

Syngenta India Limited
Annual Report 2016-17

Harvesting Happiness



syngenta

Some Glimpses



Your Trusted Company: Syngenta

Syngenta has a rich legacy stemming from a tradition that goes back several decades in India. The track record starting from CIBA, Sandoz, ICI to its present form has been one of exemplary corporate citizenship and partnership in India.

As Syngenta we have been operating in India since the year 2000.

Our philosophy and priorities have consistently been on addressing the challenges facing India and Indian agriculture. India continues to hold great promise for the parent company and we have embarked on many new initiatives in the last few years.

Syngenta strives to make farming profitable and sustainable so that farmers are motivated to pursue agriculture as it is not only becoming more complex but also the return on investment is not attractive. Syngenta as an R&D company providing technology to the farming community focusses on not only increasing the productivity but also on reducing input costs and increasing the return on investment.

Syngenta has a significant presence in India and is headquartered in Pune with research stations spread across the length and breadth of the country. Driving the steady growth in India are Syngenta's people. Syngenta employs more than 1700 permanent employees dedicated and committed to the Indian farmer and agriculture.



Our latest product offerings



NK 6702



S8001



S9001



S4001



SW 23



SW 26



Fusiflex



Capcadis



VoliamFlexi



Virtako



Meghdoot



OH-940



Message from the Non-Executive Chairman



The history of India's development has been interlinked to that of its farmers and the nation's growth with its agriculture. For India, the potential for agriculture today is enormous. India is the only country in the world capable of growing almost any grain, fruit and vegetable in abundance.

India has the capability to feed the world!

A growing population, economic development, and rising prosperity are leading to an increase in demand for food, feed and fiber. Whereas decreasing farm land, changing climate makes it essential to improve agricultural productivity sustainably.

We at Syngenta are dedicated to bring greater food security in an environmentally sustainable way to an increasingly populous world.

Our presence in agriculture that engages over 50% of our population is also central to making a positive difference to our communities, our people, and our growers.

We at Syngenta are also aligned to the Hon'ble Prime Minister's commitment to double the farmers' income by 2022 which has been reinforced in this year's budget pronouncement.

We have the broadest portfolio in the industry to achieve the critical goals of sustainable agriculture. Amidst the framework of unique challenges, we see great opportunities in India to contribute to this vision.

We remain committed to the millions of small and marginal farmers doing what we can, to help them lead healthier, safer and more productive lives.

We also believe that the success of Indian IT can be mirrored in Indian agriculture and with the Indian farmer at the core of this vision we have launched Anantham – a web-based tool which will help digitalise Indian agriculture.

We are working towards a future for India that is significantly different from today - where the farmers are an important part of our nation's economic growth. Our efforts are directed towards it. I am grateful for your partnership and support and seek its continuance to help us play our part in putting Indian agriculture on the global map.

Our CSR efforts aim to bridge the gap between needs and resources of our communities. Our key CSR projects - Syngenta I-CLEAN and Syngenta Irrigation Project are aimed at powering rural prosperity and ensuring more crop per drop of water.

I would like to conclude by saying that we, at Syngenta, are committed to helping India meet its food and nutrition needs of the present and the future.

Let us help to nurture the small and marginal farmers' dreams and empower them for a better tomorrow.

Prakash K. Apte
Non-Executive Chairman

“

India has the
capability to
feed the world!

”





Message from the Managing Director



“
Syngenta has
constructively
helped farmers
increase their
productivity and
have created a
positive
momentum.”

I am pleased to present to you Syngenta's annual report for the fiscal 2017. It has been a very exciting and intensive year for the company.

India over the decades has continued to show resilience in the agriculture sector and today is not only self-sufficient but also a net exporter in respect of many agriculture products.

In 2016-17, we saw some very tough but necessary economic measures in the country that will serve the country well in the future. Although a challenging year, we at Syngenta, have continued to do what we do best – hand-holding and reaching out to as many farmers as possible to increase their productivity and profitability through our innovative and integrated solutions.

The Prime Minister had recently summarized the key challenges that Indian Agriculture faces as “Less Time, Less Land, More Productivity”. Climate change is indeed having a major impact on agriculture and to combat the changing weather patterns, the farmers need to grow crops in less time but at the same time increase productivity with the lesser land available. Syngenta with its latest technologies in crop protection and seeds can help address the challenges of vagaries of weather. Syngenta has herbicides that optimises water usage in rice and other newly launched crop protection products like Virtako, Capcadis, VoliamFlexi that can help in combating the various biotic and abiotic stresses for various crops.

We have a good assortments of seeds in rice hybrids that can reduce the harvesting cycle; our vegetable hybrids can withstand climate changes and grow throughout the year in subtropical or temperate conditions; corn hybrids that use moisture more efficiently to give higher yields on drought - stressed land. Advances in research have enabled a fruit like watermelon to be grown in all seasons.

Our stage-wise integrated solutions like MaxVeg for vegetables, GroMore for rice and wheat, StartRight for corn and FastStart for cotton have helped farmers increase their productivity and profitability.

The country is now focused on sustainability of agricultural production, re-strengthening of extension services and recognizing agriculture as an enterprise. The Good Growth Plan (GGP) is Syngenta's commitment to make a measurable contribution to sustainable agriculture by 2020. This shows the underlying strength of our Company, our commitment to the small and marginal farmers and our robust business model.

We at Syngenta will continue to evaluate new opportunities to deliver more value to our growers. Our business will remain focused on returning a high value through continued investments.

We take pride in the work that we do and the difference that we make to the lives of millions of growers. We remain totally engaged and committed to the Indian farmer and are excited about the future we see.

Bipinchandra C. Solanki
Managing Director





Success Story

Grape grower now earns enough to send his children for higher studies



Grape farmer Dipak Baburao Patil from Savlaj village in Sangli, Maharashtra has 6 acres of land. His average yield, using conventional farmer practices used to be 9 MT per acre.

Grape is a tough crop and is highly susceptible to diseases like Downy and Powdery Mildew. Climate change makes it further vulnerable to the vagaries of nature.

Dipak Baburao Patil joined Syngenta's April to April schedule with four acres of the total six acres of his land hoping to increase his income. Being enthusiastic and a fast learner, he swiftly picked up Syngenta's protocols for better crop management.

The team stood with him right from pruning to harvesting and helped him cut down unwanted expenses on

spray rounds. He adhered to our protocol and by using Amistar, Score and Kavach was able to increase his yields to 12MT/acre, which is 25% higher than the average yields in the region. He was further able to save Rs. 10000/acre on sprays by following our protocols.

This increase in income has helped Dipak realize his dream of sending his children to the city to pursue higher education.

We at Syngenta helped Dipak turn his dream in to reality.



Syngenta brands used



Amistar



Score



Kavach



“

I was wanting to send my children for higher studies to a neighbouring city.

The dream came true when I started making more return on investments, adopting Syngenta Protocols.

”



Success Story

Syngenta enables a grower reap twenty six quintals of corn per acre in a rain-fed area of Karnataka.



S Madivalappa a farmer from Karnataka has always been fascinated by latest technologies in agriculture.

Corn is a crop which is difficult to grow in rain-fed conditions. Madivalappa a progressive farmer from Neelagund Village has a long association with Syngenta. He owns 20 acres of land and cultivates corn on 18 acres every year.

In June 2016, he cultivated NK-6240 PLUS. By using Syngenta protocol StartRight he was able to take better care of his crop. As part of the integrated solutions, he also used products like Isabion and Alika.

This approach resulted in a yield of 28 quintals per acre vis-à-vis 20 quintals per acre which he used to get earlier while using traditional agriculture practices.

Being a brand ambassador of

Syngenta, he promoted NK-6240 PLUS in Harapanahalli Taluka of Davangere district. He showcased the fields to farmers from his village. Fellow farmers immediately adopted the new corn hybrid when they saw the uniform emergence of seeds, an increased plant population and the stay green capability of the crop under water stress conditions.

The standing crop of NK-6240 PLUS under drought condition inspired and converted around 40-50 farmers from the neighbouring villages.

Madivalappa gained an additional income of Rs. 11000 per acre by using NK-6240 PLUS and the StartRight Protocol of Syngenta.



“

I am extremely happy to be the Brand Ambassador of Syngenta and am educating farmers of my neighbouring villages to adopt Syngenta Protocols, which give a higher return on investments.

”



Syngenta brands used



Alika



Isabion



Gramaxone



Success Story

MaxVeg Protocol for Watermelon brings prosperity to West Bengal grower



Manik Kazi, a farmer from West Bengal shifted from potato cultivation to Syngenta's Watermelon Hybrid "Sugar Queen" and gets a bumper yield.

Manik Kazi is a small landholding farmer from North 24 Parganas District, West Bengal.

Over the years he has been cultivating potato in Rabi and jute in Kharif on his 0.7 acre of land using traditional agriculture practices. For the past two years both the crops have not been yielding good returns to this marginal farmer.

With an intention to change his socio economic condition, he attended a Syngenta Farmer Training program in his village. Our team gave him details of MaxVeg protocol for "Sugar Queen" a watermelon hybrid.

Earlier, he used to leave his land fallow after growing Potato. This year he planted Syngenta's Sugar Queen in his 0.2 acre land. By adopting Syngenta's MaxVeg protocol, he got a bumper yield of 2.9 MT from his 0.2 acre of land fetching him Rs. 26000.

Within a short period, news of his bumper gain spread across to the surrounding villages.

Now, Manik is completely motivated and has fulfilled his dream to educate his son in a good school of a nearby town.

Syngenta brands used



Amistar



Alika



Isabion



“

Syngenta's Training Programme helped me to try new hybrids. It also made me knowledgeable about the new application technologies and protocols.

”



Success Story

A young entrepreneurial farmer celebrates his success with GroMore



Satinder Singh Gill a farmer from Punjab uses Syngenta's GroMore protocol for rice and wheat, resulting in a yield gain of 20%

Satinder Singh Gill of village Barewal Awana, Ludhiana District, Punjab, a progressive farmer has always been keen to use new and better technologies.

Four years back he started by growing rice and wheat on rotation in his four acres of land. He used

quality seeds and Syngenta's GroMore protocol and achieved a 20% increase in yields.

This spurt in yields and his confidence in Syngenta's protocols and products encouraged him to lease another 30 acres of land. Our team helped him through all crop phases from seedling to ripening. For better management of crops, he used products like Rifit Plus, Capcadis, Virtako, Amistar Top and Dividend.

Both rice and wheat gave him an additional 3 quintals per acre which resulted in a gain of Rs. 9000 per acre during the year. He made an additional income of Rs 3 lacs from his 34 acres of leased land. This helped him purchase new implements including a Tractor.

Syngenta's stage-wise solution in Rice and Wheat has helped farmers like Satinder Singh Gill raise their economic status.

Syngenta brands used



Rifit Plus



Capcadis



Virtako



Amistar Top



Dividend



“

I believe the best practices offered by Syngenta helped me in crop management, risk mitigation and has improved my socio economic condition.

”



The Good Growth Plan

Securing a Sustainable Future – Six Commitments

- Make crops more efficient
- Empower smallholders
- Rescue more farmland
- Help people stay safe
- Help biodiversity flourish
- Look after every worker

Cotton farmer Manohar Mohan Rathod from Akolabazar Village, District Yavatmal, Maharashtra has 30 acres of land. He has showcased a better sustainable farming practices over his fellow farmers using Syngenta's FastStart Protocol, Soil health analysis and stewardship practices.

Manohar Rathod has been using Syngenta solutions for farming for the past five years. He grows major crops like cotton, Soybean, Tur, Green gram and Jowar.

Earlier, under conventional method Manohar used to get 8-9 quintals of cotton per acre. In 2014, Manohar became the Good Growth Plan reference farmer. He got trained on best crop solution practices – FastStart Protocol, Soil health analysis and Stewardship practices by Syngenta Officials. His yields increased from 9 qt to 14 qt per acre over the last three years and he could reduce his operating cost to the tune of 20-25%.

Since the time he got associated with Syngenta he has been able to save two rounds of preventive spray

resulting in cost optimization while giving better control to the crop. He is now using his experience and knowledge to take care of other crops as well.

This year he got an additional income of Rs 72,000/- by applying Syngenta's FastStart Protocol on three acres of his cotton field.

He is a Proud Syngenta GGP Reference farmer having earned a high social respect in the society. He is not only a farmer now but also a fellow guide to his farmer friends in the neighbouring villages.

Syngenta brands used



Rifit Plus



Capcadis



Amistar Top



Virtako



“

I am grateful to Syngenta staff for updating me regularly about the latest technologies in agriculture, hybrids as well as crop protection products – the credit goes to them for contributing to a substantial increase in return on investments.

”



Integrating Business, Social and Environmental Performance Corporate Social Responsibility

Syngenta is guided by the conviction that value creation depends on the successful integration of business, social and environmental performance. Syngenta is committed to promote and maintain high standards of corporate social responsibility in India.

Syngenta India, since its inception, has worked continuously towards contributing to the sustainable development of the community in which it operates.



I compliment Syngenta for having undertaken several projects under Corporate Social Responsibility, which would go a long way in the upliftment of the rural communities across the country. I hope the citizens of rural India would take advantage of these initiatives and take proper care of the facilities provided to them.



Radha Mohan Singh
Hon'ble Minister of Agriculture
and Farmers Welfare, Government of India

Inspired by the Prime Minister's vision of Swachh Bharat Abhiyan, Syngenta I-CLEAN Project aims to Inculcate Cleanliness Learning, Education, Awareness and New Habits among communities, especially in rural and remote areas, to enable them to lead dignified, hygienic and healthy lives. Key components of the project are vegetable sheds for farmers, solar lights, drinking water facility, garbage disposal and recycling, greenery development, stewardship messages, I-CLEAN Pathshala. With four projects implemented so far, it is now being extended in 24 more villages in Bihar.

Community Development Projects are primarily in Maharashtra, Telangana, Andhra Pradesh, Karnataka amongst others. The



Newly constructed Rural Vegetable Market, Bhakri Nazir, Bihar

development activities are planned with the active engagement of local community. The priority areas of focus are education, clean drinking water, school toilets, tree plantations etc.

Syngenta Irrigation project is unique and first-of-its kind aimed at supporting the growers by installing hose reel irrigation machines with a capacity of discharging water in a 60 metre radius across the fields. This helps growers achieve higher productivity with optimum utilization of water in the commonly shared land covered under the irrigation projects. After the implementation of two pilot projects, 15 farmer groups have been identified in Bihar. The project will be extended to Jharkhand, Madhya Pradesh, Telangana, Maharashtra.



Hose Reel Irrigation Sprinkler, Syngenta Irrigation Project, Mahuawa Village, Bihar



Board of Directors	Prakash K. Apte Bipinchandra C. Solanki Abhishek Agarwal Govind P.S. Bene Vinnakota Kaundinya Ramachandra Balaji Bakthisaran Antje Bauer Rajendra M. Jog Sumie Fujimura Narendra Kulkarni	Non-Executive Chairman Managing Director Whole-time Director and Chief Financial Officer (w.e.f. April 1, 2017) Director (Whole-time Director and Chief Financial Officer upto March 31, 2017) Independent Director Independent Director Director (Upto December 22, 2016) Whole-time Director (Upto June 27, 2017) Director (w.e.f. March 10, 2017) Whole-time Director (w.e.f. June 27, 2017)
Company Secretary	Arundhati Kulkarni	
Statutory Auditors	M/s. B. S. R. & Associates LLP, Chartered Accountants	
Bankers	Citibank NA The Hongkong and Shanghai Banking Corporation Limited (HSBC)	
Registered Office	Amar Paradigm, S.N. 110/11/3 Baner Road, Baner, Pune - 411 045	
Works / Plants	Santa Monica Works (Upto May 31, 2016) Corlim, Ilhas, Goa - 403 110 Ranebennur Plant Survey no. 39-1A/1B/2B, Kajjari-Asundi Road, Ranebennur – 581 115 Karnataka Nuthankal Plant Survey No. 660, Nuthankal Village 501 401 Medchal Mandal, Rangareddy District, Andhra Pradesh Kodakandla Plant Survey No. 38(p), 39(p), 40(p) & 43(p) Kodakandla Village, Gajwal Mandal, Medak District, Telangana – 502312	
Registrar & Transfer Agent	M/s. Link Intime India Private Limited 202, Akshay Complex, Dhole Patil Road, Near Ganesh Temple, Pune, Maharashtra 411001 Tel : 020-2616 1629 Email: pune@inkintime.co.in	

Eighteenth Annual General Meeting

Tuesday, 26th September, 2017 at 11.00 a.m.

**Yashwantrao Chavan Academy of Development Administration (YASHADA),
Rajbhavan Complex, Baner Road, Pune 411 007**

Members are requested to bring their copy of the Annual Report to the meeting. Members are also requested to direct all correspondence relating to shares to the Company's Registrar and Transfer agents, M/s Link Intime India Private Limited, at the address above, quoting their folio numbers and in case their shares are held in dematerialized form, quoting the Client ID Number and the DP ID Number.

CONTENTS

Notice	12
Explanatory Statement	19
Directors' Report	27
Management Discussion and Analysis Report	57
Report on Corporate Governance	60
Auditors' Report	71
Balance Sheet	78
Statement of Profit and Loss	79
Cash Flow Statement	80
Notes to Accounts	82
Five Year Highlights	146



NOTICE

NOTICE is hereby given that the Eighteenth Annual General Meeting of the Members of Syngenta India Limited will be held at Yashwantrao Chavan Academy of Development Administration (YASHADA), Rajbhavan Complex, Baner Road, Pune 411 007 on Tuesday, September 26, 2017 at 11.00 a.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Statement of Profit and Loss for the year ended March 31, 2017 and the Balance Sheet as at that date together with the reports of the Board of Directors and the Auditors thereon.
2. To declare a dividend on equity shares for the year ended March 31, 2017.
3. To appoint a Director in place of Mr. Govind P.S. Bene (DIN: 03450063), who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Prakash K. Apte (DIN: 00196106), who retires by rotation and being eligible offers himself for re-appointment.
5. To ratify the appointment of Statutory Auditor of the Company and to fix their remuneration and to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Sections 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification thereto or reenactment thereof for the time being in force) and pursuant to the resolution passed by the members at the Annual General Meeting (AGM) held on September 23, 2014, the appointment of M/s. B S R & Associates LLP, Chartered Accountants (Firm Registration No. 116231W/W-100024) be and is hereby ratified as the Statutory auditor of the Company to hold office from the conclusion of the 18th AGM till the conclusion of the 19th AGM, on such remuneration as may be approved by the Board of Directors of the Company, based on the recommendation of the Audit Committee, in addition to reimbursement of all out-of-pocket expenses as may be incurred in connection with audit of the accounts of the Company.”

SPECIAL BUSINESS

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification thereto or re-enactment thereof for the time being in force) and as per the provisions of the Articles of Association of the Company, the approval of the Members be and is hereby accorded to the re-appointment of Mr. Bipinchandra C. Solanki (DIN : 00029753) as Managing Director of the Company for the period from January 1, 2017 to December 31, 2019 upon the terms and conditions as set out in the Agreement entered into between the Company and Mr. Solanki, with authority to the Board of Directors (“the Board”, which term shall include any committee of the Board) and to alter, vary and modify the terms and conditions of the said appointment and/or Agreement, in such manner as may be agreed to, between the Board and Mr. Solanki.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution and to comply with the applicable laws in relation to the same, Company Secretary or any one of the Directors of the Company, be and is hereby severally authorized to do all such acts, deeds, matters and things as may be necessary.”

7. To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 149 and 161 of the Companies Act, 2013 and other applicable provisions if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 [including any statutory modification(s) or re-enactment thereof for the time being in force], Ms. Sumie Fujimura (DIN 07754562) who was appointed as an Additional Director by the Board of the Directors of the Company with effect from March 10, 2017 and who holds office of Director up to the ensuing Annual General Meeting pursuant to Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing her candidature for the office of Director, be and is hereby appointed as Director of the Company who shall be liable to retire by rotation.”

8. To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT in accordance with the provisions of Section 161 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and as per the provisions of the Articles of Association of the Company, Mr. Abhishek Agarwal (DIN : 03481395) who was appointed as an Additional Director of the Company by the Board of Directors with effect from April 1, 2017 and holds office until the date of ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Abhishek Agarwal as a candidate for the office of a Director of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution and to comply with the applicable laws in relation to the same, Company Secretary or any one of the Directors of the Company, be and is hereby severally authorized to do all such acts, deeds, matters and things as may be necessary.”

9. To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification thereto or re-enactment thereof for the time being in force) and as per the provisions of the Articles of Association of the Company, the approval of the Members be and is hereby accorded to the appointment of Mr. Abhishek Agarwal (DIN : 03481395) as Whole Time Director of the Company for the period from April 1, 2017 to March 31, 2020 upon the terms and conditions as set out in the Agreement entered into between the Company and Mr. Agarwal, with authority to the Board of Directors (“the Board”, which term shall include any committee of the Board) and to alter, vary and modify the terms and conditions of the said appointment and/or Agreement, in such manner as may be agreed to, between the Board and Mr. Agarwal.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution and to comply with the applicable laws in relation to the same, Company Secretary or any one of the Directors of the Company, be and is hereby severally authorized to do all such acts, deeds, matters and things as may be necessary.”

10. To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT in accordance with the provisions of Section 161 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and as per the provisions of the Articles of Association of the Company, Mr. Narendra Kulkarni (DIN : 07138608) who was appointed as an Additional Director of the Company by the Board of Directors with effect from June 27, 2017 and holds office until the date of ensuing Annual General Meeting and in respect of whom the Company



has received a notice in writing from a member under section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Narendra Kulkarni as a candidate for the office of a Director of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation.”

11. To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification thereto or re-enactment thereof for the time being in force) and as per the provisions of the Articles of Association of the Company, the approval of the Members be and is hereby accorded to the appointment of Mr. Narendra Kulkarni(DIN : 07138608) as Whole Time Director of the Company for the period from June 27, 2017 to June 26, 2020 upon the terms and conditions as set out in the Agreement entered into between the Company and Mr. Kulkarni, with authority to the Board of Directors (“the Board”, which term shall include any committee of the Board) and to alter, vary and modify the terms and conditions of the said appointment and/or Agreement, in such manner as may be agreed to, between the Board and Mr. Kulkarni.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution and to comply with the applicable laws in relation to the same, Company Secretary or any one of the Directors of the Company, be and is hereby severally authorized to do all such acts, deeds, matters and things as may be necessary.”

12. To pass with or without modification(s) the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** the Company hereby ratifies the remuneration of Rs. 3,50,000/- (Rupees Three Lakhs Fifty Thousand only) plus applicable taxes and out of pocket expenses at actual payable to M/s. Dhananjay V. Joshi and Associates, Cost Accountants who were appointed as Cost Auditor of the Company to conduct cost audit relating to insecticides, subject to provisions of the Companies Act, 2013 (including amendment thereof) as may be applicable, for the financial year 2017-18.”

By Order of the Board of Directors
SYNGENTA INDIA LIMITED

Date: August 7, 2017
Place: Mumbai

Arundhati Kulkarni
Company Secretary

Registered Office:

Amar Paradigm, S. No. 110/11/3,
Baner Road, Pune 411045

NOTES:

1. A Statement pursuant to Section 102 of the Companies Act, 2013 in respect of business under Item No. 5 to 12 is annexed hereto.
2. A MEMBER OF THE COMPANY ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 (FORTY-EIGHT HOURS) BEFORE COMMENCEMENT OF THE MEETING.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. Members/Proxies should fill in the Attendance Slip for attending the Meeting.
5. The Register of Members and the Share Transfer Books of the Company will remain closed from September 20, 2017 to September 26, 2017 (both days inclusive).
6. Dividend, if declared at the Eighteenth Annual General Meeting will be paid on and from September 30, 2017 to those members whose names appear in the Register of Members of the Company, after giving effect to valid transfers in respect of the shares lodged with the Company on or before the close of business hours on September 19, 2017 or to their mandates. The dividend in respect of shares held in electronic form would be payable to the beneficial owners of shares recorded with the Depositories as of the cut-off date on September 19, 2017 as per details furnished by the Depositories for the purpose.
7. Pursuant to the provisions of the Companies Act, 2013, the unclaimed/unpaid dividend till the financial year ended March 31, 2010 will be transferred to the Investor Education and Protection Fund of the Central Government ("the Fund") in the month of September 2017. Shareholders are requested to note that once unpaid/unclaimed amounts are transferred to the Fund, no claim shall lie against the Company. Shareholders who have not yet encashed their dividend warrants are requested to do so sufficiently in advance before the said transfers take place.

8. APPEAL TO SHAREHOLDERS:

a) Registration of Automated Clearing House (ACH) Mandate

With a view to provide protection against fraudulent encashment of dividend warrants, members holding shares in physical form are requested to avail the ACH facility due to which dividend will directly get credited to the account of shareholder and confirmation regarding the credit of dividend will be communicated to the shareholder immediately. For the said purpose, members are requested to furnish their bank account details such as Name of the Bank, Branch, its address, Account No., 9 digit MICR Code and type of Account i.e. savings or current account under the signature of the Sole/ First joint holder. Members will appreciate that the Company will not be responsible for any loss arising out of fraudulent encashment of Dividend Warrants.

b) Registration of E-mail address

In order to encourage the 'Go Green Initiative', members who have not registered their e-mail address so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circular etc. from the Company electronically.



c) Registration of Nomination

Members who have not yet registered their nominee in respect of their shareholding in the Company are requested to register the Nomination immediately. The shareholders are requested to send their communications in the following manner:

In case your shares are in physical mode - with the Company's Registrar and Transfer Agent: M/s. Link Intime India Private Limited at 202, Akshay Complex, Dhole Patil Road, near Ganesh Temple, Pune, Maharashtra 411001.

In case your shares are in demat mode - with the concerned Depository Participant (DP), by following the related procedure as laid down by the concerned DP.

- d) Members are also requested to notify immediately any change in their address/Bank mandate/Bank Account particulars to the Company's Registrar and Transfer Agent, at the above mentioned address and in case their shares are held in electronic form, this information should be sent to the Depository Participant with whom they have their demat account.
- e) For route map to reach the venue of AGM, please refer the last page of Annual Report.

9. VOTING THROUGH ELECTRONIC MEANS

In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, the Company is pleased to provide to the members the facility to exercise their right to vote at the 18th Annual General Meeting (AGM) by electronic means and the business mentioned in Notice relating thereto may be transacted through the E-voting services provided by National Securities Depository Limited (NSDL). It is clarified that it is not mandatory for a member to vote using e-facility and a member may avail of said facility at his/her discretion.

Cut off date and E-voting dates:

- **Members holding shares either in Physical or Dematerialized form as on the cut-off date of September 19, 2017 may cast their votes electronically.**
- **The E-voting period for the members who hold shares as on the cut-off date commences on September 23, 2017 from 9.00 a.m. and ends on September 25, 2017 upto 5.00 p.m. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.**

The instructions for E-voting are as under:

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company / R & T Agent viz. Link Intime (India) Private Limited / Depository Participant(s)]:

1. Open email and open PDF file viz. "**SIL e-Voting.pdf**" with your Folio no. / Client ID as password. The said PDF file contains your User ID and password/PIN for remote E-voting. Please note that the Password is an initial password.
2. Open internet browser by typing the following URL viz. **https://www.evoting.nsdl.com**.
3. Click on Shareholder-"**Login**"
4. Insert 'USER ID' and 'Initial Password' as noted in Step 1 above and click 'Login'.

5. The Password Change Menu will appear on your screen. Change to a new Password of your choice making sure that, it contains a minimum of 8 digits or characters or combination of the two. Please take utmost care to keep your Password confidential.
6. You need to login again with the new credentials. Home page of E-voting will open. Click on **“Evoting-Active Voting Cycles.”**
7. Select the EVEN (Electronic Voting Event Number) of Syngenta India Limited which is provided in the Attendance Slip.
8. Now you are ready for e-voting as ‘the Cast Vote’ page opens.
9. On the voting page, you may cast your vote by selecting an appropriate option “FOR” or “AGAINST” and click “SUBMIT”. A confirmation box will be displayed. Click “OK” to confirm or “CANCEL” to modify. Once you confirm, you will not be allowed to modify your vote. Upon confirmation, the message “Vote cast successfully” will be displayed.
10. You can similarly vote in respect of all other resolutions forming part of Notice of the Annual General Meeting. During the voting period, Members can login any number of times till they have voted on all the Resolutions.
11. If you wish to log out after voting on a few resolutions and continue voting for the balance resolutions later, you may click on “RESET” for those resolutions for which you have not yet cast the vote.
12. Corporate/Institutional Members (i.e. members other than Individuals, HUF, NRI etc.) are required to send a scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature(s) of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail at devendracs@gmail.com with a copy marked to evoting@nsdl.co.in

B. For Members holding shares in Dematerialised form whose e-mail IDs are not registered with the Company/ Depository Participants, Members holding shares in Physical Form as well as those Members who have requested for a Physical copy of the Notice and Annual Report, the following instructions may be noted:

1. Initial password will be provided at the bottom of the Attendance slip for the AGM :

EVEN (E-Voting Event Number)USER IDPASSWORD/PIN

2. Please follow all steps from Sr. No. (2) to (12) above, to cast vote.

General information/instructions for members for voting on the Resolutions:

- a. You can also update your mobile number and e-mail id in the User Profile details of the folio, which may be used for sending future communication(s).
- b. Members who are already registered with NSDL for E-voting can use their existing User ID and password for casting their votes.
- c. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and evoting user manual for members available on the website www.evoting.nsdl.com under the ‘Downloads section’. You can also contact NSDL via email at or on Toll Free No. 1800-222-990.



- d. Members who have cast their vote by remote E-voting prior to the Meeting may also attend the Meeting, but shall not be entitled to vote again at the AGM.
- e. The voting rights of the Shareholders (for voting through remote E-voting or by Ballot Paper at the Meeting) shall be in proportion to their share of the paid up Equity Share Capital of the Company as on September 19, 2017 ("cut off date"). A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut off date, only shall be entitled to avail the facility of remote E-voting as well as voting at the AGM.
- f. Any person who acquires shares of the Company and becomes a Member of the Company after the dispatch of the AGM Notice and holds shares as on the cut - off date, i.e. September 19, 2017 may obtain the login Id and password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote E-voting, then you can use your existing User ID and password for casting your vote. If you have forgotten your password, you may reset your password by using "Forgot User Details/Password" option available on <https://www.evoting.nsdl.com> or contact NSDL on Toll Free No. 1800-222-990.
- g. Mr. Devendra Deshpande, proprietor of DVD & Associates, Practicing Company Secretaries, Pune (Membership No. FCS 6099 and CP No. 6515) has been appointed by the Board of Directors of the Company as Scrutinizer for scrutinizing the voting process at the Annual General Meeting in a fair and transparent manner.
- h. Facility of voting through Ballot Paper shall also be made available at the Meeting. Members attending the Meeting, who have not already cast their vote by remote E-voting, shall be able to exercise their right at the meeting. The Chairman shall, at the AGM, at the end of discussion on the Resolutions on which voting is to be held, allow the voting with the assistance of Scrutinizer for all those members who are present at the AGM but have not cast their votes by availing remote E-voting facility by use of "Ballot paper".
- i. The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the Meeting, thereafter unblock the votes cast through remote E-voting, in the presence of at least two (2) witnesses not in the employment of the Company.
- j. The Scrutinizer will collate the votes cast at the Meeting and votes downloaded from the E-voting system and make, not later than three days from the conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing.
- k. The Chairman or the person authorised by him in writing forthwith on receipt of the consolidated Scrutinizer's Report, declare the result of the voting. The Results declared, along with the Scrutinizer's Report, shall be placed on the weblink <https://www.syngenta.co.in/information-investors> and on the website of NSDL <https://www.evoting.nsdl.com> within 3 working days of passing of the resolutions at the Annual General Meeting of the Company on September 26, 2017.

