SUMITOMO CHEMICAL INDIA LIMITED

CIN: U24110MH2000PLC124224
Registered Office: Building No. 1, Ground Floor, Shant Manor Co-Op Housing Society Limited, Chakravarti Ashok 'X' Road, Kandivli (East), Mumbai - 400101
Corporate office: 13/14 Aradhana Industrial Development Corporation, Near Virwani Industrial Estate, Goregaon East, Mumbai - 400063

PUBLIC ANNOUNCEMENT TO THE EQUITY SHAREHOLDERS OF THE COMPANY

STATUTORY ADVERTISEMENT ISSUED IN COMPLIANCE OF SEBI CIRCULAR NO. CFD/DIL3/CIR/2017/21 DATED MARCH 10, 2017 (AS AMENDED) ISSUED UNDER SECTION 11 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 READ WITH SUB-RULE (7) OF RULE 19 OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957 ISSUED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA, ADDRESSED TO ALL THE STOCK EXCHANGES

(A) Name and address of its registered office of the Company:

Sumitomo Chemical India Limited ('**Company**' or '**SCIL**' or '**Transferee Company**') was incorporated as a private company under the name of 'Sumitomo Chemical India Private Limited' on February 15, 2000 with the Registrar of Companies, Mumbai ("ROC"). Pursuant to a fresh Certificate of Incorporation dated November 24, 2018 issued by the ROC, the name of the Company was changed to 'Sumitomo Chemical India Limited'. Its registered office is situated at Building No. 1, Ground Floor, Shant Manor Co-op Housing Society Ltd Chakravarti Ashok 'X' Road, Kandivli (East), Mumbai - 400101.

(B) Details of change of name and/or object clause:

Change of name:

Fiscal year	Particulars
2000	Sumitomo Chemical India Limited (formerly known as Sumitomo Chemical India Private Limited) was incorporated on February 15, 2000
2018	On November 24, 2018, the Company was converted into public limited company and accordingly the name of the Company was changed to Sumitomo Chemical India Limited

Change of main object clause of Memorandum of Association of the Company in last 10 years:

Date of Shareholders' Resolution	Particulars
October 26, 2018	The main object clause of the Company was amended, the revised object clause is as follows: *"1. To carry on in India or elsewhere the business to manufacture, produce, process, compound, mix, pack, formulate, condense, distill, rectify, sterilize, pasteurize, steam, evaporate, vaporize, cool, filter, commercialize, develop, treat, cure, refine, extract, operate, manipulate, prepare, purify, protect, preserve, disinfect, turn to account, or otherwise deal in, and to act as broker, agent, wholesalers, retailers, traders, dealers, factors stockist, distributor, consultant, collaborator, buyer, seller, exporter, importer, job worker, vendor, contractor or supplier of, all types of organic, inorganic, industrial, laboratory, photographic, fine, biological, pathological, pharmaceutical and other chemicals including, but not limited to, those meant for crop protection, agricultural, horticultural, arboricultural, general pest control and other allied activities; compounds, drugs, formulations, preparations, acids, solvents, oils, solutions, derivatives, fluids, products, by- products, residues, catalysts, reagents, mixtures, concentrates, lumps, powders, granules and allied items and to do all necessary acts and things incidental for the attainment of the above object including facilitating the formation of subsidiaries and joint ventures in India and entering into strategic alliances, distribution arrangements, marketing arrangements, consulting arrangements, research arrangements and/or licensing arrangements, by directly investing or otherwise in the field of basic chemicals, fine chemicals, organic and inorganic chemicals, agro-chemicals, specialty chemicals, environmental health chemical products, feed additives and other vitamin products, pharmaceuticals, plastic, petroleum products and/or any of their intermediates, subject where applicable to necessary Government and Reserve Bank of India approvals.* *2. To manufacture, buy, sell, import, export, or otherwise deal in organic and nonorganic fertilizers and manures; pesticides, rodenticides, insecticides, fungicides, weedicides, bio-pesticides, plant growth regulators and enhancers, fumigants, preservatives and any and all such products and preparations by whatever name called for crop protection, agriculture, horticulture, arboriculture and allied purposes and for preservation of food-grains.* *3. To apply scientific and engineering principles to processing of materials by biological agents to produce or manufacture medicines, pharmaceutical products of all kinds and seeds, and to undertake services including those by use of genetic engineering, gene technology, cell hybridization, microorganisms, genetic manipulation, recombinant DNA and other means of biotechnology and to deal in, manufacture, process, trade, purchase, sell, export, import, store, refrigerate, pack and repack all types and kinds of materials required for production using biotechnology including genetically engineered cells or organisms and to process, store, purchase, sell, import, export, pack and repack goods produced by using biotechnology.* *4. To carry on business as inventors, researchers and developers, to conduct, promote and commission research and development in connection with the activities of the Company and its undertakings, to establish and maintain research and development stations, technology centers, computer complexes, laboratories, workshops, testing and proving grounds, and establishments and to exploit and turn to account, the results of any research and development carried out by or for it."*

(C) Capital structure- pre and post scheme of amalgamation:

Particulars	Pre scheme	Post scheme
Authorised Share Capital	₹ 4,940,000,000/- (Rupees Four Hundred Ninety-Four Crore Only) divided into 494,000,000 (Forty-Nine Crore Forty Lakhs) equity shares of ₹ 10/- (Rupees Ten) each	₹ 5,000,000,000/- (Rupees Five Hundred Crore Only) divided into 500,000,000 (Fifty Crore) equity shares of ₹ 10/- (Rupees Ten) each
Issued, Subscribed and Paid-up Share Capital	₹ 2,745,880,950/- (Rupees Two Hundred Seventy-Four Crore Fifty-Eight Lakhs Eighty Thousand Nine Hundred and Fifty Only) divided into 274,588,095 (Twenty-Seven Crore Forty-Five Lakhs Eighty-Eight Thousand and Ninety-Five) equity shares of ₹ 10/- (Rupees Ten only) each, fully paid-up.	₹ 4,991,457,360/- (Rupees Four Hundred Ninety-Nine Crore Fourteen Lakhs Fifty-Seven Thousand Three Hundred and Sixty Only) divided into 499,145,736 (Forty-Nine Crore Ninety-One Lakhs Forty-Five Thousand Seven Hundred and Thirty-Six) equity shares of face value of ₹ 10/- (Rupees Ten only) each, fully paid-up.

(D) Shareholding pattern giving details of the shareholding of promoter group and group companies in SCIL

	Category & Name of the shareholders	PAN	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
									No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held(b)	No.(a)	As a % of total Shares held(b)	
									Class eg: X	Class eg: y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
1	Indian																		
(a)	Individuals/Hindu Undivided Family		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(b)	Central Government/ State Government(s)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(c)	Financial Institutions/Banks		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(d)	Any Other (Specify)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Sub Total (A)(1)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2	Foreign																		
(a)	Individuals (Non-Resident Individuals/Foreign Individuals)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(b)	Government		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(c)	Institutions		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(d)	Foreign Portfolio Investor		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(e)	Any Other (Specify)		7	400825870	0	0	400825870	80.30	400825870	0	400825870	80.30	0.00	80.30	374359302	93.397	0	0	400825870
	Bodies Corporate		7	400825870	0	0	400825870	80.30	400825870	0	400825870	80.30	0.00	80.30	374359302	93.397	0	0	400825870
	Sumitomo Chemical Co. Ltd. (including nominees, refer note 1)		6	400825868	0	0	400825868	80.30	400825868	0	400825868	80.30	0.00	80.30	374359300	93.397	0	0	400825868
	SC Environmental Science Company Limited (through nominee, refer note 1)		1	2	0	0	2	0.00	2	0	2	0.00	0.00	0.00	2	100.00	0	0	2
	Sub Total (A)(2)		7	400825870	0	0	400825870	80.30	400825870	0	400825870	80.30	0.00	80.30	374359302	93.397	0	0	400825870
	Total Shareholding Of Promoter And Promoter Group (A)=(A)(1)+(A)(2)		7	400825870	0	0	400825870	80.30	400825870	0	400825870	80.30	0.00	80.30	374359302	93.397	0	0	400825870

Note:

1. Please note that a public limited company is required to have a minimum of seven members as per the provisions of the Companies Act, 2013. For meeting this requirement prior to Scheme, the registered ownership of five (5) equity shares of the Company held by Sumitomo Chemical Company Limited was held through five (5) nominee individual shareholders. The beneficial ownership of the aforesaid 5 shares continues with Sumitomo Chemical Company Limited. Further, two (2) equity shares of the Company held by SC Environmental Science Company Limited, Japan are held through a nominee individual shareholder.

2. In compliance of SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and circular no. CFD/DIL3/CIR/2018/2 dated Jan 3, 2018, as amended, the company has locked in the entire pre-merger share capital, in following manner:

Name of Beneficial holders (Promoter and Promoter Group)	*No. of shares held in SCIL*	*No. of shares locked in*	*Lock-in upto*	*Lock in time frame-required as per SEBI Circular*
*Sumitomo Chemical Company Limited, Japan (including shares held through five nominee individual shareholders)**	*40,08,25,868*	*9,98,29,148*	*28th February 2023*	*Up to 3 years from date of listing of shares*
		17,47,58,945	*28th February 2021*	*Up to 1 year from date of listing of shares*
SC Environmental Science Company Limited (shares held through nominee individual shareholder)	*2*	*2*	*28th February 2021*	*Up to 1 year from date of listing of shares*

**Further, 9,97,71,207 equity shares of the Company held by Promoters are under lock-in in compliance with the in-principle approval letter of BSE dated December 19, 2019.*

3. The Company has submitted an undertaking dated December 19, 2019 with BSE, stating that the shares held by the Promoter and Promoter Group to the extent of 75% of total equity shares of the Company representing 37,43,59,302 equity shares, shall be locked in until (i) Registrar of Companies ("ROC") processes and approves Form INC-28 filed by the Company (ii) the Company subsequently files form PAS 3 with the RoC for the issue and allotment of the equity shares of the Company pursuant to the Scheme and the same is approved by RoC. It is hereby clarified that upon

(i) the RoC processing and approving Form INC-28 and the Company subsequently filing e-form PAS 3 pursuant to the Scheme and the same being approved by RoC, and

(ii) the Company receiving a no-objection letter from BSE post completion of the actions mentioned in clause (i) above, for trading of securities of the Company held by Sumitomo Chemical Company Limited ("SCC") and release of lock-in of the above referred 9,97,71,207 equity shares,

only 27,45,88,095 equity shares of the Company held by SCC along with Promoter Group shall be subject to a lock-in to the extent, as provided under the SEBI Circular No. CFD/DIL2/CIR/2017/21 dated March 10, 2017, as amended from time to time, that has not already expired.

(E) Names of the ten largest shareholders:

Sr No.	Name of the Shareholder	Number of Equity Shares	Percentage of Equity Share capital (%)	Interest
1	Sumitomo Chemical Company Limited (*including the shares held through the nominee individual shareholders - refer note*)	400,825,868	80.30%	Promoter
2	Life Insurance Corporation of India	18,369,460	3.68%	-
3	Emerald Company Private Limited	4,098,054	0.82%	-
4	Ratnabali Securities Private Limited	3,956,503	0.79%	-
5	Carbon Finance Limited	2,151,333	0.43%	-
6	Mount Intra Finance Pvt. Ltd	1,573,885	0.32%	-
7	Investor Education and Protection Fund Authority Ministry of Corporate Affairs	1,557,253	0.31%	-
8	Dhunseri Ventures Limited	1,335,460	0.27%	-
9	Custodian (Special Court) A/C Rina S Mehta/ Sudhir S Mehta	1,230,681	0.25%	-
10	Angela Mercantiles Pvt Ltd	1,136,178	0.23%	-

Note: Please note that a public limited company is required to have a minimum of seven members as per the provisions of the Companies Act, 2013. For meeting this requirement prior to the amalgamation under the Scheme, the registered ownership of five (5) equity shares of the Company held by Sumitomo Chemical Company Limited was held through five (5) nominee individual shareholders. The five (5) nominee shareholders continue to hold the registered ownership and the beneficial ownership of the aforesaid 5 shares continues with Sumitomo Chemical Company Limited.

(F) Details of promoter:

Sumitomo Chemical Company Limited ("SCC"), having address at 27-1, Shinkawa 2- Chome Chuo-ku, Tokyo Japan is the promoter as well as holding company of SCIL. It was incorporated, as a company limited by shares, on June 1, 1925 in Japan under the applicable laws of Japan. It was originally founded in 1913 but was only registered on June 1, 1925. The Japanese name of SCC was changed from Sumitomo Kagaku Kogyo Kabushikigaisha to Sumitomo Kagaku Kabushikigaisha and the same was registered on October 5, 2004.

Prior to the Scheme becoming effective, it held 27,45,88,093 equity shares of the Company (including shares held through five (5) nominee individual shareholders) amounting to 99.99% of its shareholding.

SCC primarily operates in five sectors, namely, (i) petrochemicals & plastics; (ii) energy & functional materials; (iii) IT-related chemicals; (iv) health and crop sciences and (v) pharmaceuticals. It is a professionally managed company and its operations are overseen by its board of directors.

(G) Business and its management:

The Company is primarily engaged in manufacture and sale of agricultural pesticides, household insecticides and animal nutrition products. Excel Crop Care Limited ('**ECC**' or '**Transferor Company**') was incorporated on March 21, 1964 and registered with the Registrar of Companies, Mumbai. ECC got listed on BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**") in the year 2003 pursuant to a demerger of the agricultural inputs portfolio of Excel Industries Limited with the strength of three manufacturing units at Bhavnagar, Gajod and Silvassa. Pursuant to the Scheme, ECC stands merged with the Company with effect from the Appointed Date of April 01, 2018.

