

# Syngenta India Limited

Annual Report 2018-19

Securing the Future

Through Growth, Sustainability and Safety





# Some Glimpses





# Securing the Future Through Growth, Sustainability and Safety

With the shifts in the environment and technology, we believe that it is time to secure the future through Growth, Sustainability and Safety. There is a strong need to address farmers' issues through the lens of Sustainability, identifying new ways of pursuing sustainability, and with a new and more assertive safety perspective. We, at Syngenta, play a vital role in enabling the food chain to feed the world safely and take care of our planet. Our ambition is to be the most collaborative and trusted organization in agriculture, providing leading seeds and crop protection innovations to enhance the prosperity of farmers, wherever they are. Our efforts are aimed at enhancing crop efficiency, easy market access, enhancing personal and community health, and to make farming sustainable and safe.



## Syngenta – Over the Years

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



Clara



Jumbo Queen



Pekli



Royal Ball (BC-51)



AmpectXtra



GLO-iT



Polo Zapp



## Message from the Non-Executive Chairman



“ If agriculture becomes sustainable, farmers will be productive, profitable and progressive ”

Agriculture plays a crucial role in the economic and human development of India. Given the complexity of Indian agriculture, no single policy change or technology shift will move the country towards its dual goals of increasing income for smallholder farmers and continuing to strengthen the competitiveness of Indian agriculture.

At this moment, Indian farming is at a very exciting junction. Despite complexities, diversities and challenging agro climatic conditions, agriculture sector has the potential to grow, if provided an enabling environment.

The Union Budget 2019-20 aims to revive new hope in agriculture, however implementation will be the key. The Budget comes with multiple measures and promises, which will add not only vibrancy to agriculture but also lay the foundation for its sustainable growth.

The announcement to create skilled agriculture entrepreneurs in the country is a novel move. This will unleash the entrepreneurial spirit in rural India and will give agriculture sector that was believed to be dependent only on 'hand-outs' a huge boost and encourage 'hand-up'. There are many successful models of skill development available which have led rural youth to become entrepreneurs in the areas of mechanization, input suppliers and advisory services in the private sector.

The emphasis on creating more Public Private Partnerships (PPPs) and Farmer Producer Organisations (FPOs) is aimed at creating more agri-businesses. This will enhance collective decision-making while providing professionalism to the farming community. It will also help to improve private sector investment in agriculture.

Towards the objective of doubling the farmers income, the Government has aptly recognized seven sources of income growth namely - improved crop productivity; enhanced livestock productivity; resource efficiency or cost savings; increased crop intensity; diversification to high-value crops; strengthen real prices received by farmers; and shift from farm to non-farm occupations.

The Government's focus on 'Gaon, Garib and Kisan' will hopefully translate into many more initiatives where the private sector can partner. The Budget shows a rare commitment for not only providing the impetus that the farmers need through a series of progressive programmes, but also creates for them an enabling ecosystem by ensuring electricity, access to cooking gas, roads, housing, and honing their entrepreneurial abilities. The Finance Minister has rightly pointed out that 'Ease of Doing Business' and 'Ease of Living' should apply equally to farmers too, going beyond the conventional framework, which looked at farmers only vis-à-vis his field and not his entire life cycle.

All these measures will give a further boost to the already existing schemes like Grameen, e-Nam, etc., and take agriculture on to a consistent higher growth. The time is right for the Government to consider agriculture as a business sector rather than a welfare sector. This shift will help farmers become market oriented and enterprising.

Over the years, Syngenta has been addressing the increasing complexities that our growers face in a dynamic and changing environment. We are driven by our vision of providing the farmer with continuous innovation in crop management products and seeds. Farmers continue to remain at the core of our strategy and, we remain motivated to serve their composite needs through our innovation driven products, services and technology. As much as we enable and work towards transforming the Indian agricultural scenario, we remain committed to improving our communities and nurturing the planet in which we live.

I thank all our stakeholders for their cooperation, belief in our ethos and valued support in helping us on the path of success.

**Prakash K. Apte**  
Non-Executive Chairman



## Message from the Managing Director



“ Syngenta is committed  
to sustainable development  
of farmers ”

The famous saying that “Agriculture not only gives riches to a nation, but the only riches she can call her own” assumes immense significance as India is in its seventh decade of independence, and is aspiring to become a \$5 trillion economy. Agriculture and the allied sectors will play a major role in achieving the ambitious goal.

As I see, this has been a year of major developments in the Indian agriculture sector. India’s agricultural scenario has been dominated by an increased focus on doubling farmers’ income, addressing farmers’ concerns, establishing linkages with the market, sustainable productivity and ensuring profitability of growers.

The key initiatives recently announced by the Government such as promoting agriculture entrepreneurs in rural areas, creation of 10,000 farmer producer organisations and the emphasis on infrastructure and market linkages are approaches that lay the path for growth in the agriculture sector. Agriculture has to be seen as an enterprise and, the farmer an entrepreneur, for making this sector profitable. Agriculture also needs to be carried out in an environment friendly, sustainable and safe way.

Syngenta has been tuned in to the developments and our efforts are focused towards making farming profitable, sustainable and safe. To do so, we have been able to forge valuable partnerships with growers and value chain partners, resulting in a strong presence and connect with stakeholders.

We, at Syngenta, remain at the forefront of innovation in addressing the challenges which the sector presents. With a world class R&D, we have a portfolio with solutions that are more effective, safe and add more value to the farmers of the country. We are confident that a strong growth trajectory can be maintained.

In addition to our good research and development, Syngenta CSR, Stewardship and Safe Use programs have empowered more than one million farmers. Our Good Growth Plan has helped small farmers grow crops more efficiently and to promote biodiversity. Our CSR initiative I-CLEAN complements the need of the farming community as we continue to build infrastructure and address critical challenges. Our, I-SAFE (Inculcating - Safety, Awareness and Farmer Empowerment) initiative is first-of-its kind in the country that aims to raise awareness about health and safety among farmers, equip spray men with tools and techniques and help transform them into agriculture entrepreneurs.

Our intent, going forward, will be to accelerate farm prosperity, while striving for long-term sustainable growth. We are well placed to succeed in this competitive environment. We create and develop innovative products and solutions that meet farmers’ challenges. Our unique ability to combine technologies – chemistry, genetics, breeding and computational science will continue to enhance productivity and meet the rising demands of the farmers of the country. Syngenta is poised to play a vital role in shaping the context of farming in terms of productivity and innovation.

Our success is possible due to the dedication and passion of our people. We depend on their knowledge, expertise and commitment to bring innovation to farmers, collaborators and partners along the value chain.

Just like the year gone by, we remain as dynamic and committed as ever and, I am confident that we will continue to play a critical role in the Indian agricultural sector in the future, while serving the best interests of our stakeholders and partners in every possible manner.

On behalf of the board of directors and the employees of Syngenta, I would like to thank you for your continued support.

**Rafael Del Rio**  
Managing Director



## Success story

### Enabling and ensuring Assam tea grower to get high returns

Krishna Prasad Sarma and his wife Rina have been actively engaged in the development of their 24 acres of small tea estate in Village Nakachari, Jorhat District, Assam.

The village of Nakachari in the Jorhat district of Assam is known for its cultivation of tea by smallholder farmers. Tea cultivation techniques have been inherited from large local tea estates which were developed 150 years ago.

Krishna Prasad Sarma and his wife Rina have been actively engaged in the development of their small tea estate for the past 12 years. The plantation is now in an active production cycle.

Last year, the Sarmas were able to harvest 32,550 kg of green tea leaves which generated an income of Rs 6 lacs and a net profit of Rs 3 lacs.

How they managed to do this is quite inspirational, and their story is worth hearing!

Maintaining a well-managed small tea estate was a challenge for them in the initial years. Due to the lack of information on plant protection measures and know-how on tea husbandry methods, they used to struggle. One of the biggest challenges they faced was the inability to manage pest and disease infestation. The Syngenta Team assisted the family to solve their issues and proposed stage wise solutions.