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013

The following statement sets out all material facts relating to certain Ordinary Business and all the Special Business mentioned in the accompanying Notice:

Item No. 5

This explanatory statement to Item No. 5 is provided though strictly not required as per Section 102 of the Companies Act, 2013.

In the fifteenth Annual General Meeting of the Company held on September 23, 2014, M/s. B S R & Associates LLP, Chartered Accountants were appointed as Statutory Auditor of the Company for a period commencing from the conclusion of the 15th Annual General Meeting till the conclusion of the 20th Annual General Meeting, subject to ratification of their appointment by the members of the Company at every Annual General Meeting.

The Company has received an eligibility certificate from the Auditor confirming that they are eligible for appointment as auditor of the Company under Section 139 of the Companies Act, 2013 read with Rule 4 of the Companies (Audit and Auditors) Rules, 2014, and they are not disqualified for such appointment within the meaning of Section 141 of the Companies Act, 2013.

It is proposed to ratify the appointment of M/s. B S R & Associates LLP, as Statutory Auditor of the Company for the year 2017-18.

The Directors recommend the Resolution at Item No. 5 of the Notice for your ratification.

None of the Directors/Key Managerial Personnel of the Company and their relatives is/are, in any way, concerned or interested, financially or otherwise, in this resolution.

Item No.6

Mr. Bipinchandra C. Solanki was appointed as a Managing Director of the Company with effect from January 1, 2014 for a period of 3 years i.e. upto December 31, 2016. The Board of Directors in their meeting held on December 22, 2016, re-appointed Mr. Bipinchandra C. Solanki as Managing Director of the Company for a period of three years from January 1, 2017 to December 31, 2020, subject to approval of the members at the ensuing Annual General Meeting (AGM).

Mr. Solanki holds a Bachelor's degree in Agriculture from B.A. College of Agriculture, Anand, Gujarat. Mr. Solanki is having more than 35 years of work experience in agrochemical, seeds and biotech business holding various positions across Countries, in the areas of sales, commercial, building long term strategy and establishing solid growth for business. He holds the position of Director in Syngenta Foundation India and in Federation of Seed Industry of India.

Mr. Solanki has given his consent to continue as a Managing Director and he is not disqualified in terms of Section 164 of the Companies Act, 2013.

He holds Nil (0.00%) equity shares in the Company.

In view of the provisions of Sections 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the re-appointment for the period from January 1, 2017 upto December 31, 2020 and payment of remuneration to Mr. Solanki are now being placed before the members for your approval.

The abstract of the terms and conditions contained in the agreement is as under:

Overall Remuneration

Subject to the provisions of Sections 196, 197 and Schedule V of the Companies Act, 2013 and other applicable provisions of the Act, if any, the remuneration payable to Mr. Solanki in any financial year shall not exceed 5% (five percent) of the net profits for one such Managing / Whole-time Director, and if there is more than one such Managing /



Whole-time Director, 10% (Ten percent) for all of them together, of the net profits of the Company, or such other limits as may be specified under the concerned legislation prevailing from time to time. Within the aforesaid ceiling, the remuneration payable to Mr. Solanki shall be as follow:

Basic Salary

As decided by the Board from time to time but not exceeding Indian Rupees 14,547,824 per annum or part thereof, with annual increments effective from April 1, 2017 of each financial year commencing from April 1, 2017, as may be decided by the Board from time to time.

House Rent Allowance

As decided by the Board from time to time, in accordance with the Compensation Structure applicable to the Officers of the Company.

Special Allowance/Flexi Pay

As may be decided by the Board from time to time in accordance with the Compensation Structure applicable to the Officers of the Company.

Car Allowance/ Car Facility and Driver's Salary

As per the Company's Car Policy applicable to the Officers of the Company as amended from time to time.

Short Term Incentive

As per the scheme applicable to the Officers of the Company as amended from time to time.

Long Term Incentive

As per the scheme applicable to the Officers of the Company and as amended from time to time.

Deferred Share Plan (DSP)

As per the scheme applicable to the Officers of the Company and as amended from time to time.

Perquisites

- a) Medical Reimbursement: Upto Rs.15,000/- per annum. The same shall be increased as per the scheme applicable to the Officers of the Company.
- b) Leave: As per the scheme applicable to the Officers of the Company
- c) Leave Travel Allowance: Upto Rs.50,000/- per annum. The same shall be increased as per the scheme applicable to the Officers of the Company.
- d) Medical Insurance: As per the scheme applicable to the Officers of the Company.
- e) Provident Fund and Gratuity: As per the scheme applicable to the Officers of the Company.
- f) Such other perquisites, benefits and allowances in accordance with the scheme applicable to the Officers of the Company.

Minimum Remuneration:

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of Mr. Solanki, the Company has no profits or its profits are inadequate, the Company will pay to the Managing Director remuneration by way of Salary, Benefits, Perquisites and Allowances, and Incentive as specified above.

Reimbursement of entertainment expenses:

- Mr. Solanki shall be reimbursed all entertainment expenses that he may incurred for promotion of business or in the course of business of the Company.
- Mr. Solanki shall not be entitled to sitting fees for Meeting of the Board/ Committees of the Board attended by him.

Other terms and conditions :

- This Agreement is subject to termination by either party giving to the other party three (3) months' notice in writing at the party's address given above or by making a payment of equivalent salary in lieu thereof.
- The Company may terminate this Agreement forthwith by notice in writing to Mr. Solanki if he shall become bankrupt or make any composition or arrangement with his creditors or if he shall cease to be a Director or shall commit a breach of any of the terms, conditions and stipulations herein contained and on his part to be observed and performed.
- This Agreement represents the entire agreement between the parties and cancels and supersedes all prior agreements, arrangements, or understandings on the subject matter hereof.
- The provisions of the Syngenta Code of Conduct and the core policies on viz., Anti-fraud, Anti-bribery and Gifts & Entertainment shall be deemed to have been incorporated into the Agreement by reference. The Managing Director shall during his term, abide by the provisions of the Syngenta Code of Conduct and the aforesaid core policies in spirit and in letter and commit to assure its implementation.

This agreement is subject to the jurisdiction of the Courts of Pune.

Except Mr. Solanki, none of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in this resolution.

The Board recommends resolution set out in Item no. 6 of the Notice for approval of members.

Item No.7

As per the provisions of Section 149 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, Ms. Sumie Fujimura was appointed as an Additional Director of the Company with effect from March 10, 2017.

She holds office until the ensuing Annual General Meeting under Section 161(1) of the Companies Act, 2013. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a member alongwith a deposit of Rs.1,00,000/- proposing the candidature of Ms. Sumie Fujimura for the office of Director.

She holds a Master of Business Administration (MBA) from INSEAD, Fontainebleau, a Master of Environmental Management from Duke University, North Carolina, U.S.A and BA, Psychology and Social Ecology from University of California, Irvine, California, U.S.A.

She is the Head of Marketing for Syngenta South Asia, responsible for driving the marketing strategy for the organization throughout the territory, including the development of new offers and products to drive growth, address grower pain points and enhance customer experiences.

She has more than 22 years of experience in marketing, strategy and sustainable development with public and private sectors. She was previously based in Singapore as Syngenta's Head of Customer Marketing and MaSE (Marketing and Sales Excellence) for the Asia Pacific region and prior to that, she served as the Head of Rice and Field Crop Marketing for North East Asia and as Syngenta Japan's Head of Marketing, Crop Protection.



Ms. Sumie has also managed multi-national teams of consultants to identify growth and value enhancing opportunities for diverse industries in Japan, China, the Philippines, and other Asian, Latin American and European countries for international businesses and institutions. Before joining Syngenta, Ms. Sumie worked as Senior Manager at the Monitor Group in Tokyo Japan. She was also a part of the United Nations Development Program (UNDP) in Harare, Zimbabwe where she designed and implemented programs to support Government to address environment, agriculture and sustainability issues to achieve UN development goals.

Ms. Sumie has given her consent to act as a Director and she is not disqualified in terms of Section 164 of the Companies Act, 2013.

She holds Nil (0.00%) equity shares in the Company.

Except Ms. Sumie, none of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in this resolution.

The Board recommends resolution set out in Item no. 7 of the Notice for approval of members.

Item No. 8 and 9

Mr. Abhishek Agarwal was appointed as an Additional Director on the Board of the Company with effect from April 1, 2017 in accordance with provision 161 of the Companies Act, 2013. At the same meeting, the Board also appointed Mr. Agarwal as Whole Time Director for a period of three years from April 1, 2017 to March 31, 2020 on the terms and conditions as set out in the agreement executed between the Company and Mr. Agarwal as approved by the Board, subject to approval of the members at the ensuing Annual General Meeting.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. Agarwal will hold office upto the date of ensuing AGM. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a member alongwith a deposit of Rs.1,00,000/- proposing the candidature of Mr. Agarwal for the office of director.

Mr. Agarwal is a Chartered Accountant from ICAI, India, a Company Secretary from ICSI, India, and an Associate Chartered Management Accountant (ACMA) from Chartered Institute of Management Accountants, United Kingdom. He is a finance professional with 15 years of experience and has worked different large size MNC's in the capacity of senior finance professional. He has also gained an experience in the areas of Controlling, capital investment, fund raising, working capital management, strategic planning, audit & compliance and business strategies.

Mr. Agarwal has given his consent to act as a Director and he is not disqualified in terms of Section 164 of the Companies Act, 2013.

He holds Nil (0.00%) equity shares in the Company.

In view of the provisions of Sections 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the appointment for the period from April 1, 2017 upto March 31, 2020 and payment of remuneration to Mr. Agarwal are now being placed before the members for your approval.

The abstract of the terms and conditions contained in the agreement is as under:

Overall Remuneration

Subject to the provisions of Sections 196, 197 and Schedule V of the Companies Act, 2013 and other applicable provisions of the Act, if any, the remuneration payable to Mr. Agarwal in any financial year shall not exceed 5% (five percent) of the net profits for one such Managing / Whole-time Director, and if there is more than one such Managing / Whole-time Director, 10% (Ten percent) for all of them together, of the net profits of the Company, or such other limits as may be specified under the concerned legislation prevailing from time to time. Within the aforesaid ceiling, the remuneration payable to Mr. Agarwal shall be as follow:

Basic Salary

Rs. 2,779,674 (Twenty Seven Lakhs Seventy Nine Thousand Six Hundred and Seventy Four only) per annum or part thereof, with annual increments as per the Company policy and as may be decided by the Board from time to time.

House Rent Allowance

As may be decided by the Board from time to time, in accordance with the Compensation Structure applicable to the Officers of the Company.

Special Allowance / Flexi Pay

As may be decided by the Board from time to time in accordance with the Compensation Structure applicable to the Officers of the Company

Car Allowance / Car Facility and Driver's Salary

As per the Company's Car Policy applicable to the Officers of the Company as amended from time to time.

Short Term Incentive

As per the scheme applicable to the Officers of the Company as amended from time to time.

Perquisites

- a) Medical Reimbursement: Upto Rs.15,000/- per annum. The same shall be increased as per the scheme applicable to the Officers of the Company.
- b) Leave: As per the leave policy applicable to the Officers of the Company as amended from time to time.
- c) Leave Travel Allowance: Upto Rs.50,000/- per annum. The same shall be increased as per the scheme applicable to the Officers of the Company.
- d) Medical Insurance: As per the policy applicable to the Officers of the Company as amended from time to time.
- e) Provident Fund, Superannuation and Gratuity: As per the scheme applicable to the Officers of the Company as amended from time to time.
- f) Such other perquisites, benefits and allowances in accordance with the scheme applicable to the Officers of the Company as amended from time to time or as may be agreed by the Board.

Minimum Remuneration:

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of Mr. Agarwal, the Company has no profits or its profits are inadequate, the Company will pay to the Whole-time Director remuneration by way of salary, benefits, perquisites and allowances and incentive as specified above.

Reimbursement of entertainment expenses

- Mr. Agarwal shall be reimbursed all entertainment expenses that he may incur for promotion of business or in the course of business of the Company.
- Mr. Agarwal will not be entitled to sitting fees for Meeting of the Board/ Committees of the Board attended by him.

Other terms and conditions :

- This Agreement is subject to termination by either party giving to the other party three (3) months' notice in writing at the party's address given above or by making a payment of equivalent salary in lieu thereof.



- The Company may terminate this Agreement forthwith by notice in writing to Mr. Agarwal if he shall become bankrupt or make any composition or arrangement with his creditors or if he shall cease to be a Director or shall commit a breach of any of the terms, conditions and stipulations herein contained and on his part to be observed and performed.
- The provisions of the Syngenta Code of Conduct and the core policies on viz., Anti-fraud, Anti – bribery and Gifts and Entertainment shall be deemed to have been incorporated into the Agreement by reference. Mr. Agarwal shall during his term, abide by the provisions of the Syngenta Code of Conduct and the aforesaid core policies in spirit and in letter and commit to assure its implementation.
- This agreement is subject to the jurisdiction of the Courts of Pune.

Except Mr. Agarwal, none of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in this resolution.

The Board recommends resolution set out in Item no. 8 & 9 of the Notice for approval of members.

Item No. 10 & 11

Mr. Narendra Kulkarni was appointed as an Additional Director on the Board of the Company with effect from June 27, 2017 in accordance with provision 161 of the Companies Act, 2013. At the same meeting, the Board also appointed Mr. Kulkarni as Whole Time Director for a period of three years from June 27, 2017 to June 26, 2020 on the terms and conditions as set out in the agreement executed between the Company and Mr. Kulkarni as approved by the Board, subject to approval of the members at the ensuing Annual General Meeting.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. Kulkarni will hold office upto the date of ensuing AGM. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a member alongwith a deposit of Rs.1,00,000/- proposing the candidature of Mr. Kulkarni for the office of Director.

Mr. Kulkarni is a Graduate Engineer and holds degree in Instrumentation & Control Engineering from College Of Engineering, Pune. He has overall experience of 33 years in multinational chemical industries holding various positions such as General Manager - Engineering & Energies, Head of Planning and Tolling and currently as Territory Production and Supply Lead - South Asia for Syngenta since February 2015.

He is also a certified Energy Manager under Energy Conservation Act of Government of India. He has also completed Executive MBA course in Supply Chain at INSEAD institute, France in 2016.

Mr. Kulkarni has given his consent to act as a Director and he is not disqualified in terms of Section 164 of the Companies Act, 2013.

Mr. Kulkarni holds Nil (0.00%) equity shares in the Company.

In view of the provisions of Sections 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the appointment for the period from June 27, 2017 upto June 26, 2020 and payment of remuneration to Mr. Kulkarni are now being placed before the members for your approval.

The abstract of the terms and conditions contained in the agreement is as under:

Overall Remuneration

Subject to the provisions of Sections 196, 197 and Schedule V of the Companies Act, 2013 and other applicable provisions of the Act, if any, the remuneration payable to Mr. Kulkarni in any financial year shall not exceed 5% (five percent) of the net profits for one such Managing / Whole-time Director, and if there is more than one such Managing / Whole-time Director, 10% (Ten percent) for all of them together, of the net profits of the Company, or such other limits as may be specified under the concerned legislation prevailing from time to time. Within the aforesaid ceiling, the

remuneration payable to Mr. Kulkarni shall be as follow:

Basic Salary

Rs. 2,458,554 (Twenty Four Lakhs Fifty Eight Thousand Five Hundred Fifty Four only) per annum or part thereof, with annual increments as per the Company policy and as may be decided by the Board from time to time.

House Rent Allowance

As may be decided by the Board from time to time, in accordance with the Compensation Structure applicable to the Officers of the Company.

Special Allowance / Flexi Pay

As may be decided by the Board from time to time in accordance with the Compensation Structure applicable to the Officers of the Company.

Car Allowance / Car Facility and Driver's Salary

As per the Company's Car Policy applicable to the Officers of the Company as amended from time to time.

Short Term Incentive

As per the scheme applicable to the Officers of the Company as amended from time to time.

Perquisites

- a) Medical Reimbursement: Upto Rs.15,000/- per annum. The same shall be increased as per the scheme applicable to the Officers of the Company.
- b) Leave: As per the leave policy applicable to the Officers of the Company as amended from time to time.
- c) Leave Travel Allowance: Upto Rs.50,000/- per annum. The same shall be increased as per the scheme applicable to the Officers of the Company.
- d) Medical Insurance: As per the policy applicable to the Officers of the Company as amended from time to time.
- e) Provident Fund, Superannuation and Gratuity: As per the scheme applicable to the Officers of the Company as amended from time to time.
- f) Such other perquisites, benefits and allowances in accordance with the scheme applicable to the Officers of the Company as amended from time to time or as may be agreed by the Board.

Minimum Remuneration:

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of Mr. Kulkarni, the Company has no profits or its profits are inadequate, the Company will pay to the Whole-time Director remuneration by way of salary, benefits, perquisites and allowances and incentive as specified above.

Reimbursement of entertainment expenses:

- Mr. Kulkarni shall be reimbursed all entertainment expenses that he may incur for promotion of business or in the course of business of the Company.
- Mr. Kulkarni will not be entitled to sitting fees for Meeting of the Board/ Committees of the Board attended by him.

**Other terms and conditions :**

- This Agreement is subject to termination by either party giving to the other party three (3) months' notice in writing at the party's address given above or by making a payment of equivalent salary in lieu thereof.
- The Company may terminate this Agreement forthwith by notice in writing to Mr. Kulkarni if he shall become bankrupt or make any composition or arrangement with his creditors or if he shall cease to be a Director or shall commit a breach of any of the terms, conditions and stipulations herein contained and on his part to be observed and performed.
- The provisions of the Syngenta Code of Conduct and the core policies on viz., Anti-fraud, Anti – bribery and Gifts and Entertainment shall be deemed to have been incorporated into the Agreement by reference. Mr. Kulkarni shall during his term, abide by the provisions of the Syngenta Code of Conduct and the aforesaid core policies in spirit and in letter and commit to assure its implementation.
- This agreement is subject to the jurisdiction of the Courts of Pune.

Except Mr. Kulkarni, none of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in this resolution.

The Board recommends resolution set out in Item no. 10 & 11 of the Notice for approval of members.

Item No. 12

The Board of Directors of the Company has appointed M/s. Dhananjay V. Joshi and Associates, Cost Accountants, Pune, as Cost Auditor of the Company to audit the accounts relating to Insecticides products for the Financial Year ended March 31, 2018.

Remuneration payable to M/s. Dhananjay V. Joshi and Associates, Cost Auditor of the Company for the financial year ended March 31, 2018 was recommended by the Audit Committee to the Board of Directors and subsequently, was considered and approved by the Board of Directors at its meeting held on June 27, 2017.

In accordance with the provisions of Section 148 of the said Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the shareholders of the Company. The Board recommends resolution set out in Item no. 12 of the Notice for ratification by members.

None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise in this resolution.

The Board recommends resolution set out in Item no. 12 of the Notice for approval of members.

By order of the Board of Directors
SYNGENTA INDIA LIMITED

Date: August 7, 2017
Place: Mumbai

Arundhati Kulkarni
Company Secretary

Directors' Report

Your Directors have pleasure in presenting the Eighteenth Annual Report and the Audited Accounts of the Company for the year ended March 31, 2017.

1. Financial Results or Highlights (including discontinued operations):

(Rupees 'Lakhs')

Particulars	For the year ended	
	31-Mar-17	31-Mar-16
Revenue from Operation	287,356	292,736
Other Income	13,066	9,197
Total	300,422	301,933
Operating Profits before Finance costs, Depreciation and Tax	47,108	52,080
Finance costs	88	133
Depreciation	1,933	5,428
Provision for taxation (including deferred tax)	16,254	14,854
Profit After Tax	28,833	31,665
Other comprehensive income	(291)	312
Total comprehensive income for the year	28,542	31,977
Balance Brought forward from Previous Year	173,445	146,699
Amount available for appropriation	201,987	178,676
Dividend (Proposed)	1,647	1,647
Tax on Dividend	335	335
Transfer to General Reserve	2,883	3,249
Balance carried forward	197,122	173,445

2. Dividend:

Your Directors have recommended a dividend @ 100% (Rs.5.00 per Equity Share on 32,943,708 Equity Shares of Rs.5.00 each) for the year ended March 31, 2017. This will absorb a sum of Rs.1, 982 Lakhs including Rs.335 Lakhs by way of dividend tax.

3. Share Capital:

The Company's paid up share capital is Rs.164,718,540/- comprising of 32,943,708 shares of Rs.5/- each as on March 31, 2017.

4. State of Company's Affairs:

Financial performance:

The total revenue from operations of the Company for the current year is Rs.287,356 Lakhs as against Rs.292,736 Lakhs of the previous year. Similarly, the profit after tax in 2016-17 is Rs.28,833 Lakhs as compared to Rs.31,665 Lakhs in the previous year.

The domestic sales of Crop Protection business increased by 11.7% and that of Seeds business increased by 6.8% over the previous year. This is on account of good performance of insecticides business in Crop Protection with new product launches in the recent years and increase in Corn and Vegetable volumes in case of seeds.



Our exports business of Crop Protection in 2016-17 has declined by 34.7% compared to previous year. This is due to divestment of Goa facility in June 2016 which was catering mainly for export market. Seeds exports has increased by 10.6% as compared to the previous year, due to increased demand from the Asian markets.

5. Directors and Key Managerial Personnel:

- **Directors retire by rotation**

In accordance with Article 192 of the Articles of Association of the Company read with Section 152 of the Companies Act, 2013, Mr. Govind Bene and Mr. Prakash K. Apte retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

- **Resignation of Directors**

Ms. Antje Ute Bauer resigned as a Director with effect from December 22, 2016.

Mr. Rajendra Jog resigned as a Whole Time Director and Director with effect from June 27, 2017.

The Board of Directors wish to place on record their sincere appreciation for the valuable services rendered by both the Directors during their association with the Company as Director.

- **Re - Appointment of Managing Director**

Mr. Bipinchandra C. Solanki was appointed as Managing Director for three years with effect from January 1, 2014 to December 31, 2016. On the basis of recommendation by the Nomination and Remuneration Committee, Mr. Solanki was re-appointed as Managing Director by the Board from January 1, 2017 to December 31, 2019 subject to approval of the Members at the ensuing Annual General Meeting.

- **Appointment of additional Directors**

Ms. Sumie Fujimura was appointed as an Additional Director of the Company w.e.f. March 10, 2017.

Mr. Abhishek Agarwal was appointed as an additional and Whole Time Director of the Company w.e.f. April 1, 2017 for a period of 3 years i.e. upto March 31, 2020.

Mr. Narendra Kulkarni was appointed as an Additional and Whole Time Director of the Company w.e.f. June 27, 2017 for a period of 3 years i.e. upto June 26, 2020.

- **Re-designation of Whole Time Director**

Mr. Govind Bene was appointed as Whole Time Director of the Company w.e.f. April 1, 2014 upto March 31, 2017. In view of the organizational role change, Mr. Bene had continued only as a 'Director' of the Company w.e.f. April 1, 2017.

- **Statement of Declaration given by the Independent Directors under Section 149(7)**

The Independent Directors have submitted the declaration of independence, as required pursuant to Section 149(7) of the Companies Act, 2013, stating that they meet the criteria of Independence as provided in sub-section (6). The Independent Directors have confirmed and declared that they are not dis-qualified to act as Independent Directors in compliance with the provisions of Section 149 of the Companies Act, 2013 and the Board is also of the opinion that the Independent Directors fulfill all the conditions specified in the Companies Act, 2013 making them eligible to act as Independent Directors.

- **Changes in Key Managerial Personnel**

Mr. Govind Bene resigned as Chief Financial Officer of the Company with effect from April 1, 2017. The Board of Directors wish to place on record their sincere appreciation for the valuable services rendered by Mr. Govind Bene during his association with the Company as the Chief Financial Officer of the Company.

Mr. Abhishek Agarwal was appointed as Chief Financial Officer of the Company w.e.f. April 1, 2017.

- **Separate Meeting of Independent Directors**

In terms of requirements under Schedule IV of the Companies Act, 2013, a separate meeting of the Independent Directors was held on March 10, 2017.

The Independent Directors at the meeting, inter alia, reviewed the following:

- Performance of Non - Independent Directors and Board as a whole
- Performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors
- Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties

On the basis of feedback received from the Independent Directors, Evaluation Report was submitted to the Board for their noting.

6. Meetings of the Board of Directors:

A calendar of meetings was prepared and circulated in advance to the Directors. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. During the year, five board meetings were convened and held. The details of number of meetings of the Board are provided in the Corporate Governance Report which forms part of this Report.

7. Committees of the Board:

Following are the Committees of the Board:

- Audit Committee
- Corporate Social Responsibility Committee
- Nomination & Remuneration Committee
- Stakeholders Relationship Committee

Details of the Constitution, terms of references of each committee and number of meetings attended by individual Director are provided in the Corporate Governance Report which forms part of this Report.

8. Corporate Social Responsibility (CSR):

Your Company is guided by the conviction that value creation depends on the successful integration of business, social and environmental performance. It is committed to promote and maintain high standards of corporate responsibility in the communities in which we operate. The Company acts in accordance with its Code of Conduct and its Health, Safety and Environmental Policy, which respects human rights and embraces internationally, accepted regulations and the highest scientific standards.

CSR Vision of the Company is "To contribute actively to enhance and sustain the development of communities in which we operate".

CSR Policy of the Company is placed on web link <https://www.syngenta.co.in/information-investors>. Report on CSR activities is enclosed as Annexure 1.

9. Policy on Prevention, Prohibition & Redressal of Sexual Harassment at the Work place:

The Company has in place a Prevention of Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to address complaints regarding sexual harassment. All employees (permanent, contractual, temporary, third parties) are covered under this policy.



During the year 2016 -17, no complaint was received by the Committee related to sexual harassment.

10. Risk management:

The Company has a well laid out Risk Management Policy, covering the process of identifying, evaluating, assessing, mitigating and monitoring critical risks impacting the achievement of Company's strategy, objectives or which threatens its existence.

Company's Risk Management is implemented through the Territory Leadership Team (TLT) comprising of its senior management. The TLT through its Compliance & Risk Management (C&RM) agenda, identifies risks to the strategic agenda, evaluates those risks, assesses the cause and consequence for prioritized risk and formulates preventive and mitigating actions.

The TLT reviews each risk strategically on a quarterly basis and operationally on a bi-weekly basis to monitor the progress of action plans. The Leadership Team also discusses emerging risks as part of risk management foresight and their implications to the Company.

The progress on risk management is placed before the Audit Committee periodically and the Audit committee updates the Board on the risk management.

11. Directors' Responsibility Statement:

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of March 31, 2017 and of the profit of the Company for the period; April 1, 2016 to March 31, 2017.
- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. they have prepared the annual accounts on a going concern basis; and
- e. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

12. Details of conservation of energy, technology absorption, foreign exchange earnings and outgo:

Information required under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, with respect to conservation of energy, technology absorption and foreign exchange earnings/outgo is enclosed as Annexure 2.

13. Particulars of Employees:

Particulars of employees covered under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 shall be made available to the shareholders upon their request to the Company Secretary of the Company.

14. Investor Education and Protection Fund:

Unclaimed dividend for the financial year ended March 31, 2010 would be transferred to Investor Education and Protection Fund Account in September 2017, pursuant to the provisions of the Companies Act, 2013.

15. Health, Safety and Environment:

Health, Safety and Environment (HSE), the core value of the Company, remains one of the high focus areas. Steps required to embed HSE value as integral part of business are meticulously planned and implemented. The Company operates with the highest HSE standards with a clear responsibility to protect our environment and to ensure health and safety of our employees, customers and the community in which the Company operates. HSE performance is regularly inspected and audited to ensure deployment of effective management systems in light of existing and forthcoming business challenges. The Company ensures that the training of employees in topics related to HSE are done to maintain the highest industry standards. The HSE standards and the Code of Practices ensure that HSE requirements are integrated in all the activities thereby providing safe working environment to all employees, minimizing the environmental impact, optimizing the natural resources while we meet or exceed our performance against regulatory requirements. The Company remains committed to HSE and resources in terms of new projects and competent personnel are allocated for pertinent requirements of business segments. During the year, the Company continued to promote HSE amongst employees through various training sessions, communications & awareness campaigns. These efforts are not limited to secure uninterrupted business and services but also to contribute to society by operating in safer and healthier environment.

16. Personnel and Welfare:

Continuous up-gradation of appropriate skills and talent development, through training programmes conducted by internal as well as external agencies and appreciation and recognition of talent through awards, schemes etc. are an integral part of the Human Resources Development policy of the Company. During the year, specific focus was given on talent development and creating talent pipeline for future growth of the business.

Industrial relations between Ranebennur, Kodakandla and Nuthankal Processing Plants (factories) remained cordial. The Company continues to maintain good relationship with its workforce at all locations.

Your Directors express their sincere appreciation for the dedicated efforts put in by all the employees and for their continued contribution for ensuring higher performance of the Company during the year.

17. Corporate Governance and Management Discussion and Analysis Report:

Consequent to delisting, these reports are no longer mandatory. Nevertheless, as a good corporate governance practice, the Corporate Governance and Management Discussion and Analysis Reports are set out as separate and forms an integral part of this report.

18. Audit:

Statutory Auditor:

M/s. B S R & Associates LLP, Chartered Accountants have been appointed as Statutory Auditor of the Company from the conclusion of the 15th Annual General Meeting until the conclusion of the 20th Annual General Meeting, subject to ratification of their appointment by the members of the Company at every Annual General Meeting.

The Company has received an eligibility certificate from the auditors confirming that they are eligible for appointment as auditors of the Company under Section 139 of the Companies Act, 2013 and meet the criteria for appointment specified in Section 141 of the Companies Act, 2013.

It is proposed to ratify the appointment of M/s. B S R & Associates LLP as Statutory Auditor of the Company for the year 2017-18.

Auditor's Report:

The comments on statement of accounts referred to in the report of the auditors are self-explanatory. The Auditors' Report does not contain any qualification, reservation or adverse remark.

**Internal Auditor:**

During the year 2016-17, Internal Audit has been conducted by the Group Auditor.

Cost Auditor:

Pursuant to section 148 of the Companies Act, 2013 read with the Companies (Cost Records Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of its Insecticides products is required to be audited. Your Directors have, on the recommendation of the Audit Committee, appointed M/s. Dhananjay V. Joshi & Associates, Pune to audit the Cost Accounts of the Company for the financial year 2017 - 18 on a remuneration of Rs.3.50 Lakhs plus taxes as applicable and re-imbusement of out of pocket expenses. As required under the Companies Act, 2013, the Members ratification for the fees payable to M/s. Dhananjay V. Joshi & Associates, Cost Auditor is being sought at the ensuing Annual General Meeting.

Secretarial Auditor:

Mr. Devendra Deshpande, Company Secretary in practice was appointed to conduct the Secretarial Audit of the Company for the Financial Year 2016 - 17, as required under Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Secretarial Audit Report in Form MR- 3 for Financial Year 2016 - 17 is enclosed as Annexure 3 which forms part of this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

19. Particulars of Loans & guarantees or Investments under Section 186:

The Company has not provided any loan, guarantee or investments attracting Section 186 of the Companies Act, 2013.

20. Particulars of contracts or arrangements with Related Parties:

All Related Party Transactions that were entered into during the financial year were on arm's length and were in the ordinary course of business. All Related Party Transactions were placed before the Audit Committee for approval and before the Board of Directors for their noting.