Management:

SNo.	Name	Category
1.	Dr. Mukul Govindji Asher	Chairman and Independent Director
2.	Chetan Shantilal Shah	Managing Director
3.	Bhupendranath Bhargava	Independent Director
4.	Tadashi Katayama	Non-executive Director
5.	Preeti Gautam Mehta	Independent woman Director
6.	Hiroyoshi Mukai	Non-executive Director
7.	Sushil Champaklal Marfatia	Executive Director
8.	Ninad Dwarkanath Gupte	Non-executive Director
9.	Pravin D. Desai	Company Secretary
10.	Anil Nawal	Chief Financial Officer

(H) Reason for the amalgamation:

The scheme of amalgamation approved by the Hon'ble National Company Law Tribunal, Mumbai Bench ("**Scheme**") provides for the amalgamation of ECC/the Transferor Company with SCIL/the Transferee Company pursuant to Sections 230 to 232 other applicable provisions of the Companies Act, 2013, with the view to achieve the following benefits:

(i) Consolidation of businesses presently carried on by the Transferor and Transferee Company, which shall create greater operational synergies and efficiencies at multiple levels of business operations and shall provide significant impetus to their growth;

(ii) Merger shall result in consolidation of major India operations under one platform which is expected to get undivided attention from the parent company and thereby leveraging capability of the merged entity which in turn will allow the merged entity to undertake future expansion strategies and to tap bigger opportunities;

(iii) Creation of value for shareholders of the Companies and other stakeholders, by way of creation of a large asset base, facilitating access to better financial resources, stronger consolidated revenue and profitability, diversification in product portfolio and thereby reducing business risks;

(iv) Pooling of assets, proprietary information, personnel, financial, managerial and technical resources of the Companies, thereby contributing to the future growth of the merged entity;

(v) Consolidating the shareholding and thereby eliminating administrative duplications and consequently reducing the administrative costs of maintaining separate companies;

(vi) The Transferor Company and the Transferee Company operate businesses that complement each other and therefore, can be conveniently combined for mutual benefit of the shareholders of the Companies;

(vii) The Scheme is in the beneficial interest of all the stakeholders and the shareholders of both the Companies.

(I) Financial Statements of the Company for the previous three years prior to the date of listing:

Balance Sheet:

(₹ in million)

Particulars	As at 31 March 2019 (Consolidated) (note 1)	As at 31 March 2018 (Consolidated-restated) (note 1)	As at 31 March 2017 (Standalone) (note 3)
I. ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	2,771.65	2,647.87	525.37
(b) Capital work-in-progress	31.86	44.52	74.04
(c) Other Intangible assets	21.35	19.32	-
(d) Intangible assets under development	48.72	42.58	-
(e) Financial Assets			
i. Investments	1.41	1.43	3,766.64
ii. Loans	78.46	72.58	34.41
(f) Non- current tax assets (net)	188.18	248.22	105.56
(g) Other non-current assets	43.90	50.56	7.12
Total non-current assets	**3,185.53**	**3,127.08**	**4,513.14**
(2) Current Assets			
(a) Inventories	6,805.83	6,092.62	2,775.86
(b) Financial Assets			
(i) Trade receivables	6,710.13	5,517.60	2,199.08
(ii) Cash and cash equivalents	504.64	735.46	379.90
(iii) Bank balances other than cash and cash equivalents mentioned above in (ii) above	8.86	7.78	0.07

(Contd.)

(iv) Loans	33.45	36.62	24.02
(v) Other financial assets	170.18	103.67	15.25
(c) Other current assets	1,181.05	963.05	301.02
Total Current Assets	**15,414.14**	**13,456.80**	**5,695.20**
TOTAL ASSETS	**18,599.67**	**16,583.88**	**10,208.34**
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital (note 4)	2,745.88	2,745.88	2,745.88
(b) Other equity	7,738.08	6,794.15	4,581.64
Total Equity	**10,483.96**	**9,540.03**	**7,327.52**
(2) Liabilities			
Non-current liabilities			
(a) Provisions	156.42	127.10	18.39
(b) Deferred tax liabilities (net)	145.92	180.74	
(c) Other non-current tax liabilities (net)	52.15	17.43	17.55
Total Non-current liabilities	**354.49**	**325.27**	**35.94**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	197.45	101.46	-
(ii) Trade payables			
(A) total outstanding dues of micro enterprises and small enterprises	195.10	129.11	43.15
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	5,772.46	5,143.45	1,623.85
(iii) Other financial liabilities	632.02	555.51	839.89
(b) Other current liabilities	870.83	700.54	278.75
(c) Provisions	25.78	22.93	5.44
(d) Current Tax liabilities	67.58	65.58	53.80
Total Current liabilities	**7,761.22**	**6,718.58**	**2,844.88**
Total Liabilities	**8,115.71**	**7,043.85**	**2,880.82**
TOTAL EQUITY AND LIABILITIES	**18,599.67**	**16,583.88**	**10,208.34**

Statement of Profit and Losses:

(₹ in million)

Particulars	For the year ended		
	31 March 2019 (Consolidated)	31 March 2018 (Consolidated - restated)	31 March 2017 (Standalone)
Revenue			
I Revenue from Operations	22,117.43	19,616.73	8,638.58
II Other income	277.62	304.68	106.32
III Total Income (I +II)	**22,395.05**	**19,921.41**	**8,744.90**
IV Expenses			
Cost of materials consumed	13,288.10	10,770.08	3,971.48
Purchase of stock-in-trade	2,286.24	2,082.74	1,778.72
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(984.81)	(465.79)	(438.32)
Excise duty	-	487.92	653.41
Employee benefits expense	1,615.26	1,475.47	587.36
Finance costs	36.50	28.36	9.62
Depreciation and amortisation expense	278.04	237.31	69.47
Other expenses	3,277.28	3,095.66	1,049.57
Total Expenses (IV)	**19,796.61**	**17,711.75**	**7,681.31**
V Profit before Tax (III -IV)	**2,598.44**	**2,209.66**	**1,063.59**
VI Tax expense:			
1. Current Tax	945.96	798.85	399.30
2. Adjustment of tax relating to earlier years	27.86	(15.78)	27.65
3. Deferred Tax credit	(33.35)	(24.59)	(0.74)
Total Tax Expenses (VI)	**940.47**	**758.48**	**426.21**
VII Profit for the Year (V-VI)	**1,657.97**	**1,451.18**	**637.38**
VIII Other comprehensive income			
A. Items that will not be reclassified to Profit or Loss			
Fair valuation of investments	-	-	992.50
Remeasurements of defined benefit liability	2.23	33.67	(17.07)
Income tax related to items that will not be reclassified to profit or loss			
Remeasurements of defined benefit liability	1.47	0.35	5.71
	3.70	**34.02**	**981.14**
B. Items that will be reclassified to Profit or Loss			
Exchange difference arising on translation of foreign operations	(2.69)	16.54	-
Total other comprehensive income for the year (VIII)	**1.01**	**50.56**	**981.14**
IX Total comprehensive income for the year (VII +VIII)	**1,658.98**	**1,501.74**	**1,618.52**
X Earnings per equity share (Face value of ₹ 10 each)			
Basic and diluted earnings per share (₹)	3.32	2.91	2.46

Consolidated Statement of Changes in Equity:

(₹ in million)

Share Capital	Amount
As at 1 April, 2016	2,329.85
Changes in equity share capital during the year due to fresh issue of shares	416.03
As at 31 March, 2017	**2,745.88**
As at 1 April, 2017	2,745.88
Changes in equity share capital during the year	-
As at 31 March, 2018	**2,745.88**
As at 1 April, 2018	2,745.88
Changes in equity share capital during the year	-
As at 31 March 2019	**2,745.88**

(₹ in million)

Other equity	Reserves & Surplus				Other comprehensive income		
	General Reserve	Securities Premium	Share Pending Issuance	Retained earnings	Equity instruments through other comprehensive income	Foreign Currency Translation reserve	Total Other equity
Balance as at 1 April 2016 before adjustments	**-**	**-**	**-**	**630.68**	**-**	**-**	**630.68**
Ind As Adjustments	-	-	-	(18.23)	0.07	-	(18.16)
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-
Balance as at 1 April 2016 after adjustments	**-**	**-**	**-**	**612.45**	**0.07**	**-**	**612.52**
Profit for the year	-	-	-	637.38	-	-	637.38
Other comprehensive income for the year (net of tax)	-	-	-	(11.36)	992.50	-	981.14
Total comprehensive income for the year	-	-	-	**626.02**	**992.50**	-	**1,618.52**
Issue of share capital	-	2,350.60	-	-	-	-	2,350.60
Balance as at 31 March 2017	-	**2,350.60**	-	**1,238.47**	**992.57**	-	**4,581.64**
Balance as at 1 April 2017 (Note 6)	**3,981.58**	**2,350.60**	**2,245.58**	**1,670.23**	**-**	**7.86**	**10,255.85**
Consideration in excess of the carrying value of the net assets (including the reserves)	(4,963.44)	-	-	-	-	-	(4,963.44)
Balance as at 1 April 2017	**(981.86)**	**2,350.60**	**2,245.58**	**1,670.23**	**-**	**7.86**	**5,292.41**
Profit for the year	-	-	-	1,451.18	-	-	1,451.18
Other comprehensive income for the year (net of tax)	-	-	-	34.02	-	16.54	50.56
Total comprehensive income for the year	**-**	**-**	**-**	**1,485.20**	**-**	**16.54**	**1,501.74**
Transfer to General Reserve	700.00	-	-	(700.00)	-	-	-
Balance as at 31 March 2018	**(281.86)**	**2,350.60**	**2,245.58**	**2,455.43**	**-**	**24.40**	**6,794.15**
Profit for the year	-	-	-	1,657.97	-	-	1,657.97
Other comprehensive income for the year (net of tax)	-	-	-	3.70	-	(2.69)	1.01
Total comprehensive income for the year	**-**	**-**	**-**	**1,661.67**	**-**	**(2.69)**	**1,658.98**
Transfer to General Reserve	800.00	-	-	(800.00)	-	-	-
Dividend on equity shares for the year	-	-	-	(590.53)	-	-	(590.53)
Dividend Distribution Tax (DDT)	-	-	-	(124.52)	-	-	(124.52)
Balance at 31 March 2019	**518.14**	**2,350.60**	**2,245.58**	**2,602.05**	**-**	**21.71**	**7,738.08**

Notes for Balance Sheet, Statement for Profit and loss and Consolidated Statement of Changes in Equity:

1. *Figures as at March 31, 2019 and March 31, 2018 are as per Ind-AS. Figures as at March 31, 2018 are the restated numbers based on the comparative information as disclosed in the Annual Report of SCIL for the financial year 2018-19.*
2. *The shareholders may refer the information memorandum for the standalone financials statement of SCIL for financial year 2017-18 (without giving effect of merger). The Information Memorandum would be made available on www.sumichem.co.in, www.bseindia.com and www.nseindia.com.*
3. *Information presented above in relation to March 31, 2017 is based on comparative information as disclosed in the financial statements for the year ended March 31, 2018*
4. *The Equity Share Capital of the Company as on March 31, 2019 does not include the equity shares allotted pursuant to the Scheme to the shareholders of ECC, as the same have been allotted on October 7, 2019*
5. *Our Company did not have any subsidiaries till March 31, 2018. Accordingly, the requirement of consolidated financial statements was not applicable. Pursuant to implementation of the Scheme, the subsidiaries of erstwhile Excel Crop Care Limited (Transferor Company) became the subsidiaries of our Company, the same have consolidated in the financial statements as at March 31, 2019 including for disclosure of the comparative information for the last financial year 2017-18.*
6. *Information presented above in relation to opening balances as at April 1, 2017 onwards, in the statement of changes in equity, is based on information as disclosed in the consolidated financial statements for the year ended March 31, 2019 of SCIL.*

Statement of Cash Flows:

(₹ in million)

Particulars	31 March 2019 (Consolidated)	31 March 2018 (Consolidated-restated)	31 March 2017 (Standalone)
A. Cash flow from operating activities			
Profit before tax	**2,598.44**	**2,209.66**	**1,063.59**
Adjustments for:			
Depreciation and amortization Expense	278.04	237.31	69.47
CSR expenses adjusted in opening stock	-	-	(0.18)
Bad Debts written Off	12.04	30.57	-
Provision for Doubtful Debts/Write back	72.54	39.48	14.92
Excess Provisions in respect of earlier years written back (net)	(200.74)	(243.50)	-
(Profit) on sale/disposal of property, plant and equipment	(2.17)	(1.35)	8.04
Property, plant and equipment & Intangible Assets written off	0.61	24.33	-
Interest Income	(37.26)	(29.49)	(44.56)
Measurement of Investments at Fair Value through Profit & Loss	0.02	(0.03)	-
Dividend Income	(0.92)	(7.90)	-
Interest Expenses	36.50	28.36	9.62
Unrealised Exchange differences (net)	27.61	18.22	0.24
Interest on income tax refund	-		0.98
Acquisition cost of investment	-	-	45.01
Amortization of premium on forward exchange contract	-	-	0.75
MTM on forward contract	-	-	1.41
Operating cash flow before working capital changes	**2,784.71**	**2,305.66**	**1,169.29**
Working capital adjustments			
(Increase)/Decrease in Trade Receivables	(315.30)	(360.25)	(408.26)
(Increase)/Decrease in Inventories	(1,794.24)	(1,871.95)	(423.99)
(Increase)/Decrease in Other Non Current Assets and Current Assets	(278.70)	(354.48)	(2.57)
(Increase)/Decrease in Long Term & Short Term Loans	3.22	91.13	(191.55)
Increase/(Decrease) in Trade Payables	1,037.76	1,153.96	(166.64)
Increase/(Decrease) in Long Term and Short Term Provisions	45.72	19.59	(21.63)
Increase/(Decrease) in Other Non Current and Other Current Liabilities	174.96	321.87	190.00
Cash generated from operating activities	**1,658.13**	**1,305.52**	**144.65**
Income taxes paid (net)	(881.28)	(831.11)	(353.12)
Net cash flows generated from operating activities (A)	**776.85**	**474.41**	**(208.47)**
B. Cash flow from investing activities			
Purchase of property, plant and equipment, and intangible assets	(397.33)	(434.05)	(123.38)
Proceeds from sale of property, plant and equipment	7.70	3.28	4.14
Purchase/(Sale) of Investments (net)	(0.01)	(2.85)	(2,772.94)
Proceeds/(Investments) in dividend accounts, net	(1.07)	1.27	-
Interest received	36.81	28.01	43.07
Dividend received	0.92	7.90	-
Loan given	(0.21)	-	-
Deposit with banks (net)	-	-	0.01
Acquisition cost of investment	-	-	(45.01)
Net cash flows used in investing activities (B)	**(353.19)**	**(396.44)**	**(2894.11)**
C. Cash flow from financing activities			
Proceeds of short-term borrowings (net)	95.99	101.46	- -
Interest paid	(36.50)	(28.36)	(5.69)
Dividend Paid	(589.46)	(1.27)	-
Tax on distributed Profits	(124.51)	-	-
Proceeds from issue of equity share capital	-	-	2,766.64
Net cash flows generated from/(used in) from financing activities (C)	**(654.48)**	**71.83**	**2,760.95**
Net increase/(decrease) in cash and cash equivalents (A + B + C)	**(230.82)**	**149.81**	**(341.63)**
Cash and cash equivalents at the beginning of the year	735.46	585.65	721.53
Cash and cash equivalents at the end of the year	504.64	735.46	379.90

Notes:

1. *The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7, 'Statement of Cash Flows'.*
2. *Cash comprises cash on hand, Current Accounts and deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value The Information presented above in relation to the financial year ended March 31,2017 is based on comparative information as disclosed in the financial statements for the year ended March 31, 2018.*
3. *The Hon'ble National Company Law Tribunal, Mumbai Bench ("Hon'ble NCLT") vide its order dated 27th June, 2019 ("NCLT order") has sanctioned the Scheme of Amalgamation (Merger by absorption) of Excel Crop Care Limited ("the Transferor Company" or "ECC") with Sumitomo Chemical India Limited ("the Transferee Company" or "SCIL" or "the Company") under Section 230 to 232 and other applicable provisions of the Companies Act, 2013* ***("Scheme")****. The certified copy of the Order was received by the Company on 22nd August 2019.*
4. *The amendment to Ind AS 7 required entities to provide disclosures to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. Accordingly, the following disclosure has been given below:*

Particulars	*31 March 2018*	*Cash Flows*	*Non-cash changes*	*31 March 2019*
Short- term borrowings	*101.46*	*95.99*	*-*	*197.45*
Total	***101.46***	***95.99***	*-*	***197.45***

(The shareholders may refer the information memorandum for the notes to the consolidated and standalone financial statement of the financial year 2018-19 and notes to the financial statement of the previous financial years i.e. FY 2017-18 and FY 2016-17. The Information Memorandum would be made available on www.sumichem.co.in, www.bseindia.com and www.nseindia.com. The annual report of the Company for financial year 2018-19 is also available on our website www.sumichem.co.in.)