Krishna Prasad used Syngenta's Alika, which he says is the best treatment to reduce population of pests like thrips, semilooper and mosquito bug, thereby increasing the yield of tea. By participating in Syngenta's Small Tea Growers Training Programme, farmers

get to understand tea agronomy, farming practices and spraying techniques for sustainable tea cultivation. Having followed the suggested procedures and protocols diligently, the Sarmas managed to enhance and improve the quality of the green leaf tea. They now sell their superior products to large tea-farm factories, fetching them a premium price.



“ I am grateful to Syngenta and its team for providing me with the latest protocols and technology through which I have improved my income and invested in a house ”

#### Syngenta Brands Used



Actara



Alika



Isabion



## Success story

### FastStart Protocol for cotton brings prosperity to Madhya Pradesh grower



Dhirendra Patidar, a progressive cotton farmer from Samaspura Village, Maheshwar Tehsil, Khargone District, Madhya Pradesh has showcased better and sustainable farming practices using Syngenta's FastStart Protocol.

Last year, pink bollworm manifestation in Madhya Pradesh caused enormous yield and income losses. Farmers of the State were worried about managing the damage to their cotton crop and were desperately seeking alternatives. Our products Ampligo, Amistar Top and Actara turned out to be the most sought-after solutions.

Dhirendra Patidar, with guidance from Syngenta team, adopted the FastStart Protocol for cotton on his 45 acres of land. The FastStart Protocol improves early crop establishment, ensures strong plant growth and delivers greater yields. With our team's assistance, he undertook a well rounded stage wise approach to manage his cotton crop. On the 45th

and 60th day of the season, he used Ampligo as a preventive spray and, on 60th and 75th day, to control whitefly, he used Polo and Amistar Top.

This careful selection of solutions ensured better results than he had hoped for. Generally, the farmers harvest 5-6 quintals of cotton per acre and with Ampligo, it can go upto 13 quintals per acre.

Dhirendra, by adopting the FastStart Protocol, saw his yield increase to 11 quintals from his earlier yield of 8 quintals per acre. This has resulted in an additional 135 quintals from his 45 acres of land, giving him an extra income of Rs 6.08 lacs. The FastStart Protocol helped him improve the quality as well as quantity of his yield.

The increase in his income has been a blessing for his family as well; Dhirendra has been able to buy a new car and is thankful to the Syngenta team for guiding him during the tough cotton season. Having seen better results, Dhirendra now proudly guides fellow farmers on Syngenta's products, protocols and technology.



“ The secret of my success is the use of high quality products/protocols and, I am now a brand ambassador of Syngenta, educating farmers in the neighbouring villages ”

#### Syngenta Brands Used



Ampligo



Amistar Top



Polo

## Success story

### Karnataka ginger grower reaps huge returns and celebrates his success



Prakash, a happy ginger grower from Karnataka has always opted for better technologies in agriculture – Syngenta’s product portfolio proves to be a boon.

Ginger is a crop suited for cultivation in subtropical climate areas. Ginger crop is being cultivated by growers in the Malnad region of Karnataka for the past fifteen years.

Prakash, son of a progressive farmer Shankarappa, comes from Holenarsipura, Hassan District, Karnataka. Over the last 3-4 years, Phylostica leaf spot has been a major issue that farmers are facing in the ginger crop. This hindered the yield of ginger and disheartened the farmers. The disease pressure has been a constant struggle for farmers in this region, resulting in yields of only 7,000 kg per acre.

However, Prakash decided to take a crucial step towards improving the

quality of crops in order to enhance the output and improve his livelihood. He reached out to Syngenta for assistance, and last year, with the guidance of our team, he adopted Syngenta’s protocols. This association with Syngenta significantly improved his farming practices.

Understanding his concerns and the pressure of disease, our team helped him to take better care of his crop by providing guidance and solutions. This has resulted in a harvest of 10,000 kg per acre and has generated an additional income of Rs 1.8 lacs.

Since last year, Prakash's progress has significantly improved. Now, he has time to pay attention to his family

and fellow farmers. Prakash expressed his appreciation to the Syngenta team for guiding him during the tough ginger season.

Syngenta's proven portfolio has helped farmers produce more making us an admired partner for the ginger growers of Karnataka.



“ My association with Syngenta played a major role in improving my farming practice, making me a distinguished grower amongst Karnataka ginger farmers ”

#### Syngenta Brands Used



Isabion



## Success story

### GroMore Protocol for Rice brings prosperity to Punjab grower

Karamjeet Singh, a young and progressive farmer from Sirsiwala, Mansa District, Punjab has a total land of 45 acres in which he grows rice and wheat. With Syngenta's support, he was able to increase his yields by 40 – 60%



A native of the village Sirsiwala, Mansa District, Punjab, Karamjeet Singh has been involved in farming for the last ten years. He is a progressive paddy farmer with 45 acres of farmland, and has always been eager to use modern and better techniques.

Four years ago, he began growing rice in the Kharif season and wheat in the Rabi season on his 45 acres of land. Following the traditional farming techniques, he was never able to achieve good yields and, subsequently, incurred losses.

Over the period of time, Karamjeet realised that the standard techniques were not working for him. He decided to use Syngenta's protocols and

quality seeds. To his surprise, with this change, he managed to raise yields anywhere between 40 to 60%.

Encouraged by the increase in yields, his confidence in Syngenta and its products increased, leading him to pursue intensive farming. Our team supported him through all the crop phases - from seedling to ripening and provided him with knowledge about pests and diseases in paddy crop. He used products such as Chess, Amistar Top, Virtako and Rifit plus for better crop management.

After adopting Syngenta's protocols, his income almost doubled, which helped him purchase a new car and farming equipment, including a

tractor. Karamjeet appreciates the service and support of the Syngenta team that has helped him fetch good returns over the last few years.

Syngenta's stage wise rice solutions have helped farmers like Karamjeet to improve their economic status.



“With Syngenta's support throughout the crop phases, I was able to increase my yields and income. I have now purchased a house and a new car”

#### Syngenta Brands Used



Chess



Amistar Top



Virtako



Rifit plus

## Success story

### MaxVeg Protocol for Capsicum brings glory to Maharashtra grower

Sanjay Kadam, a farmer from Sangli, Maharashtra has been cultivating Syngenta's Capsicum Hybrid Indra which has had a rippling effect on his income and has transformed his life.

Sanjay Kadam, a farmer from Sangli, Maharashtra, has been cultivating our Capsicum seed Indra for the past ten years. But, Sanjay's story wasn't always a happy one. Back in the year 2000, Sanjay used to grow local vegetable seeds and was finding it hard to make ends meet.

In 2007, his life took a turn for worse, he got into heavy debts and even considered selling off his hereditary property. He felt helpless and saw no ray of hope. Under the Syngenta Team's guidance and handholding, he sowed the seed of hope – Indra. After growing Indra, his life took a positive turn and, in the first year itself he harvested 85 MT and started repaying his debts.

Since then, Sanjay has been cultivating Indra, reaping huge benefits. He has constructed a beautiful house and has named it "Indraprastha". He considers Indra his lucky charm. He is now the Brand Ambassador for Indra. He regularly shares his experiences with his fellow farmers in the region. Today, Indra is a buzz word amongst the growers and they say Indra means "Peace of Mind".

Sanjay, with Syngenta Team's support, is now a progressive farmer. He ensures that he follows Syngenta's MaxVeg Protocol at various stages of plant growth. He uses our products Amistar, Pegasus, Actara, Score and

Ridomil Gold which ensure protection from pests and diseases, delivering him high and quality yields.

Sanjay narrates his "Gloom to Glory" story to his fellow farmers with pride and happiness.



“ I am so indebted to Syngenta and Indra for all the positive changes in my life that I have even named my new home Indraprastha ”

#### Syngenta Brands Used



Amistar



Pegasus



Actara



Score



# Securing the Future Through Growth, Sustainability and Safety

## The Good Growth Plan (GGP)

The need to produce more food is acute and the world's resources are under unprecedented strain. Every day, our planet wakes with 200,000 more mouths to feed - something needs to change. The Good Growth Plan is Syngenta's commitment to make a measurable contribution by 2020, to help the farmers across the world rise to meet these challenges in a sustainable way. We have set ourselves specific targets related to improving resource efficiency, rejuvenating ecosystems and revitalizing rural communities. The plan is particularly relevant to India as agriculture is the mainstay of the region's economy and provides employment to more than 52 per cent of its population.