The details of material Related Party Transactions as per Section 134 (h) read with Rule 8 of the Companies (Accounts) Rules, 2014 in the prescribed form AOC-2 is enclosed as Annexure 4.

21. Extract of Annual Return:

Pursuant to Section 92(3) of the Companies Act, 2013 ('the Act') and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of Annual Return is enclosed as Annexure 5.

22. Holding and Subsidiaries and Associate Companies:

The Company has no holding, subsidiary and/or associate Company.

23. Others:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- a. Details relating to deposits covered under Chapter V of the Companies Act, 2013
- b. Issue of equity shares with differential rights as to dividend, voting or otherwise
- c. Issue of shares (including sweat equity shares) to employees of the Company under any Scheme
- d. During the year, there was no change in the nature of business of the Company.
- e. No fraud was reported by the Auditors under section 143 (12) of the Companies Act, 2013

- f. There are no significant and material orders passed by the regulators/courts/tribunals impacting the going concern status of the Company and its future operations.
- g. There were no material changes and commitments affecting the financial position of the Company which occurred during the end of financial year to which the financial statement relates and the date of this report.

24. Acknowledgment:

Your Directors place on record their appreciation for the support from the Central and State Government and the Departments of Agriculture of the States, the Indian Council of Agricultural Research and other universities and research organizations, business associates, investors and the farming community who have reposed their trust and confidence in the Company's products.

Your Directors also place on record their appreciation for the continued support received from the Syngenta Group.

On behalf of the Board of Directors
SYNGENTA INDIA LIMITED

Bipinchandra C. Solanki
Managing Director
DIN: 00029753

Abhishek Agarwal
Whole Time Director & Chief Financial Officer
DIN: 03481395

Date: August 7, 2017

Place: Mumbai



Annexure 1: Report on CSR Activities/Initiatives

[Pursuant to Section .135 of the Act & Rules made thereunder]

1. A brief outline of the Company's CSR policy, including overview of the projects or programs proposed to be undertaken and reference to the web-link to the CSR Policy and projects or programs:-

Corporate Social Responsibility Policy:

Preamble: Syngenta is guided by the conviction that value creation depends on the successful integration of business, social and environmental performance. Syngenta is committed to promote and maintain high standards of corporate responsibility in the communities in which we operate. The Company acts in accordance with its Code of Conduct and its Health, Safety and Environmental Policy, which respects human rights and embraces internationally, accepted regulations and the highest scientific standards.

CSR Vision: "To contribute actively to enhance and sustain the development of communities in which we operate"

Policy: This policy is to ensure the Company's Social Responsibility commitment in its operational areas and beyond. This policy focusses on the Company's key areas for its social responsibility initiatives in India. As a responsible corporate citizen, Syngenta will:

- Contribute to the development of the society in which it operates.
- Partner with Government and Non-Government agencies to plan and implement CSR programmes
- Scale up current CSR activities through initiatives aimed at improving livelihood of the needy, economically deprived and marginalised sections of the society.
- Achieve inclusiveness by encouraging people from all sections of the community irrespective of caste, creed or religion to benefit from our CSR initiatives.
- Meet or exceed regulations and legal requirements related to CSR.
- Openly communicate CSR performance to the Government and all its stakeholders.
- Encourage employees to volunteer their time and expertise towards CSR initiatives.

Focus areas: Syngenta India Limited will focus on the following sectors to implement Corporate Social Responsibility programs:-

- Sustainable livelihood, Eradicate Hunger and Poverty
- Agriculture, Water and Land use efficiency
- Environmental Sustainability & Bio Diversity
- Education & Skill development
- Infrastructure Development
- Health, Hygiene, Sanitation & Waste Management
- Women Empowerment and Gender Equality
- Rural Development
- Promote Culture, Sports and Arts
- Any other activity as may be decided by the CSR Committee.

Following are the details of CSR expenses for the financial year 2016 -17

(Rs. Lakhs)

Sr. No	Particulars	Amount
1.	Average net profit of the Company for the last three financial years	45,828
2.	Prescribed CSR Expenditure (2% of the amount mentioned above)	913
3.	Details of the CSR spent during the financial year 2016-17	
	a. Total amount spent for the financial year	447
	b. Amount unspent, if any	466

Manner in which the amount spent during financial year is detailed below:

(Rs. In Lakhs)

1	2	3	4	5	6	7	8
SI No	CSR project/ activity identified and implemented	Sector in which the Project is covered	1. Local area/ others- 2. specify the state /district (Name of the District/s, State/s where project/ programme was undertaken	Amount outlay (budget) project/ programme wise	Amount spent on the project/ programme in 2016 - 17 Sub-heads: 1.Direct expenditure on project/ programme, 2.Overheads:	Cumulative expenditure up to the reporting period (Total spend of 2014-15 + 2015-16 + 2016-17)	Amount spent: Direct/ through implementing agency*
1	Syngenta I-CLEAN - Inculcating Cleanliness, Learning, Education, Awareness and New Habits among communities, especially in the most remote rural areas. The project components include beautification and modernization of rural markets with facilities like drinking water, solar lights, .waste management etc. Community cleanliness campaign including construction of public toilet facilities in rural markets. Awareness and education on hygiene, cleanliness, water recharging etc.	Sanitation, Hygiene, Safe Drinking water, Waste Management	Bihar – East Champaran, Madhubani and Muzaffarpur	600.00	172.00	208.20	Through Implementing agencies – 1. Grey Matters 2. Samajik Saikshnik Vikas Kendra (SSVK) Kausalya Foundation



1	2	3	4	5	6	7	8
SI No	CSR project/ activity identified and implemented	Sector in which the Project is covered	1. Local area/ others- 2. specify the state /district (Name of the District/s, State/s where project/ programme was undertaken	Amount outlay (budget) project/ programme wise	Amount spent on the project/ programme in 2016 - 17 Sub-heads: 1.Direct expenditure on project/ programme, 2.Overheads:	Cumulative expenditure up to the reporting period (Total spend of 2014-15 + 2015-16 + 2016-17)	Amount spent: Direct/ through implementing agency*
	Supports Village Panchayats to collect segregate and dispose the domestic waste. Support institutions for toilet up gradation and inculcate waste management awareness and skills among the students and youth.		Goa	48.00	6.44	129.43	Through Implementing agency – Margdarshak & V Resycle
	Support rural villages with the RO facility for safe drinking water. Support schools for toilet construction in rural areas etc		FPP Sites in Karnataka, Gujarat & Maharashtra	193.90	55.40	165.40	Direct
2	Farmer support initiative – Krishi Vikas - Support to farmers who suffered due to the crop failure by providing wheat growing kit in collaboration with the Punjab Agriculture University	Eradicate hunger and poverty	Punjab & Haryana	132.00	2.89	98.48	Direct
3	The SPARSH project focuses on prioritized community needs and currently it is working with women through Self Help Groups and building their skills through vocational skill development etc.	Empowering women & livelihood enhancement projects	Goa	40.00	16.82	55.52	Through Margdarshak development services

1	2	3	4	5	6	7	8
SI No	CSR project/ activity identified and implemented	Sector in which the Project is covered	1. Local area/ others- 2. specify the state /district (Name of the District/s, State/s where project/ programme was undertaken	Amount outlay (budget) project/ programme wise	Amount spent on the project/ programme in 2016 - 17 Sub-heads: 1.Direct expenditure on project/ programme, 2.Overheads:	Cumulative expenditure up to the reporting period (Total spend of 2014-15 + 2015-16 + 2016-17)	Amount spent: Direct/ through implementing agency*
4	Syngenta "Krishi Mitra" is a Resource Centre on Agriculture engaging with the Goan Agriculture Community. The purpose is to develop a positive attitude towards farming, help farmers to use good agriculture practices and assist them to get Government schemes.	Eradicate hunger and poverty/ Maintaining quality of soil, air and water;	Goa	46.00	9.80	90.30	Direct (Throgh Krishi Mitr Team)
5	Key activities are Syngenta Scholarships, support schools to develop science laboratories, library facility, sports facility, furniture support to schools etc.	Education	Goa & Purulia in West Bengal FPP Sites in Karnataka, Gujarat & Maharashtra	175.00	125.21	265.61	Direct
	Syngenta Me & Mine - Education supports to needy students, Educational awareness on chemical safety, child labour etc		Seed Farm locations in Karnataka, Gujarat & Maharashtra	56.00	5.96	52.75	Direct
6	Sports training for children and youth, Community sports facility etc.	Training to promote rural sports, nationally recognized Sports.	Goa	25.00	9.69	53.18	Direct



1	2	3	4	5	6	7	8
SI No	CSR project/ activity identified and implemented	Sector in which the Project is covered	1. Local area/ others- 2. specify the state /district (Name of the District/s, State/s where project/ programme was undertaken	Amount outlay (budget) project/ programme wise	Amount spent on the project/ programme in 2016 - 17 Sub-heads: 1.Direct expenditure on project/ programme, 2.Overheads:	Cumulative expenditure up to the reporting period (Total spend of 2014-15 + 2015-16 + 2016-17)	Amount spent: Direct/ through implementing agency*
7	Support to Primary Health Centers, Health camps etc	Health	Goa	28.00	21.86	47.36	Direct
8	Support for community hall planning, road safety singses in rural areas, community play area development	Rural Development	Goa	60.00	0	17.00	Direct
	Total Spend				426.07	1183.23	
9	Administrative expenses (5% of the total spend)				21.30	59.16	
	Grand Total			1403.90	447.37	1242.39	

Reasons for not spending 2% of average net profit

- Some projects are in progress and actual spend on these projects are yet to happen.
- Divestment of one of the manufacturing sites in Goa where significant CSR spend use to happen.

Responsibility Statement:

We hereby affirm that the CSR Policy, as approved by the Board has been implemented and the Implementing Committee which was constituted by the Board for implementation of CSR Projects and activities are in compliance with our CSR objectives.

Bipinchandra C. Solanki
Managing Director and Chairman of CSR Committee

Annexure 2: Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

(A) CONSERVATION OF ENERGY

(i)	the steps taken or impact on conservation of energy	Company continued its policy of giving priority to energy conservation measures by regularly reviewing the energy generation, distribution and consumption and effective control on utilization of energy.
(ii)	the steps taken by the company for utilizing alternate sources of energy	
(iii)	the capital investment on energy conservation equipments	NIL

(B) TECHNOLOGY ABSORPTION

(i)	the efforts made towards technology absorption	The R&D unit of Syngenta India Limited is engaged in various Product Developmental activities such as Profiling of the new products pipe line in Crop Protection and Seeds, biotic and abiotic stress Management of the crops, Resistance Management and providing solutions to the farmers for enhancing their farm productivity.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	New products and process development have helped in bringing in technologies which are more environment friendly, less labor intensive and low use of natural resources like water. By using these technologies, Farmers are able to get better yields and farm gate price.
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- (a) the details of technology imported (b) the year of import; (c) whether the technology been fully absorbed (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Material transfer agreements entered by Syngenta Group and International Research Institute like IRRI, CIMMYT, AVRDC, for the supply of elite lines and solutions which are under development phase in different agro climatic conditions. Most of these activities are in Development phase and will result in future delivery innovations to the Indian Growers. Some integrated technologies still need large scale usage and will require intensive efforts to propagate so that it can be used in most efficient way with economy of scale.
(iv)	The expenditure incurred on Research and Development	(Rs. Lakhs) Capital expenditure : 1,371 Revenue expenditure : <u>6,942</u> Total : 8,313 2.89% as a percentage of total turnover

FOREIGN EXCHANGE EARNINGS AND OUTGO**Earnings in foreign currency:**

Particulars	Amount (Rs. Lakhs)
Sale of goods	6,530
Misc. income	11
Total	6,541

Expenditure in foreign currency:

Particulars	Amount (Rs. Lakhs)
Purchase of materials	604
Purchase of fixed assets	468
Other expenses	936
Total	2,008

Annexure 3:

FORM NO. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the
Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members
SYNGENTA INDIA LIMITED
Amar Paradigm, S No. 110/11/3
Baner Road, Baner 411045

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by Syngenta India Limited (Hereinafter called "the Company").

Secretarial Audit was conducted for the period from April 1, 2016 to March 31, 2017, in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances of the Company and expressing our opinion thereon. We have been engaged as Secretarial Auditors of the Company to conduct the Audit of the Company to examine the compliance of Companies Act and the laws specifically listed below.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 according to the provisions of the following list of laws and regulations with our observations on the same:

- (i) The Companies Act, 2013 (the Act) and the rules made there under: The Company has satisfactorily complied with the provisions of the Companies Act, 2013 and the Rules made there under and there are no discrepancies observed by us during the period under review.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under: The Company is an unlisted Company and therefore provisions of The Securities Contracts (Regulation) Act, 1956 ('SCRA') are not applicable.
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under: The Company is as a unlisted Public Company and around 46% of the shares are in dematerialized form and the Company has complied with the provisions of The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.
- (iv) The Company has satisfactorily complied with the provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings and there are no discrepancies observed by us during the period under review. There was no allotment of shares or the Company has not availed any External Commercial Borrowings during the year.



- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

The Company is an unlisted Company and therefore provisions of Regulations and Guidelines mentioned above and prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable.

During the period under review, the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. which are mentioned above.

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, the Company has complied with the following laws applicable specifically to the Company:

- a. The Seeds Act, 1966, The Seeds Rules, 1968 and The Seeds (Control) Order, 1983
- b. The Insecticides Act, 1968 and The Insecticides Rules, 1971

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India have been followed by the Company.
- ii. The Company being an unlisted Company the clauses of Listing agreement / SEBI (Listing Obligations and Disclosure Requirements), 2015 are not applicable.

We further report that:

There are adequate systems and processes in the Company commensurate with its size & operation to monitor and ensure compliance with applicable laws including general laws, labour laws, competition law and environmental laws.

The Board of Directors of the Company is duly constituted with proper balance of appointment of Independent Directors and Woman Director as required by Section 149 of the Companies Act, 2013.

Adequate notice is given to all directors about the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting. All decisions

at Board Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors.

We further report that during the audit period there are no major decisions, specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

**FOR DVD & ASSOCIATES
COMPANY SECRETARIES**

DEVENDRA V DESHPANDE
FCS No.6099
CP No. 6515

Place: Pune

Date: August 7, 2017



Annexure 4 - Particulars of contracts/ arrangements entered into by the Company with related parties AOC-2

Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis:
There were no contracts or arrangements or transactions entered into during the year ended March 31, 2017 which were not at arm's length basis.
2. Details of material contracts or arrangement or transactions at arm's length basis

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
Name of the Related Party- Syngenta Asia Pacific Pte. Ltd. (SAPAC) Nature of Relationship- Fellow Subsidiary	Contract Manufacturing	21 st August, 2003 and further amended from time to time	Based on Transfer Pricing Policy	Not Applicable	No
Name of the Related Party- Syngenta Asia Pacific Pte. Ltd. Nature of Relationship- Fellow Subsidiary	Purchase of raw materials	27 th October 2003 w.e.f. 1st January 2004 and further amended from time to time.	Based on Transfer Pricing Policy	Not Applicable	No

On behalf of the Board of Directors
SYNGENTA INDIA LIMITED

Date: August 7, 2017
 Place: Mumbai

Bipinchandra C. Solanki
Managing Director
DIN : 00029753

Abhishek Agarwal
Whole Time Director & Chief Financial Officer
DIN : 03481395

Annexure 5: Extract of Annual Return

Form No. MGT-9

As on the financial year ended on March 31, 2017

of

Syngenta India Limited

[Pursuant to Section 92(1) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

1.	CIN:	U24210PN2000PLC135336
2.	Registration Date	23/03/2000
3.	Name of the Company	Syngenta India Limited
4.	Category/ Sub-Category of the Company:	Company Limited by Shares- Indian Non-Government Company
5.	Address of the Registered Office and contact details	Amar Paradigm, S No. 110/11/3, Baner Road, Pune- 411045, Maharashtra. Contact Number- (020) 3069 9200
6.	Whether listed company	No
7.	Name, Address and contact details of Registrar & Transfer Agents (RTA), if any:	M/S Link Intime India Private Limited 202, Akshay Complex, Dhole Patil Road, Near Ganesh Temple, Pune, Maharashtra 411001

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products/services	NIC Code of the Product/ service	% to total turnover of the company
1.	Thiamethoxam and its formulations	20211	19.77%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. NO	NAME AND ADDRESS OF THE COMPANY	CIN/ GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
Not Applicable					



SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

I. Category-wise Share Holding

	Category of shareholders	Shareholding at the beginning of the year				Shareholding at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	0	0	0	0	0	0	0	0	0
(b)	Central Government / State Government(s)	0	0	0	0	0	0	0	0	0
(c)	Financial Institutions / Banks	0	0	0	0	0	0	0	0	0
(d)	Any Other (Specify)									0
	Sub Total (A)(1)	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
(b)	Government	0	0	0	0	0	0	0	0	0
(c)	Institutions	0	0	0	0	0	0	0	0	0
(d)	Foreign Portfolio Investor	0	0	0	0	0	0	0	0	0
(e)	Any Other (Specify)									
	Bodies Corporate	14434178	17328494	31762672	96.42	14434178	17328494	31762672	96.41	0
	Sub Total (A)(2)	14434178	17328494	31762672	96.42	14434178	17328494	31762672	96.41	0
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	14434178	17328494	31762672	96.42	14434178	17328494	31762672	96.41	
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds / UTI	100	593	693	0.00	100	593	693	0.00	0
(b)	Venture Capital Funds	0	0	0	0.00	0	0	0	0	0
(c)	Alternate Investment Funds	0	0	0	0.00	0	0	0	0	0
(d)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0	0

	Category of shareholders	Shareholding at the beginning of the year				Shareholding at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(e)	Foreign Portfolio Investor	0	80	80	0.00	0	80	80	0.00	0
(f)	Financial Institutions / Banks	3495	2805	6300	0.02	3495	2805	6300	0.02	0
(g)	Insurance Companies	0	0	0	0.00	0	0	0	0	0
(h)	Provident Funds/ Pension Funds	0	0	0	0.00	0	0	0	0	0
(i)	Any Other (Specify)									0
	Foreign Bank	130	0	130	0.00	130	0	130	0.00	0
	Sub Total (B)(1)	3725	3478	7203	0.02	3725	3478	7203	0.02	0
[2]	Central Government/ State Government(s)/ President of India									0
	Sub Total (B)(2)	0	0	0	0.00	0	0	0	0	0
[3]	Non-Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	659950	426276	1086226	3.30	659958	419482	1079440	3.28	0.02
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	0	0	0	0.00	0	0	0	0	0
(b)	NBFCs registered with RBI	0	0	0	0.00	0	0	0	0	0
(c)	Employee Trusts	0	0	0	0.00	0	0	0	0	0
(d)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0.00	0	0	0	0	0
(e)	Any Other (Specify)									
	Foreign Nationals	54	0	54	0.00	54	0	54	0.00	0
	Hindu Undivided Family	9076	0	9076	0.03	9165	0	9165	0.03	0.00
	Non Resident Indians (Non Repat)	37827	2230	40057	0.12	40946	2230	43176	0.13	0.01
	Non Resident Indians (Repat)	6022	521	6543	0.02	6257	521	6778	0.02	0.00



Category of shareholders	Shareholding at the beginning of the year				Shareholding at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Overseas Bodies Corporates	0	0	0	0.00	0	50	50	0.00	0.00
Clearing Member	941	0	941	0.00	1047	0	1047	0.00	0.00
Bodies Corporate	26462	4474	30936	0.10	29549	4574	34123	0.10	0.01
Sub Total (B)(3)	740332	433501	1173833	3.56	746976	426857	1173833	3.56	0.00
Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)	744057	436979	1181036	3.58	750701	430335	1181036	3.58	0.00
Total (A)+(B)	15178235	17765473	32943708	100.00	15184879	17758829	32943708	100.00	0.00
(C) Non Promoter - Non Public									
[1] Custodian/DR Holder	0	0	0	0.00	0	0	0	0	0.00
[2] Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.00	0	0	0	0	0.00
Total (A)+(B)+(C)	15178235	17765473	32943708	100.00	15184879	17758829	32943708	100.00	

Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 2015			Shareholding at the end of the Year			% change In Share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Syngenta Participation AG	16246450	49.32	0	16246450	49.32	0	0.00
2	Syngenta South Asia AG	14434178	43.81	0	14434178	43.81	0	0.00
3	Syngenta Research Services PTE Ltd	1082044	3.28	0	1082044	3.28	0	0.00

Change in Promoters' Shareholding

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	31762672	96.41	31762672	96.41
	Date wise Increase/ Decrease in Promoters Shareholding during the Year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	31762672	96.41	31762672	96.41

iii. Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	SOHRAB HOMI FRACIS				
	At the beginning of the year	25000	0.08	25000	0.08
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.):	0	0	0	0
	At the End of the year (or on the date of separation, if Separated during the year)	25000	0.08	25000	0.08

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2	PUNIT KUMAR				
	At the beginning of the year	11000	0.03	11000	0.03
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.):	0	0	0	0
	At the End of the year (or on the date of separation, if Separated during the year)	11000	0.03	11000	0.03



Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3	SANGEETA GUPTA				
	At the beginning of the year	8500	0.02	-	0.02
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.):	-	-	-	-
	- Transfer dated 12.08.2016	200	0.00	8700	0.02
	- Transfer dated 19.08.2016	300	0.00	9000	0.03
	At the End of the year (or on the date of separation, if Separated during the year)	9000	0.03	9000	0.03

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4	CHAMPION COMMERCIAL COMPANY LIMITED				
	At the beginning of the year	5000	0.02	5000	0.02
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.):	-	-	-	-
	At the End of the year (or on the date of separation, if Separated during the year)	5000	0.02	5000	0.02

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5	EDDIE PHIROZ BHARUCHA				
	At the beginning of the year	4750	0.01	4750	0.01
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.):	0	0	0	0
	At the End of the year (or on the date of separation, if Separated during the year)	4750	0.01	4750	0.01

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
6	SHRI PARASHRAM HOLDINGS PRIVATE LIMITED				
	At the beginning of the year	0	0	0	0
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.):	0	0	0	0
	- Transfer on 12.08.2016	4651	0.01	4651	0.01
	At the End of the year (or on the date of separation, if Separated during the year)	4651	0.01	4651	0.01

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
7	MADHUBEN HARIPRASAD JOSHI				
	At the beginning of the year	0	0	0	0
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.):				
	- Transfer on 12.08.2016	4540	0.1	4540	0.1
	At the End of the year (or on the date of separation, if Separated during the year)	4540	0.01	4540	0.01

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
8	SHRIDHAR P IYER				
	At the beginning of the year	3750	0.01	3750	0.01
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.):	0	0	0	0
	At the End of the year (or on the date of separation, if Separated during the year)	3750	0.01	3750	0.01



Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
9	MANISH KAPUR				
	At the beginning of the year	3101	0.01	3101	0.01
	-Transfer on 5.8.2016	190	0.00	3291	0.01
	At the End of the year (or on the date of separation, if Separated during the year)	3291	0.01	3291	0.01

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
10	ANNARAO KRISHNARAO LOKAPUR				
	At the beginning of the year	3235	0.01	3235	0.01
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.):	0	0	0	0
	At the End of the year (or on the date of separation, if Separated during the year)	3235	0.01	3235	0.01

i. Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	0	0	0	0
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.):	NA	NA	NA	NA
	At the end of the year	0	0	0	0

IV. INDEBTEDNESS

**Indebtedness of the Company including interest outstanding/accrued but not due for payment
(Period from 1.4.2016 to 31.3.2017)**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	0	0	0	0
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	0	0	0
Change in Indebtedness during the financial year				
• Addition	0	0	0	0
• Reduction				
Net Change	0	0	0	0
Indebtedness at the end of the financial year				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	0	0	0

V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/ or Manager:

Rs.Lakhs

Sr. No.	Particulars of Remuneration	Bipinchandra Solanki- Managing Director	Govind P.S. Bene – Whole Time Director* Upto March 31, 2017	Rajendra M. Jog-Whole-time Director	R S Dwarkanath ** Upto May 27, 2016	Total Amount
1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	335.95	80.05	94.08	19.70	529.78
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	34.49	3.34	2.51	13.99	54.33



Sr. No.	Particulars of Remuneration	Bipinchandra Solanki- Managing Director	Govind P.S. Bene – Whole Time Director* Upto March 31, 2017	Rajendra M. Jog-Whole-time Director	R S Dwarkanath ** Upto May 27, 2016	Total Amount
	(c) Profits in lieu of salary u/s 17(3) Income-tax Act, 1961					
2.	Stock Option	0	0	0	0	0
3.	Sweat Equity	0	0	0	0	0
4.	Commission	0	0	0	0	0
	- as % of profit	0	0	0	0	0
	- others, specify...	0	0	0	0	0
5.	Others, please specify					
	Total (A)	370.44	83.39	96.60	33.69	584.12
	Ceiling as per the Act	5% of Net Profit	5% of Net Profit	5% of Net Profit	5% of Net Profit	10% of Net Profit

B. Remuneration to other directors:

Rs. In Lakhs

Sr. No.	Particulars of Remuneration	Name of Directors		Total Amount
1.	Independent Directors	V. R. Kaundinya	Balaji Bakthisaran	
	• Fee for attending board/ committee meetings	2.60	2.60	5.20
	• Commission	4.38	7.00	11.38
	• Others, please specify	0	0	0
	Total (1)	6.98	9.60	16.58
2.	Other Non-Executive Directors-	Prakash K. Apte	Antje Bauer	
	• Fee for attending board/ committee meetings	2.60	0.20	2.80
	• Commission	9.00	0.00	9.00
	• Others, please specify	0	0	0
	Total (2)	11.60	0.20	11.80
	Total (B)=(1+2)	18.58	9.80	28.38
	Total Managerial Remuneration			28.38
	Overall Ceiling as per the Act			N.A

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/ MANAGER/ WTD:

Rs. In Lakhs

Sr. No.	Particulars of Remuneration			
	Independent Directors -	Arundhati Kulkarni – Company Secretary	CFO*	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	16.36		16.36
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.94		0.94
	(c) Profits in lieu of salary u/s on 17(3) Income-tax Act, 1961	0		0
2.	Stock Option	0	0	0
3.	Sweat Equity	0	0	0
4.	Commission	0	0	0
	- as % of profit			
	- others, specify...			
5.	Others, please specify			
	Total	17.30	0	17.30

Mr. Govind Bene was a Whole Time Director and Chief Financial Officer of the Company upto March 31,2017. His remuneration appearing under the heading – Remuneration to Whole Time Director.


D. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:
SYNGENTA INDIA LIMITED

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty			No Penalties, Punishments or Compounding of Offences		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			No Penalties, Punishments or Compounding of Offences		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			No Penalties, Punishments or Compounding of Offences		
Punishment					
Compounding					

On behalf of the Board of Directors
SYNGENTA INDIA LIMITED

Date: August 7, 2017

Place: Mumbai

Bipinchandra C. Solanki
Managing Director
 DIN : 00029753

Abhishek Agarwal
Whole Time Director & Chief Financial Officer
 DIN : 03481395

Management Discussion & Analysis Report

1. Industry Structure and Developments:

The famous statement of Mahatma Gandhi that “The future of India lies in its Villages” in many ways is still very true. Agriculture sector continues to employ over half of the workforce in the country. Agriculture with its many forward and backward linkages continue to influence the overall growth of the country. It is a fact that if India has to achieve a consistent double digit growth to make a dent on poverty, agriculture has to grow at a minimum of 4 per cent year on year.

Indian Agriculture has come a long way over the decades even though the contribution to GDP has decreased from more than 50% in the 1950s to 17.4% in 2015-16. India's production of food grains has been increasing every year, and is among the top producers of several crops such as wheat, rice, pulses, sugarcane and cotton. India is the highest producer of milk and second highest producer of fruits and vegetables. The country contributes 25% to the world's pulses production, 22% to the rice production and 13% to the wheat production. It also accounts for about 25% of the total quantity of cotton produced, and is the second highest exporter of cotton for the past several years.

However, growth in agricultural output has been characterized by fluctuations; each high-growth period followed by a phase of low growth. This cyclical pattern has been reflected in annual growth rates also.

The Government of India, in its Union Budget 2017, has announced many new programs in the agriculture sector which push for market reforms in agriculture. The funding for the rural and agriculture sector has been increased by 24% in 2017-18 and agriculture growth is expected to be at 4.1% for the year 2017-18. The Government has increased funding for crop insurance from Rs. 5,500 crores to Rs. 9,000 crores; long-term irrigation corpus has been increased by Rs. 20,000 crores and will give 100% funding for soil health laboratories to all Krishi Vigyan Kendras (KVK).

This focus on financial inclusion and rural prosperity gives a lot of optimism to the agriculture industry. This augurs well for the agriculture sector and the economy since it will stimulate spending and will transform the rural landscape of the country.

The Government of India has also recently implemented the much-awaited Good and Service Tax (GST) regime in the country thus culminating the tax reforms process. This move aims to create one single market and make the Indian economy and Indian industry competitive. This will reshape the agriculture industry also and would translate into major opportunities.

2. Opportunities and Threats:

The agriculture sector in India is expected to generate better momentum in the next few years due to increased investments in agricultural infrastructure such as irrigation facilities, warehousing and cold storage. Increased allocation to agriculture insurance will help farmers cover the risk of crop failure and will stabilise their income. Factors such as reduced transaction costs and time, improved port gate management and better fiscal incentives would contribute to the sector's growth. Furthermore, the use of technology and digitalisation will help improve access to markets.

The Ministry of Agriculture, Government of India, has been conducting various consultations and seeking suggestions from numerous stakeholders in the agriculture sector, in order to devise a strategy to double the income of farmers by 2022.

The NITI Aayog has proposed various reforms in India's agriculture sector, including liberal contract farming, direct purchase from farmers by private players, direct sale by farmers to consumers, and single trader license, among other measures, in order to double rural income in the next five years.

However, the sector continues to face some challenges:



Small landholdings: Small size of land holdings do not allow farmers to have access to formal credit to purchase farm mechanization and irrigation equipment. Eligibility for Government benefits such as input subsidies or crop insurance schemes is also hampered due to the informal lease agreements in India.

Land Degradation: More than 5 billion tonnes of soil is washed away every year taking with it 6 million tonnes of nutrients which leads to huge loss in productivity and yields.

Monsoon dependence and low use of micro-irrigation systems: drip or sprinkler irrigation impacts yield of crops, increasing the use of such system will help in conserving water, reduce dependence on monsoon and will also save on the cost of irrigation.

Climate change: Changing weather patterns are also another important threat to agriculture in India. Climate change is expected to increase dry lands by 11%. Due, to global warming the average temperature has increased and are affecting the yield of major crops.

Inadequate Infrastructure: Cold storages and logistic infrastructure lead to reduction in perishability of the agriculture produce.

Syngenta is well placed to accelerate the growth of agriculture by overcoming challenges and seize the opportunities.

Our technologies in crop protection and seeds help address the challenges of climate change. Our herbicides help augment water usage in crops. To combat biotic and abiotic stresses for various crops, we have launched crop protection products like Virtako, Capcadis, VoliamFlexi. Our vegetable hybrids can withstand climate changes and grow throughout the year in subtropical or temperate conditions; our rice hybrids can reduce the harvesting cycle; corn hybrids that use moisture more efficiently to give higher yields on drought - stressed land. Advances in research have enabled a fruit like watermelon to be grown in all seasons.

To increase farmers output and improve their profitability we have integrated solutions for crops.