(J) Latest Audited Financial Statements of the Company for the interim period of six months ending on 30 September 2019:

Balance Sheet for the six months ending as at 30 September 2019:

(₹ in million)

Particulars	As at 30 September 2019		
I. ASSETS	**Notes to Consolidated Financial statements**	**Consolidated**	**Standalone**
(1) Non-current assets			
a) Property, Plant and Equipment	3	2837.24	2,836.22
b) Capital work-in-progress		44.62	44.62
c) Right - of - use Assets	4	309.40	309.40
d) Other Intangible assets	5	15.98	15.98
e) Intangible assets under development		48.74	48.74
f) Investment in subsidiaries		-	7.61
g) Financial Assets			
i. Investments	6	1.34	1.34
ii. Loans	7	85.52	85.52
h) Non- current tax assets (net)		195.09	190.85
i) Other non-current assets	8	52.81	52.81
Total non-current assets		**3590.74**	**3,593.09**
(2) Current Assets			
a) Inventories	9	5467.00	5,463.71
b) Financial Assets			
i. Investments	10	687.50	687.50
ii. Trade receivables	11	10389.63	10,369.65
iii. Cash and cash equivalents	12a	926.17	818.43
iv. Bank balances other than cash and cash equivalents mentioned above in (iii) above	12b	8.92	8.92
v. Loans	13	47.92	47.93
vi. Other financial assets	14	111.81	111.81
c) Other current assets	15	418.78	418.78
Total Current Assets		**18057.73**	**17,926.73**
TOTAL ASSETS		**21648.47**	**21,519.82**
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital (refer note 1)	16	2745.88	2,745.88
(b) Other equity	17	9402.40	9,277.94
Total Equity		**12148.28**	**12,023.82**
(2) Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
- Lease Liabilities	18	178.28	178.28
(b) Provisions	19	166.61	166.61
(c) Deferred tax liabilities (net)	32C	15.34	15.34
(d) Other non-current tax liabilities (net)		57.79	57.79
Total Non-current liabilities		**418.02**	**418.02**
Current liabilities			
(a) Financial liabilities			
(i) Trade payables			
(A) total outstanding dues of micro enterprises and small enterprises	20	85.66	85.66
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	20	7508.53	7,506.90
(ii) Lease Liabilities	21	138.66	138.66
(iii) Other financial liabilities	22	647.29	647.29
(b) Other current liabilities	23	386.22	383.66
(c) Provisions	24	49.75	49.75
(d) Current Tax liabilities		266.06	266.06
Total Current liabilities		**9082.17**	**9,077.98**
Total Liabilities		**9500.19**	**9,496.00**
TOTAL EQUITY AND LIABILITIES		**21648.47**	**21,519.8**

Note:

1. The Equity Share Capital of the Company as on Sep 30, 2019 does not include the equity shares allotted pursuant to the Scheme as the same have been allotted on October 7, 2019

(Contd.)

Statement of Profit and Losses for the six months ended 30 September 2019:

(₹ in million)

Particulars	For the six months ended on 30 September 2019		
	Notes to Consolidated Financial statements	Consolidated	Standalone
Revenue			
I. Revenue from Operations	25	14545.22	14,537.37
II. Other income	26	58.07	59.07
III. Total Income (I. +II.)		**14603.29**	**14,596.44**
IV. Expenses			
Cost of materials consumed	27	7180.52	7,180.53
Purchase of stock-in-trade		1123.47	1,118.28
Changes in inventories of finished goods, work-in-progress and stock-in-trade	28	1310.65	1,306.72
Employee benefits expense	29	882.07	876.16
Finance costs	30	29.61	29.61
Depreciation and amortisation expense	3,4 & 5	182.93	182.79
Other expenses	31	1652.00	1,653.55
Total Expenses (IV)		**12361.25**	**12,347.64**
V. Profit before Tax (III. -IV)		**2242.04**	**2,248.80**
VI. Tax expense:			
1. Current Tax	32A	592.84	592.84
2. Adjustment of tax relating to earlier years		(31.42)	(31.42)
3. Deferred Tax credit		(130.49)	(130.49)
Total Tax Expenses (VI.)		**430.93**	**430.93**
VII. Profit for the Year (V.-VI.)		**1811.11**	**1,817.87**
VIII. Other comprehensive income			
A. Items that will not be reclassified to Profit or Loss			
Remeasurements of defined benefit liability/(Asset)		(5.39)	(5.39)
Income tax related to items that will not be reclassified to profit or loss			
Remeasurements of defined benefit liability		0.10	0.10
B. Items that will be reclassified to Profit or Loss			
Exchange difference arising on translation of foreign operations		0.44	-
Total other comprehensive income for the year (VIII.)		**(4.85)**	**(5.29)**
IX. Total comprehensive income for the year (VII. +VIII.)		**1806.26**	**1,812.58**
X. Earnings per equity share (Face value of ₹ 10 each)			
Basic and diluted earnings per share	33	3.63	3.64

Statement of Changes in Equity for the six months ended 30 September 2019:

(₹ in million)

Share Capital	Notes to Consolidated Financial statements	Consolidated	Standalone
As at 31 March, 2018	16	2745.88	2745.88
Changes in equity share capital during the year		-	-
As at 31 March, 2019	16	2745.88	2745.88
Changes in equity share capital during the period		-	-
As at 30 September 2019	16	2745.88	2745.88

Other Equity

Interim Consolidated Financial Statements						
Other equity	Reserves & Surplus				Other comprehensive income	Total Other equity
	General Reserve	Securities Premium	Share Pending Issuance (refer note 43)	Retained earnings	Foreign Currency Translation reserve	
Balance as at 1 April 2018	**(281.86)**	**2350.60**	**2245.58**	**2455.43**	**24.40**	**6794.15**
Profit for the year	-	-	-	1657.97	-	1657.97
Other comprehensive income for the year (net of tax)	-	-	-	3.70	(2.69)	1.01
Total comprehensive income for the year	**-**	**-**	**-**	**1661.67**	**(2.69)**	**1658.98**
Transfer to General Reserve	800.00	-	-	(800.00)	-	-
Dividend on equity shares for the year	-	-	-	(590.53)	-	(590.53)
Dividend Distribution Tax (DDT)	-	-	-	(124.52)	-	(124.52)
Balance at 31 March 2019	**518.14**	**2350.60**	**2245.58**	**2602.05**	**21.71**	**7738.08**
Profit for the period	-	-	-	1811.11	-	1811.11
Other comprehensive income for the period (net of tax)	-	-	-	(5.29)	0.44	(4.85)
Total comprehensive income for the period	**-**	**-**	**-**	**1805.82**	**0.44**	**1806.26**
Dividend on equity shares for the year	-	-	-	(115.52)	-	(115.52)
Dividend Distribution Tax (DDT)	-	-	-	(26.42)	-	(26.42)
Balance at 30 September 2019	**518.14**	**2350.60**	**2245.58**	**4265.93**	**22.15**	**9402.40**

Refer note 17B of the notes to interim consolidated financial statements given below for nature and purpose of reserves.

Other Equity

Interim Standalone Financial Statements					
Other equity	Reserves & Surplus				Total Other equity
	General Reserve	Securities Premium	Share Pending Issuance	Retained earnings	
Balance as at 1 April 2018	**(282.19)**	**2350.60**	**2245.58**	**2,334.57**	**6,648.56**
Profit for the year	-	-	-	1,670.02	1,670.02
Other comprehensive income for the year (net of tax)	-	-	-	3.70	3.70
Total comprehensive income for the year	**-**	**-**	**-**	**1,673.72**	**1,673.72**
Transfer to General Reserve	800.00	-	-	(800.00)	-
Dividend on equity shares for the year	-	-	-	(590.53)	(590.53)
Dividend Distribution Tax (DDT)	-	-	-	(124.52)	(124.52)
Balance at 31 March 2019	**517.81**	**2350.60**	**2245.58**	**2,493.24**	**7,607.23**
Profit for the period	-	-	-	1,817.87	1,817.87
Other comprehensive income for the period (net of tax)	-	-	-	(5.29)	(5.29)
Total comprehensive income for the period	**-**	**-**	**-**	**1,812.58**	**1,812.58**
Dividend on equity shares for the year	-	-	-	(115.45)	(115.45)
Dividend Distribution Tax (DDT)	-	-	-	(26.42)	(26.42)
Balance at 30 September 2019	**517.81**	**2350.60**	**2245.58**	**4,163.95**	**9,277.94**

Statement of Cash Flows for the six months ended 30 September 2019:

(₹ in million)

Particulars	For the six months ended 30 September 2019	
	Consolidated	Standalone
A. Cash flow from operating activities		
Profit before tax	**2242.04**	**2,248.80**
Adjustments for:		
Depreciation and amortisation Expense	182.93	182.79
Bad Debts written Off	2.42	2.42
Provision for Doubtful Debts/Write back	39.02	40.00
Sundry credit Balance written back	(14.38)	(14.38)
(Profit) on sale/disposal of property, plant and equipment	(0.24)	(0.24)
Property, plant and equipment & Intangible Assets written off	1.20	1.20
Interest Income	(24.12)	(24.12)
Measurement of Investment at Fair Value through Profit & Loss	0.06	0.06
Dividend Income	(5.04)	(5.04)
Interest Expenses	29.61	29.61
Unrealised Exchange differences (net)	(1.26)	(1.70)
Operating cash flow before working capital changes	**2452.24**	**2,459.40**
Working capital adjustments		
(Increase) in Trade Receivables	(3692.46)	(3,694.19)
Decrease in Inventories	1338.83	1,336.67
Decrease in Other Non Current Assets and Current Assets	762.98	762.92
Decrease in other Non Current Financial and Current Financial Assets	64.50	63.98
(Increase) in Long Term & Short Term Loans	(5.65)	(5.65)
Increase in Trade Payables	1589.37	1,590.96
Increase in Long Term and Short Term Provisions	28.77	28.77
(Decrease) in other Non Current Financial and Current Financial Liabilities	(21.49)	(22.27)
(Decrease) in other Non Current and Current Liabilities	(484.61)	(485.33)
Cash generated from operating activities	**2032.48**	**2,035.26**
Income taxes paid (net)	(364.20)	(363.05)
Net cash flows generated from operating activities (A)	**1668.28**	**1,672.21**
B. Cash flow from investing activities		
Purchase of property, plant and equipment, and intangible assets	(222.24)	(222.15)
Proceeds from Sale of property, plant and equipment	1.87	1.87
(Purchase)/Sale of Investments (net)	(687.49)	(687.50)
Interest received	24.16	24.12
Dividend received	5.04	5.04
Bank Balances not considered as Cash & Cash equivalents (Net)	(0.06)	(0.06)
Loan Recovered	0.91	0.88
Net cash flows used in investing activities (B)	**(877.81)**	**(877.80)**
C. Cash flow from financing activities		
(Repayment)/Proceeds of short term borrowings (net)	(197.45)	(197.45)
Interest paid	(29.61)	(29.61)
Dividend Paid	(115.46)	(115.39)
Tax on distributed Profits	(26.42)	(26.42)
Net cash flows generated from/(used in) from financing activities (C)	**(368.94)**	**(368.87)**
Net increase/(decrease) in cash and cash equivalents (A + B + C)	**421.53**	**425.54**
Cash and cash equivalents at the beginning of the year	**504.64**	**392.89**
Cash and cash equivalents at the end of the year (refer 12a)	**926.17**	**818.43**

Notes:

1. The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7, 'Statement of Cash Flows'
2. Hon'ble National Company Law Tribunal, Mumbai Bench ("Hon'ble NCLT") vide its order dated on 27th June 2019, ("NCLT order") has sanctioned the Scheme of Amalgamation (Merger by absorption) of Excel Crop Care Limited ("the Transferor Company" or "ECCL") have merged with the Sumitomo Chemical India Limited ("the Transferee Company" or "SCIL" or "the Company") under Section 230 to 232 and other applicable provisions of the Companies Act, 2013. The certified copy of the order was received by the Company on 22nd August 2019.

(The advertisement covers notes to interim consolidated financial statement for the six-month period ended 30 September 2019. The shareholders may refer the information memorandum for the notes to the interim standalone financial statement for the six-month period ended 30 September 2019. The Information Memorandum would be made available on www.sumichem.co.in, www.bseindia.com and www.nseindia.com.)