The Good Growth Plan is a set of six commitments that we are undertaking to address the various challenges that Agriculture will face in the years to come.



### Make crops more efficient

**Increase average productivity of the world's major crops by 20% without using more land, water or inputs**

In India, we have 44 reference farms of Corn, Cotton, Rice, Soya and Tomato crops. We provide training to reference farmers on the best practices of crop management and pesticide usage. We encourage and educate farmers to adopt new technologies with a focus to increase productivity. In 2018, we educated 10000 farmers and 150 channel partners on our reference farms.



### Rescue more farmland

**Improve the fertility of 10 million hectares of farmland on the brink of degradation**

In India, we are working closely with reference farmers on Soil Health Analysis, it is one of the critical aspects of increasing productivity. In 2018, we have tested soil at 40 reference farms which has resulted in savings on fertilizer. We have extended the soil health program to the farming community around these reference farms. We have covered 3717 acres and 800 growers.



### Help Biodiversity Flourish

**Enhance biodiversity on 5 million hectares of farmland**

In India, we have initiated 380 pollinator safety programmes in collaboration with ICAR and KVKs with bee-keepers, growers and entrepreneurs from the bee industry. We have signed an MOU with University of Agricultural Sciences, Dharwad, Karnataka on Operational Pollinator. These projects give practical solutions to help growers create valuable on-farm habitat which encourages natural pollinators.



### Empower Smallholders

**Reach 20 million smallholders and enable them to increase productivity by 50%**

In India, we have reached 1.46 million smallholders through sales of specifically designed products and also facilitating them with access to new technology.



### Help people stay safe

**Train 20 million farm workers on labour safety, especially in developing countries**

In India, in the year 2018, we have trained 1.39 million farmers and 0.44 million small holders on best practices of safe use in India. We are working with various value chain partners so as to share safe use best practices for sustainable operations to support small holders in the country. We have also launched WeCare Campaign - an exclusive safe use campaign in five states of the country and have covered 1500 growers, 1500 school children in 2018.



### Look after every worker

**Enhance biodiversity on 5 million hectares of farmland**

In India, we have initiated 380 pollinator safety programmes in collaboration with ICAR and KVKs with bee-keepers, growers and entrepreneurs from the bee industry. We have signed an MOU with University of Agricultural Sciences, Dharwad, Karnataka on Operational Pollinator. These projects give practical solutions to help growers create valuable on-farm habitat which encourages natural pollinators.



## Securing the Future Through Growth, Sustainability and Safety

### Stewardship and Extension

Stewardship is central to Syngenta's growth strategy. Throughout the product life cycle, from design to disposal, we are committed to responsible and ethical product management and safe use.

At Syngenta India, sustainable practices are at the core of everything we do. We promote value-added opportunities that drive sustainable business growth while contributing to the well-being of the farmers and the environment.

We ensure that while maximizing farmers' benefits, we minimize potential risks. Training farmers on safe use is therefore of paramount importance and, Syngenta focuses on key facets of stewardship such as application technology, capacity building and medical stewardship.

Our 'Safe Use' training programs are aimed at sharing best practices while managing crop protection products. We firmly believe that for cultivation to be sustainable and beneficial to the grower, there is a need to adopt innovations, best practices and proper container management.

Syngenta runs dedicated 'application technology' training programs for farmers by providing them technical know-how to increase spray efficiency while reducing chemical losses and by helping them to repair and maintain spray equipment.



In 2018, we addressed around 1.3 million farmers/farm workers through over 77,000 farmer training programs across India.

Our 'Safe Use Ambassador' Program is designed to have a long-term beneficial impact on the well-being and health of farmers. Keeping up with the established practice of capacity building initiatives among stakeholders, Syngenta focuses on agriculture students as 'Safe Use Ambassador' so as to ensure that messages reach growers and their families.

Under the Rural Agricultural Work Experience (RAWE) program, we have trained over 140 students from agricultural colleges as "Safe Use Ambassadors" to disseminate best practices to growers. Along with Stewardship Training Manuals, Stewardship Poster and Syngenta ' Safe Use Ambassador ' Badge, students are given certificates. In 2018, with an aim to build internal capacity, we have trained and certified our employees on Safe Use.

Medical stewardship is another significant component of our overall stewardship program. Under the Doctor Training Program, we provide medical practitioners with training on the Pesticide Exposure Recognition and Treatment Principles, general principles on stabilizing a poisoned patient and coping with basic treatment of poisoning cases. We have trained 503 Medical Practitioners of the primary and rural healthcare centers across the country.

With support from our Poison Control Center, Amrita Institute of Medical Sciences (AIMS), Cochin, we monitor accidental or intentional exposure-related cases across India.

Understanding the importance of safety, our focus continues to be on Product Stewardship initiatives with a much stronger farmer-centric approach across the country.



'Safe Use Ambassador'  
Training Programme to the  
students of K K Wagh College of  
Agriculture, Nashik, Maharashtra



Demonstration of PPE  
Kits to farmers in  
Yavatmal, Maharashtra



Doctors' Training Programme,  
Yavatmal, Maharashtra



## Securing the Future Through Growth, Sustainability and Safety

# Corporate Social Responsibility (CSR)

**Syngenta's CSR vision is to 'promote rural prosperity. We engage with local communities by listening to their concerns, sharing values and helping them improve their lives. Our CSR activities help to create a better world for farming communities across the country.**

Our flagship projects and interventions are located in remote and economically backward areas of the country. Our projects address issues ranging from poor working conditions for rural vendors, commercial uncertainties, health and cleanliness, water and soil sustainability, access to infrastructure and modern technology. This year, we have further strengthened our key CSR commitments by adding new projects and, also, by expanding existing projects.

Recently, we have launched a one of its kind initiative I-SAFE (Inculcating Safety Awareness for Farmer Empowerment) in Maharashtra to enable farmers and spray men to become competent in the use, spraying and handling of agro-chemicals and, to train them to become Spraymen Entrepreneurs. Under this initiative, two Mobile Health Clinics have been deployed in Yavatmal and Guntur. So far, 60000 people have benefited from these services. We have trained about 30000 farmers on safe use in Maharashtra, Andhra Pradesh, Telangana, Madhya Pradesh, Punjab and Haryana.

Our flagship project Syngenta I-CLEAN (Inculcating Cleanliness, Learning, Education, Awareness and New Habits), is inspired by the Hon'ble Prime Minister's vision of Swachh Bharat Abhiyaan and Doubling Farmer's Income by 2022. It also synchronizes with the Government of India's program Gramin Agriculture Markets (GrAM) Yojana for

modernization and development of rural market infrastructure.

Under the I-CLEAN initiative, we have modernized 19 rural markets in various districts of Bihar and Karnataka which help provide direct market access to farmers and enable them to lead dignified, hygienic and healthy lives.

Syngenta has partnered with the Government of Maharashtra under the VSTF (Village Social Transformation Foundation). Through this program, we aim to transform 15 socially backward villages into self-sustaining villages in Maharashtra.

Our Hose Reel Irrigation Project is operational and we have deployed 52 hose reel machines in different districts in Maharashtra, Andhra Pradesh and Bihar. Through this project we help growers achieve higher productivity with optimum utilization of water, so far 2250 farmer have availed this facility.

Understanding the importance of soil health management, we have initiated a Soil Health Project in Haryana benefiting 3,000 farmers.

Under the Safe Drinking Water initiative, we have installed 23 RO plants across the country, benefitting more than 10,000 households. Two state of the art RO facility have been commissioned in Rajasthan, with 10 years commitment for operation and maintenance.

Under our community engagement initiatives, we continue to support villages in the vicinity of our R&D, Seed Processing sites/villages. So far, more than 50 villages have benefited through projects on education, drinking water, bus shelters, sanitation, water harvesting among others.



