

Agribusiness Leadership Hiring: What to Build Around the Leader

How a promoter or board can decide, before the search begins, which capability to hire for, which to build around the leader and which to hand over.

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A promoter or board appointing a chief executive to an Indian agri-inputs company should settle three questions before the search begins. What must the chief executive bring? What can the organisation build around the chief executive? What must the promoter deliberately hand over?

The needs that matter most are field credibility with farmers and dealers, command of the dealer channel, and the judgement to run an enterprise at scale. A brief that asks one executive to hold all three makes agribusiness leadership hiring a search for a rare combination. In our experience, few executives combine all three.

It is written for agri-inputs companies, whose seeds and crop protection we assume reach farmers through dealers; other agribusiness models will differ.

IN BRIEF

- 01 Sort each need into Bring, Build around or Hand over before the search begins.
- 02 Sort the promoter's authority in three tiers: delegated on arrival, transferred on evidence, reserved to the board.
- 03 Assess judgement with scenarios, such as a weak season in a key state, not with general questions.
- 04 No evidence we found settles outside against inside. Listed boards above small-company limits must confirm succession plans exist.

01 · The Brief

Three Categories: Bring, Build Around, Hand Over

Bring. The capability is personal to the chief executive and no structure readily supplies it, so the search hires for it. Enterprise judgement is the clearest case. So are command of the channel (leadership judgement and accountability over dealers, distribution and commercial decisions) and judgement on regulatory risk, including when to escalate it.

Build around. The organisation can supply the capability beneath a leader who did not invent it. Channel controls are the example: credit policy, inventory systems, receivables, reporting and the heads who run them. Regulatory affairs and compliance heads, with advisers, are another. The chief executive must understand and oversee these functions without operating them.

Hand over. The promoter holds the capability today. Farmers, dealers and field teams tend to trust particular people, and where that person is the promoter, we would not expect the trust to pass to a successor on the day of appointment. It moves only when the promoter and board choose. Decision rights over dealers, credit and field teams sit here too, since only they can grant them.

02 · The Market and the Rules

What Land, Rainfall and Law Ask of the Leader

Three features bear on the choice: landholdings, rainfall and the rules. We found no published split of agri-input sales by channel, season or segment, so each judgement below is ours.

Landholdings: probably many small buyers. In a release on landholdings, the Ministry of Agriculture and Farmers Welfare states that, as per the Agriculture Census 2015-16, the average operational holding in India was 1.08 hectares. A company whose customers farm holdings of that size is likely to have a very large number of small buyers and probably reaches them through intermediaries. That is our inference: the census counts holdings, not purchases, and farmer producer organisations and direct models may be changing the route.

Monsoon: one season, very different territories. The India Meteorological Department (IMD) publishes the season's figures. In its monsoon report, IMD reported that rainfall over Northwest India in the 2025 southwest monsoon season (June to September) was 127 per cent of its long period average, while rainfall over East and Northeast India was 80 per cent of its long period average. One season shows the contrast is possible, not how often it recurs, and rainfall does not establish any company's sales or receivables. In our judgement, a chief executive selling into both kinds of territory faces different questions on demand, dealer stock, working capital, which dealers to back and where to place product. A leader's record in a good season says little about command of the channel; we would expect the weak territory to be where it shows.

Rules: the board names who is accountable. Under the Insecticides Act, 1968, when a company commits an offence, every person in charge of, or responsible to the company for, the conduct of its business at the time of the offence is deemed guilty with the company unless they prove the offence happened without their knowledge or that they exercised all due diligence to prevent the offence, according to a state-hosted copy of the Act. On our reading, the Act does not say who is in charge.

Under the Fertiliser (Control) Order, 1985, every fertiliser manufacturing organisation, importer and pool handling agency must appoint in that organisation, in consultation with the Central Government, an officer who is responsible for compliance with the Order, according to a consolidated copy of the Order.

For the mandate, the board has to decide who is accountable inside the company for compliance and name them, rather than leave it to a title. Naming an officer does not, on our reading, settle who else the law may treat as answerable. In our view the chief executive's part is judgement and oversight, and specialist functions carry the detail.

Two drafts may change this. According to the ministry's January 2026 invitation to comment, a draft Pesticides Management Bill, 2025 would replace the Insecticides Act, 1968. According to its December 2025 statement on seed regulation, a draft Seeds Bill, 2025 would require registration of varieties, seed producers and dealers. Both were drafts in the releases cited, and we found no later official status as of 27 October 2026. The Insecticides Act, 1968 is the text cited here; if a replacement passes, check whether its accountability provisions carry over. The Act and the Order are cited from state-hosted copies. Check the current texts and both drafts' status when a search begins, and take legal advice on how they apply to a chief executive.