Notes to Interim Consolidated Financial Statements for the six month period ended 30 September 2019
(Currency: Indian Rupees in million)

1 Corporate information

Sumitomo Chemical India Limited ('SCIL' or 'the Company') was incorporated originally on February 15, 2000 and converted from Private Limited to Public Limited w.e.f. 24th November 2018. SCIL is a subsidiary of Sumitomo Chemical Company Limited, Japan ('SCCL'). The Company is primarily engaged in manufacturing and sales of Household Insecticides, Agricultural Pesticides, Public Health Insecticides and Animal Nutrition Products. The Consolidated financial statements comprise the Company and its subsidiaries (referred to collectively as 'the Group')

Hon'ble National Company Law Tribunal, Mumbai Bench ("Hon'ble NCLT") vide its order dated 27th June, 2019 ("NCLT order") has sanctioned the Scheme of Amalgamation (Merger by absorption) of Excel Crop Care Limited ("the Transferor Company" or "ECCL") with Sumitomo Chemical India Limited ("the Transferee Company" or "SCIL" or "the Company") under Section 230 to 232 and other applicable provisions of the Companies Act, 2013. The certified copy of the Order was received by the Company on 22nd August 2019 (Refer note 43).

2 Basis of Preparation, Measurement and Significant Accounting Policies

2.1 Basis of Preparation and Measurement

a) Basis of preparation

These interim consolidated financial statements are prepared in accordance with the recognition and measurement principles of Indian Accounting Standard (Ind-AS) 34 "Interim Financial Reporting" as specified under Section 133 of the Companies Act, 2013 ('the Act') read with Companies (Indian Accounting Standards) Rules, 2015 as subsequently amended and other relevant provisions of the Act. The Group has not presented the corresponding figures for the previous period in these interim consolidated financial statements as these have been prepared for inclusion in the financial information section of the Information Memorandum to be filed with the stock exchange(s). These interim consolidated financial statements are not the statutory consolidated financial statements of the company. The financial statements are presented in millions of Indian rupees rounded off to two decimal places, except per share information, unless otherwise stated.

The interim consolidated financial statements of the Group were approved for issue in accordance with the resolution of the Board of Directors on 20 December, 2019.

The list of subsidiary companies considered for consolidation together with proportion of shareholding held by the Group is as follows:

Name of Subsidiaries	Country of Incorporation	As at 30 September
Excel Crop Care (Europe) NV	Belgium	100%
Excel Crop Care (Africa) Limited	Tanzania	99.94%

Current-non-current classification:

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time taken between acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of the classification of assets and liabilities into current and non current.

a. An asset shall be classified as current when it satisfies any of the following criteria:
   i) it is expected to be realized in, or is intended for sale or consumption in, the Group's normal operating cycle;
   ii) it is held primarily for the purpose of being traded;
   iii) it is expected to be realized within twelve months after the reporting date; or
   iv) it is Cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

   Current assets include the current portion of non-current financial assets.
b. All assets other than current assets shall be classified as non-current.
c. A liability shall be classified as current when it satisfies any of the following criteria:
   i) it is expected to be settled in the Group's normal operating cycle;
   ii) it is held primarily for the purpose of being traded;
   iii) it is due to be settled within twelve months after the reporting date; or
   iv) the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

   Current liabilities include the current portion of non-current financial liabilities.

b) Basis of measurement

These interim consolidated financial statement have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

i) Certain financial assets and liabilities (including derivative instruments) measured at fair value (refer accounting policy regarding financial instruments - 2.4 (n)),
ii) Defined benefit plans - plan assets/(liability) and share based payments measured at fair value (Refer note 38)

c) Principles of consolidation

The Company consolidates all the entities which are controlled by it. The Company establishes control when, it has the power over the entity, is exposed or has rights to variable return from its involvement with the entity and has the ability to affect the entity's returns by using its power over relevant activities of the entity.

Entities controlled by the Company are consolidated from the date control commences until the date control ceases.

All inter-company transactions, balances and income and expenses are eliminated in full on consolidation.

Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted as equity transactions. The carrying amount of the Company's interest and no controlling interest are adjusted to reflect the change in their relative interest in the subsidiaries. Any difference between the amount at which the non-controlling interest are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to shareholders of the Company.

2.2 Key Accounting Estimates, judgments and assumptions

The preparation of these interim consolidated financial statements in conformity with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the consolidated Balance Sheet and Statement of Profit and Loss. The management believes that the estimates used in preparation of these interim consolidated financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialize.

The areas involving critical estimates or judgments are:

i. Property, plant and equipment & Intangible assets.

Determination of the estimated useful lives of tangible and intangible assets and the assessment as to which components of the cost may be capitalized. Useful lives of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. (Note 2.4(c))

ii. Discounting of long-term financial instruments :

All financial instruments are required to be measured at fair value on initial recognition. In case of financial instruments which are required to be subsequently measured at amortised cost, interest is accrued using the effective interest method.

iii. Fair value of financial instruments :

Derivatives are carried at fair value. Derivatives includes Foreign currency forward contracts, fair value of which, is determined using the fair value reports provided by respective merchant bankers. (Note 2.3)

iv. Impairment of Financial and Non Financial Asset:

Impairment of financial and Non-financial assets (Note 2.4 (d) for Financial assets and (Note 2.4 (o)) for Non financial assets)

v. Recognition and measurement of provisions and contingencies :

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions. Refer 2.4 (j))

vi. Recognition and measurement of defined benefit obligations :

Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. (Refer 2.4(f))

2.3 Measurement of fair values

The Group's accounting policies and disclosures require the measurement of fair values for financial instruments.

The Group has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred (Refer note 36 for information on detailed disclosures pertaining to measurement of fair values).

2.4 Statement of significant accounting policies

a. Property, plant and equipment

Recognition and measurement:

Items of property, plant and equipment, other than Freehold land, are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land is carried at cost and is not depreciated.

The cost of an item of property, plant and equipment comprises:

a) its purchase price, including import duties and all purchase applicable taxes, after deducting trade discounts and rebates.
b) any directly attributable cost of bringing the asset to its location and condition necessary for it to be capable of operating in the manner intended by management.
c) the estimated costs of dismantling and removing the item and restoring the site on which it is located.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in profit or loss.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted and depreciated for as separate items (major components) of property, plant and equipment.

(Contd.)

Any gain or loss on derecognition of an item of property, plant and equipment is recognised in the Statement of Profit and Loss.

Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs and related incidental expenses

Subsequent expenditure:

Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate only if it is probable that the future economic benefits associated with the item will flow to the Group and that the cost of the item can be reliably measured. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

b. Intangible assets

The cost of an intangible asset comprises of its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use.

Technical know-how fees for new product development is amortised over the period not exceeding five years from the date of agreement with supplier of technology.

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit or Loss when the asset is derecognized.

c. Depreciation and amortisation

Depreciation is provided, under the Straight Line Method, pro rata to the period of use, based on useful lives specified in Schedule II to the Act, except for the following items where useful lives estimated by the management based on internal technical assessment, past trends and expected operational lives differ from those provided in Schedule II of the Act:

Leasehold land and leasehold improvements are amortised over the term of lease.

The key assets and related lives are:

Nature of asset	Life in Years
Furniture and fixtures	2 to 20
Office equipment	2 to 21
Vehicles	3 to 7
Buildings	5 to 38
Plant and machinery (including computers)	3 to 10
Electrical installation	10 to 15
Factory road	10

Assets costing less than INR 5,000/- are fully depreciated in the year of purchase.

Amortisation in respect of all the intangible assets is provided on straight line method over the useful lives of assets.

Nature of asset	Life in Years
Data Registration Expenses	3
Software and License and Registration	4
Technical Knowhow	5

d Impairment

The carrying values of assets at each Balance Sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognized for such excess amount. The impairment loss is recognized as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognized for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognized.

e Inventories

Inventories are valued at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

i) Raw materials and packing materials, components, stores and spares: Cost is determined on a moving weighted average basis. Stores and spares which do not meet the definition of property, plant and equipment are accounted as inventory.

ii) Work-in-progress and finished goods: Cost includes direct materials and labor and a proportion of manufacturing overheads based on normal operating capacity and other cost bringing the inventories at their present condition and location. Cost is determined on weighted average basis.

iii) Traded products: Cost includes cost of purchase and other costs incurred in bringing the inventories their present location and condition. Cost is determined on moving weighted average basis.

f Employee benefits

1) Short-term employee benefits

Defined contribution plans

The Group makes contribution towards provident fund, pension fund, superannuation fund and employee's state insurance contribution to a defined contribution retirement benefit plan for qualifying employees. Both the employee and the Group makes monthly contribution equal to a specified percentage of the covered employee's salary or a fixed monthly contribution. The monthly contributions payable by the Group are charged to the Interim Consolidated Statement of Profit and Loss as incurred.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined liability (asset) after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to gratuity benefit scheme are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by the employees is recognised during the period when the employee renders the service.

2) Other long-term benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employees renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date. Provision in respect of leave encashment benefits has been made based on actuarial valuation carried out by an independent actuary at the balance sheet date using Projected unit cost method.

g Foreign currency transactions

i. Functional and Presentation currency

The Group's interim consolidated financial statements are prepared in Indian Rupees (INR) which is also the Group's functional currency.

ii. Initial recognition

Foreign currency transactions are recorded on initial recognition in the functional currency using the exchange rate between the functional currency and the foreign currency at the date of the transaction.

iii. Subsequent measurement

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

In respect of non-monetary items, where a gain or loss is recognized in other comprehensive income as required by other Ind AS, the exchange component of that gain or loss is also recognized in other comprehensive income.

iv. Group Companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their Interim Consolidated Statement of Profit and Loss are translated at average rate during the year. The exchange differences arising on translation for consolidation are recognized in other comprehensive income.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operations recognized in OCI is reclassified to Interim Consolidated Statement of Profit and Loss as part of the gain or loss on disposal.

h Income taxes

Tax expense for the period comprises of current tax and deferred tax charge or credit. It is recognised in profit or loss except to the extent that it relates items recognised directly in equity or in OCI.

Current taxes

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the period and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date. For the purpose of computing income taxes management has applied the annual effective tax rate on to the profit before tax for the period ended 30 September 2019.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred taxes

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets - unrecognised or recognised, are reviewed at each reporting date and are recognised/reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

a) The Group has a legally enforceable right to set off current tax assets against current tax liabilities; and

b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

i Earnings per share

The basic earnings per equity share ('EPS') is computed by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the reporting period. Diluted EPS is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

j Provisions and contingencies

The Group creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources embodying economic benefits and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

k Research and development

Research costs are expensed as incurred. Development expenditure incurred on an individual project is carried forward when its future recoverability can reasonably be regarded as assured. Any expenditure carried forward is amortised over the period expected future sales from the related project, not exceeding ten years.

l Cash and cash equivalents

In Cash flow statement, cash and cash equivalents includes cash in hand, bank balances, term deposits with banks and other short term highly liquid investments with original maturities within three months or less.

m Revenue Recognition

i. Sale of goods

Revenue from sale of goods is recognised when control of the products being sold is transferred to the customers and when there are no longer any unfulfilled obligations. The Performance Obligations in the contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Revenue is measured at transaction price, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur. Our customers have the contractual right to return goods only when authorised by the Group. An estimate is made of goods that will be returned and a liability is recognised for this amount using a best estimate based on accumulated experience.

ii. Other income

a. Interest income is recognized on a time proportion basis taking into account the amount outstanding and the effective rate of interest.

b. Revenue in respect of insurance/other claims, Interest etc., is recognised only when it is reasonably certain that the ultimate collection will be made.

c. Dividend income is recognised in profit or loss on the date on which right to receive the payment is established.

iii. Sale of services

Revenue from services contracts are recognized pro-rata over the period of the contract as and when services are rendered and are net of service tax.

n Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts.

i. Financial assets

Classification

The Group classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Impairment of financial assets

Financial assets of the Group comprise of trade receivable and other receivables consisting of debt instruments e.g., loans, debt securities, deposits, and bank balance. Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. An impairment loss for trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Impairment losses if any, are recognised in Interim Consolidated Statement of Profit or Loss for the period.

Equity Investments:

All equity investments are measured at fair value. Equity instruments, which are held for trading are classified as at FVTPL. For equity instruments other than held for trading, the Group has exercised irrevocable option to recognise in other comprehensive income subsequent changes in the fair value.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

ii. Financial liabilities

Classification

The Group classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives which are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable and incremental transaction cost. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Consolidated statement of profit and loss. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Interim Consolidated Statement of Profit and Loss.

Derivative financial instruments

The Group uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Interim Consolidated Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Interim Consolidated Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

o Impairment of non-financial assets

The carrying values of assets/cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognised in the interim consolidated statement of profit and loss, to the extent the amount was previously charged to the statement of profit and loss. In case of revalued assets, such reversal is not recognised.

p Borrowing Cost

Borrowing costs include interest, amortization of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Cost in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Consolidated Statement of profit and loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset up to the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the interim consolidated Statement of profit and loss during extended periods when active development activity on the qualifying assets is interrupted.

q Dividend

The Group recognises a liability for any dividend declared but not distributed at the end of the reporting period, when the distribution is authorised and the distribution is no longer at the discretion of the Group on or before the end of the reporting period. As per Corporate laws in India, a distribution in the nature of final dividend is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

r. Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgment in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of lease with similar characteristics.

s. Segmental reporting

The Operating Segment is the level at which discrete financial information is available. Business segments are identified considering:

a. the nature of product and services

b. the differing risks and returns

c. the internal organisation and management structure, and

d. the internal financial reporting systems

Revenue and expenses directly attributable to segments are reported under each reportable segment. Exceptional items and other expenses which are not attributable or allocable to segments are disclosed as unallocable. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable.

t. Common control business combinations

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Company are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose comparatives are revised. The assets and liabilities acquired are recognised at their carrying amounts. The identity of the reserves is preserved and they appear in the Consolidated financial statements of the Group in the same form in which they appeared in the Interim Consolidated financial statements of the acquired entity. The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred in capital reserve.

(Contd.)