# How do we feed a growing world population?

Farm new land

Get more from existing farmland

**syngenta**<sup>®</sup>

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](http://www.growmorefromless.com)

<b>Board of Directors</b>	Prakash K. Apte Rafael Del Rio Abhishek Agarwal  Jaya Kumari Narendra Kulkarni V. R. Kaundinya Balaji Bakthisaran	Non-Executive Chairman Managing Director Whole-time Director and Chief Financial Officer Whole time Director Whole-time Director Independent Director Independent Director
<b>Company Secretary</b>	Arundhati Kulkarni	
<b>Statutory Auditors</b>	M/s. B. S. R. & Associates LLP, Chartered Accountants	
<b>Bankers</b>	Citibank NA The Hongkong and Shanghai Banking Corporation Limited (HSBC)	
<b>Registered Office</b>	Amar Paradigm, S.N. 110/11/3 Baner Road, Baner, Pune - 411 045	
<b>Works / Plants</b>	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	
<b>Registrar &amp; Transfer Agent</b>	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	

**Twentieth Annual General Meeting**

**Friday, 27<sup>th</sup> September, 2019 at 11.00 a.m.**

**The Orchid Hotel, adjacent to Chhatrapati Shivaji Sports Complex,  
Pune - Bangalore Highway, Balewadi, Pune – 411045**

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.

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## NOTICE

**NOTICE** is hereby given that the Twentieth Annual General Meeting of the Members of Syngenta India Limited will be held at The Orchid Hotel, adjacent to Chhatrapati Shivaji Sports Complex, Pune -Bangalore Highway, Balewadi, Pune – 411045 on Friday, September 27, 2019 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, 2019 and the Balance Sheet as at that date together with the reports of the Board of Directors and the Auditors thereon.
2. To declare dividend on equity shares for the year ended March 31, 2019.
3. To appoint a Director in place of Mr.Narendra Kulkarni (DIN : 07138608), who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Prakash Apte (DIN: 00196106), who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint the 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 re-enactment thereof for the time being in force) M/s. B S R & Associates LLP, Chartered Accountants (Firm Registration No. 116231W/W-100024) be and is hereby re-appointed as the Statutory auditor of the Company to hold office from the conclusion of 20<sup>th</sup> AGM till the conclusion of 25<sup>th</sup> 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** in accordance with the provisions of Section 149 and 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, Ms. Jaya Kumari (DIN : 08394373) who was appointed as an Additional Director of the Company by the Board of Directors with effect from March 20, 2019 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 the intention to propose Ms. Jaya Kumari 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.”

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 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 Ms. Jaya Kumari (DIN : 08394373 ) as Whole Time Director of the Company for the period from March 20, 2019 to March 19, 2022 upon the terms and conditions as set out in the Agreement entered into between the Company and Ms. Jaya Kumari, 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 Ms. Jaya Kumari."

**"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."

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

**"RESOLVED THAT** the Company hereby ratifies the remuneration of Rs.3,85,000/- (Rupees Three Lakhs Eighty Five 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 2019 - 20."

By Order of the Board of Directors  
**SYNGENTA INDIA LIMITED**

Date: August 14, 2019  
Place: Pune

**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 8 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 23, 2019 to September 27, 2019 (both days inclusive).
6. Dividend, if declared at the Twentieth Annual General Meeting will be paid on and from October 4, 2019 to those members whose names appear on 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 20, 2019 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 end of September 20, 2019 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, 2012 will be transferred to the Investor Education and Protection Fund of the Central Government ("the Fund") in the month of November 2019. 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 20<sup>th</sup> Annual General Meeting (AGM) by electronic means through remote e-voting platform provided by Link Intime India Private Limited (LIPL) and the business mentioned in Notice relating thereto may be transacted through the E-voting services. 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 20, 2019 may cast their votes electronically.**
- **The E-voting period for the members who hold shares as on the cut-off date commences on September 24, 2019 from 9.00 a.m. and ends on September 26, 2019 upto 5.00 p.m. The e-voting module shall be disabled by LIPL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.**

**Instructions for shareholders to vote electronically:**

**Log-in to e-Voting website of Link Intime India Private Limited (LIPL)**

1. Visit the e-voting system of LIPL. Open web browser by typing the following URL: **<https://instavote.linkintime.co.in>**.
2. Click on "**Login**" tab, available under 'Shareholders' section.
3. Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on "**SUBMIT**".
4. Your User ID details are given below:
  - a. **Shareholders holding shares in demat account with NSDL:** Your User ID is 8 Character DP ID followed by 8 Digit Client ID
  - b. **Shareholders holding shares in demat account with CDSL:** Your User ID is 16 Digit Beneficiary ID
  - c. **Shareholders holding shares in Physical Form (i.e. Share Certificate):** Your User ID is Event No + Folio Number registered with the Company



5. Your Password details are given below:

If you are using e-Voting system of LIPL: <https://instavote.linkintime.co.in> for the first time or if you are holding shares in physical form, you need to follow the steps given below:

Click on “Sign Up” tab available under ‘Shareholders’ section Register your details and set the password of your choice and confirm (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

	<b>For Shareholders holding shares in Demat Form or Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders).</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with depository Participant or in the company record are requested to use the sequence number which is printed on Ballot Form / Attendance Slip indicated in the PAN Field.</li> </ul>
DOB/ DOI	<p>Enter the DOB (Date of Birth)/ DOI as recorded with depository participant or in the company record for the said demat account or folio number in dd/mm/yyyy format.</p>
Bank Account Number	<p>Enter the Bank Account number (Last Four Digits) as recorded in your demat account or in the company records for the said demat account or folio number.</p> <ul style="list-style-type: none"> <li>Please enter the DOB/ DOI or Bank Account number in order to register. If the above mentioned details are not recorded with the depository participants or company, please enter Folio number in the Bank Account number field as mentioned in instruction (iv-c).</li> </ul>

If you are holding shares in demat form and had registered on to e-Voting system of LIPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier voting of any company then you can use your existing password to login.

**If Shareholders holding shares in Demat Form or Physical Form have forgotten password:**

Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on “SUBMIT”.

Incase shareholder is having valid email address, Password will be sent to the shareholders registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/ DOI, Dividend Bank Details etc. and confirm. (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter)

**NOTE:** The password is to be used by demat shareholders for voting on the resolutions placed by the company in which they are a shareholder and eligible to vote, provided that the company opts for e-voting platform of LIPL.

For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

**Cast your vote electronically**

- After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/ View “Event No” of the company, you choose to vote.
- On the voting page, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.

**Cast your vote by selecting appropriate option i.e. Favour/Against as desired.**

Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'. You may also choose the option 'Abstain' and the shares held will not be counted under 'Favour/Against'.

8. If you wish to view the entire Resolution details, click on the 'View Resolutions' File Link.
9. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "YES", else to change your vote, click on "NO" and accordingly modify your vote.
10. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.
11. You can also take the printout of the votes cast by you by clicking on "Print" option on the Voting page.

**General Guidelines for shareholders:**

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LIPL: <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'.

They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.

- During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".
  - Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.
  - In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions ("FAQs") and Instavote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or write an email to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or Call us :- Tel : 022 - 49186000.
- 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 AGM 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 AGM, firstcount 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 Link Intine India Pvt. Ltd. within 3 working days of passing of the resolutions at the AGM of the Company on September 27, 2019.



## 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.

M/s. BSR & Associates LLP have been appointed as the Statutory Auditors of the Company since Financial year 2014-15. The first term of 5 years of their appointment as approved by the members in the Annual General meeting held on September 23, 2014 shall conclude at this 20<sup>th</sup> Annual General Meeting.

As per the provisions of the Section 139 of the Companies Act, 2013, your Directors proposed to re-appoint the same auditor for further period of 5 years 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 the audit of the accounts of Company for the Financial years 2019-20 to 2023-24.

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.

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

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 and 7

Ms. Jaya Kumari was appointed as an Additional Director on the Board of the Company with effect from March 20, 2019 in accordance with provision of Section 149 and 161 of the Companies Act, 2013. At the same meeting, the Board also appointed Ms. Jaya Kumari as Whole Time Director for a period of three years from March 20, 2019 to March 19, 2022 on the terms and conditions as set out in the agreement executed between the Company and Ms. Jaya Kumari as approved by the Board, subject to approval from the members at the ensuing Annual General Meeting.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Ms. Jaya Kumari 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 Ms. Jaya Kumari for the office of director.

