ended on September 31 of each year.

tendencies show great potentials of growth of India's agrochemical industry.

Rallis India ranked No.2 with sales of 14.58 billion Rupees, saying that its close partnership with farmers and enhanced production capacity are the 2 main reasons for the increased sales of the company. The 3rd ranking Gharda Chemicals achieved 9% increase in the 2012 / 2013

amounting to 10.86 billion rupees.

Indofil Industries and Excel Crop Care ranked No.4 and 5, having achieved 2-digit increase and respectively reaching 10.31 billion and 7.71 billion rupees. Indofil made good achievement in most of its market and completed its first-time acquisition – the mancozeb of Dow AgroSciences. Despite of the late-coming raining, the

dry weather which affected agro-product sales and also the obsolete endosulfan, Excel Crop Care managed to release new product, which helped the company to maintain the increased sales.

The 5 companies ranking No.6 up to No.10 had very close sales, all at around 6 billion rupees. Dhanuka released innovative novel product and extended its production, having achieved sales of 6.43 billion rupees being 11.7% up year on year. The growth of PI Industries was also a result of new releases and its cooperation with transnational companies. The sales of Nagarjuna Agrichem in 2012 / 2013 suffered a downturn of 3.8%, as said being affected by the fire of Srikakulam in June 2012, which caused adverse impact to its operation in the year. Punjab Chemicals & Crop Protection made a new investment in a fungicide factory which played a positive role in its sales, but its overseas sales was unsatisfactory. Insecticides India realized 18% increase in 2012 / 2013, attributable to its higher utilization rate, improvement to capacity and efficiency of operation.

Sulphur Mills Limited ranked 11th with sales reaching 5.4 billion Rupees. Sabero Organics gained 43.6% sales increase to 5.14 billion Rupees during 2012-13. The company improved its product mix and capitalized on product level opportunities opening up on regulatory approvals coming about; at the same time, it continued to pursue product registrations for enhanced market growth.

After acquiring and restructuring Sabero Organics, the crop protection-related sales both in domestic and international market of Coromandel International was much improved. Its endosulfan capacity was readjusted to produce substitution product. Atul's sales in India decreased by 1% to Rs. 1410 million, and export sales increased by 24% to Rs. 2440 million and formed 63% of the total. Meghmani Organics was affected by insufficient supply of raw

material, imposed environmental policy and its relocation initiative, resulting in reduced production and sales which led to a downturn of 14.5%. Jubilant Industries comments that monsoon season registered a lower than expected rainfall which caused drought in many parts of the country which affected company's sale a lot. Biostadt India Ltd. archived Rs. 1800 million sales in 2012-13, ranking 18th in the list. Bhagiradha Chemicals & Industries had the highest growth among the top 20, reaching an increase of 111% year on year, which is said to be the first-time surprising growth of the company since its founding, attributable to the market rebound, the resumed chlorpyrifos and the resumed operation of the previously shutdown Process

Block-III due to a fire. Thanks to the effort on overseas registration of independent brand, continued marketing extension and positive exploration of new market, Aimco Pesticides achieved significant growth of sales.

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ASSOCHAM is one of the apex trade associations of India. The organization represents the interests of trade and commerce in India, and acts as an interface between industry, government and other relevant stakeholders on policy issues and initiatives. PMFAI came into existence in the year 1967, with over 250 members now.

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