Among other initiatives, Syngenta has also introduced Anantham - a web-based tool which will help digitalize agriculture.

The Government of India's aim is to double the farm income in five years, which primarily means that it wants to make agriculture remunerative - this objective also provides Syngenta an opportunity to deploy the latest technologies and solutions in the major crops to make the Indian farming community not only productive but also profitable. It also gives us opportunities to partner with the Government since as a company we are constantly working to scale up the growers' capabilities and ensuring that the farmers get the best inputs and solutions.

3. Financial Performance vis-a-vis Operational Performance:

The total revenue from operations of the Company for the current year is Rs.287,356 Lakhs as against Rs.292,736 Lakhs of the previous year. Similarly, the profit after tax in 2016-17 is Rs.28,833 Lakhs as compared to Rs.31,665 Lakhs in the previous year.

The domestic sales of Crop Protection business increased by 11.7% and that of Seeds business increased by 6.8% over the previous year. This is on account of good performance of insecticides business in Crop Protection with new product launches in the recent years and increase in Corn and Vegetable volumes in case of seeds.

Our exports business of Crop Protection in 2016-17 has declined by 34.7% compared to previous year. This is due to divestment of Goa facility in June 2016 which was catering mainly for export market. Seeds exports has increased by 10.6% as compared to the previous year, due to increased demand from the Asian markets.

4. Outlook:

Industry growth was impacted due to delayed rain and very low pest pressure across crops. During the last 2 quarters of the year end financials, the economy got adversely impacted due to demonetization. The overall crop ROI was impacted due to poor cash flow in rural economy and lowering of crop prices.

5. Risks and Concerns:

Since Indian agriculture is still heavily dependent on weather, monsoon timing and pesticide disease intensity remains a key challenge. Sudden changes can lead to fluctuations in demand. Similarly, the export sales are impacted by the weather conditions and demand fluctuations in importing country. On other hand, many generic companies have significantly increased exports to India at cheaper prices, putting pressure on realizations. The entry of generic players in the new products will adversely affect sales and margins. This risk can at least be partially offset by the broad base of our product portfolios.

The Company's risk profile is reviewed regularly and steps are being taken to manage the same. The senior managers have been sensitized to the risk in their areas of operation and measures are initiated to manage and mitigate the risks.

6. Internal Control Systems:

The Company regularly conducts internal audits to monitor the effectiveness of internal controls in the organization. The key processes covered by the internal audits for the year included Controls & Compliance, Production and Supply - Vegetable Seeds and Production and Supply - Corn Seeds.

7. Personnel and Welfare:

Continuous up-gradation of appropriate skills and talent development, through training programmes conducted by internal as well as external agencies and appreciation and recognition of talent through awards, schemes etc. are an integral part of Human Resources Development (HR) policy of the Company. During the year, specific focus was given on Talent development and creating talent pipeline for future growth of the business.

Industrial relations in Ranebennur, Kodakandla and Nuthankal seed Processing Plants remained cordial. The Company continues to maintain good relationships with its workforce at all locations through its employee connect and engagement initiatives.

As part of capability building, HR has conducted various skill enhancement and Leadership Development Programmes across all businesses through various workshops. Thus, the HR Team is poised to take the leap forward and is completely aligned to business needs.

On behalf of the Board of Directors

SYNGENTA INDIA LIMITED

Date: August 7, 2017

Place: Mumbai

Bipinchandra C. Solanki

Managing Director

DIN : 00029753

Abhishek Agarwal

Whole Time Director & Chief Financial Officer

DIN : 03481395

REPORT ON CORPORATE GOVERNANCE

1. Company Philosophy:

The Company's philosophy on corporate governance is dictated by the principles of doing business in a way which is open, transparent and ethically responsible, in compliance with the letter and spirit of law which serves the interests of all stakeholders including customers, distributors, suppliers, shareholders, employees, the public at large, Government and Regulatory authorities.

2. Board of Directors:

Composition:

The composition of the Board of Directors and related information as on March 31, 2017 are as follows:

Name of the Director	Whole-time/ Non-Executive Director	No. of Board Meetings attended	Attendance at the last AGM on 23. 09. 2016	Directorship in other Companies incorporated in India
Mr. Prakash K. Apte	Non - Executive Director	5	YES	4
Mr. Bipinchandra C. Solanki	Managing Director	5	YES	2
Mr. Govind P. S. Bene	Whole-time Director	4	YES	-
Mr. Rajendra M. Jog	Whole-time Director	4	YES	-
Mr. V. R. Kaundinya	Independent Director	5	YES	8
*Ms. Antje Bauer	Non - Executive Director	1	NO	NA
Mr. Balaji Bakthisaran	Independent Director	5	YES	1
**Ms. Sumie Fujimura	Additional Director	-	N.A.	-

* Ms. Antje Bauer resigned as a Director of the Company w.e.f. December 22, 2016

** Appointed as an additional director w.e.f. March 10, 2017

Details of Directors being appointed / reappointed:

These details are covered in the Director's Report

Meetings of the Board of Directors

Number of meetings of the Board of Directors

During the year 2016-17, total 5 board meetings were held on June 27, 2016, August 12, 2016, September 23, 2016, December 22, 2016 and on March 10, 2017.

The details of attendance of each Director in the Board meeting are given below:

Sr. No.	Name of the Director	No. of Board Meetings attended
1.	Mr. Prakash K. Apte	5
2.	Mr. Bipinchandra C. Solanki	5
3.	Mr. Govind P. S. Bene	4
4.	Mr. Rajendra M. Jog	4
5.	Mr. V. R. Kaundinya	5
6.	*Ms. Antje Bauer	1
7.	Mr. Balaji Bakthisaran	5

*Resigned as a Director of the Company w.e.f. December 22, 2016.

Committees:

The details of committees are as follows:

A. Audit Committee

- Composition**

Pursuant to the provisions of Section 177 of the Companies Act, 2013, the members of the Audit Committee are as follows:

Name of the director	Category	Designation
Prakash K. Apte	Non- Executive	Chairman
V. R. Kaundinya	Independent	Member
Balaji Bakthisaran	Independent	Member

The Company Secretary of the Company acts as the Secretary to the Committee. Managing Director, Chief Financial Officer and the Lead Counsel are the permanent invitees to attend all the meetings of the Audit Committee. The statutory auditors and the internal auditors attend the meetings of the Committee by invitation.

- Terms of reference**

In light of new provisions of the Act, the Board of Directors of the Company has revised the terms of reference of Audit Committee as follows: -

- a) Review of the Company's financial reporting process and the mode and manner of disclosure of financial information to ensure that the financial statement is correct, sufficient and credible;
- b) Recommending to the Board, the appointment, re-appointment and removal of external/ internal auditors, fixation of audit fees and approval of payment to Statutory Auditors for any other services;
- c) Reviewing with management the annual financial statements before submission to the Board, focusing primarily on:
 - Any changes in accounting policies and practices and reasons for the same;
 - Major accounting entries based on exercise of judgement by management;
 - Qualifications in draft audit report;
 - Significant adjustments made in the financial statements arising out of audit;
 - The going concern assumptions;
 - Compliance with accounting standards;
 - Compliance with legal requirements concerning financial statements;
 - Disclosure of all related party transactions i.e. transactions of the Company which are material in nature, with promoters or with the management, their subsidiaries or relatives, etc., that may have potential conflict with the interests of the Company at large;
- d) Reviewing with the management, performance of Statutory and Internal Auditors, the adequacy of internal control systems and to make recommendations for changes, if deemed necessary;
- e) Reviewing the adequacy of internal audit function, reporting structure coverage and frequency of internal audit;



- f) Discussion with Internal Auditors regarding any significant findings and follow-up thereon;
- g) Reviewing the finding of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control system of a material nature and reporting the matter to the Board;
- h) Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
- i) Reviewing the Company's financial and risk management policies and the functioning of the Company's whistle blower mechanism and to make recommendations for changes, if deemed necessary;
- j) To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors;
- k) Approval of Related Party Transactions and subsequent modifications thereof;
- l) Scrutiny of inter corporate loans and investments;
- m) Valuation of undertakings or assets of the Company wherever it is necessary;
- n) Evaluation of internal financial controls and risk management systems;
- o) Monitoring the end use of funds raised through public offers and related matters
- p) Investigate into above terms of reference and to obtain professional advice from external sources and have full access to information contained in the records of the Company.

- **Meetings:**

During the year 2016-17, total 5 Audit Committee Meetings were held on June 27, 2016, August 12, 2016, September 23, 2016, December 22, 2016 and on March 10, 2017.

The details of attendance at the Audit Committee Meetings during the year 2016-17 are given below:

Sr. No.	Name of the Director	No. of Meetings attended
1	Prakash Apte (Chairman)	5
2	V. R. Kaundinya	5
3	Balaji Bakthisaran	5

B. Corporate Social Responsibility (CSR) Committee:

- **Composition**

Pursuant to Section 135 of the Companies Act, 2013, the Board had constituted the Corporate Social Responsibility Committee.

The CSR Committee comprises of the following members:

Name of the Director	Category	Designation
Bipinchandra C. Solanki	Executive	Chairman
Balaji Bakthisaran	Independent	Member
*Antje Bauer	Director	Member
**V. R. Kaundinya	Independent	Member

*Ceased to be member w.e.f. December 22, 2016

** Appointed as a member of CSR Committee w.e.f. December 22, 2016

The Board has also constituted a CSR Implementing Committee which will monitor and supervise the implementation of CSR activities and report the progress to the CSR Committee.

- **Terms of reference of CSR Committee are as follows :**

- (i) Formulate and recommend to the Board a CSR Policy
- (ii) Recommend the amount of expenses to be incurred
- (iii) Monitoring and implementation of CSR policy from time to time

- **Details of CSR Policy:**

The Board on the recommendation of the CSR Committee has framed a CSR Policy which inter alia, covers the following:

- Scope
- CSR Vision
- Focus Areas
- CSR Governance and CSR Committee
- CSR Budget, Implementation & Reporting

CSR Policy gives an overview of the projects or programmes which are proposed to be undertaken by the Company in the coming years.

During the year 2016-17, total 2 CSR Committee Meetings were held on June 27, 2016, and on December 22, 2016.

The details of attendance at the CSR Committee Meetings during the year 2016-17 are given below:

Sr. No.	Name of the Director	No. of Meetings attended
1	Bipinchandra C. Solanki	2
2	Balaji Bakthisaran	2
3	Antje U. Bauer	1

C. Nomination & Remuneration Committee

- **Composition**

Pursuant to Section 178 of the Act, the Board had Constituted the Nomination and Remuneration Committee as follows:

Name of the director	Category	Designation
V. R. Kaundinya	Independent	Chairman
Balaji Bakthisaran	Independent	Member
Prakash K. Apte	Non- Executive	Member

The Managing Director and Head of HR shall be the permanent invitees to attend all the Meetings of the Nomination and Remuneration Committee

- **Terms of reference of Nomination & Remuneration Committee are as follows :**

- a. Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in the Nomination and Remuneration Policy.



- b. Formulate criteria for evaluation of Directors performance.
- c. To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- d. To recommend to the Board policy relating to appointment, remuneration and removal, for Directors, Key Managerial Personnel and Senior Management Personnel.
- e. Ensure that level and composition of remuneration for Directors, Key Managerial Personnel and Senior Management Personnel is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- F. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.

- **Details of Nomination & Remuneration policy**

The Board on the recommendation of the Nomination and Remuneration Committee has framed a Nomination and Remuneration Policy which provides guidance on:

- Population Covered:

This policy shall be applicable to:

- a) Directors (Executive, Non-Executive and Independent)
- b) Key Managerial Personnel
- c) Senior Management Personnel

- **Description of the process:**

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read with The Companies (Meetings of Board and its Powers) Rules, 2014, as amended from time to time. The objective of this policy is to lay down a framework in relation to remuneration of Directors, KMP, senior management personnel and other employees. The Key Objectives of the Committee would be:

- a. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- b. Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees.
- c. Formulation of criteria for evaluation of Independent Director and the Board.
- d. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- e. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- f. To ensure that level and composition of remuneration for Directors, Key Managerial Personnel and Senior Management Personnel is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- g. To implement and monitor policies and processes regarding principles of corporate governance.

- **Appointment, Retirement and Removal of Director(s), Key Managerial Personal and Senior Management Personnel:**
 - (a) **Appointment Criteria and Qualifications**
 - (i) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his/ her appointment; and
 - (ii) The appointment, retirement and removal of Directors, KMP and Senior Management Personnel shall be done as per the Company's HR Policies and the Companies Act, 2013 as may be applicable from time to time.
 - (b) **Term / Tenure**

The term/tenure of the Directors/KMP and Senior Management Personnel shall be governed as per the Company's HR Policy/Rules and the Companies Act, 2013 and related Rules, as may be applicable from time to time.
 - (c) **Evaluation**

The Committee shall carry out evaluation of the performance of every Director, KMP and Senior Management Personnel at regular intervals (yearly). The performance evaluation shall be carried out as per Company's HR Policy and the criteria as may be decided by the NRC from time to time.
- **Remuneration to Directors / KMP / Senior Management Personnel:**
 - (a) **Remuneration to Managing Director / Whole-time Director(s), KMPs and Senior Management Personnel:**

The Remuneration to be paid to Managing Director, Whole-time Director(s), KMPs and Senior Management Personnel, shall be governed as per the Company's HR Compensation & Benefits Process, the term of employment contract executed with them and the provisions of the Companies Act, 2013, as may be applicable from time to time.
 - (b) **Remuneration to Non- Executive / Independent Director(s):**

The Non-Executive Director(s) and Independent Director(s) may receive profit related commission as may be decided by the Board and as per the provisions of Companies Act, 2013. The Non-Executive Director(s) and Independent Director(s) shall be paid sitting fees for attending the meetings of the Board and the Committees, as may be decided by the Board from time to time, subject to provisions of the Companies Act, 2013 and Rules made there under.
- **Directors and Officer's Insurance:**

Where any insurance is taken by the Company on behalf of its Directors, KMPs/ Senior Management Personnel etc. for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.
- **Accountability**

This policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management has been formulated by the Nomination and Remuneration Committee ("NRC") and approved by the Board of Directors of the Company.

- **Meetings**

During the year 2016-17, Three Nomination and Remuneration Committee Meeting were held on September 23, 2016, December 22, 2016 and March 10, 2017.

The details of attendance at the Nomination and Remuneration Committee Meetings during the year 2016-17 are given below:

Sr. No.	Name of the Director	No. of Meetings attended
1	Prakash Apte	3
2	V. R. Kaundinya	3
3	Balaji Bakthisaran	3

D. Stakeholders Relationship Committee

- **Composition**

The Stakeholders Relationship Committee comprises of the following members:

Name of the director	Category
Prakash K. Apte	Non- Executive
Bipinchandra C. Solanki	Executive
Govind P.S. Bene	Executive

- **Terms of reference of Stakeholders Relationship Committee are as follows :**

1. To approve/reject registration of transfer/transmission of Shares in a timely manner;
2. To approve/reject Issue of Duplicate Share Certificates in lieu of those lost or destroyed or defaced, mutilated or torn, in a timely manner;
3. To approve/refuse/reject Consolidation/Dematerialisation/ Rematerialisation/ sub- division/ replacement/splitting of shares, in a timely manner;
4. To issue the Share Certificates under the Common Seal of the Company as per the provisions of the Companies Act, 2013
5. To monitor redressal of shareholders complaints/grievances
6. To perform all functions relating to the best interests of shareholders of the Company and as assigned by the Board, as may be required by the provisions of the Companies Act, 2013 and Rules made thereunder

During the year 2016-17, 1 Stakeholders Relationship Committee Meeting was held on March 10, 2017 and all the committee members viz., Mr. Prakash K. Apte, Mr. Bipinchandra C. Solanki and Mr. Govind P. S. Bene attended the said meeting.

3. Other Information:

(i) The last three Annual General Meetings of the Company were held as follows:

Financial Year	Date	Time	Location
2013-14	September 23, 2014	11.00 a.m.	Syngenta India Limited, Mula Mutha Hall, Amar Paradigm, Sr. No.110/11/3, Baner Road, Pune 411 045
2014-15	September 23, 2015	11.00 a.m.	Yashwantrao Chavan Academy of Development Administration (YASHADA), Pune – 411 007
2015-16	September 23, 2016	11.00 a.m.	Yashwantrao Chavan Academy of Development Administration (YASHADA), Pune – 411 007

(ii) **Risk Management:**

The details are covered in Board's Report.

(iii) **Code of Conduct:**

Syngenta Code of Conduct applies to all Board Members, Senior Management Personnel and the employees. Any member interested in obtaining a copy of the Code of Conduct may write to the Lead Counsel at the Registered Office of the Company. The declaration of the Managing Director is given below:

To,
The Shareholders
Syngenta India Limited

I hereby declare that all the Board Members, Senior Management Personnel and the employees have affirmed compliance with the Code of Conduct as adopted by the Board of Directors of the Company.

Bipinchandra C. Solanki
Managing Director

(iv) **Whistle Blower Policy: (Cultivating Integrity)**

There is mechanism in place for employees to report concerns about unethical behavior, fraud or violation with adequate safeguards against victimization of employees. The employees are made aware of how this mechanism can be resorted to. There is an availability of 24/7 compliance helpline to support the cause.

4. Disclosures:

There were no materially significant related party transactions or material pecuniary transactions with the Company, Promoters, Directors, Senior Management, subsidiaries or their relatives that may have potential conflict with the interest of the Company at large.

In terms of the Accounting Standard (AS) 18, details of transactions with related parties have been reported in the Notes to Accounts. There were no materially significant transactions that had conflict with the interest of the Company.

The Board receives on a quarterly basis, certificates of compliance with the provisions of all applicable laws from the Managing Director, which are taken on record by the Board.

5. Investor Information:

The Company has a designated e-mail: arundhati.kulkarni@syngenta.com to enable investors to communicate with the Company.

6. Shareholder Information:

Annual General Meeting

Date and Time : September 26, 2017 at 11.00 a.m.

Venue : YASHADA, Baner Road, Pune 411045

Dates of book closure : September 20, 2017 to September 26, 2017 (both days inclusive)

Dividend Payment Date : On and from September 30, 2017

E-voting Dates:

- Cut-off date: September 19, 2017
- E-voting start date: September 23, 2017 from 09.00 a.m.
- E-voting End date: September 25, 2017 up to 05.00 p.m.

7. Registrar and Transfer Agent :

M/s. Link Intime India Private Limited are the Registrar and Transfer Agent of the Company and are responsible for processing transmission, issue of Duplicate Share Certificates sub-division, consolidation, splitting of shares and for rendering depository services such as dematerialization and re-materialization of the Company's Shares.

The addresses of the Registrar and Transfer Agent are as follows:

Mumbai	Pune
C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 078	202, Akshay Complex, Dhole Patil Road, Near Ganesh Temple, Pune, Maharashtra 411001
Tel: 022 - 49186000	Tel: 020-26161629
Email:- swati.uchil@linkintime.co.in	Email :- pune@linkintime.co.in
CIN:- U67190MH1999PTC118368	CIN:- U67190MH1999PTC118368

8. Share Transfer System:

All physical share transfers are effected within one month of lodgment, subject to the documents being in order. The Stakeholders Relationship Committee meets as and when required.

(i) Distribution of Shareholding as at March 31, 2017

No of equity shares held		Number of shareholders	% to total no. of shareholders	No. of shares held	% to total shareholding
		(2)	(3)	(4)	(5)
Upto	5,000	12433	99.4322	1,010,753	3.0681
5,001	10,000	44	0.3519	61,520	0.1867
10,001	20,000	17	0.1360	45,098	0.1369
20,001	30,000	4	0.0320	18,665	0.0567
30,001	40,000	0	0	0	0

No of equity shares held		Number of shareholders	% to total no. of shareholders	No. of shares held	% to total shareholding
		(2)	(3)	(4)	(5)
40,001	50,000	1	0.0080	9,000	0.0273
50,001	1,00,000	1	0.0080	11,000	0.0334
1,00,001	and above	4	0.0320	31,787,672	96.4909
TOTAL		12504	100.00	32,943,708	100.00

Distribution of Shareholding according to categories of shareholders as at March 31, 2017

Category	Demat Securities	Demat Holders	Physical Securities	Physical Holders	Total Securities	Total Holders
Clearing Members	1047	10	0	0	1047	10
Other Bodies Corporate	29549	123	4574	2	34123	123
Foreign Banks	130	1	0	0	130	1
Financial Institutions	2470	1	0	0	2470	1
Foreign Inst. Investor	0	0	80	2	80	2
Foreign Promoter Company	14434178	1	17328494	2	31762672	3
Hindu Undivided Family	9165	112	0	0	9165	112
Mutual Funds	100	1	593	4	693	5
Nationalised Banks	977	5	1016	5	1993	10
Non Nationalised Banks	48	2	1789	26	1837	28
Foreign Nationals	54	1	0	0	54	1
Non Resident Indians	6257	31	521	6	6778	37
Non Resident (Non Repatriable)	40946	100	2230	9	43176	109
Overseas Corporate Bodies	0	0	50	1	50	1
Public	659958	6796	419482	5263	1079440	12059
TOTAL :	15184879	7184	17758829	5320	32943708	12504

9. Investor Correspondence

Mr. Bhagwant Sawant	Ms. Arundhati Kulkarni
M/s. Link Intime India Pvt. Ltd	Syngenta India Limited
202, Akshay Complex, Dhole Patil Road, Near Ganesh Temple, Pune, Maharashtra 411001	S.No. 110/11/3, Baner Road, Pune - 411 045
Email: bhagwant.sawant@linkintime.co.in	Email: arundhati.kulkarni@syngenta.com
CIN: U67190MH1999PTC118368	CIN: U24210PN2000PLC135336



10. CEO/ CFO Certification

The following certification has been issued as a part of good Corporate Governance practice:

To,
 The Board of Directors
 Syngenta India Limited

Dear Sirs,

Sub: CEO/ CFO certificate

We have reviewed the financial statements, read with the cash flow statement of Syngenta India Limited for the year ended March 31, 2017 and state that to the best of our knowledge and belief:

- a)
- (i) These statements do not contain any materially untrue statements or omit any material fact or contain statements that may be misleading;
 - (ii) These statements present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's Code of Conduct.
- (c) We accept the responsibility for establishing and maintaining internal controls over financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
- i) Significant changes in the internal controls over financial reporting during the year;
 - ii) Significant changes in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Yours Sincerely,

Bipinchandra C. Solanki
Managing Director

Abhishek Agarwal
Whole Time Director & Chief Financial Officer

On behalf of the Board of Directors
SYNGENTA INDIA LIMITED

Date: August 7, 2017
 Place: Mumbai

Bipinchandra C. Solanki
Managing Director
DIN : 00029753

Abhishek Agarwal
Whole Time Director
DIN : 03481395

Independent Auditors' Report

**To the Members of
Syngenta India Limited**

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Syngenta India Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair



view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31 March 2017 and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, the statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a Director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 2.35 to the Ind AS financial statements;
 - ii. The Company did not have any material foreseeable losses on long-term contracts including derivative contracts;
 - iii. There has been no delay in transferring amounts, required to be transferred during the year to the Investor Education and Protection Fund by the Company; and
 - iv. The Company did not have any holdings or dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016. Refer note 2.40 to the Ind AS financial statements.

For B S R & Associates LLP

Chartered Accountants

Firm Registration No: 116231W/ W-100024

Shiraz Vastani

Partner

Membership No.:103334

Place: Mumbai

Date: 07 August 2017

Annexure A to the Independent Auditors' Report – 31 March 2017

With reference to the Annexure referred to in paragraph 1 in Report on Other Legal and Regulatory Requirements of the Independent Auditors' Report to the members of the Company on the Ind AS financial statements for the year ended 31 March 2017, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular program of physical verification of its fixed assets by which its fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Accordingly, certain fixed assets have been physically verified by the management during the current year and no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable properties are held in the name of the Company.
- (ii) The inventory, except goods-in-transit, has been physically verified by the management during the year in accordance with the regular programme of verification. In our opinion, the frequency of such verification is reasonable and adequate in relation to the size of the Company and nature of its business. The discrepancies noticed on verification between physical stock and book records were not material.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3 (iii) of the Order is not applicable to the Company.
- (iv) According to the information and explanations given to us, the Company has not granted any loans, made any investments or provided any guarantees or security to which the provisions of section 185 and 186 of the Companies Act 2013 apply. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company.
- (v) The Company has not accepted any deposits from the public in accordance with the provisions of section 73 to 76 of the Act and the rules made there under.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 for the maintenance of cost records under section 148(1) of the Act, related to the manufacture of agro chemicals and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not however made a detailed examination of the same. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for seeds processing business.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident fund, Income tax, Service tax, Duty of Customs, Duty of Excise, Sales Tax, Value Added Tax and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.
According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Income tax, Service tax, Duty of Customs, Duty of Excise, Sales Tax, Value Added Tax and other material statutory dues were in arrears as at 31 March 2017, for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of Income tax, Service tax, Sales Tax, Value Added Tax, Duty of Customs and Duty of Excise which have not been deposited by the Company on account of any disputes except for the following:

(c)

Name of the Statute	Nature of Dues	Amount (in Rs. Lakhs)	Amount paid under protest (in Rs. Lakhs) ##	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Excise Duty	3,547(*)	1,266	2009-10 to 2015-16	CESTAT
Central Excise Act, 1944	Excise Duty	6,978(*)	Nil	2008-09	CESTAT
Central Excise Act, 1944	Interest and penalty	19	0.08	2013-14	CESTAT



Name of the Statute	Nature of Dues	Amount (in Rs. Lakhs)	Amount paid under protest (in Rs. Lakhs) ##	Period to which the amount relates	Forum where the dispute is pending
Finance Act, 1994	Service Tax	303	76	2012-13, 2013-14	Commissioner of Central Excise and Service Tax
Central Excise Act, 1944	Interest	63	Nil	2015-16	Commissioner of Excise
Customs Act, 1962	Customs duty	50	50	2016-17	Commissioner of Central Excise and customs
Central Sales Tax Act	Sales Tax	399	248	2005-06, 2006-07	VAT Tribunal, Gujarat
Central Sales Tax Act	Sales Tax	61	Nil	2008-09	Joint Commissioner (Appeals), Gujarat
Gujarat Valued Added Tax Act	Sales Tax	73	5	2009-10	VAT Tribunal, Gujarat
Gujarat Valued Added Tax Act	Sales Tax	109	40	2006-07	VAT Tribunal, Gujarat
Central Sales Tax Act	Sales Tax	642	15	2009-10, 2010-11	Deputy Commissioner of Commercial Tax (Appeals), Baroda.
Central Sales Tax Act	Sales Tax	27	4	2010-11	Deputy Commissioner (Appeals), Rajasthan
Maharashtra Valued Added Tax Act	Penalty	35	Nil	2011-12	Deputy Commissioner (Appeals), Maharashtra
Rajasthan Valued Added Tax Act	Sales Tax	23	Nil	2010-11	Deputy Commissioner (Appeal), Rajasthan
Gujarat Valued Added Tax Act	Sales Tax	964	50	2010-11	Deputy Commissioner of Commercial Tax (Appeals), Baroda
Central Sales Tax Act	Sales Tax	12	Nil	2000-01	Joint Commissioner of Commercial Tax (Appeals), Gujarat
Central Sales Tax Act	Sales Tax	37	Nil	2012-13	Deputy Commissioner of Commercial Tax (Appeals), Baroda
Bihar Valued Added Tax Act	Sales Tax	188	60	2013-14, 2014-15	Deputy Commissioner of Commercial Tax (Appeals)
Gujarat Valued Added Tax Act	Sales Tax	637	15	2011-12	Joint Commissioner of Commercial Tax (Appeals), Baroda
Gujarat Valued Added Tax Act	Sales Tax	1,533	Nil	2012-13	Deputy Commissioner of Commercial Tax (Appeals)
Madhya Pradesh Value Added Tax Act	Sales Tax	6	2	2014-15	Additional Commissioner Appeals (Madhya Pradesh)
The Income Tax Act, 1961	Transfer pricing issues on various matters	291	Nil	2010-11	Income Tax Appellate Tribunal

Name of the Statute	Nature of Dues	Amount (in Rs. Lakhs)	Amount paid under protest (in Rs. Lakhs) ##	Period to which the amount relates	Forum where the dispute is pending
The Income Tax Act, 1961	transfer pricing issues on various matters	270	250	2009-10	Income Tax Appellate Tribunal
The Income Tax Act, 1961	Transfer pricing issues and other income tax matters	1,778	1,778	2008-09	Income Tax Appellate Tribunal
The Income Tax Act, 1961	Transfer pricing issues and other income tax matters	1,508	1,304	2007-08	Income Tax Appellate Tribunal
The Income Tax Act, 1961	Transfer pricing issues and other Income tax matters	1,893	1,893	2006-07	Income Tax Appellate Tribunal

(*) The demand is raised on the subcontractor of the Company.

Amounts disclosed above includes penalty and interest, wherever applicable

Amount paid under protest includes refund adjusted by the tax authorities.

- (viii) In our opinion and according to the information and explanations given to us, the Company did not have any outstanding dues to any financial institution, bank, government or any debentures outstanding during the year.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loans during the year.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanation given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company as per the Act. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with section 177 and 188 of the Act and the details, as required by the applicable accounting standards have been disclosed in the Ind AS financial statements.
- (xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partially convertible debentures during the year.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them during the year. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) In our opinion and according to the information and explanations given to us, the Company is not required to register under section 45-IA of the Reserve Bank of India, 1934.