Ms. Jaya Kumari has done her graduation in Agriculture from GB Pant University of Agriculture & Technology, Pantnagar; followed by MBA from Xavier Instt of Management, Bhubaneswar.

She has the 12 years of experience in agri industry and into marketing field.

Ms. Jaya Kumari 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.

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 March 20, 2019 upto March 19, 2022 and payment of remuneration to Ms. Jaya Kumari 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 Ms. Jaya Kumari 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 Ms. Jaya Kumari shall be as follow:

#### **Basic Salary**

Rs. 1,222,667 (Twelve Lakhs Twenty Two Thousand Six Hundred and Sixty Seven 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**

Medical Allowance: Upto Rs.15,000/- per annum. The same shall be increased as per the scheme applicable to the Officers of the Company.

**Leave:** As per the leave policy applicable to the Officers of the Company as amended from time to time.

**Leave Travel Allowance:** Upto Rs.40,000/- per annum. The same shall be increased as per the scheme applicable to the Officers of the Company. Medical Insurance: As per the policy applicable to the Officers of the Company as amended from time to time.

**Provident Fund, Superannuation and Gratuity: As per the scheme applicable to the Officers of the Company as amended from time to time.**

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 Ms. Jaya Kumari, 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:**

Ms. Jaya Kumari shall be reimbursed all entertainment expenses that she may incur for promotion of business or in the course of business of the Company.

- Ms. Jaya Kumari will not be entitled to sitting fees for Meeting of the Board/ Committees of the Board attended by her.
- 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 Ms. Jaya Kumari if she 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. Ms. Jaya Kumari shall during her 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 Ms. Jaya Kumari, 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 recommend resolutions set out in Item no. 6 and 7 of the Notice for approval of members.

**Item No. 8**

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, 2019.

Remuneration payable to M/s. Dhananjay V. Joshi and Associates, Cost Auditor of the Company for the financial year ended March 31, 2019 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 21, 2019.

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 members of the Company. The Board recommends resolution set out in Item no. 8 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.

By order of the Board of Directors

**SYNGENTA INDIA LIMITED**

Date: August 14, 2019

Place: Pune

**Arundhati Kulkarni**  
**Company Secretary**

## Directors' Report

Your Directors have pleasure in presenting the Nineteenth Annual Report and the Audited Accounts of the Company for the year ended March 31, 2019.

### 1. Financial Results or Highlights:

(Rupees 'Lakhs')

Particulars	For the year ended	
	31-Mar-19	31-Mar-18
Revenue from Operation	291,513	271,803
Other Income	21,641	16,869
Total	313,154	288,672
Operating Profits before Finance costs, Depreciation and Tax	56,489	46,408
Finance costs	645	380
Depreciation	2,365	2,025
Provision for taxation (including deferred tax)	23,545	15,724
Exceptional items	20,418	-
Profit for the year	50,352	28,279
Other comprehensive income	62	-387
Total comprehensive income for the year	50,414	27,892
Balance Brought forward from Previous Year	220,204	197,122
Amount available for appropriation	270,618	225,014
Dividend	1,647	1,647
Tax on Dividend	339	335
Transfer to General Reserve	5,035	2,828
Balance carried forward	263,597	220,204

### 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, 2019. This will absorb a sum of Rs.1,986 Lakhs including Rs.339 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, 2019.

### 4. State of Company's Affairs:

#### Financial performance:

The revenue from operations of the Company for the current year was Rs.291,513 Lakhs as against Rs.271,803 Lakhs of previous year. The profit after tax in 2018-19 stood at Rs.50,352 Lakhs as against Rs.28,279 Lakhs in the previous year.



Increase in Revenue at 13.5 % on account of higher commodity prices in Seeds. Crop protection has grown at 5.2% due to favorable weather conditions and high growth in portfolio on Rice, Wheat & Veg due to increased acreage and output prices. Exports increase of 9.5 % is due to higher demand in majorly Asian countries.

Higher profit due to onetime exceptional gain of INR 204 Cr for divestment and higher realization in Seeds.

## 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. Prakash Apte and Mr. Narendra Kulkarni retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

- **Resignation of Directors:**

Ms. Sumie Fujimura resigned as a Director of the Company w.e.f. December 31, 2018.

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

- **Appointment of additional Director**

Ms. Jaya Kumari was appointed as an additional and Whole Time Director of the Company w.e.f. March 20, 2019 for a period of 3 years i.e. upto March 19, 2022, subject to approval of shareholders in the ensuing Annual General meeting.

- **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.

- **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 20, 2019.

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, eight 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 <http://www.syngenta.co.in/Information-Investors>. Report on CSR activities is enclosed as **Annexure 1**.

Your Company has outperformed and was able to spend the entire budget of CSR as allocated this year.

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

The Company has in place a Prevention of Sexual Harassment Policy (POSH) 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 constituted to address complaints regarding sexual harassment. All employees (permanent, contractual, temporary, third parties) are covered under this policy.

During the year 2018 - 19, 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 Country Leadership Team (CLT) comprising of its senior management. The CLT through its Compliance & Risk Management (C&RM) agenda, identifies risks to the strategic agenda, evaluates those risks, and assesses the probability of occurrence, cause and consequence for prioritized risk, and formulates preventive and mitigating actions.



The CLT reviews each risk strategically on a quarterly basis. The Leadership Team also discusses emerging risks as part of risk management foresight on an annual basis.

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 as on March 31, 2019 for the period April 1, 2018 to March 31, 2019 and of the profit of the Company for that period;
- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 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 members 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, 2012 would be transferred to Investor Education and Protection Fund Account in November 2019, pursuant to the provisions of the Companies Act, 2013.

Further, pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the Demat account of the IEPF Authority. Accordingly, the Company transferred 21,771 shares to the IEPF Suspense Account as per the requirements of the said Rules. The details are provided in the Shareholder information section of this Annual Report and are also available on our website, at <https://www.syngenta.co.in/information-investors>.

#### 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.

Regular inspections and audits are done to ensure HSE systems are deployed well. The Company is working towards implementing the new HSE management system launched by the Syngenta Global organization. The Company ensures that the training of employees in topics related to HSE are done to achieve the highest industry standards. The HSE standards 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 consumption while we meet or exceed our performance against regulatory requirements. The Company remains committed to HSE resources to support new projects and competent personnel are allocated for pertinent requirements of business segments. The Board maintains strategic oversight of all matters related to health, safety and environment. During the year, the Company continued to promote HSE amongst employees through various training sessions, communications & awareness campaigns. These effort are not limited to secure uninterrupted business and services but also to contribute to society by operating in safer and healthier environment. Company integrates HSE management into country strategic corporate objectives and planning process so as to make HSE as an integral part of business.

#### **16. Personnel and Welfare:**

Continuous up-gradation of appropriate skills and talent development, through training programmes conducted by internal as well as external faculty 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 organization design, talent development and creating talent pipeline for future growth of the business.

Industrial Relations at Ranebennur, Kodakandla and Nuthankal seeds 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, were appointed as Statutory Auditor of the Company for a period of 5 years from FY 2014-2015 to 2018-19. The first term of 5 years of the present auditor would end at the ensuing AGM.

The Board of Directors of the Company proposed to re-appoint M/s. BSR & Associates for further period of 5 years from 2019 - 20 to 2024 – 25.

The Company has received an eligibility certificate from the Statutory Auditor confirming that they are eligible for appointment as Auditor 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.

The members are requested to approve the re-appointment of same Statutory Auditor for further period of 5 years.

**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 2018 - 19, 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 2019 – 20 on a remuneration of Rs.3.85 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, Practicing Company Secretary was appointed to conduct the Secretarial Audit of the Company for the Financial Year 2018 - 19, 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 2018 - 19 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. Capital Reduction of the Company :**

The board of directors' of the Company at its meeting held on November 1, 2017 approved a proposal for the reduction of issued, subscribed and paid-up equity share capital of the Company from INR 1,647 Lakhs to INR 1,588 Lakhs by way of cancelling and extinguishing 11,81,036 fully paid up equity shares of INR 5 each, of the Company held by the public shareholders in accordance with Section 66 of the Companies Act, 2013 and the Rules made thereunder.