Note 3: Property, plant and equipment

Particulars	Gross Block				Accumulated Depreciation				Net Block
	As at 1 April 2019	Additions	Disposals	As at 30 September 2019	As at 1 April 2019	Charge for the period	Deduction during the period	As at 30 September 2019	As at 30 September 2019
Land - Freehold	117.62	-	-	**117.62**	-	-	-	**-**	**117.62**
Leasehold land	163.41	-	-	**163.41**	7.38	1.23	-	**8.61**	**154.80**
Factory road	3.17	0.32	-	**3.49**	1.62	0.28	-	**1.90**	**1.59**
Buildings	678.78	9.67	-	**688.45**	88.85	22.44	-	**111.29**	**577.16**
Plant & Machinery	2,093.40	156.72	0.73	**2,249.39**	387.91	92.56	0.38	**480.09**	**1,769.30**
Furniture and fixtures	54.67	2.83	-	**57.50**	22.74	3.16	-	**25.90**	**31.60**
Vehicles	79.30	6.10	3.07	**82.33**	21.08	6.72	1.82	**25.98**	**56.35**
Office equipments	61.74	2.63	0.48	**63.89**	22.52	4.34	0.45	**26.41**	**37.48**
Leasehold improvements	8.46	20.75	-	**29.21**	7.01	1.07	-	**8.08**	**21.13**
Electrical installations	71.40	-	-	**71.40**	23.65	-	-	**23.65**	**47.75**
Laboratory equipments	31.47	-	-	**31.47**	9.01	-	-	**9.01**	**22.46**
	3,363.42	199.02	4.28	**3,558.16**	591.77	131.80	2.65	**720.92**	**2,837.24**

Note 4: Right - of - use assets

Particulars	Gross Block				Accumulated Depreciation				Net Block
	As at 1 April 2019	Additions	Disposals	As at 30 September 2019	As at 1 April 2019	Charge for the year	Deduction during the period	As at 30 September 2019	As at 30 September 2019
Building	-	298.48	-	**298.48**	-	39.23	-	**39.23**	**259.25**
Vehicles	-	55.95	-	**55.95**	-	5.80	-	**5.80**	**50.15**
	-	354.43	-	**354.43**	-	45.03	-	**45.03**	**309.40**

Note 5: Other Intangible assets

Particulars	Gross Block				Accumulated Depreciation				Net Block
	As at 1 April 2019	Additions	Disposals	As at 30 September 2019	As at 1 April 2019	Charge for the period	Deduction during the period	As at 30 September 2019	As at 30 September 2019
Data registration expenses	66.89	-	-	**66.89**	48.92	5.22	-	**54.14**	**12.75**
Software/License and Registration	12.30	0.73	-	**13.03**	8.92	0.88	-	**9.80**	**3.23**
Technical Know-how	9.45	-	-	**9.45**	9.45	-	-	**9.45**	**-**
	88.64	0.73	-	**89.37**	67.29	6.10	-	**73.39**	**15.98**

Note 6: Non current investments

		Numbers	*Amount*
		As at 30 September 2019	As at 30 September 2019
A	**Investments at Fair value through Profit or loss**		
	Investments in Equity Instruments		
	Investments in Other entities (Quoted)		
	Tata Steel Limited Face Value of ₹ 10 each fully paid-up	393	0.14
	Tata Steel Limited Face Value of ₹ 10 each partly paid-up	27	-
	Investments in Other entities (Unquoted)		
	Investment in co-operative societies	9132	1.17
B	**Investments stated at Amortised cost**		
	Investments in Government securities (Unquoted)		
	National Saving Certificates Face Value ₹ 0.03 million		0.03
	Total		1.34
	Aggregate Market Value of Quoted Investments		0.14
	Aggregate amount of Quoted Investments		0.14
	Aggregate amount of Unquoted Investments		1.20
	Aggregate amount of impairment in value of investments		-

Note 7: Non current loans

	As at 30 September 2019
Security deposits	**78.54**
Loans to employees	**6.98**
Total	**85.52**
Sub-classification of Loans:	
Loan Receivables considered good- Secured	**-**
Loan Receivables considered good- Unsecured	**85.52**
Loan Receivables which have significant increase in Credit Risk	**-**
Loan Receivables - credit impaired	**-**

Note 8 : Other non-current assets

	As at 30 September 2019
Capital advances	**50.79**
Prepaid expenses	**2.02**
Total	**52.81**

Note 9 : Inventories

	As at 30 September 2019
Raw Materials	**1,928.46**
Work-in-progress	**182.91**
Finished Goods	**2,736.69**
Stock-in-Trade	**367.54**
Containers and Packing Materials	**224.67**
Stores and Spares (including Fuel)	**26.73**
Total	**5,467.00**

Note 10 : Current Investments

Investment carried at fair value through Profit and Loss account	As at 30 September 2019
Mutual fund	687.50
	687.50

Note 11: Trade Receivable

	As at 30 September 2019
Trade Receivables considered good- Unsecured	10,389.63
Trade Receivables – credit impaired	399.50
	10,789.13
Less: Allowance for expected credit loss	399.50
	10,389.63

Note: There are no outstanding trade receivables which resulted into significant increase in credit risk apart from receivables which are impaired and provided. Refer note 36 for information about credit risk and marker risk of trade receivables.

Note 12a : Cash and cash equivalents

	As at 30 September 2019
Balance with banks :	
In current account	675.71
In deposit accounts (with original maturity of less than three months)	250.00
Cash on hand	0.46
Total	926.17

Note 12b : Bank balances other than cash and cash equivalents

	As at 30 September 2019
Deposits with maturity more than 3 months but less than 12 months	0.08
In unpaid dividend accounts earmarked with banks*	8.84
Total	8.92

** These balances are not available for use by the Group as they represent corresponding unclaimed dividend liabilities.*

Note 13 : Current loans

	As at 30 September 2019
Security deposits	
Considered good - Unsecured	24.69
Security deposits which have significant increase in credit risk	-
Security deposits - credit impaired	2.71
Less: Provision for doubtful security deposits	(2.71)
Loans to employees	
Considered good - Unsecured	16.79
Loans to employees which have significant increase in credit risk	-
Loans to employees - credit impaired	0.43
Less: Provision for doubtful loans	(0.43)
Earnest money deposit	5.25
Others	1.19
Other receivables	
Total	47.92

Note 14 : Other current financial assets

	As at 30 September 2019
Unsecured, considered good unless otherwise stated	
Export incentive receivable	87.29
Derivatives - foreign exchange forward contracts	11.93
Others	12.59
Total	111.81

Note 15 : Other current assets

	As at 30 September 2019
Balances with government authorities	187.44
Prepaid expenses	38.15
Contract asset	9.67
Others (advances other than capital advances)	183.52
Total	418.78

Note 16: Share Capital

	Number of shares	Amount
	As at 30 September 2019	As at 30 September 2019
Authorised		
Equity shares of ₹ 10 each	494,000,000	4,940.00
	494,000,000	4,940.00
Issued, subscribed and paid-up:		
Equity shares of ₹ 10 each, fully paid-up	274,588,095	2,745.88
	274,588,095	2,745.88

a) Reconciliation of number of shares outstanding at the beginning and end of the year

	As at 30 September 2019	
	Number	Amount
Equity shares		
At the commencement of the year	274,588,095	2,745.88
Equity shares issued during the year	-	-
At the end of the year	274,588,095	2,745.88

b) Particulars of shareholders holding more than 5% of a class of shares

Name of shareholder	Relationship	As at 30 September 2019	
		No. of Shares	%
Sumitomo Chemical Company Limited, Japan	Holding Company	274,588,093	99.99%

c) Particulars of shares held by holding company and fellow subsidiary

Name of shareholder	Relationship	As at 30 September 2019	
		No. of Shares	%
Sumitomo Chemical Company Limited, Japan*	Holding Company	274,588,093	99.99%
SC Environmental Science Co. Ltd, Japan	Fellow Subsidiary	2	0.01%
		274,588,095	100.00%

*Sumitomo Chemical Company Limited, Japan is beneficial owner of five shares of the Company and have nominated five shareholders for each such share.

d) Terms/rights attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

On winding up of the company, the holders of equity shares will be entitled to receive the residual assets of the company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

e) The above disclosures, are without giving effect to the further issuance of equity shares. Also, the authorised share capital of the Group will be increased by the authorised share capital of ECCL pursuant to the Scheme of Amalgamation. (Refer note 43).

f) Dividend on Equity Share declared and paid during the period 01 April 2019 to 30 September 2019

	01 April 2019 to 30 September 2019
Interim dividend paid on 274,588,095 shares @ ₹ 0.22 per share on equity shares of ₹ 10 each	60.41
Dividend distribution tax on interim dividend above	12.42
Interim dividend paid on 11,005,630 shares @ ₹ 6.25 per share on equity shares of ₹ 5 each	55.04
Dividend distribution tax on interim dividend above	14.00
	141.87

	01 April 2019 to 30 September 2019
Dividend on equity shares not recognised as liability	
Proposed Final dividend on 499,145,376 shares @ ₹ 0.20 per share on equity shares of ₹ 10 each	99.83
Dividend distribution tax on final dividend	20.52
	120.35

Note 17: Other equity

A. Summary of Other equity balance

	As at 30 September 2019
General reserve	518.14
Securities premium	2,350.60
Foreign Currency Translation Reserve	
Balance as per last financial statements	21.71
Add/(Less) : Exchange difference during the year on account of net investments in Non-integral foreign operations	0.44
Closing balance	22.15
Share pending issuance (Refer note 43)	2,245.58
Retained earnings	
Balance at the beginning of the period	2,602.05
Additions during the year:	
Profit for the period	1,811.11
Other comprehensive income for the period, net of tax	(5.29)
Reductions during the year:	
Dividends	(115.52)
Income Tax on dividend	(26.42)
Net surplus of retained earnings	4,265.93
Balance at the end of the period	9,402.40

B. Nature and purpose of each reserves

1. General Reserve

The General Reserve comprises of transfer of profits from retained earnings for appropriation purposes. The reserve can be distributed/utilised by the Company in accordance with the Companies Act, 2013.

2. Securities Premium

The amount received in excess of face value of the equity shares is recognised in Securities Premium. The Securities Premium is utilised in accordance with the provisions of the Companies Act, 2013.

3. Share pending issuance

Share pending issuance represents shares to be issued for pursuant to merger of Excel Crop Care Limited with the Company (Refer note 43).

4. Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Note 18 : Non-current lease liabilities

	As at 30 September 2019
Liability towards lease asset	178.28
	178.28

Note 19 : Non current provisions

	As at 30 September 2019
Provision for employee benefits	
Compensated absences	159.32
Gratuity (Refer note 38)	7.29
Total	166.61

Note 20 : Trade payables

	As at 30 September 2019
Due to micro enterprises and small enterprises (Refer note 40)	85.66
Due to others	7,508.53
Total	7,594.19

Note 21: Current lease liabilities

	As at 30 September 2019
Liability towards lease asset	138.66
Total	138.66

Note 22: Other current financial liabilities

	As at 30 September 2019
Salary, wages and bonus payable	328.01
Security and trade deposits	304.10
Unclaimed dividend	8.84
Derivative financial liabilities - forward contracts	6.34
Total	647.29

Note 23: Other current liabilities

	As at 30 September 2019
Contract liabilities (advance received from customers)	143.22
Statutory dues (including provident fund, tax deducted at source and others)	195.47
Other payables	47.53
Total	386.22

Note 24: Current provisions

	As at 30 September 2019
Provision for employee benefits	
Compensated absences	28.23
Gratuity (Refer note 38)	21.52
Total	49.75

Note 25: Revenue from Operations

	For the period ended 30 September 2019
A. Sale of products	14,432.62
B. Sale of services	0.88
C. Other operating revenue	
a) Export incentives	95.93
b) Miscellaneous receipts	15.79
Total	14,545.22

a. Revenue information

Revenue by product categories	For the period ended 30 September 2019
Agro Chemicals	13,210.18
Industrial Chemical	1,125.54
Public Health	96.90
Total	14,432.62

b. Reconciliation of the amount of revenue recognised in the Interim consolidated Statement of Profit and Loss with the contracted price

	For the period ended 30 September 2019
Revenue as per contracted price	16,771.65
Rebates/Discounts	(2,009.96)
Sales returns	(329.07)
Revenue from contract with customers	14,432.62

c. Contract Balances

	For the period ended 30 September 2019
Trade receivables (Note 11)	10,389.63
Contract assets (Note 15)	9.67
Contract liabilities (Note 23)	143.22

Note: Contract assets represents right to receive the inventory (on estimated sales returns) and contract liabilities represents advances received from customers for sale of goods at the reporting date.

Note 26 : Other Income

	For the period ended 30 September 2019
Interest income	
On national savings certificates and bank deposit carried at amortised cost	23.59

(Contd.)