03 · The Choice

Where Each Capability Sits, and What the Mandate Must Say

The table applies those categories to each capability. It starts from two observations of practice, not research findings. In our experience, the promoter of an agri-inputs company usually holds the field relationships personally, with farmers, dealers and field teams. In our experience, dealer credit is usually managed by a function below the chief executive, so a board can build controls around the leader.

Command of the channel is different: it is how the leader deals with dealers when a season fails. Where credit controls sit with the leader, or the board wants that command, the search hires for it. One row, statutory responsibilities, is neither hired for nor built around: the board assigns it by name.

	WHERE IT SITS	WHAT THE MANDATE MUST STATE
Enterprise judgement	Bring. Personal to the leader, so the search hires for it.	The scale of enterprise the leader has already run.
Command of the channel	Bring. Judgement and accountability over dealers, distribution and commercial decisions.	What the leader will decide on dealers and distribution, and how assessment will test it against a weak season.
Channel controls	Build around. Credit policy, inventory systems, receivables, reporting and processes.	Which head owns the controls, what the leader may change, and what the board examines at the first review.
Regulatory judgement and oversight	Bring. Judgement on regulatory risk, and on what to escalate and when.	What the leader must escalate to the board, and how assessment will test judgement on a regulatory failure.
Specialist regulatory functions	Build around. Regulatory affairs and compliance heads, with advisers, handle regulator dealings and compliance detail.	Which heads and advisers carry them, and what each reports to the leader and the board.
Statutory responsibilities	Board decision. The board assigns each by name. An appointed officer may hold it; for fertiliser manufacturers, importers and pool handling agencies the Fertiliser (Control) Order requires one.	Who is named for each, who else may be answerable, and when the board next reviews the assignment.
Field relationships and trust	Hand over, if the promoter holds them. Otherwise Bring.	Whose relationships they are today, which the promoter will introduce, and when the board reviews the move.
Decision rights over dealers, credit and field teams	Hand over. Only the promoter and board can grant them, in writing, by tier.	Which rights sit in each tier, the evidence for each move, and the review point.

04 · The Tiers

Sorting the Promoter's Authority in Three Tiers

A handover is not one event. Decision rights over dealers, credit and field teams are sorted in three tiers, and field relationships follow the same schedule. Which decision falls where depends on the company's size, governance and risk. A smaller company may need only two tiers.

Delegated when the chief executive takes office. The leader decides from the first day. Illustration: day-to-day commercial decisions within an annual plan the board has approved.

Transferred after agreed evidence of readiness. The board and promoter agree in advance what will show the leader is ready. Illustration: credit exceptions for the largest dealers, after the leader has run a full season and the board has reviewed it.

Reserved to the board or owners. These stay above the chief executive under the company's governance framework, and the mandate says so. Illustration: the limits of the credit policy itself.

Write the handover into the mandate before the shortlist, so candidates see it, and into the offer, so the leader holds it in writing. The board then reviews it at a point it sets in advance.

05 · Assessment

Questions That Test Judgement Before You Appoint

Put these scenarios to each shortlisted candidate.

A weak monsoon hits a commercially important state. What do you do first with dealers, credit and allocation, and who told you?

A large dealer asks for a credit-policy exception. What do you decide yourself, what goes to the board, and what do you tell the head who owns the controls?

Inventory builds in one territory while demand strengthens in another. How would you see it, and what would you move or hold back?

A regulator's sample from a key state fails a quality test. What do you want to know first, what goes to the board and when, and how do you oversee the specialist team handling it?

The promoter keeps direct relationships with key dealers. What do you ask for, what do you accept, and how do you agree when they move?

Listen for decisions from the candidate's own record and the limits the candidate would set for the board.

A structured leadership assessment can set these questions beside reference conversations with people who worked beside and below the leader.

06 · Where This Does Not Hold

When Building Around the Leader Keeps the Promoter in the Role

The strongest objection is that building around a leader can leave the leader dependent on whoever supplies the missing capability. If the promoter keeps the dealer relationships, a chief executive hired for scale may find that the channel still answers to the promoter, and the business is no nearer running without the promoter.

That objection changes the recommendation. Building around or handing over a capability is sound only when the mandate names who supplies it now, what moves, and when the board will decide whether responsibility has moved. Otherwise, hire for the capability.