Subsequent to the approval of the proposal for reduction of the equity share capital by the shareholders in the extra-ordinary General Meeting of the Company held on December 8, 2017, a petition (Company Petition No. 771 of 2017) was filed with the Mumbai Bench of NCLT on December 13, 2017. The hearing before NCLT has been concluded and NCLT has reserved the petition for its final Order.

**24. Divestment of specified products of Crop Protection business:**

Pursuant to the acquisition of Syngenta AG by China National Agrochemical Corporation (“Chemchina”), an application was filed with the Competition Commission of India (“CCI”) by Chemchina for seeking CCI approval for the proposed acquisition. As per the CCI Order, the Company was required to divest certain crop protection products to independent third party/ies. The Board of Directors of the Company at its meeting held on August 4, 2018 approved divestment of these products. After obtaining CCI approval on the name of proposed buyer and draft of transaction agreements, the Company first executed the Asset Purchase Agreement on November 21, 2018 with Crystal Crop Protection Limited (“Crystal”/“Buyer”) and after receiving entire consideration the Company executed remaining transaction documents, on January 3, 2019 (“the Closing Date”). Crystal also paid and cleared the agreed consideration towards the inventory of divested products.

**25. 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 are no material changes and commitments affecting the financial position of the Company which have occurred between the end of financial year to which the financial statement relates and the date of this report.

**26. 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**

**Rafael Del Rio**  
Managing Director  
DIN: 08105128

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

Date: August 14, 2019  
Place: Pune



## 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:** 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:** 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 maybe decided by the CSR Committee.

Following are the details of CSR expenses for the financial year 2018 -19

(Rs. Lakhs)

Sr. No	Particulars	Amount
1.	Average net profit of the company for the last three financial years	45,411
2.	Prescribed CSR Expenditure(2%of the amount mentioned above)	908
3.	Details of the CSR spent during the financial year 2017-18	
	a. Total amount spent for the financial year	1,019
	b. Amount unspent, if any	Nil

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 Sub-heads: 1.Direct expenditure on project/ programme, 2.Overheads:	Cumulative expenditure up to the reporting period	Amount spent: Direct/ through implementing agency
1	Syngenta I-CLEAN - The project components include modernization of rural markets with facilities like drinking water, solar lights, waste management and construction of public toilets, awareness and education on hygiene, cleanliness.	Sanitation, Hygiene, Safe Drinking	Bihar – East Champaran, Madhubani and Muzaffarpur/ Darbhanga/ Vaishali District	700	213.26	566.37	Implementing agencies – 1.Samajik Saikshanik Vikas Kendra (SSVK) 2. Kausalya Foundation, 3. Grey Matters 4. Integrated Development Foundation
2	Syngenta I-CLEAN – Solar Electrification	Solar electrification	Rajasthan – Jodhpur and Pali District	234.00	18.55	233.85	Direct
3	Syngenta I-CLEAN –	Drinking Water	Rajasthan Bikaner/ Ganganagar District	150.00	10.80	70.80	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 Sub-heads: 1.Direct expenditure on project/ programme, 2.Overheads:	Cumulative expenditure up to the reporting period	Amount spent: Direct/ through implementing agency
4	Farmer Health and Safety Training, Mobile Health Van, Personal Protective Kits to Farmers through Government	Education, Health	Maharashtra – Yavatmal & Osmanabad, Amravati, Akola Telangana – Adilabad Andra Pradesh – Guntur, Madhya Pradesh – Khargone and dhar	500.00	143.99	306.99	Direct (PPE kits) Implementing agencies - Wockhardt Foundation & EFFORT NGO, International Resource or Fairer Trade (IRFT), etc
5	Irrigation – Hose reel irrigation, Lift irrigation and Drip Irrigation etc	Water – Irrigation support	Bihar/ MP/ Maharashtra/ Andhra Pradesh/ Karnataka	432.00	120.76	431.35	Syngenta Foundation India, Jan Jagruti Pratishtan, Yuva Mitra
6	VSTF – Village Social Transformation Foundation – Collaboration with Government of Maharashtra	Rural Development	Maharashtra	500.00	300.00	300.00	Village Social Transformation Foundation
7	Local Community – I-CLEAN Project - Syngenta I-CLEAN - The project components include modernization of rural markets	Sanitation, Hygiene	Karnataka	18.00	3.65	17.35	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 Sub-heads: 1.Direct expenditure on project/ programme, 2.Overheads:	Cumulative expenditure up to the reporting period	Amount spent: Direct/ through implementing agency
8	Local Community – Drinking Water through RO Plants	Drinking Water	Andhra Pradesh, Telangana, Karnataka, Maharashtra	300.00	66.85	248.69	Direct
9	Local Community – Education support to Govt. Schools, Nanritam NGO, Skill training to women	Education	Andhra Pradesh, Telangana, Karnataka, Goa, West Bengal	450.00	87.91	443.09	Direct
10	Local Community Health Camp – General Health Camp and Eye checkup camp	Health	Local Community -Maharashtra Telangana	50.00	1.40	51.86	Direct
11	Local Community Tree plantation and water harvesting projects	Environmental sustainability	Local Community Maharashtra & Telangana	20.00	4.03	16.03	Direct
12	Local Community activity – Sanitation and Waste Management	Hygiene and Sanitation	Goa	130.00	0.00	129.44	Direct & Margdarshak Development Services
13	Local Community-SPARSH Programme for Women Empowerment	Women Empowerment	Goa	55.00	0.00	55.52	Margdarshak Development Services
14	Local Community – Syngenta Krishi Mitra - Help farmers on agriculture and avail Government schemes.	Eradicate hunger and poverty/ Maintaining quality of soil, air and water;	Goa	90.00	0.00	90.32	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 Sub-heads: 1.Direct expenditure on project/ programme, 2.Overheads:	Cumulative expenditure up to the reporting period	Amount spent: Direct/ through implementing agency
15	Local Community – Promotion of sports and arts	Promotion of sports through training. Promote culture	Goa	54.00	0.00	53.19	Direct
16	Local Community – Rural Development activities	Rural Development	Goa	20.00	0.00	17.08	Direct
17	Krishi Vikas – Support to Farmers in Distress due to white fly issue in Punjab & Haryana	Disaster Management	Punjab and Haryana	100.00	0.00	98.49	Direct and Punjab Agriculture University
18	Disaster relief- Food supply during Bihar flood	Eradicate Hunger	East Champaran/ Bihar	82.00	0.00	81.40	Samajik Saikshnik Vikas Kendra(SSVK)
	<b>Total Spend</b>			<b>3885.00</b>	<b>971.21</b>	<b>3211.82</b>	
	<b>Administrative expenses (5% of the total spend)</b>				<b>48.56</b>	<b>150.76</b>	
	<b>Grand Total</b>				<b>1019.77</b>	<b>3362.58</b>	

In the previous year (2017-18), Rs. 45.60 lakhs spent on irrigation was shown in I-CLEAN. Same has been rectified in this report.

#### 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.

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**Rafael Del Rio**

**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.  At all the locations of the Company new initiatives have been taken for energy conservation. At regular intervals, regular review for effective control on utilization of energy has been carried out.
(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 the Company is engaged Profiling / Development / registration of the new Technology for the benefit of Indian farmers. Provide Technical support for the launch of these new technologies in the market for Crop Protection and Seeds. In addition to protecting crop from pest it also helps in providing innovative solutions for managing crops in adverse biotic and abiotic stress condition, sustainable agriculture and Resistance Management.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	New products and process development have helped in introducing new 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, better farm rate price and better returns on investment.  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. Use of Artificial intelligence will increase in future and hence efforts are being made to introduce precision digital technology which will help in better forecasting of the pest pressure, nutrition management and application technology. 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.
	(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	



(iv)	The expenditure incurred on Research and Development	(Rs. Lakhs) Capital expenditure : 1,050 Revenue expenditure : 7,593 <b>Total : 8,633</b> 3.0% as a percentage of total turnover
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#### FOREIGN EXCHANGE EARNINGS AND OUTGO

##### Earnings in foreign currency:

Particulars	Amount (Rs. Lakhs)
Sale of goods	12,816
<b>Total</b>	<b>12,816</b>

##### Expenditure in foreign currency:

Particulars	Amount (Rs. Lakhs)
Purchase of materials	6,298
Purchase of fixed assets	255
Other expenses	911
<b>Total</b>	<b>7,464</b>

## Annexure 3:

### FORM NO. MR-3 SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH 2019

[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, 2018 to March 31, 2019, 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, 2019, 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, 2019 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 46.58% of the shares are in dematerialised 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 report that a Special Resolution was passed by the members of the Company on December 8<sup>th</sup>, 2017 for reduction of share capital and the said matter is still pending before Honourable National Company Law Tribunal, Mumbai for approval under Section 64 as on the date of this report.