On interest income on security deposits	0.57
Dividend income	
On mutual fund investments	3.80
Other non operating income	
Rent received	0.05
Excess provision no longer required written back	14.38
Miscellaneous income	15.68
Total	58.07

Note 27: Cost of materials consumed

	For the period ended 30 September 2019
Raw materials consumed	
Opening Inventory	1,888.79
Add: Purchases (Net)	6,407.38
	8,296.17
Less: Closing Inventory	1,928.46
	6,367.71
Containers and packing materials consumed	
Opening Inventory	295.72
Add: Purchases (Net)	741.76
	1,037.48
Less: Closing Inventory	224.67
	812.81
Total cost of materials consumed	7,180.52

Note 28: Changes in inventories of finished goods, work in progress and stock-in-trade

	For the period ended 30 September 2019
Opening Inventories :	
Work in progress	**331.37**
Finished goods	**4,231.58**
Stock-in-Trade	**34.85**
Less: Closing Inventories:	
Work in progress (Refer note 9)	**182.91**
Finished goods (Refer note 9)	**2,736.69**
Stock-in-Trade (Refer note 9)	**367.55**
Changes In Inventories:	
Work in progress	**148.46**
Finished goods	**1,494.89**
Stock-in-Trade	**(332.70)**
Total	**1,310.65**

Note 29 : Employee benefits expense

	For the period ended 30 September 2019
Salaries, wages and bonus etc.	**777.97**
Contribution to provident and other funds (Refer note 38)	**46.62**
Gratuity expense (Refer note 38)	**13.84**
Staff welfare expenses	**43.64**
	882.07

Note 30 : Finance costs

	For the period ended 30 September 2019
Interest on leased liabilities	**16.83**
Others	**12.78**
	29.61

Note 31 : Other expenses

	For the period ended 30 September 2019
Other expenses	
Processing/Sub-contracting charges	142.00
Contract and labour charges	105.28
Carriage and freight	176.19
Power and fuel	138.14
Stores and spares consumed	31.54
Repairs and maintenance	
Buildings	2.94
Plant and equipment	81.48
Others	25.65
Rent	40.79
Rates and taxes	0.05
Insurance	22.22
Travelling and conveyance	157.93
Sales promotion and advertisement	299.56
Donations	0.87
Commission	37.44
Corporate social responsibility (Refer note 41)	21.47
Provision for doubtful debts	39.02
Bad debts written off	2.42
Directors sitting fees	0.41
Property, plant and equipment written off	1.20
Exchange difference (net)	22.91
Research and development	4.37
Product testing expenses	21.40
Communication expenses	9.59
Legal and professional fees	50.70
Bank charges	8.25
Payment to auditors	3.51
Security charges	9.81
Net loss on sale of property, plant and equipment	-
Merger related cost	40.59
Miscellaneous expenses	154.27
	1,652.00

Note 32 : Income taxes

A. The major components of Income tax expenses for the year is as under:

(i) Income tax recognized in the Statement of Profit and Loss:

	For the period ended 30 September 2019
Current income tax	
In respect of current year	592.84
Adjustment of tax related to earlier years	(31.42)
Deferred tax charge / (credit)	
Origination and reversal of temporary difference	(130.49)
Income tax expense recognized in the Statement of Profit and Loss	430.93

(ii) Deferred Tax related to items recognised in other comprehensive income

	For the period ended 30 September 2019
On remeasurements of the defined benefit plans	0.10
	0.10

B. Reconciliation of effective tax rate

	For the period ended 30 September 2019
Profit before tax	2,242.04
Statutory Income Tax Rate	**25.168%**
Expected Income tax Expenses	564.28
Tax effect of:	
Others (Including Impact of change in rate)	(101.93)
Tax expense as per profit or loss	462.35
Adjustment in respect of current income tax of previous year	**(31.42)**
Total Income Tax Expense	**430.93**

The Group elected to exercise the option permitted under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 for the purpose of this interim consolidated financial statements. Accordingly, the Group has recognized Provision for Income Tax for the six months ended 30 September 2019 and re-measured its Deferred Tax Liabilities basis the rate prescribed in the said section. The full impact of this change has been recognized in the Statement of Profit & Loss for the period ended 30 September 2019.

C. The major components of deferred tax (liabilities)/assets arising on account of temporary differences are as follows:

Movement during the period 01 April 2019 to 30 September 2019	Net deferred tax asset/ (liability) 1 April 2019	Recognised in profit or loss	Recognised in OCI	Net deferred tax asset/ (liability) 30 Sept 2019	Deferred tax asset	Deferred tax liability
Depreciation	(403.57)	92.74	-	**(310.83)**	-	(310.83)
Provision for doubtful debts and advances	127.36	(23.04)	-	**104.32**	104.32	-
Fair value gain/(loss) on investments	(0.01)	0.01	-	**-**	-	-
Expenses allowable for tax purposes when paid	90.95	(21.62)	0.10	**69.43**	69.43	-
Amortisation of expenses u/s 35 DD	-	69.97	-	**69.97**	69.97	-
Other temporary differences	39.34	12.43	-	**51.77**	51.77	-
Deferred tax liabilities (net)	**(145.93)**	**130.49**	**0.10**	**(15.34)**	**295.49**	**(310.83)**

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

The Group does not have any intention to dispose of its freehold and leasehold land in the foreseeable future, therefore, deferred tax asset on indexation benefit in relation to these assets has not been recognized.

The Group elected to exercise the option permitted under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Group has recognized Provision for Income Tax for the six months ended 30 September 2019 and re-measured its Deferred Tax Liabilities basis the rate prescribed in the said section. The full impact of this change has been recognized in the Statement of Profit & Loss for the period ended 30 September 2019.

Note 33 : Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to owners of the Group by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares. There are no dilutive impacts, therefore Basic EPS and Diluted EPS is same.

	Period ended 30 September 2019
Earnings per share has been computed as under:	
Profit attributable to owners of the Group for basic earnings (A)	1,811.11
Weighted average number of equity shares for the purpose of basic and dilutive earnings per share	
Number of shares at the beginning of the year	274,588,095
Equity shares to be issued pursuant to scheme of amalgamation (Refer note 43)	224,557,641
Number of equity shares outstanding at the end of the year (B)	499,145,736
Basic and diluted earnings per share (Face value of ₹ 10 each)	3.63

Note 34: Capital Management

The Group's policy is to maintain a strong capital base so as to maintain creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

For the purpose of the Group's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Group. The primary objective of the Group when managing capital is to safeguard its ability to continue as a going concern.

The Group has adequate cash and bank balances. The Group monitors its capital by a careful scrutiny of the cash and bank balances, and a regular assessment of any debt requirements.

Note 35: Related Party disclosures

A) Names of the related parties where control exists irrespective of whether transactions have occurred or not:

(1) Holding Company

Sumitomo Chemical Company Limited, Japan

(2) Post Employment Benefit Plans entity

Excel Crop Care Gratuity Trust

Excel Crop Care Superannuation Trust

B) Names of other related parties with whom transactions have taken place during the period:

(1) Fellow Subsidiaries

Valent BioSciences LLC - USA (Previously Known as Valent Biosciences Corporation)

Sumitomo Chemical Do Brazil Representacoes Ltda (Brazil)

Sumitomo Chemical Asia Pte Limited - Singapore (Previously known as Sumitomo Chemical (Asia Pacific) Pte Limited - Singapore)

Mycorrhizal Applications, LLC - USA

SC Environmental Science Co Ltd, Japan

(2) Key Management Personnel

(i) Executive Directors

Chetan Shah (Managing Director)

Kiyoshi Takayama (Executive Director - Planning and Coordination Office)

Akira Harada - (Executive Director) (resigned w.e.f. 10 May 2019)

Sushil Marfatia (Executive Director)

Hisayuki Hoshi (Whole time Director) (10 May 2019 to 31 August 2019)

(ii) Non Executive Directors

Dr. Mukul G. Asher

B. V. Bhargava

Tadashi Katayama

Preeti Mehta

Dipesh K Shroff

Ninad D Gupte (Joint Managing Director upto 31 August 2019)

(iii) Chief Financial Officer

Anil Nawal

(iv) Company Secretary

Pravin D Desai

Rasika Kulkarni (resigned w.e.f. 31 August 2019)

(v) Relatives of Key Management Personnel

Mrs. Minoti Ninad Gupte (Wife of Ninad Gupte)

(vi) Enterprises controlled by key management personnel and their relatives:

Agrocel Industries Private Limited

Transchem Agritech Limited

Transpek Industry Limited

Kanga & Company

Disclosures of transactions between the Group and the Related parties and the status of outstanding balances as at 30 September 2019

	Period ended 30 September 2019
Sale of Goods (Net of rebate and discount)	
Sumitomo Chemical Company Limited	462.03
Sumitomo Chemical Asia Pte Limited	0.90
Agrocel Industries Private Limited	13.24
Transchem Agritech	0.09
Sale of Services	
Agrocel Industries Private Limited	1.48
Sumitomo Chemical Company Limited	0.88
Purchase of Goods	
Agrocel Industries Private Limited	296.02
Sumitomo Chemical Company Limited	1,242.58
Valent BioSciences LLC	364.88
Mycorrhizal Applications, LLC	42.59
Transpek Industry Ltd	0.23
Purchase of Services	
Sumitomo Chemical Do Brazil Representacoes Ltda (Brazil)	5.46
Kanga & Company	0.31
Commission Income	
Sumitomo Chemical Company Limited	0.98
Miscellaneous Income - Technical Service	
Sumitomo Chemical Company Limited	9.81
Reimbursement of expenses (net)	
Sumitomo Chemical Company Limited	15.13
Valent BioSciences LLC	(5.09)
Sumitomo Chemical Asia Pte Limited	6.31
Mycorrhizal Applications, LLC	(5.09)
Commission Expense	
Excel Crop Care (Africa) Limited	9.51
Contribution to Funds	
Excel Crop Care Superannuation Trust	8.41
Advances paid	
Excel Crop Care Gratuity Trust	5.22
Dividend Received	
Excel Crop Care (Africa) Limited	1.24
Dividend paid	
Sumitomo Chemical Company Limited, Japan	91.35
Remuneration	
Chetan Shah	15.45
Ninad D Gupte	10.43
Akira Harada	0.59
Sushil Marfatia	10.85
Kiyoshi Takayama	8.30
Hisayuki Hoshi	3.68
Anil Nawal	5.48
Pravin D Desai	4.26
Rasika Kulkarni	0.99
Retainership fees	
Ninad Gupte	2.19

Outstanding as at 30 September 2019:

	As at 30 September 2019
Trade Receivables	
Sumitomo Chemical Company Limited	93.80
Agrocel Industries Private Limited	8.59
Trade Payables	
Agrocel Industries Private Limited	36.05
Sumitomo Chemical Company Limited	1,420.86
Valent BioSciences LLC	361.61
Mycorrhizal Applications, LLC	42.59
Transpek Industry Ltd	0.07
Advance from Customer	
Valent BioSciences LLC	5.34

Terms and conditions of transactions with related parties

All Related Party Transactions entered during the period were in ordinary course of the business and are on arm's length basis.

For the period ended 30 September, 2019, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

The above remuneration to Key Management personnel compensation excludes provision for gratuity and compensated absences, since these are provided on the basis of an actuarial valuation of the Group's liability to all its employees.

Note 36: Financial Instruments

A. Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Carrying amount/Fair Value				Fair value Hierarchy			
As at 30 September 2019	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non-current								
Investments								
Equity Instruments in Tata Steel Limited	0.14	-	-	0.14	0.14	-	-	0.14
Equity instrument in Co-operative Societies	1.17	-	-	1.17	-	1.17	-	1.17
Government Securities	-	-	0.03	0.03	-	-	-	-
Loans	-	-	85.52	85.52	-	-	-	-
Current								
Investment in mutual fund	687.50	-	-	687.50	687.50			687.50
Trade receivables	-	-	10,389.63	10,389.63	-	-	-	-
Cash and cash equivalents	-	-	926.17	926.17	-	-	-	-
Other bank balances	-	-	8.92	8.92	-	-	-	-
Loans	-	-	47.92	47.92	-	-	-	-
Derivative Assets	11.93	-	-	11.93	-	11.93	-	11.93
Export incentives receivable	-	-	87.29	87.29	-	-	-	-
Other financial assets	-	-	12.59	12.59	-	-	-	-
	700.74	-	11,558.07	12,258.81	687.64	13.10	-	700.74

(Contd.)

	Carrying amount/Fair Value				Fair value Hierarchy			
As at 30 September 2019	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial liabilities								
Non current								
Liability towards lease asset			178.28	178.28				
Current								
Trade payables	-	-	7,594.19	7,594.19	-	-	-	-
Liability towards lease asset			138.66	138.66				
Derivative liabilities	6.34	-	-	6.34	-	6.34	-	6.34
Other financial liabilities	-	-	640.95	640.95	-	-	-	-
	6.34	-	8,552.08	8,558.42	-	6.34	-	6.34

The carrying amounts for current borrowings, cash and bank balances, trade and other receivables and trade payables approximate their respective fair values as the impact of discounting is not expected to be material.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputsand fair value measurement
Forward contracts for foreign exchange contracts	Market comparison technique: The fair values are based on broker quotes. Similar contracts are traded in an active market and the quotes reflect the actual transactions in similar instruments.	Not applicable	Not applicable
Non current financial assets/liabilities measured at amortised cost	Discounted cash flow technique: The valuation model considers present value of expected payments discounted using an appropriate discounting rate.	Not applicable	Not applicable

C. Financial risk management

The activities of the Group exposes it to a number of financial risks namely market risk, credit risk and liquidity risk. The Group seeks to minimize the potential impact of unpredictability of the financial markets on its financial performance.

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors is responsible for developing and monitoring the Group's risk management policies.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

a. Management of Credit risk

Credit risk refers to the risk of default on its obligations by a counter party to the Group resulting in a financial loss to the Group. The Group is exposed to credit risk from its operating activities (trade receivables) and investment securities.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The Group establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. The Group has no concentration of credit risk as the customer base is widely distributed.

Summary of the ageing for trade receivables are as follows:

Particulars	Carrying amount (in INR)
	For the period 30 September 2019
Not due	7,669.28
Past due	
Past due 1-90 days	2,091.61
Past due 91-180 days	189.82
Past due 181-270 days	581.02
Past due 271-360 days	207.92
More than 361 days	49.48
	10,789.13

Expected credit loss assessment for customers as at 30 September 19

The Group allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (e.g. timeliness of payments, available press information etc.) and applying experienced credit judgement.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Group to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Group have not undergone any substantial change, the Group expects the historical trend of minimal credit losses to continue.

The movement in the allowance for impairment in respect of trade and other receivables during the period was as follows.

Particulars	Amount ₹
Balance as at April 1, 2018	337.19
Add: Impairment loss recognised/(reversed)	69.45
Less: Amounts written off	-
Balance as at 31 March 2019	406.64
Add: Impairment loss recognized	(7.14)
Less: Amounts written off	-
Balance as at 30 September 2019	**399.50**

The impairment loss at September 30, 2019 related to several customers that have defaulted on their payments to the Group and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

Investments

The Group limits its exposure to credit risk by investing in liquid securities and only with counterparties that have a good credit rating. The Group does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

Other than trade and other receivables, the Group has no other financial assets that are past due but not impaired.

b. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Group also has adequate credit facilities sanctioned with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

30 September 2019		Contractual cash flows			
Particulars	Carrying amount	Total	Upto 1 year	1-5 years	More than 5 years
Non-derivative financial liabilities					
Non current liabilities					
Liability towards lease asset	178.28	178.28	178.28		
Current liabilities					
Trade Payables	7,594.19	7,594.19	7,594.19	-	-
Liability towards lease asset	138.66	138.66	138.66		
Other Financial Liabilities	640.95	640.95	640.95	-	-
Derivative financial liabilities					
Current liabilities					
Forward Exchange Contracts	6.34	6.34	6.34	-	-
	8,558.42	8,558.42	8,558.42	-	-

c. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks: interest rate risk, price risk and currency rate risk. Financial instruments affected by market risk includes borrowings, foreign currency receivables/payables, investments and derivative financial instruments. The Group has international trade operations and is exposed to a variety of market risks, including currency and interest rate risks.

i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group has foreign currency trade payables and receivables and is therefore exposed to foreign exchange risk. The Group mitigates the foreign exchange risk by setting appropriate exposure limits, periodic monitoring of the exposures and hedging exposures using derivative financial instruments like foreign exchange forward contracts. The exchange rates have been volatile in the recent years and may continue to be volatile in the future. Hence the operating results and financials of the Group may be impacted due to volatility of the rupee against foreign currencies.