For B S R & Associates LLP

Chartered Accountants

Firm Registration No: 116231W/ W-100024

Shiraz Vastani

Partner

Membership No.:103334

Place: Mumbai Date: 07 August 2017



Annexure B to the Independent Auditors' Report – 31 March 2017

Referred to in paragraph 2(f) in Report on Other Legal and Regulatory Requirements of the Independent Auditors' Report to the members of Syngenta India Limited on the Ind AS financial statements for the year ended 31 March 2017.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Syngenta India Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for the Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in

accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Control Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For B S R & Associates LLP

Chartered Accountants

Firm Registration No: 116231W/ W-100024

Shiraz Vastani

Partner

Membership No.:103334

Place: Mumbai

Date: 07 August 2017



Balance Sheet as at 31 March 2017

(Currency: Indian Rupees in Lakhs, except share data)

	Notes	As At		
		31 March 2017	31 March 2016	1 April 2015
ASSETS				
Non-current assets				
Property, plant and equipment	2.3	12,980	12,741	34,913
Capital work-in-progress	2.3	481	620	7,708
Investment property	2.4	1,481	1,559	1,592
Financial assets				
Other financial assets	2.5	524	288	640
Income tax assets (net)	2.27	10,587	10,395	9,454
Deferred tax assets (net)	2.27	5,167	4,240	1,917
Other non-current assets	2.6	5,419	5,301	3,166
Total non-current assets		36,639	35,144	59,390
Current assets				
Inventories	2.7	109,362	84,240	97,538
Financial assets				
i. Loans	2.5	77	98	115
ii. Trade receivables	2.8	52,028	34,962	36,268
iii. Cash and cash equivalents	2.9	78,399	54,603	52,050
iv. Bank balances other than (iii) above		20,000	24,000	-
v. Other financial assets	2.5	3,991	2,173	2,087
Other current assets	2.6	26,883	6,707	12,286
		290,740	206,783	200,344
Disposal group - assets held for sale	2.29	31	52,100	-
Total current assets		290,771	258,883	200,344
Total assets		327,410	294,027	259,734
EQUITY AND LIABILITIES				
Equity				
Equity share capital	2.10	1,647	1,647	1,647
Other equity	2.11	252,308	225,748	195,753
Total equity		253,955	227,395	197,400
Liabilities				
Non-current liabilities				
Provisions	2.12	1,743	2,067	3,998
Total non-current liabilities		1,743	2,067	3,998
Current liabilities				
Financial liabilities				
i. Trade payables	2.14	45,980	30,320	34,876
ii. Other financial liabilities	2.13	3,322	2,064	3,381
Deferred income		2,971	3,679	3,529
Other current liabilities	2.15	3,728	4,334	8,849
Provisions	2.12	15,711	11,731	7,378
Current tax liabilities (net)	2.27	-	-	323
		71,712	52,128	58,336
Disposal group - liabilities directly associated with assets held for sale	2.29	-	12,437	-
Total current liabilities		71,712	64,565	58,336
Total liabilities		73,455	66,632	62,334
Total equity and liabilities		327,410	294,027	259,734

Summary of significant accounting policies 1.4-1.5
See accompanying notes to the financial statements 2.1-2.40

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For B S R & Associates LLP
Chartered Accountants
Firm Registration no: 116231W/W- 100024

Shiraz Vastani
Partner
Membership No. 103334

For and on behalf of the Board of Directors of
Syngenta India Limited
CIN - U24210PN2000PLC135336

Bipinchandra C. Solanki
Managing Director
DIN - 00029753

Arundhati Kulkarni
Company Secretary

Abhishek Agarwal
Whole Time Director &
Chief Financial Officer
DIN - 03481395

Place: Mumbai
Date: 7 August 2017

Place: Mumbai
Date: 7 August 2017

Statement of Profit and Loss for the year ended 31 March 2017 (Currency: Indian Rupees in Lakhs, except share data)

	Note	For the year ended	
		31 March 2017	31 March 2016
Continuing operations			
Revenue from operations	2.17	266,947	236,247
Other income	2.18	13,006	8,930
Total income		279,953	245,177
Expenses			
Cost of materials consumed	2.19	131,060	99,528
Purchase of stock-in-trade	2.20	38,526	33,222
Changes in inventory of finished goods, work-in-progress and stock-in-trade	2.21	(18,142)	(886)
Excise duty		16,678	11,918
Employee benefit expenses	2.22	18,926	17,054
Finance cost	2.23	81	131
Depreciation and amortization expense	2.24	1,933	2,137
Other expenses	2.25	47,925	40,959
Total expenses		236,987	204,063
Profit before tax from continuing operations		42,966	41,114
Tax expense			
Current tax	2.27	15,402	14,812
Deferred tax	2.27	(167)	(1,832)
Total tax expense		15,235	12,980
Profit from continuing operations (after tax)		27,731	28,134
Discontinued operations			
Profit from discontinued operations before tax	2.29	2,121	5,405
Tax expense of discontinued operations	2.27	1,019	1,874
Profit from discontinued operations (after tax)		1,102	3,531
Profit for the year		28,833	31,665
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Remeasurements of employee benefit obligations		(445)	477
Income tax relating to items that will not be reclassified to profit or loss	2.27	154	(165)
Other comprehensive (loss) / income for the year, net of tax		(291)	312
Total comprehensive income for the year		28,542	31,977
Earnings per share - continuing operations			
Basic earning per share of face value of INR 5 each (in INR)	2.26	84.18	85.40
Diluted earning per share of face value of INR 5 each (in INR)		84.18	85.40
Earnings per share - discontinued operations			
Basic earning per share of face value of INR 5 each (in INR)	2.26	3.34	10.72
Diluted earning per share of face value of INR 5 each (in INR)		3.34	10.72
Earnings per share - continuing and discontinued operations			
Basic earning per share of face value of INR 5 each (in INR)	2.26	87.52	96.12
Diluted earning per share of face value of INR 5 each (in INR)		87.52	96.12
Summary of significant accounting policies	1.4-1.5		
See accompanying notes to the financial statements	2.1-2.40		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For B S R & Associates LLP
Chartered Accountants
Firm Registration no: 116231W/W- 100024

Shiraz Vastani
Partner
Membership No. 103334

Place: Mumbai
Date: 7 August 2017

For and on behalf of the Board of Directors of
Syngenta India Limited
CIN - U24210PN2000PLC135336

Bipinchandra C. Solanki
Managing Director
DIN - 00029753

Arundhati Kulkarni
Company Secretary

Place: Mumbai
Date: 7 August 2017

Abhishek Agarwal
Whole Time Director &
Chief Financial Officer
DIN - 03481395



Cash Flow Statement for the year ended 31 March 2017

(Currency: Indian Rupees in Lakhs, except share data)

	For the year ended	
	31 March 2017	31 March 2016
Cash flow from operating activities		
Profit before tax from continuing operations	42,966	41,114
Profit before tax from discontinuing operations	2,121	5,405
Profit before tax	45,087	46,519
Adjustments for :		
Interest income	(6,331)	(4,151)
Interest expense	39	5
Depreciation and amortization expenses	1,933	5,428
Impairment loss on disposal group held for sale	1,009	2,800
Loss on sale of property, plant and equipment	121	194
Remeasurement of employee benefit obligation through OCI	(445)	477
	41,413	51,272
Changes in assets and liabilities		
Inventories	(8,420)	(3,404)
Trade receivables	(10,193)	(5,567)
Loans, other financial assets and other assets	(20,392)	2,231
Trade payables	5,019	6,086
Other financial liabilities, other liabilities and provisions	2,078	(1,546)
Cash generated from operating activities	9,505	49,072
Income taxes paid (net)	(17,218)	(18,605)
Net cash flows (used in)/from operating activities	(A) (7,713)	30,467
Cash flows from investing activities		
Acquisition of property, plant and equipment	(3,647)	(5,715)
Proceeds from sale of property, plant and equipment	26,913	101
Investment in (maturity of) bank deposits (net)	4,000	(24,000)
Interest received	6,261	3,691
Net cash flows from/(used in) investing activities	(B) 33,527	(25,923)
Cash flows from financing activities		
Interest paid	(39)	(5)
Dividends paid	(1,644)	(1,651)
Taxes on dividend paid	(335)	(335)
Net cash used in financing activities	(C) (2,018)	(1,991)
Net increase in cash and cash equivalents	(A + B + C) 23,796	2,553
Cash and cash equivalents at the beginning of the year	54,603	52,050
Cash and cash equivalents at the end of the year	78,399	54,603
Components of cash and cash equivalents		
Bank balances		
- in current accounts	2,175	322
- in deposits accounts (with original maturity of 3 months or less)	76,155	54,215
- in unpaid dividend accounts	69	66
Total cash and cash equivalents (refer note 2.9)	78,399	54,603

Summary of significant accounting policies	1.4- 1.5
Other notes to the financial statements	2.1 - 2.40

The notes referred to above form an integral part of the financial statements

As per our report of even date attached
For B S R & Associates LLP
Chartered Accountants
Firm Registration no: 116231W/W- 100024

Shiraz Vastani
Partner
Membership No. 103334

Place: Mumbai
Date: 7 August 2017

For and on behalf of the Board of Directors of
Syngenta India Limited
CIN - U24210PN2000PLC135336

Bipinchandra C. Solanki
Managing Director
DIN - 00029753

Arundhati Kulkarni
Company Secretary

Place: Mumbai
Date: 7 August 2017

Abhishek Agarwal
Whole Time Director &
Chief Financial Officer
DIN - 03481395

Statement of changes in equity for the year ended 31 March 2017 (Currency: Indian Rupees in Lakhs, except share data)

	Attributable to equity holders of the Company				Total equity
	Share capital	General reserves	Capital reserve	Retained earnings	
Balance as at 1 April 2015	1,647	47,406	1,648	146,699	197,400
Profit for the year	-	-	-	31,665	31,665
Transfer to general reserves	-	3,249	-	(3,249)	-
Other comprehensive income (net of tax)	-	-	-	312	312
Transactions with the owners in their capacity as the owners recorded directly in equity					
Dividends	-	-	-	(1,647)	(1,647)
Dividend distribution tax	-	-	-	(335)	(335)
Balance as at 31 March 2016	1,647	50,655	1,648	173,445	227,395
Profit for the year	-	-	-	28,833	28,833
Transfer to general reserves	-	2,883	-	(2,883)	-
Other comprehensive income (net of tax)	-	-	-	(291)	(291)
Transactions with the owners in their capacity as the owners recorded directly in equity					
Dividends	-	-	-	(1,647)	(1,647)
Dividend distribution tax	-	-	-	(335)	(335)
Balance as at 31 March 2017	1,647	53,538	1,648	197,122	253,955

Summary of significant accounting policies 1.4- 1.5
See accompanying notes to the financial statements 2.1 - 2.40

The notes referred to above form an integral part of the financial statements

As per our report of even date attached
For B S R & Associates LLP
Chartered Accountants
Firm Registration no: 116231W/W- 100024

Shiraz Vastani
Partner
Membership No. 103334

Place: Mumbai
Date: 7 August 2017

For and on behalf of the Board of Directors of
Syngenta India Limited
CIN - U24210PN2000PLC135336

Bipinchandra C. Solanki
Managing Director
DIN - 00029753

Arundhati Kulkarni
Company Secretary

Place: Mumbai
Date: 7 August 2017

Abhishek Agarwal
Whole Time Director &
Chief Financial Officer
DIN - 03481395

Notes to financial statements as at 31 March 2017

1.1 Company overview

Syngenta India Limited (hereinafter referred to as “the Company”) is a public company incorporated under the Companies Act, 1956, having its registered office at Pune, Maharashtra, India. The company is a public limited company and none of its shares or any other financial instruments are listed on any stock exchanges in India. The Company does not have any subsidiaries. The Company is engaged in the business of manufacturing and trading of agro chemicals and processing and selling of seeds. The Company manufactures active ingredients and formulates pesticides, herbicides and fungicides and processes field crop and vegetable seeds. The Company has presence in both the domestic and international markets.

1.2 Basis of preparation of financial statements

i. Statement of compliance

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS), as per the provisions of the Companies Act, 2013 (‘Act’). The Ind AS are prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Company has adopted all the Ind AS and the adoption was carried out in accordance with Ind AS 101 – First time adoption of Indian Accounting Standards. The transition was carried out from Indian Generally Accepted Accounting Principles (‘IGAAP’ or ‘previous GAAP’) as prescribed under Sec 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. Reconciliations and descriptions of the effect of the transition has been summarized in note 2.1.2. Accounting policies have been uniformly applied except where a newly issued accounting standard requires a change in the accounting policy hitherto in use.

ii. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company’s functional currency. All amounts have been rounded off to the nearest Lakh except share data, unless otherwise indicated.

iii. Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Liabilities for cash-settled share-based payment arrangements	Fair value
Net defined benefit (asset)/ liability	Present value defined benefit obligations less fair value of plan assets less

1.3 Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgement and assumptions affect the application of accounting policies and reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of financial statements and reported amounts of revenue and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of

Notes to financial statements as at 31 March 2017 (continued)

assumptions in these financial statements have been disclosed in note 1.4. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which the changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Critical accounting estimates

i. Revenue recognition and trade receivables

The Company's products are consumed mainly by the farmers, but the Company invoices the majority of its sales to its distributors. The timing and amount of cash inflows received by farmers is impacted by a broad range of economic and political risks, including crop yields and prices, the availability of credit, and the cost of agricultural inputs such as the products sold by the Company and its competitors. The cash flows of distributors that supply the Company's products to farmers and represent the majority of the Company's customers are also impacted by these factors. Considerable management effort and judgement is applied to actively manage and mitigate the risks to the Company from these factors and to determine the accounting estimates associated with them, which are set out below:

- the estimated cost of incentive programs that provide rebates and discounts dependent upon achievement of sales targets, as well as cash discounts for punctual payment of accounts receivable. The Company records the estimated cost of these programs when the related sales are made, based on the programs' terms, market conditions and historical experience
- the commercial practices in the market in which the Company operates, generally require the companies to accept the return of the goods unsold by the distributors upon the expiry of the agricultural season. Accruals for estimated product returns are made based on historical experience of actual returns where the Company considers these to be reliable estimates of future returns. These estimates are further reviewed based on the actual product returns (pertaining to products sold during the reporting period) in the subsequent period until the financial statements are approved by the board. Any material differences in the estimates and the actual product returns are adjusted accordingly.
- expected credit loss model is used to arrive at the loss allowances, which are further critically analyzed for individual receivable account balances, taking into account historical levels of recovery and the value of any security held, the economic condition of individual customers, and the overall economic and political environment.

ii. Inventories

The inventories of the Company are subject to risk of physical deterioration at various stages of the operating cycle. The Company records allowances against the cost of inventories for both quality and obsolescence. The Company records allowances for quality for inventories which are currently of defective quality and which is expected to deteriorate physically before sale, based on past experience. A significant amount of management effort and judgement is required to determine the amount of allowances required in inventory valuation.

iii. Impairment review

The carrying amounts of assets are reviewed at each balance sheet date. If there is any indication of impairment based on internal/external factors, the asset's recoverable amount is estimated. An



Notes to financial statements as at 31 March 2017 (continued)

impairment loss is recognized whenever a carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing the value in use, the Company makes a reasonable estimate of the value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset. In determining the net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

iv. Income Taxes

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. Refer note 2.27 and note 2.35

v. Environmental provisions

At 31 March 2017, the Company reported in note 2.12 provision for site restoration of INR 95 lakhs. (31 March 2016 INR 551 lakhs). Remediation of environmental damage at sites with which the Company is associated typically takes a long time to complete due to the substantial amount of planning and regulatory approvals normally required before remediation activities can begin. The assumptions used by the Company to estimate its environmental provisions may change significantly before or during the remediation period due to changes in the extent of remediation required or the method used to remediate the damage. In addition, increases in or releases of environmental provisions may be necessary whenever new developments occur or additional information becomes available.

vi. Defined employment benefits

At 31 March 2017, The Company has reported other non-current assets of INR 287 lakhs (31 March 2016: INR 353 lakhs) and provisions of INR 1,980 lakhs (31 March 2016: INR 2,054 lakhs) as net defined benefit (DB) assets and liabilities, respectively, as set out in note 2.28. These amounts may change significantly from one reporting period end to another not only due to expense recognized in profit and loss and cash payments, but also to changes in the actuarial assumptions used to measure the defined benefit obligation (DBO) and to variances between those assumptions and actual outcomes ("experience adjustments"), both of which are recognized in Other Comprehensive Income. Significant judgment is required when selecting key assumptions for measuring post-employment benefit expense for a period and the DBO at the period end for each defined benefit plan. The specific assumptions used and experience adjustments are disclosed in note 2.28. These adjustments were caused principally by external financial market movements in factors used to benchmark the discount rate, and in asset prices affecting the actual return on assets. These factors are outside the Company's direct control, and it is reasonably possible that future variances will be at least as great as past variances.

vii. Property, plant and equipment and investment property

The charge in respect of periodic depreciation on property, plant and equipment is derived after determining an estimate of asset's expected useful life and the expected residual value at the end of the useful life. The useful lives and residual values of the Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The useful lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The useful lives of various category of assets is detailed in note 1.4 (b)

Notes to financial statements as at 31 March 2017 (continued)

1.3.1 Measurement of fair value

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Significant valuation issues are reported to the Company's audit committee.

Fair values are categorized 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).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. 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 categorized 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 Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 1.4 (a) – investment property; and
- Note 1.4 (c) – financial instruments.
- Note 1.4(e) – disposal group – assets held for sale; and
- Note 1.4(o) – share-based payment arrangements

1.4 Significant accounting policies

a. Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its investment property recognized as at 1 April 2015, measured as per the previous GAAP and use that carrying value as the deemed cost of such investment property.

Subsequent expenditure is capitalized to the assets' carrying amount only when it is certain that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance and other costs are expensed when incurred.

Notes to financial statements as at 31 March 2017 (continued)

Based on technical evaluation, the management believes a period of 40 years as representing the best estimate of the period over which investment properties excluding freehold land are expected to be used. Accordingly, the Company depreciates investment properties over a period of 40 years on a straight-line basis. The useful life estimate of 40 years is different from the indicative useful life of relevant type of buildings mentioned in Part C of Schedule II to the Act i.e. 30 years.

Any gain or loss on disposal of an investment property is recognized in profit or loss.

The fair values of investment property is disclosed in the notes. Fair values is determined by an independent valuer who holds a recognized and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

b. Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

ii. Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 1 April 2015, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

iii. Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iv. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognized in the statement of profit and loss. Freehold land is not depreciated.

The estimated useful lives of items of property, plant and equipment are as follows:

Asset Category	Useful Life
Buildings*	
Factory buildings	10 to 30 Years
Polyhouse, Greenhouse, Net-house, etc.	10 to 20 Years
Administrative buildings	40 Years
Research buildings	40 Years
Others including temporary structures	5 Years

Notes to financial statements as at 31 March 2017 (continued)

Asset Category	Useful Life
Plant and equipments*	
General plant and machinery	3 to 20 Years
Lab equipment	5 to 15 Years
Office equipment	4 to 5 Years
Mobiles	2 Years
Other equipment	10 to 15 Years
Furniture and fixtures*	2 to 20 Years
Computers	3 to 6 Years
Vehicle	5 to 10 Years

* For these class of assets, based on internal technical assessment, the useful lives as given above are believed to best represent the period over which the assets are expected to be used. Hence the useful lives of these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date / month on which asset is ready for use (disposed of).

Leasehold land is amortized on straight line basis over the period of lease.

Improvements to assets taken on lease are capitalized as a part of leasehold improvement and are depreciated on a straight line basis over the period of the lease or estimated useful life of the assets whichever is lower.

v. Reclassification to investment property

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

c. Financial instruments

i. Recognition and initial measurement

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument except for trade receivables which are initially recognized when they are originated. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

ii. Subsequent measurement and gains and losses Non-derivative financial instruments

Financial assets carried at amortized costs

A financial asset is measured at amortized cost using the effective interest method, if the asset is held within a business model whose objective is to hold assets to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



Notes to financial statements as at 31 March 2017 (continued)

The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

Financial liabilities carried at amortized costs

Financial liabilities are subsequently carried at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss

iii. **Derecognition of financial instruments**

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

iv. **Offsetting**

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

d. **Impairment**

i. **Impairment of financial assets**

The Company recognizes loss allowances for expected credit losses on financial assets measured at amortized cost. At each reporting date, the Company assesses whether financial assets carried at amortized cost are credit impaired.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

Notes to financial statements as at 31 March 2017 (continued)

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 180 days past due. The Company considers a financial asset to be in default when the financial asset is 360 days or more past due.

Measurement of expected credit losses

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

ii. Impairment of non-financial assets

The Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss. The Company reviews at each reporting date whether there is any indication that the impairment loss has decreased or no longer exists. The impairment loss recognized in prior period is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

e. Non-current assets or disposal group held for sale

Non-current assets, or disposal groups comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.



Notes to financial statements as at 31 March 2017 (continued)

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any resultant loss on a disposal group is allocated first to goodwill if any, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets and employee benefit assets which continue to be measured in accordance with the Company's other accounting policies. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognized in profit or loss.

Once classified as held-for-sale, property, plant and equipment and investment properties are no longer amortized or depreciated.

f. Revenue recognition

i. Sale of goods

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts, cash discount and volume rebates. Revenue is recognized when significant risk and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost and possible return of goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue can be measured reliably. The timing of transfer of risk and rewards varies depending on the individual terms of sale. Revenue from sale of goods are inclusive of excise duty.

Customer loyalty programme (deferred revenue)

For customer loyalty programmes, the fair value of the consideration received or receivable in respect of the initial sale is allocated between the award credits and the other components of the sale. The amount allocated to award credits is deferred and is recognized as revenue when the award credits are redeemed or when it is no longer probable that the award credits will be redeemed.

ii. Rendering of services

Revenue from service contracts is recognized based on the terms of the contract as and when services are rendered and no significant uncertainty exists regarding the collection of the consideration.

g. Other income

Government grants

Government grants relating to export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim is fulfilled. These export incentives are recognized in profit and loss as other income.

Rental income

Rental income from investment property is recognized as part of revenue from operations in profit or loss on a straight-line basis over the term of the lease except where the rentals are structured to increase in line with expected general inflation.

Notes to financial statements as at 31 March 2017 (continued)

h. Recognition of interest income or expense

Interest income or expense is recognized using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortized cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortized cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

i. Inventories

Inventories which comprise of raw material, packing material, work-in-progress, finished goods, stock-in-trade and stores and spares are valued at lower of cost and net realizable value. Cost of inventories comprise of all costs of purchase, costs of conversion and other costs incurred in bringing the inventory to their present location and condition. The inventories of raw materials, packing materials, work-in-progress and finished goods are valued at weighted average cost. Stores and spares are valued at moving weighted average cost.

Cost of work-in-progress and finished goods include direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods also includes excise duty as applicable on the finished goods.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

The comparison of cost and net realizable value is made on an item-by-item basis.

j. Foreign currency transactions:

Functional currency

The functional currency of the Company is the Indian rupee.

Transactions and balances

Transactions in foreign currencies are translated into the respective functional currencies of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

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



Notes to financial statements as at 31 March 2017 (continued)

at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognized in profit or loss.

k. Provisions (other than for employee benefits)

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense. Unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for.

l. Employee benefits

i. Short term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

ii. Post-employment benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit under which an entity pays a specific contribution to a separate entity and has no obligation to pay any further amounts. Retirement benefit in the form of provident fund and superannuation fund are a defined contribution schemes and the contributions are charged to the statement of profit and loss during the period in which the employee renders the related service. The Company has no obligation, other than the contribution payable to these funds. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined benefit plans

The Company has defined benefit plans for its employees, viz., gratuity, pension and post-retirement medical benefits. The Company'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.

Liabilities with regard to these plans are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method.

The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Actuarial gains or losses through remeasurement of net defined benefit liability/ (asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods. The actual return on portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income. The effect of any plan amendments are recognized in net profits in the statement of profit and loss.

Notes to financial statements as at 31 March 2017 (continued)

Compensated absences

The employee can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long term-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increases this entitlement. The obligation is measured on the basis of independent actuarial obligation using the projected unit credit method.

Termination benefits

Termination benefits are recognized as an expense when as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

m. Income taxes

Income tax comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to an item recognized in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year 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. Current income tax is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

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

ii. Deferred tax

Deferred tax is recognized 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 liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized 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 Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.



Notes to financial statements as at 31 March 2017 (continued)

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

n. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

o. Share-based compensation

The Company grants its employees share-based employee benefit schemes, wherein eligible employees of the Company are granted restricted stock units, deferred share plans and share options of the ultimate holding Company. The Company recognizes expense relating to share-based payments in statement of profit and loss using fair-value. The estimated fair value of these grants is charged on a straight-line basis over the requisite service period for each separately vesting portion of the grant as if the grant was in-substance, multiple grants; with the corresponding increase to liability for share-based payment.

The Company recognizes the effect of any modification in the vesting conditions of the share-based payment arrangements in the period in which such modification takes effect. Any cancellation or settlement of unvested share-based payments is accounted for as an acceleration of vesting and the amount is recognized immediately that would have otherwise been recognized for services received over the remainder of the vesting period.

p. Discontinued operations

A discontinued operation is a component of the Company's business, the operations and cash flows of which can be clearly distinguished from those of the rest of the Company and which represents a separate major line of business or geographical area of operations and is part of a single coordinated plan to dispose of a separate major line of business or geographic area of operations.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, whichever is earlier.

When an operation is classified as a discontinued operation, the comparative statement of profit and loss is re-presented as if the operation had been discontinued from the start of the comparative period.

q. Cash flow statement

Cash flows are reported using the indirect method, where by profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Notes to financial statements as at 31 March 2017 (continued)

r. Leases

i. Determining whether an arrangement contains a lease

At inception of an arrangement, it is determined whether the arrangement is or contains a lease. At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognized at an amount equal to the fair value of the underlying asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognized using the incremental borrowing rate.

ii. Assets held under leases

Leases of property, plant and equipment that transfer to the Company substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

Assets held under leases that do not transfer to the Company substantially all the risks and rewards of ownership (i.e. operating leases) are not recognized in the Company's Balance Sheet.

iii. Lease payments

Payments made under operating leases are generally recognized in profit or loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

1.5 Recent accounting pronouncements

Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively. The amendments are applicable to the Company from April 1, 2017.

Amendment to Ind AS 7

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.



Notes to financial statements as at 31 March 2017 (continued)

The amendment affects the disclosure only and has no impact on the Company's financial position or performance.

Amendment to Ind AS 102

The amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes.

It clarifies that the fair value of cash-settled awards is determined on a basis consistent with that used for equity-settled awards. Market-based performance conditions and non-vesting conditions are reflected in the 'fair values', but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that include a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement.

The Company is evaluating the requirements of the amendment and the impact on the financial statements is being evaluated.

2.1 First time adoption of Ind-AS

The financial statements of the Company for the year ended 31 March 2017 have been prepared in accordance with Ind AS. For the purpose of transition to Ind AS, the Company had followed the guidance prescribed in Ind AS 101 – First Time adoption of Indian Accounting Standards, with 1 April 2015 as the transition date and IGAAP as the previous GAAP.

The transition to Ind AS has resulted in the changes in the presentation of the financial statements, disclosure in the notes thereto and accounting policies and principles. The accounting policies set out in note 1.4 have been applied in preparing the financial statements for the year ended 31 March 2017 and the comparative information. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's Balance sheet and Statement of profit and loss, is set out in note 2.1.2. Exemptions and exceptions on first time adoption of Ind AS availed in accordance with Ind AS 101 have been set out in note 2.1.1.

2.1.1 Optional exemptions availed and mandatory exceptions

In preparing the financial statements, the Company has applied the below mentioned optional exemptions and mandatory exceptions.

A. Optional exemptions availed

i. Business combination

The Company is allowed to choose any date in the past from which it wants to account for the business combinations under Ind AS 103, without having to restate business combinations prior to such date. Accordingly, the Company has chosen to apply the provision of Ind AS 103 from 1 April 2015, which is the date of transition to Ind AS.

Notes to financial statements as at 31 March 2017 (continued)

ii. Share based payments

The Company is allowed to apply Ind AS 102 Share-based payment to equity instruments that remain unvested as of transition date. The Company has elected to avail this exemption and apply the requirements of Ind AS 102 to all such grants under long term incentive plan. Accordingly, these options have been measured at fair value as against intrinsic value, previously under IGAAP.

The excess of share based payment compensation expense measured using fair value over the cost recognized under IGAAP using intrinsic value has been adjusted in 'Liability for share based payments', with the corresponding impact taken to the retained earnings as on the transition date.

iii. Property, plant and equipment

As per Ind AS 101 an entity may elect to:

- (i) measure an item of property, plant and equipment at the date of transition at its fair value and use that fair value as its deemed cost at that date
- (ii) use a previous GAAP revaluation of an item of property, plant and equipment at or before the date of transition as deemed cost at the date of the revaluation, provided the revaluation was, at the date of the revaluation, broadly comparable to:
 - fair value
 - or cost or depreciated cost under Ind AS adjusted to reflect, for example, changes in a general or specific price index.
- (iii) use carrying values of property, plant and equipment as on the date of transition to Ind AS (which are measured in accordance with previous GAAP and after making adjustments relating to decommissioning liabilities prescribed under Ind AS 101) if there has been no change in its functional currency on the date of transition

As permitted by Ind AS 101, the Company has elected to continue with the carrying values under previous GAAP for all the items of property, plant and equipment

iv. Determining whether an arrangement contains a lease

Ind AS 101 includes an optional exemptions that permits an entity to apply the relevant requirements in Appendix C of Ind AS 17 for determining whether an arrangement existing at the date of transition contains a lease by considering the facts and circumstances existing at the date of transition (rather than at the inception of the arrangement) .The Company has opted to avail this exemption.

B. Mandatory exceptions

i. Estimates

As per Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS at the end of the comparative period presented in the entity's first Ind AS financial statements, as the case may be, should be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accounting policies.



Notes to financial statements as at 31 March 2017 (continued)

As per Ind AS 101, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition (for preparing opening Ind AS balance sheet) or at the end of the comparative period (for presenting comparative information as per Ind AS).

The Company's estimates under Ind AS are consistent with the above requirement. Key estimates considered in preparation of the financial statements that were not required under the previous GAAP are listed below:

- Impairment of financial assets based on the expected credit loss model.
- Determination of the discounted value for financial instruments carried at amortized cost.

ii. **Derecognition of financial assets and liabilities**

As per Ind AS 101, an entity should apply the derecognition requirements in Ind AS 109, Financial Instruments, prospectively for transactions occurring on or after the date of transition to Ind AS. However, an entity may apply the derecognition requirements retrospectively from a date chosen by it if the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply derecognition principles of Ind AS 109 prospectively.

iii. **Classification and measurement of financial assets**

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortized cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets and measurement of the financial assets accounted at amortized cost based on facts and circumstances that exist on the date of transition at the date of transition.