We further report that, except above mentioned matter, no other 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 AND ASSOCIATES  
COMPANY SECRETARIES**

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**Devendra V. Deshapnde**  
Proprietor  
FCS No. 6099  
CP No. 6515

**Place: Pune**

**Date: August 14, 2019**

**ANNEXURE A**

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

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**FOR DVD AND ASSOCIATES  
COMPANY SECRETARIES**

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**Devendra V. Deshapnde  
Proprietor  
FCS No. 6099  
CP No. 6515**

**Place: Pune  
Date: August 14, 2019**

## 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 subsection (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, 2019 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:
Syngenta Asia Pacific Pte. Ltd. Nature of Relationship Fellow Subsidiary	Purchase of raw materials	27 <sup>th</sup> October 2003 w.e.f. 1 <sup>st</sup> January 2004 and further amended from time to time.	Based on Transfer Pricing Policy Rs. 63,284 lakhs	June 20, 2018	Rs.11,786 lakhs
Syngenta Asia Pacific Pte. Ltd.	Sale of Finished Goods	Based on Purchase order	Based on Transfer Pricing Policy Rs.52,344 Lakhs	June 20, 2018	NIL

On behalf of the Board of Directors  
**SYNGENTA INDIA LIMITED**

Date: August 14, 2019  
Place: Pune

**Rafael Del Rio**  
**Managing Director**  
**DIN: 08105128**

**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, 2019

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) 30699206
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.	Chlorantraniliprole and its formulations	20211	13%

#### 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

Sr No	Category of shareholders	Shareholding at the beginning of the year - 2018				Shareholding at the end of the year - 2019				% 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	'0.0000	0	0	0	'0.0000	'0.0000
(b)	Central Government / State Government(s)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(c)	Financial Institutions / Banks	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(d)	Any Other (Specify)									
	Sub Total (A)(1)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(b)	Government	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(c)	Institutions	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(d)	Foreign Portfolio Investor	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(e)	Any Other (Specify)									
	Bodies Corporate	14434178	17328494	31762672	'96.4150	14434178	17328494	31762672	'96.4150	'0.0000
	Sub Total (A)(2)	14434178	17328494	31762672	'96.4150	14434178	17328494	31762672	'96.4150	'0.0000
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	14434178	17328494	31762672	'96.4150	14434178	17328494	31762672	'96.4150	'0.0000
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds / UTI	100	543	643	'0.0020	100	460	560	'0.0017	'-0.0003
(b)	Venture Capital Funds	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(c)	Alternate Investment Funds	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(d)	Foreign Venture Capital Investors	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(e)	Foreign Portfolio Investor	0	50	50	'0.0002	0	0	0	'0.0000	'-0.0002
(f)	Financial Institutions / Banks	3275	1846	5121	'0.0155	3275	1846	5121	'0.0155	'0.0000
(g)	Insurance Companies	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(h)	Provident Funds/ Pension Funds	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000



Sr No	Category of shareholders	Shareholding at the beginning of the year - 2018				Shareholding at the end of the year - 2019				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
[1]	Custodian/DR Holder	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
	Total (A)+(B)+(C)	15298088	17645620	32943708	'100.0000	15344076	17599632	32943708	'100.0000	

### 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	<b>31762672</b>	<b>96.41</b>	<b>31762672</b>	<b>96.41</b>
	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	<b>31762672</b>	<b>96.41</b>	<b>31762672</b>	<b>96.41</b>



**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	<b>SOHRAB HOMI FRACIS</b>				
	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
	<b>At the End of the year (or on the date of separation, if Separated during the year)</b>			<b>25000</b>	<b>0.08</b>

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	<b>PUNIT KUMAR</b>				
	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
	<b>At the End of the year (or on the date of separation, if Separated during the year)</b>			<b>11000</b>	<b>0.03</b>

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	<b>SANGEETA GUPTA</b>				
	At the beginning of the year	9205	0.03	-	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.):	-			
	-Transfer dated 15.3.2019	245	0.00	9450	0.01
	-Transfer dated 22.3.2019	50	0.00	9500	0.01
	<b>At the End of the year (or on the date of separation, if Separated during the year)</b>			<b>9500</b>	<b>0.03</b>

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	<b>SUPRAPTI FINVEST PVT LTD</b>	0.00	0.00		
	At the beginning of the year	0.00	0.02	-	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
	Transfer dated August 24, 2018	1500	0.00	1500	0.00
	Transfer dated September 14, 2018	500	0.00	2000	0.00
	Transfer dated September 21, 2018	500	0.00	2500	0.00
	Transfer dated September 29, 2018	580	0.00	3080	0.00
	Transfer dated October 05, 2018	540	0.00	3620	0.01
	Transfer dated October 12, 2018	310	0.00	3930	0.01
	Transfer dated October 19, 2018	2800	0.00	6730	0.02
	Transfer dated October 26, 2018	2070	0.00	8800	0.03
	Transfer dated November 02, 2018	50	0.00	8850	0.03
	Transfer dated November 09, 2018	200	0.00	9050	0.03
	Transfer dated November 30, 2018	445	0.00	9495	0.03
	<b>At the End of the year (or on the date of separation, if Separated during the year)</b>			<b>9495</b>	<b>0.03</b>

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	<b>SHREYAN MANOJ TURAKHIA</b>				
	At the beginning of the year	3920	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.): Transfers:-	0	0	0	0
	1. Transfer dated April 6, 2018	1000	0	4920	0.01
	2. Transfer dated April 13, 2018	1625	0	6545	0.01
	3. Transfer dated April 20, 2018	300	0	6845	0.02
	4. Transfer dated July 6, 2018	250	0	7095	0.02
	5. Transfer dated July 13, 2018	600	0	7695	0.02
	<b>At the End of the year (or on the date of separation, if Separated during the year)</b>			<b>7695</b>	<b>0.02</b>



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	<b>ANNARAO KRISHNARAO LOKAPUR</b>				
	At the beginning of the year	3235	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
	1. Transfer dated November 16, 2018	2770	0	6005	0.02
	<b>At the End of the year (or on the date of separation, if Separated during the year)</b>			<b>6005</b>	<b>0.02</b>

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	<b>EDDIE PHIROZ BHARUCHA</b>				
	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
	<b>At the End of the year (or on the date of separation, if Separated during the year)</b>			<b>4750</b>	<b>0.01</b>

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	<b>PARTH MAHESH ANANDPARA</b>				
	At the beginning of the year	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 dated December 21, 2018			4400	0.01
	<b>At the End of the year (or on the date of separation, if Separated during the year)</b>			<b>4400</b>	<b>0.01</b>

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	<b>SHRIDHAR P IYER</b>				
	At the beginning of the year	3750	0.01	3750	0.01
	<b>At the End of the year (or on the date of separation, if Separated during the year)</b>			<b>3750</b>	<b>0.01</b>

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	<b>FATIMA F N ILDA G M E MENEZES</b>				
	At the beginning of the year	3724	0.01	3724	0.01
	<b>At the End of the year (or on the date of separation, if Separated during the year)</b>			<b>3724</b>	<b>0.01</b>

**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

**IV. INDEBTEDNESS**

**Indebtedness of the Company including interest outstanding/accrued but not due for payment  
(Period from 1.4.2018 to 31.3.2019)**