Exposure to currency risk (Exposure in different currencies converted to functional currency i.e. INR)

The currency profile of financial assets and financial liabilities as at 30 September 2019 are as below:

	30-Sep-19	30-Sep-19	30-Sep-19
	USD	EURO	Others
Financial assets			
Cash and cash equivalents	2.11	100.70	0.83
Trade and other receivables	845.97	26.51	-
	848.08	127.21	0.83
Financial liabilities			
Trade and other payables	1,240.31	0.67	12.37
	1,240.31	0.67	12.37
Net statement of financial position exposure	(392.23)	126.54	(11.54)
Forward exchange contracts - Sell	644.91	4.56	-
Forward exchange contracts - Buy	(1,289.15)	-	-

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against US Dollars and EURO would have affected the measurement of financial instruments denominated in US dollars and EURO and affected the profit and loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit or loss	
Effect in INR	Strengthening	Weakening
30 September 2019		
1% movement		
USD	10.36	(10.36)
EUR	(1.31)	1.31
Others	0.12	(0.12)
	9.17	(9.17)

ii) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group does not have any exposure to interest rate risks since its borrowings and investments are all in fixed rate instruments.

Note 37: Segment Information

A. General Information

(a) Factors used to identify the entity's reportable segments, including the basis of organisation

For management purposes, The Group is organised into business units based on its products and services and three reportable segments, as follows:

- Industrial Chemicals
- Agro Chemicals
- Public Health Chemicals

B. Information about reportable segments

30 September 2019	Reportable segments			
Particulars	Industrial Chemicals	Agro Chemicals	Public Health Chemicals	Total
Revenue				
Operating revenue	1,125.54	13,210.18	96.90	14,432.62
Other income	6.68	105.92	-	112.60
Total segment revenue	1,132.22	13,316.10	96.90	14,545.22
Unallocated revenue				58.07
Total revenue	1,132.22	13,316.10	96.90	14,603.29
Segment results	121.27	2,213.25	42.50	2,377.03
Unallocated corporate expenses	-	-	-	(105.38)
Profit/(loss) before interest and finance charges and tax	121.27	2,213.25	42.50	2,271.65
Finance costs	-	-	-	29.61
Profit/(loss) after interest and finance charges and before tax	121.27	2,213.25	42.50	2,242.04
Tax expenses	-	-	-	-
- Current tax	-	-	-	592.84
- Previous Year Adjustments	-	-	-	(31.42)
- Deferred tax (credit)	-	-	-	(130.49)
Profit/(loss) for the year				1,811.11
Segment assets	495.74	17,383.27	178.59	18,057.60
Unallocated corporate assets	-	-	-	3,590.87
Total assets	495.74	17,383.27	178.59	21,648.47
Segment liabilities	742.19	8,475.74	230.03	9,447.96
Unallocated corporate liabilities	-	-	-	52.23
Total liabilities	742.19	8,475.74	230.03	9,500.19
Capital expenditure	2.15	196.87	-	199.02
Unallocated corporate capital expenditure	-	-	-	-
Total capital expenditure	2.15	196.87	-	199.02
Depreciation and amortization	16.23	162.65	0.39	179.27
Unallocated depreciation and amortization	-	-	-	3.66
Total depreciation and amortization	-	-	-	182.93

C. Geographic information

Further, the Group has considered the export operations as a separately identifiable geographic segment due to operations in the Japan and other countries. The Group has identified secondary segments based on geographic locations and has reported India and outside India as geographic segments as below:

Segment revenue	Period ended 30 September 2019
India	12,582.06
Outside India	1,963.16
Total revenue	**14,545.22**

Segment assets*	Period ended 30 September 2019
India	3,487.90
Outside India	-
Total assets	**3,487.90**

*Non-current assets are excluding financial instruments and deferred tax assets.

D. Information about major customers

Revenues from no single external customer represented more than 10% of the Group's total revenues.

Note 38: Employee benefits

The Group contributes to the following post-employment plans in India.

(A) Defined Contribution Plans:

I) Provident Fund is a defined contribution scheme established under a State Plan.

II) Superannuation Fund is a defined contribution scheme. The scheme is funded with an insurance Group in the form of a qualifying insurance policy.

III) Contribution to Employees State Insurance Corporation (ESIC)

Current service cost included under the head Contribution to Provident Fund and other funds in Note 29 'Employee benefits expense':

	30 Sep 2019
Provident Fund and Family Pension Fund	30.61
Superannuation Fund	8.41
ESIC	0.21
Other funds	6.86
	46.10

(B) Defined Benefit Plan:

Gratuity Plan is classified as a defined benefit plan as the Group's obligation is to provide agreed benefit plan to members. Actuarial and investment risks are borne by the Group.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity was carried out as at 30 September 2019. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

	30 Sep 2019
Defined benefit obligation	(366.09)
Fair value of plan assets	337.28
Net defined benefit (obligation)/assets	(28.81)

i. Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components

	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset) liability
	30 September 2019	30 September 2019	30 September 2019
Opening balance	**340.35**	**330.77**	**9.58**
Included in profit or loss:			
Current service cost	**13.91**	**-**	**13.91**
Interest cost (income)	**12.15**	**12.22**	**(0.07)**
Sub-total included in Statement of Profit and Loss			**13.84**
	366.41	**342.99**	**23.42**
Included in OCI			
Remeasurement loss (gain):			
Actuarial loss (gain) arising from:			
Financial assumptions	**7.58**	**-**	**7.58**
Demographic Adjustment	**0.19**		**0.19**
Experience adjustment	**(2.68)**	**-**	**(2.68)**
Return on plan assets excluding interest income	**-**	**(0.30)**	**0.30**
Sub-total included in OCI			**5.39**
	371.50	**342.69**	**28.81**
Other			
Contributions paid by the employer	-		
Benefits paid	**(5.41)**	**(5.41)**	
Closing balance	**366.09**	**337.28**	**28.81**

The components of defined benefit plan cost are as follows:

Particulars	30 September 2019
Recognised in Profit or Loss	
Current service cost	13.90
Net interest cost	(0.07)
Past service cost	-
Expected return on plan assets	-
Total	13.83
Recognised in Other Comprehensive Income	
Remeasurement of net defined benefit liability/(asset)	5.39

ii. Plan assets

Plan assets comprise the following

	30 September 2019
Insurer Managed Funds (Life Insurance Corporation of India)	100%

iii. Actuarial assumptions

The following were the key actuarial assumptions at the reporting date (expressed as weighted averages).

	30 September 2019
Discount rate	7.05%-7.10%
Future salary growth	8%-10% for the next 1 year & 8%-9.75% thereafter
Mortality rate	Indian Assured Lives Mortality (2012-14) Table

iv. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	30 September 2019	
	Increase	Decrease
Discount rate (0.50% movement)	**16.16**	**17.55**
Future salary growth (0.50% movement)	**16.97**	**15.78**

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged.

Sensitivity analysis fails to focus on the interrelationship between underlying parameters.

Hence, the results may vary if two or more variables are changed simultaneously.

The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

v. Expected future cash flows

The expected future cash flows in respect of gratuity as at 30 September 2019 were as follows

Particulars	30 September 2019
Up to 1 year	53.77
Between 1-2 years	19.92
Between 2-6 years	70.29
6 to 10+ years	180.83

(C) Other long-term employee benefits:

Compensated absences are payable to employees at the rate of daily salary for each day of accumulated leave on death or on resignation or upon retirement. The charge towards compensated absences for the year ended 30 September 2019 based on actuarial valuation using the projected accrued benefit method is ₹ 20.92 millions.

Note 39: Contingent liabilities and Commitments

A) Contingent liabilities

	As at 30 September 2019
a. Claims against the Group not acknowledged as debts	153.21
b. Demand raised by authorities against which the Group has filed an appeal	
i) Income Tax	80.05
ii) Excise duty	0.73
iii) Service tax	16.11
iv) Customs Duty	6.51
v) VAT/Sales Tax	2.59
vi) GST	0.79

The Group's pending litigations comprise of claims against the Group primarily by the customers and proceedings pending with tax authorities. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed contingent liabilities where applicable, in its financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on the financial statements. Future cash outflows/ uncertainties, if any, in respect of above are determinable only on receipt of judgments/decisions pending with various forums/authorities.

(Contd.)

It is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgements/ decisions pending with various forums/authorities.

The Group does not expect any reimbursements in respect of the above contingent liabilities.

There has been a Supreme Court (SC) judgement dated 28th February 2019, relating to components of salary structure that need to be taken into account while computing the contribution to provident fund under the EPF Act. There are interpretative aspects related to the Judgement including the effective date of application. The Group will continue to assess any further developments in this matter for the implications on financial statements, if any.

B) Commitments

	As at 30 September 2019
Estimated value of contracts in capital account remaining to be executed and not provided for (net of capital advances)	47.40

Note 40: Total outstanding dues of micro enterprises and small enterprises (as per the intimation received from vendors)

	As at 30 September 2019
The amounts remaining unpaid to micro and small suppliers as at the end of the period	
Principal	85.34
Interest	2.89
The amount of interest paid by the buyer as per the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	626.92
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	4.86
The amount of interest accrued and remaining unpaid at the end of each accounting period for the period ended 30 September 2019	7.42
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	

Note 41 : Corporate Social Responsibility

The Group has spent ₹ 21.45 million towards various schemes of Corporate Social Responsibility as prescribed under section 135 of the Companies Act, 2013. The details are:

	30 September 2019		
(a) Gross amount required to be spent by the Group during the year			46.20
(b) Amount Spent during the period ended 30 September 2019	In cash/ payable	Yet to be paid in Cash	Total
	30 September 2019	30 September 2019	30 September 2019
(i) Construction/acquisition of any assets	-	-	-
(ii) On purpose other than (i) above	10.14	11.31	21.45

Note 42: The Group has a process whereby periodically all long-term contracts (including derivative contracts) are assessed for material foreseeable losses. At the period end, the Group has reviewed and ensured that adequate provision as required under any law/accounting standards for material foreseeable losses on such long-term contracts (including derivative contracts) has been made in the books of accounts.

Note 43: Merger with Excel Crop Care Limited

Pursuant to the scheme of amalgamation (the Scheme) sanctioned by the Hon'ble National Company Law Tribunal, Mumbai Bench on 22 August 2019, Excel Crop Care Limited ('ECCL') have merged with the Company. The appointed date for the Scheme is 01 April 2018. The Scheme has become effective post filing of e-form INC-28, on 31 August 2019 with the Registrar of Companies/Ministry of Corporate Affairs. ECCL was a fellow subsidiary of the Company and was engaged in the business of agro chemicals. The amalgamation is intended to drive simplification by bringing both Companies on to a common platform in various processes such as legal, secretarial, accounting and controls and there by enabling to conduct the company's business more efficiently.

Since the above transaction qualify as common control business combination under Ind AS 103 on "Business Combinations", the same has been accounted using 'pooling of interest' method (in accordance with the approved scheme) with effect from 1 April 2017. The Financial Statements in respect of previous period have been restated from the earliest period presented. The entire business and whole undertaking of ECCL including all its assets and liabilities are transferred and vested in the Company on a going concern basis so as to become the assets and liabilities of the Group.

Also as per the Scheme, followings effects have been considered in the books of accounts of the Group:

i. Existing equity shares of ₹ 5 each (post adjustment of shares held by the Company) of ECCL stands cancelled and will be replaced by 22,45,57,641 equity shares of ₹ 10 each, which will be issued to shareholders of ECCL in share swap ratio of 51:2 equity share of the company for each equity share held by shareholders of ECCL.

ii. As per the scheme, the authorised share capital of ECCL shall be combined with the authorised share capital of the Company. The Company and ECCL has filed INC-28 with the Registrar of Companies, Mumbai ("ROC") on 31 August 2019. The Form INC-28 filed by ECCL was approved by ROC. However, the form INC-28 filed by the Company is still pending in the ROC system, accordingly the authorised share capital is not increase as at 30 September 2019.

Note 44 : Subsequent Events

There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the Balance Sheet date.

Note 45: On 21st June, 2019, Gujarat Pollution Control Board ("GPCB") issued a notice to ECCL, which has amalgamated with the Company, instructing it to close manufacturing operations of its Bhavnagar Plant. The notice was caused because GPCB had found, in a plot of land adjacent to the manufacturing site, waste which was associated to a product which has been discontinued over 20 years back. ECCL submitted an action plan to GPCB for scientific disposal of waste and agreed to undertake other remedial measures. Based on the action plan submitted and its implementation, GPCB has temporarily withdrawn its Closure Order. As the last leg of the action plan, The Company is in the process of disposing of treated soil from the plot of land as per GPCB norms. Once such disposal is complete, the Company will approach GPCB for revocation of the Closure Order on permanent basis. In the meantime, the manufacturing operations of the Bhavnagar plant are being carried on uninterrupted.

Note 46 : Information for Interim Consolidated Financials Statements pursuant to Schedule III of the Companies Act, 2013.

	30 September 2019							
Name of the entity	Net Assets		Share in profit or (loss)		OCI		Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or (loss)	Amount	As % of consolidated OCI	Amount	As % of consolidated Total Comprehensive Income	Amount
1	2	3	4	5	6	7	8	9
Parent - Sumitomo Chemical India Limited	98.98%	12,023.79	100.39%	1,818.10	100.00%	(4.85)	100.39%	1,813.25
Subsidiaries								
Foreign								
1. Excel Crop Care (Europe) LLC	0.86%	104.26	-0.20%	(3.61)	0.00%	-	-0.20%	(3.61)
2. Excel Crop Care (Africa) Limited	0.23%	28.40	-0.02%	(0.41)	0.00%	-	-0.02%	(0.41)
Adjustment arising out of consolidation	-0.07%	(8.25)	-0.16%	(2.97)	0.00%		-0.16%	(2.97)
TOTAL	100.00%	12,148.20	100.00%	1,811.11	100.00%	(4.85)	100.00%	1,806.26

(K) There are no audit qualifications in the financial statements of the Company in the financial statements for the last three years. Further, there is no change in the accounting policies in the last three years.