A second objection concerns adjacent sectors. Leaders who have built rural distribution in consumer goods or rural lending may arrive with real standing among dealers and farmers. Test that standing directly, with people who worked beside and below the leader. Where it proves thin, the table applies in full. We have no research on how adjacent-sector leaders fare in agri-inputs, so this is for assessment, not a rule.

A third is that a promoter may reasonably want one accountable leader and see a build-around as dilution. That preference is legitimate. It narrows the field, so the board should choose it knowingly and say so in the mandate.

Neither can leave a decision blank, which is how a promoter stays in the role without the board deciding it.

07 · The Governance Duty

We Found No Study Settling Outside Against Inside; the Board Still Plans

A promoter weighing a first outside appointment will also ask whether outsiders succeed. No independent evidence we could access answers it for agri-inputs, and nothing here suggests that an outside leader does better or worse than an inside one. The question returns to the board's reasoning, and to its duty to plan, which the Securities and Exchange Board of India (SEBI) sets.

Under SEBI's listing regulations, the board of a listed company must satisfy itself that plans are in place for orderly succession to the board and to senior management. The duty appears in the consolidated text of the listing regulations.

The same consolidated text covers senior management. The regulations define senior management to include the members of management one level below the chief executive and the functional heads. The nomination and remuneration committee of a listed company identifies persons who may be appointed to senior management and recommends their appointment and removal to the board.

The duty is narrow. It requires the board to be satisfied that plans exist, and prescribes no content, timetable or preference for an internal or external successor.

It reaches listed companies only. Regulation 15(2)(a) disappplies the board-governance provisions, including this duty, for a listed company at or below the small-company limits on both share capital and net worth, subject to conditions the regulation sets out that need specialist reading. Where a promoter-led company is not listed, writing the plan down is a choice.

What follows is our reading, not the regulation's. A board that treats the appointment and the structure around the leader as one plan gives the duty practical content. The heads who would hold channel and credit controls would usually fall within senior management, depending on the company's structure.

08 · The Takeaway

What to Write Down Before the Shortlist

Five decisions belong in the mandate before the shortlist.

Who holds each capability today, and so what the search hires for. The promoter should answer alone, because the answer is a specific person's name, not a title.

Who is accountable by name. Name who is accountable inside the company for compliance, credit and channel controls, and record the assignment. Naming does not settle who else the law may treat as answerable. In our view the chief executive's part is judgement and oversight; the named officers and specialist heads carry the detail.

Which authority leaves the promoter, and when. Put evidence and a date beside each transfer. At a listed company those lines should, in our view, form part of the succession plan the board must already be satisfied about; at an unlisted one the board adopts them by choice.

How assessment tests the hire. Use scenarios drawn from the company's own seasons.

What the board reviews after appointment. Whether each transfer has happened on the evidence agreed, and whether the controls show the leader early what the territories are doing.

Two boards applying this can reach opposite answers. A promoter who personally holds the dealer and field relationships might hire for enterprise judgement, build around the channel controls, and transfer field relationships only if the promoter means to step back; the board must still say whether command of the channel is hired for or stays with the promoter for now.

A professionalised family business whose channel is run loosely might hire for command of the channel and name who owns credit controls.

Neither can leave a decision blank, which is how a promoter stays in the role without the board deciding it.

Market mapping across agribusiness and adjacent sectors can then be run against the capability the board has chosen to hire for, rather than against a title.

09

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QUESTIONS BOARDS ASK ABOUT AGRIBUSINESS LEADERSHIP HIRING

Should the chief executive of an agri-inputs company come from agribusiness?

No single background is established as better. The better question is what the leader must bring, what the board builds around them and what the promoter hands over. We found no independent study comparing outside and inside appointments in agri-inputs.

Are the draft seeds and pesticides laws certain to be enacted?

No. Both were drafts released for public comment, as of the releases cited. Check their status when a search begins, and take regulatory advice on what they would require.

How long does a new leader take to build or take over a missing capability?

Set a review point rather than a date. How long a leader takes depends on the leader, the business and the support around them, and we know of no published evidence for agri-inputs. The board should judge progress at the review point, not assume the capability exists by a set date.

Does the law require a board to plan a chief executive's succession?

For listed companies, yes: the board must satisfy itself that plans are in place for orderly succession to the board and to senior management. Unlisted companies fall outside that duty, as do listed companies at or below the small-company limits.

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