Notes to financial statements as at 31 March 2017 (continued) (Currency: Indian Rupees in Lakhs, except share data)

2.1 First time adoption of Ind AS (continued)

2.1.2. Reconciliations

The following reconciliations provide the effect of transition to Ind AS from I GAAP in accordance with Ind AS 101

- A. Equity as at 1 April 2015 and 31 March 2016
- B. Total comprehensive income for the year ended 31 March 2016
- C. Cash flow statement for the year ended 31 March 2016

A. Reconciliation of equity as previously reported under I GAAP to Ind AS

	Note	As at transition 1 April 2015			As at 31 March 2016		
		IGAAP *	Effects of transition to Ind AS	Ind AS	IGAAP *	Effects of transition to Ind AS	Ind AS
ASSETS							
Non-current assets							
Property, plant and equipment	a,b,o	35,095	(182)	34,913	38,658	(25,917)	12,741
Capital work-in-progress	b	7,708	-	7,708	1,449	(829)	620
Investment property	o	-	1,592	1,592	-	1,559	1,559
Financial assets							
Other financial assets	c,b	704	(64)	640	777	(489)	288
Income tax assets (net)		9,454	-	9,454	10,395	-	10,395
Deferred tax assets (net)	d	1,548	369	1,917	3,512	728	4,240
Other non-current assets	c,b	3,115	51	3,166	5,420	(119)	5,301
Total non-current assets		57,624	1,766	59,390	60,211	(25,067)	35,144
Current assets							
Inventories	a,b	98,947	(1,409)	97,538	102,464	(18,224)	84,240
Financial assets							
i. Loans	b	115	-	115	138	(40)	98
ii. Trade receivables	e,b	36,633	(365)	36,268	42,741	(7,779)	34,962
iii. Cash and cash equivalents		52,050	-	52,050	54,603	-	54,603
iv. Bank balances other than (iii) above		-	-	-	24,000	-	24,000
v. Other financial assets		2,087	-	2,087	2,173	-	2,173
Other current assets	b	12,286	-	12,286	8,082	(1,375)	6,707
		202,118	(1,774)	200,344	234,201	(27,418)	206,783
Disposal group - assets held for sale	b	-	-	-	-	52,100	52,100
Total current assets		202,118	(1,774)	200,344	234,201	24,682	258,883
Total assets		259,742	(8)	259,734	294,412	(385)	294,027



Notes to financial statements as at 31 March 2017 (continued)

(Currency: Indian Rupees in Lakhs, except share data)

	Note	As at transition 1 April 2015			As at 31 March 2016		
		IGAAP *	Effects of transition to Ind AS	Ind AS	IGAAP *	Effects of transition to Ind AS	Ind AS
EQUITY AND LIABILITIES							
Equity							
Equity share capital		1,647	-	1,647	1,647	-	1,647
Other equity	j	193,737	2,016	195,753	224,340	1,408	225,748
Total equity		195,384	2,016	197,400	225,987	1,408	227,395
Liabilities							
Non-current liabilities							
Provisions	g,b	4,221	(223)	3,998	2,757	(690)	2,067
Total non-current liabilities		4,221	(223)	3,998	2,757	(690)	2,067
Current liabilities							
Financial liabilities							
i. Trade payables	b	34,876	-	34,876	40,963	(10,643)	30,320
ii. Other financial liabilities	b	3,199	182	3,381	2,684	(620)	2,064
Deferred income	h	-	3,529	3,529	-	3,679	3,679
Other current liabilities	b	8,849	-	8,849	4,370	(36)	4,334
Provisions	h,i,b	12,890	(5,512)	7,378	17,651	(5,920)	11,731
Current tax liabilities (net)		323	-	323			
		60,137	(1,801)	58,336	65,668	(13,540)	52,128
Disposal group - liabilities directly associated with assets held for sale	b	-	-	-	-	12,437	12,437
Total current liabilities		60,137	(1,801)	58,336	65,668	(1,103)	64,565
Total liabilities		64,358	(2,024)	62,334	68,425	(1,793)	66,632
Total equity and liabilities		259,742	(8)	259,734	294,412	(385)	294,027

* The I GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

Notes to financial statements as at 31 March 2017 (continued)
(Currency: Indian Rupees in Lakhs, except share data)

B. Total comprehensive income for the year ended 31 March 2016

	Note explaining effects of Ind AS transition)	IGAAP profit and loss bifurcated to continuing and discontinuing operations				Reconciliation of IGAAP profit and loss of discontinuing operations as per Ind AS of discontinuing operations				Reconciliation of IGAAP profit and loss of continuing and discontinuing operations to Statement of Profit and Loss as presented under Ind AS			
		For the year ended 31 March 2016		For the year ended 31 March 2016		For the year ended 31 March 2016		For the year ended 31 March 2016		For the year ended 31 March 2016		For the year ended 31 March 2016	
		IGAAP *	IGAAP - discontinuing operations	IGAAP - continuing operations	IGAAP	I GAAP discontinuing operations	Effects of transition to Ind AS	Ind AS discontinuing operations	IGAAP *	Effects of transition to Ind AS	Ind AS		
Revenue from operations	h, k, l, m	288,242	56,271	231,971	56,271	218	56,489	231,971	4,276	236,247			
Other income	c, e	9,381	267	9,114	267	-	267	9,114	(184)	8,930			
Total income		297,623	56,538	241,085	56,538	218	56,756	241,085	4,092	245,177			
Expenses													
Cost of materials consumed	h, m	126,780	26,494	100,286	26,494	-	26,494	100,286	(758)	99,528			
Purchase of stock-in-trade		33,222	-	33,222	-	-	-	33,222	-	33,222			
Changes in inventory of finished goods, work-in-progress and stock-in-trade		(1,301)	(415)	(886)	(415)	-	(415)	(886)	-	(886)			
Excise duty	l	-	-	-	-	277	277	-	11,918	11,918			
Employee benefit expenses	n	20,627	4,089	16,538	4,089	-	4,089	16,538	516	17,054			
Finance cost	g	70	2	68	2	-	2	68	63	131			
Depreciation and amortization expense	a, b	6,501	4,363	2,138	4,363	(1,072)	3,291	2,138	(1)	2,137			
Other expenses	k, g, e, c	63,855	16,425	47,430	16,425	1,188	17,613	47,430	(6,471)	40,959			
Total expenses		249,754	50,958	198,796	50,958	393	51,351	198,796	5,267	204,063			
Profit before tax		47,869	5,580	42,289	42,289	-	-	42,289	(1,175)	41,114			
Profit before tax from continuing operations		42,289	-	42,289	-	-	-	42,289	-	42,289			
Tax expense													
Current tax	d	14,812	-	14,812	-	-	-	14,812	-	14,812			
Deferred tax		(1,309)	-	(1,309)	-	-	-	(1,309)	(523)	(1,832)			
Total tax expense		13,503	-	13,503	-	-	-	13,503	(523)	12,980			
Profit from continuing operations (after tax)		28,786	-	28,786	-	-	-	28,786	(652)	28,134			
Discontinued operations													
Profit from discontinued operations before tax	b	5,580	5,580	-	5,580	(175)	5,405	5,580	(175)	5,405			
Tax expense of discontinued operations		1,874	1,874	-	1,874	-	1,874	1,874	-	1,874			
Profit from discontinued operations (after tax)		3,706	3,706	-	3,706	(175)	3,531	3,706	(175)	3,531			
Profit for the year		32,492	3,706	28,786	3,706	(175)	(3,531)	32,492	(827)	31,665			
Other comprehensive income													
<i>Items that will not be reclassified subsequently to profit or loss</i>													
Remeasurements of employee benefit obligations	n	-	-	-	-	-	-	-	477	477			
Income tax relating to items that will not be reclassified to profit or loss	n	-	-	-	-	-	-	-	(165)	(165)			
Other comprehensive income for the year (net of tax)		-	-	-	-	-	-	-	312	312			
Total comprehensive income for the year		32,492	3,706	28,786	3,706	(175)	(3,531)	32,492	(515)	31,977			

* The I GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

Notes to financial statements as at 31 March 2017 (continued) (Currency: Indian Rupees in Lakhs, except share data)

C. Cash flow statement for the year ended 31 March 2016

There were no significant reconciliation items between cash flow prepared under I GAAP and those prepared under Ind AS

Explanation for reconciliation of balance sheet and statement of profit and loss as previously reported under I GAAP to Ind AS

a. Property, plant and equipment

Items such as spare parts, stand-by equipment and servicing equipment which meet the definition criteria as per Ind AS 16 Property, Plant and Equipments are capitalized under plant and equipment and depreciated accordingly. These spares were reported as a part of inventories as per I GAAP and charged to consumption of stores, spares parts and consumables when issued. Accordingly the Company has capitalized such spare parts, stand-by equipment and servicing equipments with the corresponding adjustment to inventories and depreciation expense.

Further, the Company has adopted the deemed cost assumption as on the date of transition and accordingly the reversal of impairment under previous GAAP is reversed.

Also refer note b and o, explanation for reclassification of property, plant and equipment to disposal group - assets held for sale and investment property respectively.

The impact arising from the change is summarized as follow:

	1 April 2015	31 March 2016
Spares capitalized (net of depreciation and impairment)	1,410	1,523
Reclassification of property, plant and equipments to investment property (refer note o)	(1,592)	(1,559)
Reclassification of property, plant and equipments to disposal group - assets held for sale (refer note b)	-	(25,687)
Impact of adoption of deemed cost assumption on impairment	-	(194)
	(182)	(25,917)

b. Disposal group - assets held for sale

Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations requires disposal group to be identified as held for sale if the carrying amount will be recovered principally through a sale transaction rather than through continued use and a sale is considered highly probable. Ind AS 105 lays down detailed guidelines and criteria in this regard. Based on the assessment performed by the management, it has been determined that for year ended 31 March 2016 assets and liabilities of Company's Goa plant should be presented as held for sale under Ind AS.

c. Financial assets

Under the previous GAAP, interest free lease security deposit (that are refundable in cash upon completion of the lease term) are recorded at the transaction value. Under Ind AS, financial assets are required to be recognized at fair value. Accordingly the Company has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of these security deposits has been recognized as prepayments under other assets

Notes to financial statements as at 31 March 2017 (continued) (Currency: Indian Rupees in Lakhs, except share data)

d. Deferred tax assets

IGAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 Income Taxes requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. In addition, the various transitional adjustments lead to temporary differences. According deferred tax adjustments are recognized in correlation to the underlying transaction in retained earnings as at transition date and for the year ended 31 March 2016 either in statement of profit and loss or in other comprehensive income.

e. Trade receivables

In accordance with Ind AS 109 Financial Instruments, the Company is required to apply expected credit loss model for recognizing the loss allowance on financial assets. The Company has, accordingly, adopted lifetime expected credit loss model for impairment of trade receivables from the transition date, resulting in incremental loss allowance as at 1 April 2015 by INR 365 Lakhs and as at 31 March 2016 by INR 906 Lakhs

f. Share based payment liability

In accordance with Ind AS 102 Share-based Payments, the Company is required to treat the share-based employee benefit schemes, wherein certain employees of the Company are granted shares or share options of the ultimate holding company, as 'cash-settled' share-based payment transactions. Accordingly the treatment has been given to account for employee benefit expense to the extent of fair value of the shares or options granted to the employee over the vesting period with corresponding cash-settled share-based payment liability being created.

g. Provisions

Under the previous GAAP, discounting of the provisions was not allowed. Under Ind AS, non current provisions are required to measured at discounted amounts, if the effect of time value is material. Accordingly, non-current provisions have been discounted to their present value.

h. Deferred income

The Company operated various customer loyalty programs which allows the customers to accumulate loyalty award credit points on purchase of Company's products. These points can be redeemed by the customers for free gifts. Under the previous GAAP, the Company created a provision towards its liability under this programme.

Under Ind AS, sales consideration received has been allocated between sale of finished goods and revenue from redemption of loyalty award credit points. The consideration allocated to the revenue from redemption of loyalty award credit points has been deferred and will be recognized as revenue when the loyalty award credit points are redeemed or lapsed.

i. Proposed dividend

Under previous GAAP, dividend proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered to be adjusting event. Accordingly, provision for



Notes to financial statements as at 31 March 2017 (continued)

(Currency: Indian Rupees in Lakhs, except share data)

proposed dividend along with related dividend distribution tax was recognized as a liability. Under Ind AS, dividends so proposed by the board of directors are considered to be non-adjusting event. Accordingly, provision for proposed dividend and dividend distribution tax recognized under previous GAAP has been reversed with corresponding adjustment to retained earnings.

j. Other equity

Details the impact in other equity consequent to Ind AS transition adjustments:

	As at	
	1 April 2015	31 March 2016
Retained earnings		
Financial assets - measured at amortized cost	(13)	(11)
Non current provisions - discounting	222	123
Expected credit loss impairment	(365)	(907)
Share-based payment measurement	(37)	(76)
Proposed dividend and tax thereon	1,983	1,983
Impact of adoption of deemed cost assumption on impairment	-	(194)
Tax effect on above adjustments	371	727
	2,161	1,645
Capital reserve		
Treatment of liability for cash-settled share-based payment arrangement	(145)	(238)
	2,016	1,407

k. Cash discount

Under previous GAAP, amount of cash discounts were shown as an item of other expenses and the revenue were grossed to that extent. In accordance with Ind AS, the revenue has been recognized net of cash discount.

l. Excise duty

Under previous GAAP, revenue from sale of products was presented net of the excise duty on sales. Under Ind AS, revenue from sale of products is presented inclusive of excise duty. Excise duty is presented in statement of profit and loss as an expense.

m. Sale transaction with tollers

Under previous GAAP, sales of raw materials / semi-finished goods to tollers for further processing was recognized as revenue. In accordance with Ind AS, the same has been derecognized with corresponding adjustment to cost of material consumed

n. Other comprehensive income

Under Ind AS, all items of income and expense recognized for the period should be included in profit and loss for the period, unless a standard requires or permits otherwise. Accordingly remeasurement of defined benefit plans are not recognized in profit or loss but are shown in the statement of profit and loss as "Other comprehensive income". The concept of other comprehensive income did not exist under previous GAAP.

Notes to financial statements as at 31 March 2017 (continued) (Currency: Indian Rupees in Lakhs, except share data)

o. Investment property

Based on Ind AS 40, the Company has reclassified the land and building amounting INR 1,555 under operating lease to investment property. Further, leasehold land amounting to INR 37 Lakhs as on 1 April 2015 with undermined future use is also reclassified to investment property. Under previous GAAP this was disclosed as part of property, plant and equipment.

2.3 Property, plant and equipment and capital work-in-progress

a. Reconciliation of carrying amounts

	Freehold land	Buildings	Plant and equipments	Furniture and fixtures	Computers	Vehicles	Total
Deemed cost as at 1 April 2015	718	10,523	21,636	1,001	1,016	19	34,913
Additions	-	2,546	8,645	394	337	79	12,001
Disposals	-	(0)	(375)	(0)	(7)	(2)	(384)
Reclassification to assets held for sale as part of disposal group	(40)	(8,057)	(23,288)	(90)	(261)	(71)	(31,807)
Balance at 31 March 2016	678	5,012	6,618	1,305	1,085	25	14,723
Balance at 1 April 2016	678	5,012	6,618	1,305	1,085	25	14,723
Additions	-	274	1,439	260	359	7	2,339
Disposals	-	(3)	(261)	(129)	(16)	(22)	(431)
Balance at 31 March 2017	678	5,283	7,796	1,436	1,428	10	16,631
Accumulated depreciation and impairment losses							
Balance at 1 April 2015	-	-	-	-	-	-	-
Depreciation for the year	-	(691)	(4,011)	(284)	(392)	(19)	(5,397)
Impairment loss (refer note 2.29)*	(1)	(239)	(2,717)	(7)	(24)	(6)	(2,994)
Reclassification to assets held for sale as part of disposal group	1	510	5,688	25	71	19	6,314
Disposals	-	0	90	0	3	2	95
Balance at 31 March 2016	-	(420)	(950)	(266)	(342)	(4)	(1,982)
Balance at 1 April 2016	-	(420)	(950)	(266)	(342)	(4)	(1,982)
Depreciation for the year	(0)	(295)	(949)	(271)	(368)	(3)	(1,886)
Disposals	-	3	142	50	16	6	217
Balance at 31 March 2017	(0)	(712)	(1,757)	(487)	(694)	(1)	(3,651)
Carrying amounts (net)							
Balance as at 1 April 2015	718	10,523	21,636	1,001	1,016	19	34,913
Balance as at 31 March 2016	678	4,592	5,668	1,039	743	21	12,741
Balance as at 31 March 2017	678	4,571	6,039	949	734	9	12,980

* Includes amount of INR 194 Lakhs on account of deemed cost assumption on impairment reversal provided under previous GAAP (refer note 2.25)



Notes to financial statements as at 31 March 2017 (continued)

(Currency: Indian Rupees in Lakhs, except share data)

b. Capital work-in-progress

Capital work in progress as at 31 March 2017 amounts to INR 481 Lakhs comprising majorly of plant and equipment being installed for seeds R&D activity at various R&D sites and other items of equipment at seeds processing plants, while that as at 31 March 2016 amounts to INR 620 Lakhs comprising majorly of plant and equipment at Thiamethoxam plant, seeds plants and R&D stations and as at 1 April 2015 amounts to INR 7,708 Lakhs comprising majorly of Goa site safety infrastructure project.

2.4 Investment property

a. Reconciliation of carrying amounts

	As At	
	31 March 2017	31 March 2016
Cost or deemed cost		
Opening balance / deemed cost as at 1 April 2015	1,592	1,592
Reclassification to assets as held for sale	(39)	-
Closing balance	1,553	1,592
Accumulated depreciation		
Opening balance	(33)	-
Depreciation for the year	(47)	(33)
Reclassification to assets as held for sale	8	-
Closing balance	(72)	(33)
Carrying amounts (net)	1,481	1,559

b. Amount recognized in profit and loss for investment property

	For the year ended	
	31 March 2017	31 March 2016
Rental income	285	282
Depreciation	(47)	(33)
Net profit from investment properties	238	249

c. Contractual obligation

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

d. Measurement of fair values

	As At	
	31 March 2017	31 March 2016
Land and buildings	4,915	4,214
Leasehold land #	128	911

Notes to financial statements as at 31 March 2017 (continued) (Currency: Indian Rupees in Lakhs, except share data)

The fair value of land and buildings has been determined by external independent property valuers having appropriate recognized professional qualifications and recent experience in the location and category of the property being valued.

The fair value measurement of land and buildings has been categorized as level 3 fair value based on the inputs to the valuation techniques used. The main inputs used in determining the fair value include present value of buildings and roads, yield for similar industrial property and market rent based on capital value and yield.

The Company has a leasehold land in Panoli, Gujarat, which was presented as investment property as at 31 March 2016. During the year, the Company has signed a memorandum of understanding for the sale of certain area out of this leasehold land and accordingly the same has been presented as non-current asset held for sale as at 31 March 2017. The balance area has been demarcated for acquisition by the Central Railways for its rail corridor. This demarcated land will be under the possession of the Company till such acquisition and has been presented as investment property as at 31 March 2017. Compensation for this demarcated land would be disbursed as per the valuation of land done by the concerned authorities. Based on management assessment, the compensation assigned would be higher than the carrying value of the said leasehold land in books.

The fair value of leasehold land has been categorized as level 2 fair value based on the arms length transaction price of the similar property agreed between the Company and an independent third party.

2.5 Financial assets

	As at					
	31 March 2017		31 March 2016		1 April 2015	
	Non Current	Current	Non Current	Current	Non Current	Current
Loans						
Other loans						
Loans to employees (Unsecured, considered good)	-	77	-	98	-	115
	-	77	-	98	-	115
Other financial assets (Unsecured, considered good)						
Security deposits	524	-	288	-	614	-
Receivable for sale of Goa facility	-	1,948	-	-	-	-
Receivables from group companies for services and other recharges	-	1,287	-	1,487	-	1,861
Bank deposits (due to mature after 12 months from reporting date)	-	-	-	-	26	-
Interest accrued on bank deposits	-	756	-	686	-	226
	524	3,991	288	2,173	640	2,087



Notes to financial statements as at 31 March 2017 (continued)

(Currency: Indian Rupees in Lakhs, except share data)

2.6 Other assets

	As at					
	31 March 2017		31 March 2016		1 April 2015	
	Non Current	Current	Non Current	Current	Non Current	Current
Capital advances	81	-	60	-	172	-
Advances other than capital advances						
Advances to employees	-	456	-	467	-	-
Advances to suppliers						
Considered good	45	21,335	83	4,425	-	5,725
Considered doubtful	-	-	-	-	-	92
	45	21,335	83	4,425	-	5,817
Provision for doubtful advances	-	-	-	-	-	(92)
	45	21,335	83	4,425	-	5,725
Prepayments	46	352	69	579	51	144
Employee benefits assets (refer note 2.28)	287	-	353	-	-	-
VAT credit receivable	767	90	795	101	1,165	-
Excise duty refund receivable	-	1,719	-	424	-	832
Balances with Government authorities						
Considered good	4,193	150	2,641	19	1,108	4,802
Considered doubtful	-	226	-	235	-	555
	4,193	376	2,641	254	1,108	5,357
Provision for doubtful balance	-	(226)	-	(235)	-	(555)
	4,193	150	2,641	19	1,108	4,802
Receivables from tollers for central excise balances	-	2,781	1,300	692	670	783
	5,419	26,883	5,301	6,707	3,166	12,286

2.7 Inventories

	As at		
	31 March 2017	31 March 2016	1 April 2015
Raw materials * (including raw material-in-transit amounting to INR 8,527 Lakhs; 31 March 2016: INR 10,387 Lakhs; 1 April 2015 INR 6,451 Lakhs)	27,950	19,295	18,529
Packing materials	3,198	2,137	3,499
Finished goods	47,199	33,230	27,784
Traded goods	10,366	6,245	6,379
Work-in-progress **	20,649	23,333	40,307
Stores and spares	-	-	1,040
	109,362	84,240	97,538

* Raw material includes basic seeds used for further multiplication.

** Work-in-progress includes multiplied seeds subject to further processing.

Notes to financial statements as at 31 March 2017 (continued) (Currency: Indian Rupees in Lakhs, except share data)

The write down of inventories to net realizable value during the year amounted to INR 8,451 Lakhs (31 March 2016: 9,178 Lakhs). The write-downs are included in cost of material consumed or changes in inventories of finished goods, work-in-progress and stock-in-trade.

2.8 Trade receivables

	As at		
	31 March 2017	31 March 2016	1 April 2015
Trade receivables (unsecured)			
Considered good	52,028	34,962	36,268
Considered doubtful	3,920	2,692	2,268
	55,948	37,654	38,536
Loss allowance	(3,920)	(2,692)	(2,268)
Net trade receivables	52,028	34,962	36,268

The Company's exposure to credit risk and loss allowances related to trade receivables are disclosed in Note 2.16.2

2.9 Cash and cash equivalents

	As at		
	31 March 2017	31 March 2016	1 April 2015
Bank balances			
- in current accounts	2,175	322	955
- in deposits accounts (with original maturity of 3 months or less)	76,155	54,215	51,025
- in unpaid dividend accounts	69	66	70
Total cash and cash equivalents	78,399	54,603	52,050

2.10 Equity share capital

	As at		
	31 March 2017	31 March 2016	1 April 2015
Authorized			
32,950,000 (31 March 2016: 32,950,000; 1 April 2015: 32,950,000) equity shares of face value of INR 5 each	1,648	1,648	1,648
Issued, subscribed and fully paid-up share capital			
32,943,708 (31 March 2016: 32,943,708; 1 April 2015: 32,943,708) equity shares of face value of INR 5 each fully paid up	1,647	1,647	1,647

(a) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of INR. 5 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes to financial statements as at 31 March 2017 (continued)

(Currency: Indian Rupees in Lakhs, except share data)

(b) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	31 March 2017	31 March 2016
	No. of shares	No. of shares
Equity shares		
At the commencement and at the end of the year	32,943,708	32,943,708

(c) Shares held by holding/ultimate holding company and/or their subsidiaries

Name of the shareholder	As At		
	31 March 2017	31 March 2016	1 April 2015
Syngenta Participations AG, Switzerland, subsidiary of ultimate holding company 16,246,450 (31 March 2016: 16,246,450; 1 April 2015: 16,246,450) equity shares of face value of INR 5 each	812	812	812
Syngenta South Asia AG, Switzerland, subsidiary of ultimate holding company 14,434,178 (31 March 2016: 14,434,178; 1 April 2015: 14,434,178) equity shares of face value of INR 5 each	722	722	722
Syngenta Research Services Pte. Ltd. Singapore, subsidiary of ultimate holding company 1,082,044 (31 March 2016: 1,082,044; 1 April 2015: 1,082,044) equity shares of face value of INR 5 each	54	54	54

(d) Details of shareholders holding more than 5% shares in the company

Name of the shareholder	As At					
	31 March 2017		31 March 2016		1 April 2015	
	No. of shares	% holding in the class	No. of shares	% holding in the class	No. of shares	% holding in the class
Equity shares of face value INR 5 each fully paid						
Syngenta Participations AG, Switzerland	16,246,450	49.32%	16,246,450	49.32%	16,246,450	49.32%
Syngenta South Asia AG, Switzerland	14,434,178	43.81%	14,434,178	43.81%	14,434,178	43.81%

(e) Details of shares issued for consideration other than cash

Name of the shareholder	As At					
	31 March 2017		31 March 2016		1 April 2015	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Shares issued to Syngenta Research Services Pte. Ltd. Singapore, the shareholder of Devgen Seeds and Crop Technology Pvt. Ltd. upon acquisition of its trading and production undertaking on 28 August 2014, effective 2 April 2014	1,082,044	54	1,082,044	54	1,082,044	54

Notes to financial statements as at 31 March 2017 (continued)
(Currency: Indian Rupees in Lakhs, except share data)

(f) Dividends

	For the year ended	
	31 March 2017	31 March 2016
Equity shares		
<i>Dividends recognized at the end of reporting period</i>		
Final dividend for the year ended 31 March 2016 of INR 5 (31 March 2015 INR 5) per fully paid equity share	164,718,540	164,718,540
<i>Dividends not recognized at the end of the reporting period</i>		
In addition to the above dividends, since the year end the directors have recommended the payment of a final dividend of INR 5 per fully paid equity share (31 March 2016 - INR 5). This proposed dividend is subject to the approval of shareholders in ensuing Annual General Meeting.	164,718,540	164,718,540

2.11 Other equity

	For the year ended	
	31 March 2017	31 March 2016
Retained earnings		
<i>Items of other comprehensive income</i>		
At the commencement of the year	312	-
Remeasurement of employee benefit obligations during the period (net of tax)	(291)	312
At the end of the year	21	312
<i>Items other than other comprehensive income</i>		
At the commencement of the year	173,133	146,699
Profit and loss attributable to shareholders	28,833	31,665
Transfers to general reserves	(2,883)	(3,249)
Dividends declared	(1,647)	(1,647)
Dividend distribution tax on above	(335)	(335)
At the end of the year	197,101	173,133
Total retained earnings at the end of the year	197,122	173,445
General reserves		
At the commencement of the year	50,655	47,406
Transfers during the period	2,883	3,249
At the end of the year	53,538	50,655
Capital reserves		
At the commencement and at the end of the year	1,648	1,648
Total other equity	252,308	225,748

Notes to financial statements as at 31 March 2017 (continued)

(Currency: Indian Rupees in Lakhs, except share data)

2.12 Provisions

	As at 31 March 2017		As at 31 March 2016		As at 1 April 2015	
	Non Current	Current	Non Current	Current	Non Current	Current
Provision for employee benefit						
Compensated absence	1,142	287	1,188	253	2,087	430
Post retirement medical benefits (see note 2.28)	22	4	47	5	226	12
Gratuity (see note 2.28)	175	33	9	267	479	332
Pension (see note 2.28)	-	-	-	-	-	115
Long term service awards (see note 2.28)	309	8	272	13	558	23
Total provisions for employee benefits (A)	1,648	332	1,516	538	3,350	912
Other provisions						
Provision for site restoration	95	-	551	-	648	-
Provision for litigation	-	477	-	307	-	218
Provision for rebates	-	14,298	-	10,240	-	5,558
Provisions for indirect tax matters	-	604	-	646	-	690
Total other provisions (B)	95	15,379	551	11,193	648	6,466
Total provision (A+B)	1,743	15,711	2,067	11,731	3,998	7,378

Movement in other provisions during the period	Provision for site restoration	Provision for litigation	Provision for rebate	Provision for indirect tax matters	Total
Balance at 1 April 2015	648	218	5,558	690	7,114
Provisions made during the year	-	279	42,730	54	43,063
Provisions utilized during the year	(160)	(16)	(38,048)	-	(38,224)
Provisions reversed during the period	-	(174)	-	(98)	(272)
Unwinding of discount	63	-	-	-	63
Balance at 31 March 2016	551	307	10,240	646	11,744
Provisions made during the year	-	300	60,078	-	60,378
Provisions utilized during the year	(262)	(36)	(56,020)	-	(56,318)
Provisions reversed during the period	(215)	(94)	-	(42)	(351)
Unwinding of discount	21	-	-	-	21
Balance at 31 March 2017	95	477	14,298	604	15,474

Provision for site restoration

Syngenta group companies worldwide place great importance on protecting the environment and conserving natural resources. The existing provision was found adequate towards cost of carrying out remediation measures. The management intends to spend the amount provided in the near future.

Notes to financial statements as at 31 March 2017 (continued) (Currency: Indian Rupees in Lakhs, except share data)

Provision for litigation

This represents provisions made for probable liabilities/claims arising out of pending disputes/litigations with various regulatory authorities arising out of consumer claims relating to products. These provisions are affected by numerous uncertainties and management has taken all efforts to make best estimates. Timing of out flow of resources will depend upon timing of the decision of cases.

Provision for rebate

The provision for rebates is on account of incentive schemes and rebates given on products sold by the Company. The provision for the above schemes is based on the historic data/estimated figures. The timing and amount of the cash flows that will arise will be determined at the time of completion of incentive schemes, which are expected to be completed within 12 months.

Provision for indirect tax matters

This represents provisions made for probable liabilities/claims arising out of pending disputes/litigations with various regulatory authorities in respect of sales tax and VAT cases. These provisions are affected by numerous uncertainties and management has taken all efforts to make best estimates. Timing of out flow of resources will depend upon timing of decision of cases.

2.13 Other financial liabilities

	As at		
	31 March 2017	31 March 2016	1 April 2015
Current			
Capital creditors	147	93	345
Cash-settled share based payment liability	464	314	182
Accrued employee liabilities	1,565	989	1,057
Unpaid dividend	69	66	70
Statutory dues #	1,077	598	1,648
Other payables	-	4	79
	3,322	2,064	3,381

Statutory dues includes payable on account of Provident Fund, Pension, TDS, Service tax, excise duty etc.

2.14 Trade payables

	As at		
	31 March 2017	31 March 2016	1 April 2015
Trade payable			
- total outstanding dues of micro and small enterprises (refer note 2.36)	954	919	425
- total trade payables other than micro and small enterprises			
to related parties	24,388	22,321	16,960
others	20,638	7,080	17,491
	45,980	30,320	34,876

The Company's exposure to currency and liquidity risk related to trade payables is detailed in note 2.16.2



Notes to financial statements as at 31 March 2017 (continued)

(Currency: Indian Rupees in Lakhs, except share data)

2.15 Other current liabilities

	As at		
	31 March 2017	31 March 2016	1 April 2015
Advances from customers	3,728	4,334	8,849
	3,728	4,334	8,849

2.16 Fair value measurements

2.16.1 Financial instruments by category

The carrying value and fair value of financial instruments by categories as on 31 March 2017

	Note	Amortized Cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/ liabilities at fair value through OCI		Total carrying value	Total fair value
			Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory		
Financial assets:								
Trade receivables	2.8	52,028	-	-	-	-	52,028	52,028
Loans	2.5	77	-	-	-	-	77	77
Cash and cash equivalents	2.9	78,399	-	-	-	-	78,399	78,399
Other bank balances		20,000	-	-	-	-	20,000	20,000
Security deposits	2.5	524	-	-	-	-	524	524
Receivables from group companies for services and other recharges	2.5	1,287	-	-	-	-	1,287	1,287
Receivable for sale of Goa facility	2.5	1,948	-	-	-	-	1,948	1,948
Interest accrued on bank deposits	2.5	756	-	-	-	-	756	756
		155,019	-	-	-	-	155,019	155,019
Current		154,495	-	-	-	-	154,495	154,495
Non current		524	-	-	-	-	524	524
		155,019	-	-	-	-	155,019	155,019
Financial liabilities:								
Trade payables	2.14	45,980	-	-	-	-	45,980	45,980
Cash-settled share based payment liability	2.13	464	-	-	-	-	464	464
Capital creditors	2.13	147	-	-	-	-	147	147
Accrued employee liabilities	2.13	1,565	-	-	-	-	1,565	1,565
Unpaid dividend	2.13	69	-	-	-	-	69	69
Statutory dues	2.13	1,077	-	-	-	-	1,077	1,077
		49,302	-	-	-	-	49,302	49,302
Current		49,302	-	-	-	-	49,302	49,302

The carrying value and fair value of financial instruments by categories as on 31 March 2016

Notes to financial statements as at 31 March 2017 (continued)
(Currency: Indian Rupees in Lakhs, except share data)

	Note	Amortized Cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/ liabilities at fair value through OCI		Total carrying value	Total fair value
			Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory		
Financial assets:								
Trade receivables	2.8	34,962	-	-	-	-	34,962	34,962
Loans	2.5	98	-	-	-	-	98	98
Cash and cash equivalents	2.9	54,603	-	-	-	-	54,603	54,603
Other bank balances		24,000	-	-	-	-	24,000	24,000
Security deposits	2.5	288	-	-	-	-	288	288
Receivables from group companies for services and other recharges	2.5	1,487	-	-	-	-	1,487	1,487
Interest accrued on bank deposits	2.5	686	-	-	-	-	686	686
		116,124	-	-	-	-	116,124	116,124
Current		115,836	-	-	-	-	115,836	115,836
Non current		288	-	-	-	-	288	288
		116,124	-	-	-	-	116,124	116,124
Financial liabilities:								
Trade payables	2.14	30,320	-	-	-	-	30,320	30,320
Cash-settled share based payment liability	2.13	314	-	-	-	-	314	314
Capital creditors	2.13	93	-	-	-	-	93	93
Accrued employee liabilities	2.13	989	-	-	-	-	989	989
Unpaid dividend	2.13	66	-	-	-	-	66	66
Statutory dues	2.13	598	-	-	-	-	598	598
Other payables	2.13	4	-	-	-	-	4	4
		32,384	-	-	-	-	32,384	32,384
Current		32,384	-	-	-	-	32,384	32,384

The carrying value and fair value of financial instruments by categories as on 1 April 2015



Notes to financial statements as at 31 March 2017 (continued)

(Currency: Indian Rupees in Lakhs, except share data)

	Note	Amortized Cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/ liabilities at fair value through OCI		Total carrying value	Total fair value
			Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory		
Financial assets:								
Trade receivables	2.8	36,268	-	-	-	-	36,268	36,268
Loans	2.5	115	-	-	-	-	115	115
Cash and cash equivalents	2.9	52,050	-	-	-	-	52,050	52,050
Security deposits	2.5	614	-	-	-	-	614	614
Bank deposits (due to mature after 12 months from reporting date)		26	-	-	-	-	26	26
Receivables from group companies for services and other recharges	2.5	1,861	-	-	-	-	1,861	1,861
Interest accrued on bank deposits	2.5	226	-	-	-	-	226	226
		91,160	-	-	-	-	91,160	91,160
Current		90,520	-	-	-	-	90,520	90,520
Non current		640	-	-	-	-	640	640
		91,160	-	-	-	-	91,160	91,160
Financial liabilities:								
Trade payables	2.14	34,876	-	-	-	-	34,876	34,876
Cash-settled share based payment liability	2.13	182	-	-	-	-	182	182
Capital creditors	2.13	345	-	-	-	-	345	345
Accrued employee liabilities	2.13	1,057	-	-	-	-	1,057	1,057
Unpaid dividend	2.13	70	-	-	-	-	70	70
Statutory dues	2.13	1,648	-	-	-	-	1,648	1,648
Other payables	2.13	79	-	-	-	-	79	79
		38,257	-	-	-	-	38,257	38,257
Current		38,257	-	-	-	-	38,257	38,257

Fair value hierarchy:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within 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 assets or liabilities that are not based on observable market data (unobservable inputs).