(L) Details of Other Group Companies including their Capital Structure and financials statement:

Particulars	1. Valent BioSciences LLC *(previously known as Valent Biosciences Corporation)*	2. Mycorrhizal Applications, LLC	3. SumikaAgro Manufacturing Co. Ltd
Location	U.S.A	U.S.A	Japan
Listed/ Unlisted	Unlisted	Unlisted	Unlisted
Date of foundation/ Incorporation	January, 2000	December, 1996	November, 1973
Major Business Fields	R&D, manufacturing and sales of biorational products	Manufacturing and sales of microorganism-based crop enhancement products	Manufacturing and sales of crop protection products, household insecticides and fertilizers
Direct/ indirect subsidiary of the promoter of SCIL (i.e. SCC)	Indirect Subsidiary	Indirect Subsidiary	Direct Subsidiary
Stake held by SCC or its subsidiaries in Group Companies of SCIL	100%	100%	99%

Particulars	1. Valent BioSciences LLC *(previously known as Valent Biosciences Corporation)*	2. Mycorrhizal Applications, LLC	3. SumikaAgro Manufacturing Co. Ltd
Standalone financial information based on financial statements for the year ended March 31, 2019			
Currency	Million USD	Million USD	Million JPY
Equity Share Capital (issued and paid-up)	129.30	40.5	802
Reserves and Surplus	121.00	(6.00)	1,091.19
Net Worth	250.30	34.5	1,893.19
Total Assets	449.70	40.30	5,305.65
Total liabilities	199.40	5.80	3,412.46
Total income/ turnover from operations	25.40	(2.20)	9,633.52
Earnings before interest tax and amortization (EBITA)	24.40	(2.20)	636.32
Net Profit/(Loss) after tax	18.25	(1.40)	112.65

Particulars	4. Sumitomo Chemical Asia Pte Limited *(formerly known as Sumitomo Chemical (Asia Pacific) Pte Limited- Singapore)*	5. Sumitomo Chemical Do Brasil Representacoes Ltda	6. SCA South Asia Petrochemical Pvt Limited	7. SC Environmental Science Co. Ltd
Location	Singapore	Brazil	India	Japan
Listed/ Unlisted	Unlisted	Unlisted	Unlisted	Unlisted
Date of foundation/ Incorporation	July, 1990	June, 1975	20-Apr-09	6-Dec-89
Major Business Fields	Trading of petrochemical products, Health and crop science products and manufacturing of solution styrene-butadiene rubber.	Development, promotion and sales of crop protection chemicals, feed additives and household & public hygiene insecticides	The company was set up to act as an agent of Sumitomo Chemical Asia Pte Ltd to handle the marketing of polymers resins manufactured by Rabigh Refining and Petrochemical Company into India, Nepal, Bangladesh and Pakistan. The company undertakes commercial activities like making the offer, negotiation of selling prices (within a certain range) and contract terms.	R&D, manufacturing and sales of products for environmental hygiene, such as insecticides, insect repellents, and fungicides.
Direct/ indirect subsidiary of the promoter of SCIL (i.e. SCC)	Direct Subsidiary	Direct Subsidiary	Indirect Subsidiary	Direct Subsidiary
Stake held by SCC or its subsidiaries in Group Companies of SCIL	100%	100%	100%	100%
Standalone financial information based on financial statements for the year ended	March 31, 2019	December 31, 2018	March 31, 2019	
Currency	**Million US$**	**Million BRL**	**Million INR**	**Million JPY**
Equity Share Capital (issued and paid-up)	150.57	1.38	5.00	20.00
Reserves and Surplus	(30.41)	81.37	76.23	1,665.69
Net Worth	120.15	82.75	81.23	1,685.69
Total Assets	632.54	651.87	88,94	5,706.74
Total liabilities	512.38	569.12	7.71	4,021.05
Total income/ turnover from operations	2,600.76	671.95	56.00	8,864.74
Earnings before interest tax and amortization (EBITA)	15.83	16.14	35.55	698.05
Net Profit/(Loss) after tax	(1.72)	(3.03)	25.59	358.86

(M) Outstanding litigations and defaults of the transferee entity, promoters, directors or any of the group companies:

Litigation proceedings involving the Transferee Company:

Legal Metrology: Our Company has received notices and complaints issued by the Department of Legal Metrology in Karnataka, Maharashtra, Telangana and Uttar Pradesh. There are 12 (twelve) such matters pending against the Company under the provisions of the Legal Metrology Act, 2000. The Company has paid a cumulative compounding fee of ₹ 4,50,000 in some of these matters.

Misbranded Products: Our Company is involved in 88 (eighty-eight) cases relating to misbranding of products under the Insecticides Act, 1968 and the Fertilizer Control Order, 1985. Majority of these matters are in relation to the content of the active ingredient being lesser than the permissible limits prescribed under the Insecticides Act, 1968. The Company has been asked to explain to the concerned authority the reasons for the same and to send samples of the concerned products for reanalysis by any government approved lab.

Consumer Complaints: Our Company has received 56 (fifty-six) complaints under the Consumer Protection Act, 1986. The matters have been filed before various consumer forums for the alleged loss suffered on account of using the products manufactured by the Company. The total claim amount involved in these matters is ₹ 1,39,37,400.

Other pending litigation against the Company

S. No	Court/Authority/ Claimant	Amount Involved (in INR)	Brief Details	Present Status
1.	Rainbow Marketing Agency	9,95,000	A case was filed for recovery of commission payment for non-compliance with anti-bribery laws and policy by Rainbow Marketing Agency	Pending
2.	Motor Accident Claims Tribunal, Latur	50,000 (No fault liability)	The complaint was filed against our Company for a motor accident claim. However, our Company is not liable to pay. The insurance company has been directed to pay the no fault liability.	Matter kept for framing of issues
3.	Directorate of Revenue Intelligence	Deposit of INR 2,06,32,044	Complaint was filed against the Company in relation to custom duty on import of raw material under the Customs Act, 1962. The Company had filed its reply on 30th March 2018 and attended the personal hearing before the Custom Appellate Authority.	Awaiting order of the Custom Appellate Authority
4.	Santokh Singh	Pending salary and dues	Complaint filed by Santokh Singh, an ex-employee of the Company claiming pending salary and dues	Pending
5.	Gujarat Pollution Control Board	Deposit of INR 25,00,000	Gujarat Pollution Control Board issued a notice against the Company and 43 other industrial units for complying with the National Green Tribunal Order dated January 11, 2019 ("**Order**"). Our Company deposited the amount pursuant to the Order. However, a petition has been filed before the Supreme Court by the Vapi Industrial Association for a stay of the Order.	Pending

Disciplinary actions against our Promoter in the past three years:

Civil penalty for an amount of approximately USD 15,000 levied by U.S. Environmental/Protection Agency (an authority in United States of America), has been paid by SCC for alleged noncompliance with Federal Insecticide, Fungicide and Rodenticide Act.

Litigation proceedings involving our Directors:

There are no pending litigation proceedings involving our Directors except the following:

Mr. Chetan Shantilal Shah, Managing Director had received a demand notice dated March 22, 2014 under Section 156 of the Income Tax Act, 1961 demanding a sum of INR 58,71,730 for the assessment year 2011-12. The matter is pending adjudication.

Outstanding dues to small scale undertakings

The outstanding dues owed to small scale creditors by our Company as on September 30, 2019 is INR 85.66 million as per the interim standalone financial statements of the Company for the six-month period ending on September 30, 2019. For details, please refer the information memorandum. The Information Memorandum would be made available on www.sumichem.co.in, www.bseindia.com and www.nseindia.com.

Outstanding Tax litigation of the Transferee Company

Sr. No.	Nature of Tax	No. of Cases pending	Amount in dispute/demanded by authorities against which appeal has been filed (in INR)
1.	Direct Tax	13	4,85,98,981
2.	Indirect Tax	10	1,28,69,819

Litigation involving the Transferor Company*

Sr. No.	Court/Authority/ Claimant	Amount Involved (in INR)	Brief Details	Present Status
1.	Competition Commission of India ("**CCI**")	2,91,70,000	An order was passed by CCI imposing a penalty on ECC alleging cartel and bid rigging. ECC filed an appeal against the CCI order before the erstwhile Competition Appellate Tribunal ("**COMPAT**"). The COMPAT reduced the penalty amount from ₹ 63,90,00,000 to ₹ 2,91,70,000, against which the CCI filed an appeal before the Supreme Court. The Supreme Court upheld the order reducing the penalty, pursuant to which ECC made the penalty payment. A notice was issued by CCI to ECC demanding the recovery of the interest amount accumulated on the penalty amount of ₹ 2,91,70,000. Pursuant to a writ filed before the High Court of Delhi, a stay has been imposed on the recovery notice.	Pending
2.	Food Corporation of India ("**FCI**")	12,14,68,475	A legal notice was issued by FCI against ECC demanding compensation for the alleged losses suffered by them in relation to the tenders released for purchasing Aluminium Phosphide tablets for the period 2009-10 and 2011-12. A compensation appeal has also been filed by the FCI against ECC before the National Company Law Appellate Tribunal, New Delhi.	Pending
3.	Gujarat Pollution Control Board ("**GPCB**")	Nil	GPCB issued a notice for closure of ECC's Bhavnagar factory alleging the presence of certain waste material in a plot of land adjacent to the factory premises and directed ECC to undertake certain remediation measures. ECC/the Company has carried out the remedial measures. GPCB has directed the Company to dispose the treated soil within a period of six months, which the Company has done. The Company is in the process of making an application to GPCB for permanent revocation of the closure notice.	The manufacturing operations at the Bhavnagar plant are being carried on uninterruptedly.
4.	Supreme Court of India	Nil	A public interest litigation was filed before the Supreme Court of India seeking a ban on manufacture, sale and use of 'Endosulfan' - product which ECC used to manufacture and which was banned by the Supreme Court. The Supreme Court disposed the litigation directing the state governments of Karnataka and Kerala to pay compensation to alleged victims affected by 'Endosulfan'. The Supreme Court also stated that the state governments can recover the compensation amounts from the Union Government or the industry, if permitted by law.	ECC has not received any claims in to relation the matter
5.	Sessions Court, Amritsar	500,000	A case was filed by the National Khad Store for the dishonour of a cheque issued by a deceased employee of a third-party contractor engaged by ECC. The case has been filed against the legal heirs of the deceased and ECC has been made a party under the assumption that there may be certain pending dues to be paid by ECC to the deceased.	Pending
6.	Pashchim Gujarat Vij Company Limited ("**PGVCL**")	64,78,759.33	A show cause notice was issued by PGVCL demanding the sum of ₹ 64,78,759.33 for granting power factor rebate and extra high voltage rebate. ECC moved the High Court of Gujarat seeking to stay the show cause notice and obtained a stay order. The High Court of Gujarat directed ECC to file a complaint before the consumer dispute redressal forum of PGVCL. Simultaneously, ECC also filed an appeal with the Electricity Ombudsman, Ahmedabad. The Ombudsman dismissed the application. Against the Order of the Ombudsman, ECC filed SCA 13795 of 2015 before the High Court.	Pending

Other Litigation involving the Transferor Company*

Sl. No	Category	Total No. of Cases	Amount Involved (in INR)
1.	Misbranding of products	33	Nil
2.	Dishonour of Cheques	17	17,232,529
3.	Motor Vehicles Claim	5	1,28,65,000
4.	Consumer Disputes	1	1,15,000
5.	Legal Metrology	1	50,000

Outstanding Tax Litigation of the Transferor Company*

Sl.No.	Nature of Tax	No. of pending cases	Amount demanded against which an appeal has been filed (in INR)
1.	Direct Tax	7	3,21,96,000
2.	Indirect Tax	9	1,39,24,366

*(i) Pursuant to the Scheme, any suit, appeal or other proceeding by or against the Transferor Company pending and/or arising at the Appointed Date, as and from the Effective Date shall not abate or be discontinued by anything contained in this Scheme but shall be continued and enforced by or against the Transferee Company, as the case may be, in the manner and to the same extent as would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.

(ii) In case of any litigation initiated by the Transferor Company, the name of the Transferee Entity shall be substituted and deemed to be the party thereto, and any payment and expenses shall be the liability of the Transferee Company.

Disciplinary actions/litigations involving group companies of the Company:

#	Name of group companies	Litigation and disciplinary actions
1	Valent BioSciences LLC (previously known as Valent Biosciences Corporation)	There is no disciplinary action taken by stock exchanges and regulatory authorities and there is no litigation in the past 3 years against Group Companies of SCIL which has a material impact on SCIL
2	Mycorrhizal Applications, LLC	
3	Sumika Agro Manufacturing Co. Ltd	
4	Sumitomo Chemical Asia Pte Limited (previously known as Sumitomo Chemical (Asia Pacific) Pte Limited- Singapore)	
5	SCA South Asia Petrochemical Pvt Limited	
6	SC Environmental Science Co. Ltd	
7	Sumitomo Chemical Do Brasil Representacoes Ltda	

(N) Particulars of high, low and average prices of the shares of the listed transferor entity (ECC) during the preceding three years:

	(Prices in ₹)		
Particulars	**2019**	**2018**	**2017**
High			
BSE	3,824.85	4,800.00	2,120.00
NSE	3,830.00	4,922.40	2,121.65
Low			
BSE	2,491.45	2,001.00	1,630.00
NSE	2,490.00	2,000.30	1,654.20
Average (refer note)			
BSE	3,208.77	3,518.00	1,797.93
NSE	3,214.64	3,519.74	1,797.89

(Note: The average stock price of Transferor company is the simple average of closing prices for all trading days of a particular year)

(O) There is no material development after the date of the balance sheet dated September 30, 2019

(P) Pursuant to the Scheme, the shares of the Company will be listed on BSE and NSE. The Company received in-principle approval from NSE and BSE on December 10, 2019 and December 19, 2019 respectively. Further, SEBI granted relaxation from the applicability of Rule 19(2)(b) of the Securities Contract (Regulations) Rules, 1957 vide their letter dated January 22, 2020.

For further details, please refer to the Information Memorandum which would be made available on www.sumichem.co.in, www.bseindia.com and www.nseindia.com.

For and on behalf of the Board of Directors of
Sumitomo Chemical India Limited

Sd/-

Sushil Marfatia
Director

Date : January 22, 2020
Place : Mumbai