The company does not have assets and liabilities which are measured at fair value on a recurring basis as of 31 March 2017, 31 March 2016 and 1 April 2015

Notes to financial statements as at 31 March 2017 (continued) (Currency: Indian Rupees in Lakhs, except share data)

2.16.2 Financial risk management

Financial risk management framework

A financial risk management framework is in place in the form of a treasury policy approved by board of directors of ultimate holding company which has been adopted by the Company. In accordance with its treasury policy, the Company actively monitors and manages financial risk with the objectives of reducing fluctuations in reported earnings and cash flows from these risks and providing economic protection against cost increases. These objectives are achieved through (a) an assessment of the impact of market risks against defined risk limits, which take into account the risk appetite of the Company and (b) the use of a variety of derivative and non-derivative financial instruments. This policy also guides the manner of investing the surplus funds of the Company. Also, the Company has a Trade Finance Credit policy which guides on managing the customer credit limits.

Financial risk factors:

The nature of the Company's business exposes it to a range of financial risks. These risks include:

- (i) market risks, which include potential unfavorable changes in foreign exchange rates, interest rates, commodity prices and other market prices,
- (ii) credit risk and
- (iii) liquidity and refinancing risk.

(i) Market risk factors:

Foreign exchange risk:

The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company has limited exposure to foreign exchange risks and Company follows the policy to hedging against this risk only when the total exposure of the Company exceeds the threshold limit of 5 million U.S. dollars. This policy is reviewed periodically.

The following table analyzes the Company's foreign currency risk exposure as a result of financial instruments designated in major foreign currencies as at 31 March 2017 (Amounts in INR Lakhs)

	U.S. dollars	Japanese Yen	UK Pound Sterling	EURO	Swiss Franc	Australian dollars	Total
Trade receivables	450	-	-	-	-	-	450
Trade payables	(17)	-	-	-	(20)	(18)	(55)
	433	-	-	-	(20)	(18)	395

The following table analyzes the Company's foreign currency risk exposure as a result of financial instruments designated in major foreign currencies as at 31 March 2016 (Amounts in INR Lakhs)

	U.S. dollars	Japanese Yen	UK Pound Sterling	EURO	Swiss Franc	Australian dollars	Total
Trade receivables	2,093	-	-	-	-	-	2,093
Trade payables	(230)	(158)	(21)	(49)	(47)	(20)	(525)
	1,863	(158)	(21)	(49)	(47)	(20)	1,568

Notes to financial statements as at 31 March 2017 (continued) (Currency: Indian Rupees in Lakhs, except share data)

The details of the sensitivity analysis based on the changes in the income and expenses in foreign currency upon conversion into functional currency, due to exchange rate fluctuations between previous reporting period and current reporting period are as follows:

For the year ended 31 March 2017 and 31 March 2016, one percentage point strengthening or weakening in exchange rate between Indian rupee and U.S. dollar and other currencies, has an insignificant affect on the operating margin and net profit margin

Interest rate risk:

The Company is exposed to interest rate risk on its excess cash. The average balance in interest earning deposit account during the year ended 31 March 2017 and 31 March 2016 were INR87,185 Lakhs and INR 64,620 Lakhs respectively. At 31 March 2017 and at 31 March 2016, the net amount of earnings-at-risk on bank deposit interest rate due to potential changes in interest rates (a parallel shift of 100 bps was applied) were INR 872 Lakhs and INR 646 Lakhs respectively.

Commodity price risk:

Operating in the agribusiness sector, changes in certain commodity prices affect the Company's reported operating results and cash flows. The main objective of managing commodity price risk is to reduce the impact of commodity price changes on operating income and to provide economic protection against future cost increases. The Company uses fixed price contracts and derivatives (both Over-the-Counter (OTC) and exchange traded instruments, including commodity option and futures contracts) to achieve this objective. The Company has a policy to enter into derivative transactions, on a limited basis, to hedge the exposure of its cost base to commodity prices. Basis this policy currently, there are no derivatives taken by the Company.

The Company has indirect exposure to oil price fluctuations mainly through the impact of oil prices on the cost of both raw materials, especially chemical intermediates in the Crop Protection business, and distribution activities. As the exposure to oil is indirect, the Company does not calculate the Earnings-at-Risk due to potential changes in oil prices.

The Company is also indirectly exposed to potential changes in the prices of soft commodities, principally corn and rice. The demand for the products of the Company, both seeds and crop protection, are affected by the decline by prices of soft commodities. As the exposure to soft commodities prices is indirect, the Company does not calculate the Earnings-at-Risk due to potential changes in prices of soft commodities.

(ii) Credit risk:

Credit risk arises from the possibility that counterparties involved in transactions with the Company may default on their obligation, resulting in financial losses to the Company. Credit risk relates both to financial assets as well as to operational assets managed by the Company's businesses (such as trade receivables).

The Company has policies and operating guidelines in place to ensure that financial instrument transactions and bank deposit transactions are only entered into with high credit quality banks and financial institutions. The credit risk to operational assets is managed through the use of credit limits based on credit worthiness and business capabilities of the customers. The credit risk is also partially mitigated through commercial activities, which include cash sales incentives and obtaining other security from customers where appropriate.

Notes to financial statements as at 31 March 2017 (continued) (Currency: Indian Rupees in Lakhs, except share data)

On account of adoption of Ind AS 109 Financial Instruments, the company uses expected credit loss model to assess the impairment loss of trade receivables.

Expected credit loss assessment for trade receivables as at 31 March 2017, 31 March 2016 and 1 April 2015

The Company uses the aging matrix to measure the expected credit loss of trade receivables. Expected loss rates are based on averages computed default rate based on historical analysis of trade receivables

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables

	As at 31 March 2017		As at 31 March 2016		As at 1 April 2015	
	Gross carrying amounts	Expected credit loss rate	Gross carrying amounts	Expected credit loss rate	Gross carrying amounts	Expected credit loss rate
Current (not past due)	28,944	1.51%	17,267	1.47%	13,632	1.47%
1 - 180 days past due	17,287	5.92%	12,551	5.52%	12,616	10.48%
181 - 360 days past due	507	95.83%	195	95.83%	173	95.83%
More than 360 days past due	1,973	100.00%	1,560	100.00%	581	100.00%

(iii) Liquidity risk:

The Company's principal sources of liquidity are cash and cash equivalents and cash flow that is generated from operations. The Company has not outstanding bank borrowings. The Company believes that the current working capital is sufficient to meet its current obligatory requirements. Accordingly, no liquidity risk is perceived.

As on 31 March 2017, the Company had a working capital of INR 219,059 Lakhs (as on 31 March 2016 INR 194,318 Lakhs, as on 1 April 2015 INR 142,008 Lakhs) including cash and cash equivalents of INR 98,399 Lakhs (as on 31 March 2016 INR 78,603 Lakhs, as on 1 April 2015 INR 52,050 Lakhs) .

The table below provides details regarding the contractual maturities of significant financial liabilities as of 31 March 2017

Particulars	Less than 1 year	1-2 years	2-5 years	more than 5 years	Total
Trade payables	45,980	-	-	-	45,980
Other financial liabilities	3,322	-	-	-	3,322

The table below provides details regarding the contractual maturities of significant financial liabilities as of 31 March 2016

Particulars	Less than 1 year	1-2 years	2-5 years	more than 5 years	Total
Trade payables *	40,961	-	-	-	40,961
Other financial liabilities *	2,997	-	-	-	2,997

* Includes balances forming part of disposal group - liabilities directly associated with assets held for sale.



Notes to financial statements as at 31 March 2017 (continued)

(Currency: Indian Rupees in Lakhs, except share data)

2.17 Revenue from operations

	For the year ended	
	31 March 2017	31 March 2016
Sales of products		
Finished goods	218,412	179,849
Traded goods	46,348	54,988
Revenue from redemption of loyalty award credit points	1,827	1,249
Total sale of products (A)	266,587	236,086
Other operating revenue		
Process reject and seeds trash (B)	360	161
Total revenue from operations (A+B)	266,947	236,247

2.18 Other income

	For the year ended	
	31 March 2017	31 March 2016
Interest income on		
- deposits with bank	6,331	4,151
- overdue trade receivables	781	259
- security deposits at amortized cost	27	21
Investment property rentals (Refer note 2.4)	285	282
Gain on account of foreign currency transactions (net)	-	67
Liabilities written back to the extent no longer required	1,112	272
Charges for shared services	3,817	3,593
Government grants (duty drawback)	614	176
Excess pension liability written back	32	-
Other non-operating income	7	109
	13,006	8,930

2.19 Cost of materials consumed

	For the year ended	
	31 March 2017	31 March 2016
Raw materials consumed		
Inventory of raw materials at the beginning of the year	19,295	16,401
Add: Purchases	130,850	93,651
Less: Inventory of raw materials at the end of the year	(27,950)	(19,295)
	1,22,195	90,757
Packing material consumed		
Inventory of packing materials at the beginning of the year	2,137	3,251
Add: Purchases	9,926	7,657
Less: Inventory of Packing materials at the end of the year	(3,198)	(2,137)
	8,865	8,771
	131,060	99,528

Notes to financial statements as at 31 March 2017 (continued) (Currency: Indian Rupees in Lakhs, except share data)

2.20 Purchases of stock-in-trade

	For the year ended	
	31 March 2017	31 March 2016
Purchases of stock-in-trade	38,526	33,222
	38,526	33,222

2.21 Changes in inventory of finished goods, work-in-progress and stock-in-trade

	For the year ended	
	31 March 2017	31 March 2016
Opening inventory		
Finished goods #	30,494	25,903
Work-in-progress	23,333	26,904
Stock-in-trade	6,245	6,379
	60,072	59,186
Closing inventory		
Finished goods #	47,199	30,494
Work-in-progress	20,649	23,333
Stock-in-trade	10,366	6,245
	78,214	60,072
	(18,142)	(886)

Closing stock as at 31 March 2016 excludes finished goods of INR 2,736 Lakhs pertaining to discontinued operations.

2.22 Employee benefit expenses

	For the year ended	
	31 March 2017	31 March 2016
Salaries, wages and bonus	16,424	14,700
Contribution to provident and other funds	991	1,075
Cash-settled share-based payments (refer note 2.30)	164	132
Gratuity expenses	253	129
Pension expenses	-	18
Post retirement medical benefit	13	80
Staff welfare expenses	1,081	920
	18,926	17,054

2.23 Finance costs

	For the year ended	
	31 March 2017	31 March 2016
Interest	39	5
Unwinding of discount on site restoration provisions	21	64
Bank charges	21	62
	81	131



Notes to financial statements as at 31 March 2017 (continued)

(Currency: Indian Rupees in Lakhs, except share data)

2.24 Depreciation and amortization expense

	For the year ended	
	31 March 2017	31 March 2016
Depreciation on property, plant and equipment	1,886	2,104
Depreciation on investment property	47	33
	1,933	2,137

2.25 Other expenses

	For the year ended	
	31 March 2017	31 March 2016
Power, fuel and water charges	769	593
Rates and taxes	414	1,987
Processing charges	6,673	3,366
Consumption of stores, spare parts and consumables	86	290
Repairs and maintenance		
- Buildings	305	383
- Machinery	73	66
- Others	175	293
Insurance	164	154
Rent	4,784	4,474
Royalty and technical know-how	2,563	1,603
Freight, clearing and forwarding charges	6,456	5,849
Clinical and field trials	1,527	1,744
Advertisement and sales promotion	3,437	2,034
Travelling and conveyance	4,571	4,063
Communication expenses	603	475
Excise duty related to increase/(decrease) in inventory of finished goods	2,005	735
Outsourced services/personnel	8,000	8,301
Bad debts/ advances written off *	65	0
Provision for doubtful debts/advances (net)	1,228	333
Net loss on sale of property, plant and equipment	121	-
Impairment loss as a result of deemed cost assumption	-	194
Loss on account of foreign currency transactions (net)	109	-
Legal and professional fees	923	1,520
Donations	471	394
Expenditure on corporate social responsibility (Refer note 2.37)	447	589
Payment to auditors #	51	40
Site restoration expenses	91	36
Miscellaneous expenses	1,814	1,443
	47,925	40,959
# Payment to auditors		
As Auditor:		
Statutory audit fees	38	28
Tax audit fees	8	8
Reimbursement of expenses	5	4
	51	40

* Amount not disclosed, being below threshold limit adopted for rounding off purpose.

Notes to financial statements as at 31 March 2017 (continued) (Currency: Indian Rupees in Lakhs, except share data)

2.26 Earnings per share

The calculation of profit attributable to equity share holders and weighted average number of equity shares outstanding for the purpose for purpose of basic and dilutive earnings per share are as follows

	For the year ended	
	31 March 2017	31 March 2016
Profit for the year attributable to equity shareholders (basic and diluted)		
Continuing operations	27,731	28,134
Discontinued operations	1,102	3,531
Continuing and discontinued operations	28,833	31,665
Weighted average number of equity shares (basic and diluted)	32,943,708	32,943,708
Earnings per share - continuing operations		
Basic earning per share of face value of INR 5 each (in INR)	84.18	85.40
Diluted earning per share of face value of INR 5 each (in INR)	84.18	85.40
Earnings per share - discontinued operations		
Basic earning per share of face value of INR 5 each (in INR)	3.34	10.72
Diluted earning per share of face value of INR 5 each (in INR)	3.34	10.72
Earnings per share - continuing and discontinued operations		
Basic earning per share of face value of INR 5 each (in INR)	87.52	96.12
Diluted earning per share of face value of INR 5 each (in INR)	87.52	96.12

2.27 Income taxes

a. Income tax expense recognized in the statement of profit and loss

	For the year ended	
	31 March 2017	31 March 2016
Continuing operations		
Current tax	15,402	14,812
Deferred tax	(167)	(1,832)
Tax expense of continuing operations	15,235	12,980
Discontinued operations		
Current tax	1,625	2,530
Deferred tax	(606)	(656)
Tax expense of discontinued operations	1,019	1,874
Total tax expense recognized in statement of profit and loss for the year	16,254	14,854



Notes to financial statements as at 31 March 2017 (continued) (Currency: Indian Rupees in Lakhs, except share data)

Current tax expense for the year ended 31 March 2017 includes changes in estimates related to prior years of INR 395 Lakhs (31 March 2016 - INR (315) Lakhs).

Entire deferred tax for the year ended 31 March 2017 and 31 March 2016 relates to the origination and reversal of temporary differences.

b. Income tax expense recognized in other comprehensive income

	For the year ended	
	31 March 2017	31 March 2016
Remeasurement of employee benefit obligations (income) / expense before tax	(445)	477
Tax (expense)/benefit	154	(165)
Other comprehensive income net of tax	(291)	312

c. Reconciliation of the income tax expense to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below

	As at			
	31 March 2017		31 March 2016	
Profit before income taxes		45,087		46,519
Enacted tax rates in India		34.61%		34.61%
Computed expected tax expense using enacted income tax rate	34.61%	15,604	34.61%	16,099
Tax effect of amounts which are non deductible in calculating taxable income	0.17%	77	0.09%	44
Tax effect of CSR expenditure	0.34%	155	0.44%	204
Tax effect of lower rate on sale of discontinued operations#	0.00%	-	(0.65%)	(303)
Changes in estimates related to prior years *	0.48%	218	(2.54%)	(1,182)
Tax effect of indexation benefit on freehold land	0.44%	200	(0.02%)	(8)
Income tax expense	36.05%	16,254	31.93%	14,854

The Company treated the sale of its Goa facility as 'slump sale' under the provisions of Income Tax Act 1961 and rules enacted therein by the Government of India. Accordingly, the profits and losses on the sale of the assets and liabilities were taxed at a differential rate of 23.07 %.

* Reconciliation to prior year current tax provision

Prior year current tax provision	(395)	315
Permanent items forming part of the effective tax rate reconciliation	218	(1,182)
Temporary items forming part of the deferred tax	(177)	867

Notes to financial statements as at 31 March 2017 (continued)
(Currency: Indian Rupees in Lakhs, except share data)

d. Details of income tax assets (liabilities)

	31 March 2017	31 March 2016
Net current income tax asset/ (liability) at the beginning	10,395	9,131
Current income tax expense	(16,088)	(17,656)
Income taxes paid	17,219	18,605
Prior year current tax provision	(395)	315
Current tax on capital gains	(544)	-
Net current income tax asset/ (liability) at the end	10,587	10,395

e. Recognized deferred tax assets and liabilities

The tax effect of significant temporary differences that resulted in deferred income tax assets and liabilities are as follows

	As at		
	31 March 2017	31 March 2016	1 April 2015
Deferred tax assets			
Prepayments	37	29	22
Pension and employee benefits cost	1,190	1,307	1,748
Allowance for doubtful debt - trade receivables	1,357	931	816
Provisions	2,545	2,582	1,305
Others	726	640	582
	5,855	5,489	4,473
Property, plant and equipment and investment property	(654)	(1,224)	(2,538)
Financial assets	(34)	(25)	(18)
	(688)	(1,249)	(2,556)
Net deferred tax asset/(liability)	5,167	4,240	1,917

Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax liabilities relate to income taxes levied by the same taxation authority.

In assessing the reliability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.



Notes to financial statements as at 31 March 2017 (continued)
(Currency: Indian Rupees in Lakhs, except share data)

Gross movement in the deferred taxes

	Balance as at 1 April 2015	Recognized in profit or loss during the year 2015-16	Recognized in OCI during the year 2015-16	Balance as at 31 March 2016	Recognized in profit or loss during the year 2016-17	Recognized in OCI during the year 2016-17	Balance as at 31 March 2017
Prepayments	22	7	-	29	8	-	37
Pension and employee benefits cost	1,748	(276)	(165)	1,307	(271)	154	1,190
Allowance for doubtful debt - trade receivables	816	115	-	931	426	-	1,357
Provisions	1,305	1,277	-	2,582	(37)	-	2,545
Others	582	58	-	640	86	-	726
	4,473	1,181	(165)	5,489	212	154	5,855
Deferred tax liabilities							
Property, plant and equipment and investment property	(2,538)	1,314	-	(1,224)	570	-	(654)
Financial assets	(18)	(7)	-	(25)	(9)	-	(34)
	(2,556)	1,307	-	(1,249)	561	-	(688)
Net deferred tax asset/(liability)	1,917	2,488	(165)	4,240	773	154	5,167

Notes to financial statements as at 31 March 2017 (continued) (Currency: Indian Rupees in Lakhs, except share data)

2.28 Employee benefits

Defined contributions plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund and Superannuation Fund, which are the defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognized as an expense towards defined contribution plans for the year for provident and superannuation funds is INR 991 Lakhs (31 March 2016: INR 1,075 Lakhs).

Defined benefit plans

The Company operates three defined benefit plans, viz., gratuity, post retirement benefit and pension, for its employees as detailed below.

Gratuity

Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure in accordance with the Company's policy based on completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy.

Pension benefit scheme

Under the Company's pension scheme, certain categories of employees, on retirement, are eligible for monthly pension which is accounted for on an actuarial basis as on the balance sheet date.

Long service award (LSA)

Under the Company's long service award, certain categories of employees, on retirement are eligible for long service award which is accounted for on an actuarial basis as on the balance sheet date.

Post retirement medical benefit (PRMB)

Under the Company's post retirement medical benefit scheme, certain categories of employees, on retirement are eligible for one time fixed payment.



Notes to financial statements as at 31 March 2017 (continued)

(Currency: Indian Rupees in Lakhs, except share data)

Assets and Liabilities related to employee benefits:

	Gratuity			Pension			LSA			PRMB		
	(Funded)			(Funded)			(Non Funded)			(Non Funded)		
	31 March 2017	31 March 2016	1 April 2015									
Defined benefit obligation	1,884	2,282	2,486	1,190	1,143	1,445	317	370	581	26	52	238
Fair value of planned assets	1,676	2,006	1,675	1,477	1,496	1,330	-	-	-	-	-	-
(Liability) / assets recognized in balance sheet	(208)	(276)	(811)	287	353	(115)	(317)	(370)	(581)	(26)	(52)	(238)
Current	(33)	(267)	(332)	-	-	(115)	(8)	(13)	(23)	(4)	(5)	(12)
Non current	(175)	(9)	479)	287	353	-	(309)	(272)	(558)	(22)	(47)	(226)
Total employee benefit liabilities	(208)	(276)	(811)	287	353	(115)	(317)	(285)	(581)	(26)	(52)	(238)

Changes in present value of defined benefit obligation are as follows

	Gratuity		Pension		LSA		PRMB	
	(Funded)		(Funded)		(Non Funded)		(Non Funded)	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Opening defined benefit obligation	2,426	2,486	1,122	1,445	370	581	150	238
Current service cost	261	160	17	28	53	46	6	12
Interest cost	150	182	76	99	27	45	9	19
Benefits paid from plan	(801)	(450)	(89)	(410)	-	-	-	-
Benefits paid by employer	-	-	(138)	-	(16)	(27)	(69)	(12)
Remeasurements								
Effect of changes in demographic assumptions	(4)	(67)	-	-	(17)	(208)	(1)	(54)
Effect of changes in financial assumptions	-	(58)	-	(25)	-	(40)	-	38
Effect of experience adjustments	128	173	202	(16)	27	(27)	23	(91)
Transfer out	(276)	-	-	-	(127)	-	(92)	-
Closing defined benefit obligation	1,884	2,426	1,190	1,121	317	370	26	150

Transferred to liabilities associated with assets held for sale

- (144) - 22 - (85) - (98)

Notes to financial statements as at 31 March 2017 (continued)
(Currency: Indian Rupees in Lakhs, except share data)

Changes in fair value of plan assets are as follows

	Gratuity		Pension		LSA		PRMB	
	(Funded)		(Funded)		(Non Funded)		(Non Funded)	
	31	31	31	31	31	31	31	31
	March	March	March	March	March	March	March	March
	2017	2016	2017	2016	2017	2016	2017	2016
Opening fair value of planned assets	2,006	1,675	1,497	1,330	-	-	-	-
Interest income	138	148	112	112	-	-	-	-
Employer's contribution	342	486	35	416	-	-	-	-
Employer direct benefit payments	-	-	138	-	(16)	(27)	69	12
Benefits paid from plan assets	(801)	(450)	(89)	(410)	-	-	-	-
Benefits paid by employer	-	-	(138)	-	16	27	(69)	(12)
Remeasurements								
Return on plan assets (excluding interest income)	(9)	55	(78)	48	-	-	-	-
Transfer in	-	92	-	-	-	-	-	-
Closing fair value of planned assets	1,676	2,006	1,477	1,496	-	-	-	-

Net employee benefit expense recognized in employee cost

	Gratuity		Pension		LSA		PRMB	
	(Funded)		(Funded)		(Non Funded)		(Non Funded)	
	31	31	31	31	31	31	31	31
	March	March	March	March	March	March	March	March
	2017	2016	2017	2016	2017	2016	2017	2016
Current service cost	261	160	17	28	53	46	6	12
Past service cost	-	-	-	-	-	-	-	-
Interest cost on benefit obligation	152	181	76	99	27	45	9	19
Interest income on plan assets	(138)	(147)	(112)	(113)	-	-	-	-
Total employee benefit expense recognized in profit and loss account	275	194	(19)	14	80	91	15	31
Remeasurements								
Effect of changes in demographic assumptions	(4)	(67)	-	-	(17)	(208)	(1)	(54)
Effect of changes in financial assumptions	-	(58)	-	(25)	-	(40)	-	38
Effect of experience adjustments	128	173	202	(16)	27	(27)	23	(91)
(Return) on plan assets (excluding interest income)	9	(55)	78	(48)	-	-	-	-
Changes in asset ceiling (excluding interest income)	-	-	-	-	-	-	-	-
Total remeasurements included in OCI	133	(7)	280	(89)	10	(275)	22	(107)
Net employee benefit expense	408	187	261	(75)	90	(184)	37	(76)



Notes to financial statements as at 31 March 2017 (continued)

(Currency: Indian Rupees in Lakhs, except share data)

The following table provides details of the cash flows of employee benefit plans

	Gratuity		Pension		LSA		PRMB	
	(Funded)		(Funded)		(Non Funded)		(Non Funded)	
	31	31	31	31	31	31	31	31
	March	March	March	March	March	March	March	March
	2017	2016	2017	2016	2017	2016	2017	2016
Expected cash flows for following year								
Expected employer contributions / additional provision next year	437	378	149	-	60	72	10	24
Expected total benefit payments								
Year 1	301	368	242	16	8	26	4	12
Year 2	215	322	56	235	9	18	1	8
Year 3	314	268	600	86	27	16	3	10
Year 4	212	327	75	548	25	38	3	7
Year 5	189	238	51	73	9	37	3	8
Next 5 years	696	835	390	307	104	172	11	29

The major category of plan assets as a percentage of the fair value of total plan assets are as follows

	Gratuity			Pension		
	(Funded)			(Funded)		
	As at			As at		
	31 March	31 March	1 April	31 March	31 March	1 April
	2017	2016	2015	2017	2016	2015
Investment with insurer	100%	100%	100%	100%	100%	100%

The principal assumptions used in determining gratuity, post retirement medical benefit and pension for the Company's plans are shown below

(i) Actuarial assumptions

	31 March 2017	31 March 2016
Discount rate current year	7.5%	7.5%
Discount rate previous year	7.5%	8.0%
Age of retirement	58 years	58 years
Future salary increase #	0% p.a. (1st Year), 9% p.a. thereafter	0% p.a. (1st Year), 9% p.a. thereafter
Mortality	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

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

Notes to financial statements as at 31 March 2017 (continued) (Currency: Indian Rupees in Lakhs, except share data)

(ii) 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:

	31 March 2017		31 March 2016	
	Increase	Decrease	Increase	Decrease
<i>Gratuity (funded):</i>				
Discount rate (1% movement)	(87)	96	(120)	133
Future Salary growth (1% movement)	85	(79)	118	(109)
Attrition (1% movement)	(9)	10	(14)	14
<i>Pension (funded):</i>				
Discount rate (1% movement)	(38)	40	(47)	51
Future Salary growth (1% movement)	34	(32)	44	(42)
Attrition (1% movement)	8	(9)	10	(10)
<i>LSA (unfunded):</i>				
Discount rate (1% movement)	(27)	30	(31)	33
Future Salary growth (1% movement)	NA	NA	NA	NA
Attrition (1% movement)	(33)	38	(19)	68

Although, the analysis does not take account of full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

2.29 Assets classified as held for sale

a. Description

Non-current assets classified as held for sale

The Company has an investment property of leasehold land in Panoli, Gujarat. Out of the said land, certain area has been demarcated and will be acquired by the Central Railways for its rail corridor which will be under the possession of the Company till such acquisition. During the year ended 31 March 2017 the management of the Company signed a memorandum of understanding for the sale of remaining area of the leasehold land. Accordingly, remaining leasehold land has been presented as held for sale. The Company expects to complete the sale during the year 2017-18. The book value of the said land as at 31 March 2017 is INR 31 Lakhs.

Disposal group classified as held for sale

The Board of Directors of Syngenta India Limited ("the Company") at its meeting held on 15 December 2015 had approved sale/transfer of Company's production and supply facility located at Santa Monica Works, Corlim, Goa ("facility") on a going concern basis by way of a slump sale. Consequent to this, Business Transfer Agreement (BTA) was signed with Deccan Fine Chemicals (India) Private Limited ("Deccan or the buyer") on 21 December 2015. The relevant approvals from the share holders were obtained subsequently as per the provisions of the Companies Act, 2013.



Notes to financial statements as at 31 March 2017 (continued)

(Currency: Indian Rupees in Lakhs, except share data)

The Company operates in only one business segment, and hence this facility is not a separate segment as per Ind AS 108, however the same is classified as disposal group held for sale as well as a discontinued operation as per IND AS 105.

The consideration for the said transfer was fixed at INR 27,318 Lakhs plus net working capital as on the date of transfer. As on 31 March 2016, the carrying value of the assets including overhauling cost of INR 549 Lakhs and spares not capitalized of INR 447 Lakhs, other than the net working capital was INR 30,118 Lakhs. Since, the consideration receivable was less than the carrying value of assets, an impairment loss of INR 2,800 Lakhs has been provided for in the Statement of Profit and Loss for the year ended 31 March 2016.

The transfer of facility was subject to fulfilment of certain conditions and precedents. Upon fulfilment of the same and receipt of the agreed sale consideration of INR 27,318 Lakhs, the Company has transferred this facility to Deccan on 1 June 2016. On the date of transfer, the carrying value of the assets other than the net working capital was INR 31,127 Lakhs, resulting in a loss on transfer of INR 3,809 Lakhs, out of which INR 2,800 Lakhs had been provided in the Statement of Profit and Loss for the year ended 31 March 2016 and the balance amount of INR 1,009 Lakhs has been provided in the Statement of Profit and Loss for the year ended 31 March 2017.

The value of net working capital as on 1 June 2016 was INR 4,948 Lakhs, which is received by 11 April 2017.

b. Financial performance information of disposal group classified as held for sale

	For the period 1 April 2016 to 31 May 2016	For the year ended 31 March 2016
Income		
Revenue from operations	20,409	56,489
Other income	60	267
Total income	20,469	56,756
Expenses		
Cost of materials consumed	3,363	26,494
Changes in inventory of finished goods, work-in-progress and stock-in-trade	9,967	(415)
Excise duty	-	277
Employee benefit expenses	1,062	4,089
Finance cost	7	2
Depreciation and amortization expense	-	3,291
Impairment of disposal group held for sale	-	2,800
Loss on sale disposal group held for sale	1,009	-
Other expenses	2,940	14,813
Total expenses	18,348	51,351
Profit before tax	2,121	5,405
Tax expense		
Current tax	1,625	2,530
Deferred tax	(606)	(656)
Total tax expense	1,019	1,874
Profit for the year	1,102	3,531

Notes to financial statements as at 31 March 2017 (continued)
(Currency: Indian Rupees in Lakhs, except share data)

c. Cash flows

Net cash flows from operating activities	17,131	16,057
Net cash flows from investing activities	25,759	(2,700)
Net increase in cash generated from disposal group classified as assets held for sale	42,890	13,357

d. Effect of disposal on the financial position of the Company

	1 June 2016 (Date of transfer)
Assets	
Property, plant and equipment	26,766
Capital work-in-progress	565
Inventories	5,987
Financial assets	
Loans	53
Trade receivables	543
Other financial assets	320
Other assets	580
Liabilities	
Financial liabilities	
Trade payables	1,546
Other financial liabilities	3
Provisions	987
Assets net of liabilities	32,278

e. Carrying amount of assets and liabilities classified as assets held for sale

	As at	
	31 March 2017	31 March 2016
ASSETS		
Property, plant and equipment	-	25,493
Capital work-in-progress	-	829
Inventories	-	16,702
Financial assets		
Loans	-	39
Trade receivables	-	6,873
Other financial assets	-	408
Others assets	-	1,756
Total assets held for sale	-	52,100



Notes to financial statements as at 31 March 2017 (continued)

(Currency: Indian Rupees in Lakhs, except share data)

	As at	
	31 March 2017	31 March 2016
LIABILITIES		
Financial liabilities		
Trade payables	-	10,641
Other financial liabilities	-	933
Other current liabilities	-	36
Provisions	-	827
Total liabilities held for sale	-	12,437

f. Carrying amount of non-current assets classified as assets held for sale

	As at	
	31 March 2017	31 March 2016
Investment property - leasehold land	31	-
	31	-

2.30 Employee share based payment

Certain employees of the Company have received share based payment awards from Syngenta AG (ultimate holding company). The share based payment awards are comprised of the following plans:

a. Description of share-based payments arrangements

(i) Long term incentive plan - Share Options

The Syngenta Long-Term Incentive Plan provides selected executives and key employees of Syngenta with the opportunity to obtain the right to purchase shares of Syngenta AG. The grant of options for Syngenta shares is at the discretion of the Compensation Committee, whose members are appointed by the Board of Directors of Syngenta. Standard options vest in full and are exercisable after completion of three years service and terminate after 10 or 11 years from the grant date. Vesting can occur after less than three years in particular circumstances including redundancy and retirement. None of the options vest on a pro rata basis during the vesting period.

(ii) Long term incentive plan -Restricted share units (RSUs)

RSUs (or equivalent restricted ADSs) are rights to receive the equivalent number of Syngenta AG shares for no payment at the end of a three year vesting period. RSUs do not carry rights to dividends and the grant date fair value is reduced to reflect this. None of the RSUs or equivalent ADSs vest on pro rata basis during the vesting period.

(iii) Deferred share plan (DSPs)

The Deferred share plan provides selected senior executives with an opportunity to obtain shares of Syngenta AG. The plan entitles participants to defer part of their short term incentive awards in favour of Syngenta shares and to receive matching shares according to the rules of the plan. The grant date value of a deferred share and the corresponding matching share is the Syngenta share

Notes to financial statements as at 31 March 2017 (continued) (Currency: Indian Rupees in Lakhs, except share data)

price on the grant date adjusted for the absence of dividend entitlement during the deferral period. Shares are deferred for a period of three years starting on the grant date. At the end of the deferral period, Syngenta AG matches the deferred share on a one for one basis. A mandatory part of the short term incentive is allocated as deferred shares. Additional voluntary deferrals within the limits of the plan can be made at the discretion of the participants. Vesting can occur before the end of the three years in particular circumstances including retirement. None of the shares vest on pro rata basis during the vesting period.

b. Measurement of fair value

Cash settled share-based payment arrangements

The RSUs, DSPs and share options, of the ultimate parent company, awarded to the employees of the Company under the existing share-based payment arrangements which are cash-settled share based payment arrangements in accordance with *Ind AS 102 Share based payment*.

The fair value of liability for these awards is computed using estimates and assumption given below.

The grant date fair value of share options granted was measured using the Black-Scholes-Merton formula. No share options grant was subject to market conditions. The weighted average assumptions used in determining the grant date fair value of share options granted were as follows:

	Awarded in year ended 31 March	
	2017	2016
Dividend yield	-	2.9%
Volatility	-	19.2%
Risk-free interest rates - shares (CHF)	-	0.0%
Expected life	-	7 years
Exercise price (CHF per share)	-	332.2

The above dividend yield and volatility were management estimates at grant date for the life of the respective option, as no warrants or options over Syngenta AG shares for this period were widely traded. Both actual dividend yield and volatility may vary from the assumptions used above. The estimate of volatility takes into account the historical volatility of the Syngenta AG share price in Swizz Francs (CHF) and the implied volatilities of such longer dated warrants that have been traded in the market.

Other information regarding the plans is as follows:

	Awarded in the year ended	
	2017	2016
Weighted average grant date fair value of options granted during year (CHF per option)	-	37
Weighted average share price at exercise date for options exercised during year (CHF per option)	393	371
Grant date fair value of shares granted during year:		
RSU subject to performance conditions (CHF per unit)	362	304
Deferred Share Plan (CHF per unit) – combined value of basic and matching share award	723	607



Notes to financial statements as at 31 March 2017 (continued) (Currency: Indian Rupees in Lakhs, except share data)

c. Reconciliation of outstanding balances

The following table summaries the activity related to restricted share units, deferred share plan and options that occurred during the periods:

	DSP	RSU	Options
Outstanding at 31 March 2015	478	1,469	5,254
Granted	331	710	
Forfeited		(74)	
Vested	-	(64)	(737)
Outstanding at 31 March 2016	809	2,041	4,517
Granted	-	-	-
Forfeited	-	(563)	(44)
Vested	(133)	(228)	(1,100)
Outstanding at 31 March 2017	676	1,250	3,373

d. Expense recognized in statement of profit and loss

For details on the employee benefit expense, see note 2.22

e. Post balance sheet event

The ESOPs outstanding as at 31 March 2017 have vested on 7 June 2017 on account of acquisition of Syngenta AG by China National Agrochemicals Corporation ("Chemchina"). Syngenta AG has recharged the cost of the LTI Share Options, RSUs and DSPs to the Company, subsequent to the balance sheet date. The Company will recognize the effect of this modification amounting to INR 600 Lakhs in the vesting conditions of the share-based payment arrangements in the year 2017-18 in which such modification will take effect.

2.31 Related Party Disclosures

a) Names of related parties and related party relationship

Ultimate Holding Company (where transactions exist)

Syngenta AG, Switzerland

Investing associates

Syngenta Participations AG, Switzerland (holds 49.32% of issued, subscribed and paid up capital)

Syngenta South Asia AG, Switzerland (holds 43.81% issued, subscribed and paid up capital)

Parties under common control (where transactions exist)

Syngenta Foundation India

Fellow subsidiary companies (where transactions exist)

Syngenta Agro Asia Pacific PTE. Ltd., Singapore

Syngenta Japan K.K., Japan

Syngenta Asia Pacific PTE Ltd., Singapore

Syngenta (Pakistan) Limited, Pakistan

Notes to financial statements as at 31 March 2017 (continued)
(Currency: Indian Rupees in Lakhs, except share data)

Syngenta Biosciences Pvt. Ltd., India	Syngenta Pollen Limited, Kenya
Syngenta Crop Protection AG, Switzerland	Syngenta Services Pvt. Ltd., India
Syngenta Crop Protection Pvt. Ltd., India	MRI Seed Zambia Limited, Zambia
Syngenta France SAS, France	Devgen Seeds & Crop Technology Pvt. Ltd., India
Syngenta International AG, Switzerland	PT Syngenta Inc, Indonesia
Syngenta South Asia AG, Switzerland	
Syngenta Research Services PTE Ltd., Singapore	

Key Management Personnel

Mr. Bipinchandra C. Solanki	Managing director
Mr. Govind P.S. Bene	Whole time director & Chief Financial Officer (till 31 March 2017)
Mr. Rajendra Jog	Whole time director (from 23 September, 2015)
Mrs. Arundhati Kulkarni	Company Secretary (from 19 February 2016)

b) Transactions with related parties

	For the year ended	
	31 March 2017	31 March 2016
Dividend paid		
Syngenta Participations AG, Switzerland	812	812
Syngenta South Asia AG, Switzerland	722	722
Syngenta Research Services Pte Limited	54	54
Purchases of raw materials and stock in trade		
Syngenta Asia Pacific PTE Ltd., Singapore	83,620	78,862
Syngenta Crop Protection Pvt. Ltd., India	2,473	2,321
Purchases of plant and equipment		
Syngenta France SAS, France	32	-
Royalty/technical know-how fee		
Syngenta Crop Protection AG, Switzerland	772	713
Syngenta Asia Pacific PTE Ltd., Singapore	1,767	867
Donations		
Syngenta Foundation India	480	373
Shared services expenses		
Syngenta AG, Switzerland	164	132
Syngenta Crop Protection AG, Switzerland	40	66
Devgen Seeds and Crop Technology Pvt. Ltd., India	302	351
Syngenta Asia Pacific PTE Ltd., Singapore	7	-
Syngenta Japan K.K., Japan	120	140
Others	29	14
Sales of finished goods		
Syngenta Asia Pacific PTE Ltd., Singapore	54,362	80,270
Others	587	228



Notes to financial statements as at 31 March 2017 (continued)

(Currency: Indian Rupees in Lakhs, except share data)

	For the year ended	
	31 March 2017	31 March 2016
Rent income		
Syngenta Biosciences Pvt. Ltd., India	285	282
Shared services income		
Syngenta Foundation India	372	374
Syngenta Crop Protection Pvt. Ltd., India	88	53
Syngenta Crop Protection AG, Switzerland	122	72
Syngenta Biosciences Pvt. Ltd., India	447	398
Devgen Seeds and Crop Technology Pvt. Ltd., India	431	558
Syngenta Services Pvt. Ltd., India	791	571
Syngenta Asia Pacific PTE Ltd., Singapore	1,326	1,461
Syngenta Philippines Inc., Philippines	-	10
MRI Seed Zambia Limited, Zambia	3	84
Syngenta (Pakistan) Limited, Pakistan	-	5
PT Syngenta Inc, Indonesia	161	-
Syngenta Vietnam Limited, Vietnam	30	-
Syngenta Pollen Limited, Kenya	46	-
Others	-	7
Payments on behalf of a fellow subsidiary		
Syngenta Crop Protection Pvt. Ltd., India	21	151
Others	12	13
Payments by a fellow subsidiary on behalf of company		
Syngenta Crop Protection Pvt. Ltd., India	187	49
Devgen Seeds & Crop Technology Pvt. Ltd., India	-	92
Others #	0	1
Collections on behalf of fellow subsidiary		
Syngenta Services Pvt. Ltd., India	-	2
Devgen Seeds & Crop Technology Pvt. Ltd., India	-	1
Collections by fellow subsidiary on behalf of company		
Syngenta Crop Protection Pvt. Ltd., India	1	22
Devgen Seeds & Crop Technology Pvt. Ltd., India	9	-
Liability no longer required written back		
Syngenta Asia Pacific PTE Ltd., Singapore	681	-
Remuneration to Key Management Personnel *		
Mr. Bipin Solanki	370	252
Mr. Govind P.S. Bene	83	70
Mr. Martin Ghosh (upto 14 August, 2015)	-	42
Mr. Rajendra Jog	97	96
Mr. R S Dwarakanath (from 14 August, 2015 upto 27 May 2016)	34	55
Mr. Tapan K. Parida (upto 19 August, 2015)	-	12
Mrs. Arundhati Kulkarni (from 19 February 2016)	17	3

Notes to financial statements as at 31 March 2017 (continued)
(Currency: Indian Rupees in Lakhs, except share data)

- * The remuneration to the key managerial personnel
- does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.
- includes cost of employee share-based payments.

	As at	
	31 March 2017	31 March 2016
c) Balances outstanding as at the year end		
Payables		
Devgen Seeds and Crop Technology Pvt. Ltd., India	55	399
Syngenta Asia Pacific PTE Ltd., Singapore	22,553	19,670
Syngenta Crop Protection AG, Switzerland	1,131	985
Syngenta Crop Protection Pvt. Ltd., India	135	764
Syngenta France SAS, France	36	5
Syngenta Services Pvt. Ltd., India #	-	25
Syngenta Japan K.K., Japan	-	160
Syngenta Seeds BV, Holland #	-	-
Syngenta AG, Switzerland	478	314
Receivables / Advances		
Devgen Seeds and Crop Technology Pvt. Ltd., India	158	505
Syngenta (Pakistan) Limited, Pakistan	129	106
Syngenta Asia Pacific PTE Ltd., Singapore	22,771	11,637
Syngenta Biosciences Pvt. Ltd., India	238	223
Syngenta Crop Protection Pvt. Ltd., India	47	50
Syngenta Vietnam Limited, Vietnam	30	-
Syngenta Nantong Crop Protection Co. Ltd., China	34	38
PT Syngenta Inc, Indonesia	161	-
Syngenta Services Pvt. Ltd., India	238	142
MRI Seed Zambia Limited, Zambia	3	148
Syngenta Agro Asia Pacific PTE. Ltd., Singapore	24	6

Amount not disclosed, being below threshold limit adopted for rounding off purpose.

2.32 Segment information:

The principal business of the Company is to manufacture/process agriculture inputs like crop protection chemicals and seeds. The 'Chief Operating Decision Maker' monitors the operating results of the Company's business as a single segment. Accordingly in context of Ind AS 108 Operating Segments the principle business of the Company constitutes a single reportable segment.



Notes to financial statements as at 31 March 2017 (continued)

(Currency: Indian Rupees in Lakhs, except share data)

i) Product information

Revenue

	For the year ended	
	31 March 2017	31 March 2016
Crop protection	187,293	161,904
Seeds	79,654	74,343
Total	266,947	236,247

ii) Geographical information

The geographical information analyses the Company's revenues and non-current assets by the Company's country of domicile (i.e. India) and rest of the world. In presenting the geographical information, segment revenue has been based on the geographic location of customers and segment assets which have been based on the geographical location of the assets.

	Revenue		Non-current assets *	
	For the year ended		As at	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
India	205,867	148,967	30,661	30,263
Rest of the world (Asian countries)	61,080	87,280	-	-
Total	266,947	236,247	30,661	30,263

* Non-current assets exclude financial instruments, deferred tax assets and post-employment benefit assets.

iii) Major customer

Revenue from one customer of the Company's single reportable segment is INR 54,362 Lakhs (31 March 2016 INR 80,270 Lakhs) which is more than 10% of the Company's total revenue.

2.33 Operating leases

Leases as lessee :

The Company has taken on lease a number of vehicles, equipments and office facilities under operating leases. The lease typically run for a period of one to ten years, with an option to renew the lease after that period. Some of these arrangements have lock in period with escalation clauses.

a. Future minimum lease rentals payable under non-cancellable operating leases are as follows:

	As at	
	31 March 2017	31 March 2016
Within one year	3,039	2,148
Between one and five years	7,710	3,767
More than five years	251	648

b. Rental expenses for operating leases recognized in the statement of profit and loss for the year ended 31 March 2017 amounts to INR 4,784 Lakhs (31 March 2016 : INR 4,474 Lakhs).

Notes to financial statements as at 31 March 2017 (continued) (Currency: Indian Rupees in Lakhs, except share data)

Leases as lessor :

The Company has entered into lease agreement for its investment property at Goa location. Based on management's assessment, the lease is to be considered as non cancellable in nature and has a remaining term of 29 years. The lease agreement includes a clause for revision of the rental charge based on valuation report every five years.

- a. Future minimum lease rentals receivable from investment property under non-cancellable lease are as follows:

	As at	
	31 March 2017	31 March 2016
Within one year	287	282
Between one and five years	1,472	1,410
More than five years	6,811	6,770

- b. Amount recognized as investment property rentals against this lease arrangement is INR 285 Lakhs (31 March 2016 : INR 282 Lakhs) has been included in other income.

2.34 Capital and other commitments

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for various projects (net of advances) INR 370 Lakhs (31 March 2016 INR 1,227 Lakhs).
- b) For commitments relating to lease arrangements, refer note 2.33

2.35 Contingent liabilities

	As at	
	31 March 2017	31 March 2016
a) Claims against the Company not acknowledged as debts		
Excise duty in relation to classification and CENVAT credit matters etc.	11,941	10,434
Customs duty in relation to classification matter	50	-
VAT in relation to classification and concessional declarations etc.	4,281	1,928
Income Tax in relation to Transfer Pricing and Corporate Tax matters	6,034	19,749
Trade demands	556	44

- b) Investigation by Directorate General of Central Excise Intelligence, initiated in September 2013, was completed during the previous year. The company had received closure letters on few matters. Pending the final closure, the Company based on its assessment of existing provisions for taxes and duties in financial statements and views from its legal counsel does not expect any significant impact on the financial statements.

The management, based on legal advice, believes that outcome of these contingencies will be favourable and that a loss is not probable.



Notes to financial statements as at 31 March 2017 (continued) (Currency: Indian Rupees in Lakhs, except share data)

2.36 Details of dues to Micro, Small And Medium enterprises as defined under the MSMED Act, 2006

	As at	
	31 March 2017	31 March 2016
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of year		
Principal amount due to micro and small enterprises	824	822
Interest due on above	2	2
	826	824
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year		
Payments made to suppliers beyond the appointed date	2,872	3,430
Interest paid on above	-	-
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 the MSMED Act 2006	34	37
The amount of interest accrued and remaining unpaid at the end of each accounting year		
Financial Year 2013-14	-	4
Financial Year 2014-15	54	54
Financial Year 2015-16	40	39
Financial Year 2016-17	36	-
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 for Income Tax purposes under section 23 of the MSMED Act 2006	130	97

The company has compiled this information based on intimation received from the suppliers of their status as Micro or Small Enterprises and/ or its registration with the appropriate authority under the Micro, Small and Medium Enterprises Development Act, 2006.

2.37 Corporate social responsibility

As per the provisions of section 135 of Companies Act 2013, the Company needs to spend 2% of average net profits for the immediately preceding three financial years, in pursuance of its Corporate Social Responsibility Policy, on the activities specified in Schedule VII of the Act. Gross amount required to be spent by the Company during the year INR 913 Lakhs (31 March 2016 : INR 834 Lakhs).

The Company in pursuance of its Corporate Social Responsibility Policy has spent INR 447 Lakhs (31 March 2016 INR 589 Lakhs) towards Corporate Social Responsibility activities. The Company is in process of exploring various options specified in Schedule VII on which it could do its spending of CSR for the benefit of society.

Notes to financial statements as at 31 March 2017 (continued)
(Currency: Indian Rupees in Lakhs, except share data)

Details of CSR activities/projects undertaken during the year are as below:

Sector in which the Project is covered	CSR project / activity identified	For the year ended	
		31 March 2017	31 March 2016
Sanitation, Hygiene, Safe Drinking water & Waste Management	<p>Syngenta I-CLEAN - Inculcating Cleanliness, Learning, Education, Awareness and New Habits among communities, especially in the most remote rural areas. The project components include beautification and modernization of rural markets with facilities like drinking water, solar lights, waste management etc. Community cleanliness campaign including construction of public toilet facilities in rural markets. Awareness and education on hygiene, cleanliness, water recharging etc.</p> <p>Syngenta supports two village Panchayats to collect, segregate and dispose the domestic waste. Supports Institutions for toilet up-gradation and inculcate waste management awareness and skills among the students and youth.</p> <p>Syngenta supports rural villages with the RO facility for safe drinking water. Supports schools in rural areas for construction of toilets and Bus stands.</p>	246	245
Eradicating hunger and poverty	Krishi Vikas - a farmer support initiative by Syngenta. Support to farmers who suffered due to the crop failure by providing wheat growing kit in collaboration with the Punjab Agriculture University.	3	100
Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water	Syngenta "Krishi Mitra" is a Resource Centre on Agriculture engaging with the Goan Agriculture Community. The purpose is to develop a positive attitude towards farming, help farmers to use good agriculture practices and assist them to get Government schemes.	10	53
Promoting gender equality and empowering women	The SPARSH project focuses on prioritized community needs and currently it is working with women through Self Help Groups and building their skills through vocational skill development etc.	18	12
Promotion of Education	Syngenta Scholarships, support schools to develop science laboratories, library facility, sports facility, furniture etc.	131	94



Notes to financial statements as at 31 March 2017 (continued)

(Currency: Indian Rupees in Lakhs, except share data)

Sector in which the Project is covered	CSR project / activity identified	For the year ended	
		31 March 2017	31 March 2016
	"Syngenta Me & Mine - Under this project Syngenta is supporting the farmers by providing them with – Trainings on first aid and providing first aid kits, organizing health camps.	6	26
	Awareness on child labour and chemical safety		
	Importance of education and support children with educational materials.		
Training to promote rural sports, nationally recognized Sports, Paralympics sports and Olympic sports.	Support youth clubs through Goa Football Development Council to organize football training to youth	-	39
Promoting Preventive healthcare.	Primary Health Centre Corlim has been supported for building a new block. Also supported PHC for controlling vector borne diseases. Supported India Medical Association, Ponda branch to build a hospital for terminally ill patients. Supported Daddy's home a home for the aged to build a new room. Conducted various health camps	23	7
Rural development	Support for community hall planning, road safety signs in rural areas, community play area development.	10	13
Total		447	589

2.38 Other notes

In early 2016, China National Chemical Corporation ('ChemChina') made an offer to acquire Syngenta AG, parent company of the Company, which was accepted by the shareholders of Syngenta AG. In India, ChemChina obtained approval for this acquisition, from the Competition Commission of India ('CCI'), subject to the Company divesting certain products to independent third party/ies. Final detailed CCI order is still awaited in this respect.

2.39 Transfer pricing

The Company has a system of maintenance of information and documents as required by transfer pricing legislation under section 92-92F of the Income Tax Act, 1961. The management based upon the above mentioned system is of the opinion that its international transactions are at arm's length. Accordingly, the Company's management believes that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

Notes to financial statements as at 31 March 2017 (continued) (Currency: Indian Rupees in Lakhs, except share data)

2.40 Specified Bank Notes

The Company does not transact in cash and accordingly the Company did not have any holdings or dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016.

As per our report of even date attached

For B S R & Associates LLP
Chartered Accountants
Firm Registration no: 116231W/W-100024

Shiraz Vastani
Partner
Membership No. 103334

Place: Mumbai
Date: 7 August 2017

For and on behalf of the Board of Directors of
Syngenta India Limited
CIN - U24210PN2000PLC135336

Bipinchandra C. Solanki
Managing Director
DIN - 00029753

Arundhati Kulkarni
Company Secretary

Place: Mumbai
Date: 7 August 2017

Abhishek Agarwal
Whole Time Director &
Chief Financial Officer
DIN - 03481395



Financials: Five years' highlights

Rs. Lakhs

Year	2016-17	2015-16	2014-15	2013-14	2012-13
Sales	287,356	292,736	290,475	306,862	296,170
Other income	13,066	9,197	10,589	7,226	5,025
Total income	300,422	301,933	301,064	314,088	301,195
Profit before tax	45,087	46,519	47,086	41,873	36,109
Provision for tax	16,254	14,854	7,043	16,495	11,426
Profit after tax	28,833	31,665	40,043	25,378	24,683
Dividend (including distribution tax)	1,982	1,982	1,982	1,864	1,864
Dividend percentage	100	100	100	100	100
Share capital	1,647	1,647	1,647	1,593	1,593
Reserves/Surplus (excluding capital reserves)	250,660	224,100	194,105	153,883	130,369
Net worth	252,307	225,747	195,752	155,476	131,962
Loan funds	-	-	-	-	14,000
Capital employed - a	252,307	225,747	195,752	155,476	145,962
ROCE (percentage) - b	11.43	14.03	20.46	16.32	17.75
RONW (percentage) - c	11.43	14.03	20.46	16.32	18.70
EPS (Rs.)	87.52	96.12	121.56	79.65	77.47

Notes :

Figures above are including discontinued operations.

The figures of 2015-16 and the reserves/surplus of 2014-15 are restated due to first time adoption of IND AS w.e.f. 1 April 2015 wherever applicable.

a = Capital employed is net worth + loan funds

b = Return on Capital Employed is profit after tax before exceptional income+ interest expense as a percentage of capital employed

c = Return on Net Worth is profit after tax before exceptional income as a percentage of net worth

SYNGENTA INDIA LIMITED

Registered Office: Amar Paradigm, S.N. 110/11/3 Baner Road, Pune 411 045
Tel No. 020 30699200, Fax No. 020 30699480, website: www.syngenta.com
CIN: U24210PN2000PLC135336

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s) :	
Registered Address :	
E-mail Id :	
Folio/ :	
DP ID-Client ID No. :	

I/We, being the member(s) of _____ shares of the above named Company, hereby appoint:

- (1) Name: _____ Address: _____
E-mail id: _____ Signature: _____, or failing him;
- (2) Name: _____ Address: _____
E-mail id: _____ Signature: _____, or failing him;
- (3) Name: _____ Address: _____
E-mail id: _____ Signature: _____

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the Eighteenth Annual General Meeting of the Company, to be held on Tuesday, September 26, 2017 at 11.00 a.m. at Yashwantrao Chavan Academy of Development Administration (YASHADA), Rajbhavan Complex, Baner Road, Pune 411 007 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions
ORDINARY BUSINESS	
1.	Adoption of Audited Financial Statements, Directors' Report and Auditors' Report for the year ended March 31, 2017
2.	Declaration of dividend on equity shares of the Company
3.	Re-appointment of Mr. Govind P.S. Bene (DIN: 03450063), who retires by rotation
4.	Re-appointment of Mr. Prakash K. Apte (DIN: 00196106), who retires by rotation
5.	Ratification of appointment of M/s. B S R & Associates LLP, Chartered Accountant as Auditor from the conclusion of this AGM to the conclusion of next AGM and to fix their remuneration
SPECIAL BUSINESS	
6.	Re-appointment of Mr. Bipinchandra C. Solanki (DIN : 00029753) as Managing Director of the Company for the period commencing from January 1, 2017 to December 31, 2019
7.	Appointment of Ms. Sumie Fujimura (DIN 07754562) as a Director of the Company
8.	Appointment of Mr. Abhishek Agarwal (DIN : 03481395) as a Director of the Company
9.	Appointment of Mr. Abhishek Agarwal (DIN : 03481395) as a Whole-time Director of the Company for the period commencing from April 1, 2017 to March 31, 2020
10.	Appointment of Mr. Narendra Kulkarni (DIN : 07138608) as a Director of the Company
11.	Appointment of Mr. Narendra Kulkarni (DIN: 07138608) as a Whole-time Director of the Company for the period commencing from June 27, 2017 to June 26, 2020
12.	Ratification of remuneration of M/s. Dhananjay V. Joshi and Associates, Cost Accountants For Financial Year 2017-18

Signed this _____ day of _____ 2017

Signature of Shareholder _____

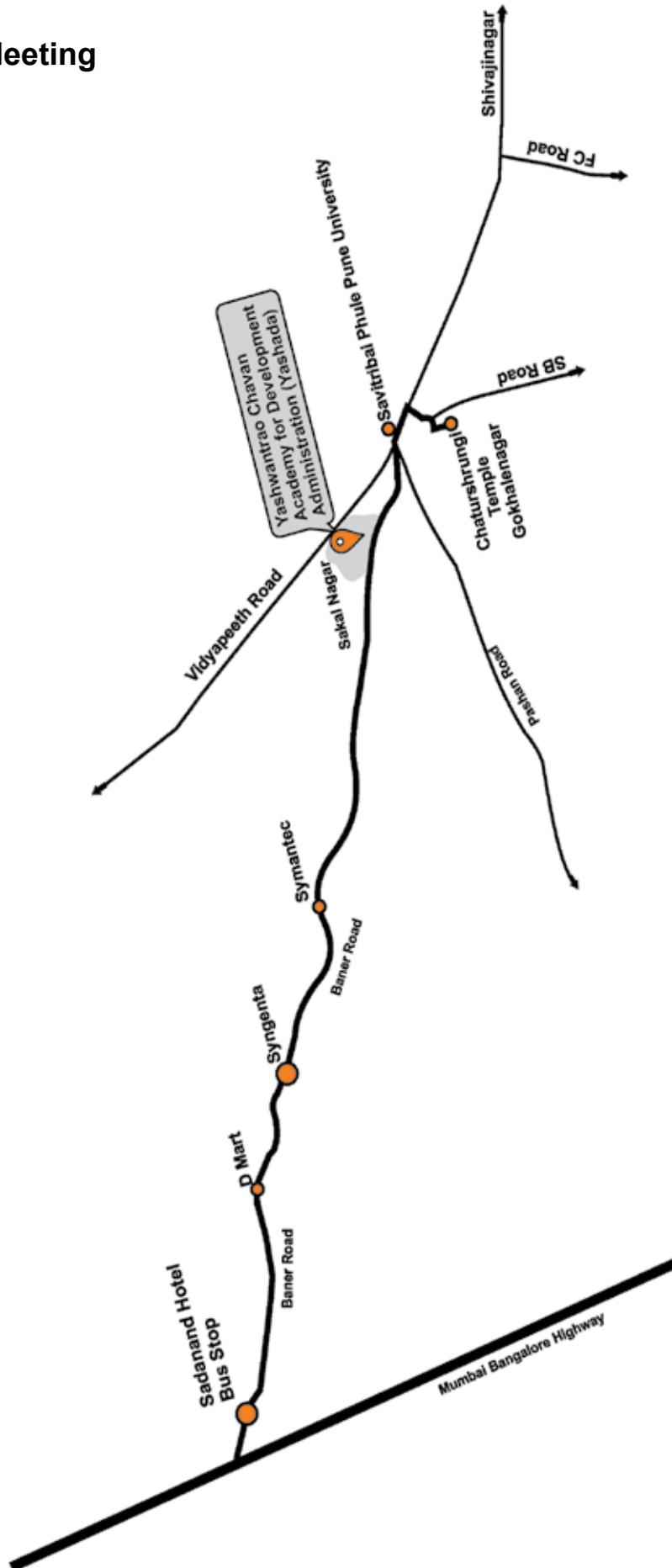
Signature of Proxy holder(s) _____

Affix
Revenue
Stamp of not
less than
Re. 1

NOTE: This form of proxy in order to be effective should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

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Map for the Venue of Annual General Meeting



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How do we feed a growing world population?

Farm new land

Get more from existing farmland

syngenta[®]

The world needs more food. By 2050, there will be another 2 billion people on our planet. How do we provide enough high-quality food and preserve our environment? At Syngenta, we believe the answer lies in the boundless potential of plants. We develop new, higher yielding seeds and better ways to protect crops from insects, weeds and disease. So farmers can get more from existing farmland and take less new land into cultivation. It's just one way in which we're helping growers around the world to meet the challenge of the future: to grow more from less. To find out more, please visit us at www.growmorefromless.com

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Bringing plant potential to life®