	<b>Secured Loans excluding deposits</b>	<b>Unsecured Loans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
<b>Indebtedness at the beginning of the financial year</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	0	0	0	0
• Reduction				
<b>Net Change</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Indebtedness at the end of the financial year</b>				
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
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**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	Rafael Del Rio w.e.f. April 23, 2018	Abhishek Agarwal – Whole time Director and CFO	Narendra Kulkarni - Whole time Director	Jaya Kumari Whole Time Director w.e.f.March 20, 2019	Total Amount
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1445.94	106.44	76.47	1.1	1629.95
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	70.79	3.45	5.16	0.08	79.48
	(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					
	<b>Total (A)</b>	<b>1516.73</b>	<b>109.89</b>	<b>81.63</b>	<b>1.18</b>	<b>1709.43</b>
	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
<b>1</b>	<b>Independent Directors</b>	<b>V. R. Kaundinya</b>	<b>Balaji Bakthisaran</b>	
	• Fee for attending board/ committee meetings	3.90	2.9	6.80
	• Commission	7.00	7.00	14.00
	• Others, please specify		0	
	Total (1)	<b>10.9</b>	<b>9.9</b>	<b>20.80</b>
<b>2</b>	<b>Other Non-Executive Directors-</b>	<b>Prakash K. Apte</b>	<b>Sumie Fujimura (upto December 31, 2018)</b>	
	• Fee for attending board / committee meetings	3.9	1	4.9
	• Commission	9	0.00	9
	• Others, please specify	0	0	
	Total (2)	12.90	1.00	13.90
	Total (B)=(1+2)			
	Total Managerial Remuneration			34.70
	Overall Ceiling as per the Act			N.A

Note : This table includes only sitting fee and commission paid to the Directors

**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	21.43		21.43
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1.88		1.88
	(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	<b>23.31</b>	<b>0.00</b>	<b>23.31</b>

\*Mr. Abhishek Agarwal also being a Whole Time Director, his remuneration details are included in Part A.

**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)
<b>A. COMPANY</b>					
Penalty			No Penalties, Punishments or Compounding of Offences		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			No Penalties, Punishments or Compounding of Offences		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			No Penalties, Punishments or Compounding of Offences		
Punishment					
Compounding					

On behalf of the Board of Directors  
**SYNGENTA INDIA LIMITED**

Date: August 14, 2019  
Place: Pune

**Rafael Del Rio**  
**Managing Director**  
**DIN: 08105128**

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



## Management Discussion & Analysis Report

### 1. Industry Structure and Developments

India has emerged as the world's fastest-growing major economy, and over the next 10-15 years, it is expected to be one of the world's top three economic powers. The economy has performed well over the past five years, and the government has ensured that the benefits of growth and macroeconomic stability reach the bottom of the pyramid.

India's GDP in 2018-19 grew by 6.8 percent, however the GDP growth in Q4 for 2018-19 is 5.8 percent, which is significantly lesser than 8 with only 6.6 percent growth witnessed during the first three quarters. India's net exports have adversely affected GDP growth in recent years, now most of the growth will depend on domestic factors.

As the latest economic survey shows, India's economic growth will be boosted by rural consumption and subdued inflation will help the economy regain strength by 2020.

To attain the goal of becoming a USD 5 trillion economy by 2024-25, reviving investment and improving the ease of doing business will be a key. India needs to shift gears by having a strong development strategy complemented by a well-formulated counter cyclical policy to wade through slowdowns.

#### Overview of the Economy

Despite the moderation in real GDP growth, the Indian economy remains the fastest growing major economy along with macroeconomic stability. Fixed investment rates have picked up in 2018-19. Fiscal situation remained comfortable and the consolidation process continues to bring down the elevated level of public debt. Consumer price inflation was within the targeted limits set by the monetary policy committee of RBI. Current Account Deficit increased from 1.9 percent of GDP in 2017-18 to 2.4 percent in April-December 2018-19. Global confidence on the Indian economy has improved as seen from indicators like improvement in ease of doing business and gross FDI inflows. According to the World Bank's Ease of Doing Business 2019 Report, India's ranking improved by 23 positions, to 77th rank in 2018.

India has emerged as an important player in the world and the medium-term growth prospects of the economy are bright mainly on the back of the important structural reforms initiated in the last few years. Measures which include: hike in Minimum Support Price of agricultural crops for 2018-19, policy initiatives for development of textiles and handicrafts, outreach programme for growth, expansion and facilitation of Micro, Small and Medium Enterprises, incentives for Start-up India, lower effective GST rate for affordable houses, measures to promote hydro power sector, support to sugar sector and sugarcane farmers by means of enhancement and augmentation of ethanol production capacity, and Unnat Bharat Programme have helped maintain growth and development. Apart from this, various steps taken to boost manufacturing, employment generation, financial inclusion, improving ease of doing business via schemes such as Make in India, Skill India and direct benefit transfer have contributed in tackling economic challenges. Also, there has been a consistent focus on improvement and development of infrastructure in the country.

Growth of the Indian economy is expected to pick up and the nominal growth of the economy is expected to be 11.0 percent in the financial year 2019-20.

#### Agriculture Sector

Indian agriculture has been a key contributor to India's growth story and continues to be one of biggest employers. The Gross Value Add (GVA) for agriculture sector was INR 17.67 trillion (USD 274 billion) in 2018, over a production base of 285 Million tons. The sector is likely to grow at an approximate rate of 2% on a year on year basis. Total food-grain production in the country is estimated at 283.4 million tonnes in 2018-19, as compared to the final estimate of 285 million tonnes of production in 2017-18. The total production of rice during 2018-19

is estimated at record 115.6 million tonnes. The production of rice has increased by 2.8 million tonnes than the previous year's production of 112.8 million tonnes. It is also higher by 7.8 million tonnes than the five years' average production of 107.8 million tonnes. The production of wheat, estimated at record 101.2 million tonnes, is higher by 1.3 million tonnes as compared to wheat production of 99.9 million tonnes achieved during 2017-18. Moreover, the production of wheat during 2018-19 is higher by 6.6 million tonnes than the five year's average wheat production of 94.6 million tonnes.

India ranks first in milk production, accounting for 20 per cent of world production. India is the third largest fish producer in the world Almost 50 per cent of inland fish production is from culture fisheries, which constitutes 6.5 per cent of global fish production. The sector has been registering a steady growth in the total gross value added and accounts for 5.23 per cent share of agricultural GDP. Fish and fish product exports emerged as the largest group in agricultural exports and in value terms accounted for 45107 crore in 2017-18.

The agriculture credit flow target for 2018-19 was fixed at Rs. 11,00,000 crore and against this target, as reported by NABARD, the disbursement by banks till September 2018 is Rs. 6,45,205 crores.

Being a key economic driver, the agriculture sector needs to adapt to the challenges that it is facing today.

### **Agriculture Sector: Key Initiatives - Union Budget 2019**

The sector got an unprecedented boost this year - the budgetary estimate for the Agriculture Ministry for 2019-20 is 140 per cent higher than that for 2018-19 which augurs well for the sector as well for the farmers of the country.

The key moves announced in the Union Budget 2019-20 for the agriculture sector are :

- Promoting agri-entrepreneurs in rural sectors
- Creation of 10,000 new Farmer Producer Organisations over the next five years.
- Move towards adoption of zero-budget farming.
- PM-KISAN scheme which offers Rs 6,000 to 14.5 crore farmers in a year.
- The Central Government to work with State Governments to allow farmers to benefit from e-NAM.
- Dairying through cooperatives to be encouraged by creating infrastructure for cattle feed manufacturing, milk procurement, processing and marketing.
- Introduction of the Outcome Monitoring Measure for the Government schemes which will help increase accountability.

### **Industries Expectation from the Government**

The areas where the Government needs to focus on:

#### **To foster sustainable growth**

- An effective climate risk mitigation strategy for effective water management, adopting to rising temperatures and handling drought situations.
- Considering the water scarcity, water management initiatives like watershed management, drip irrigation and water user association can play an important role and farmers need to be incentivised for effective water usage.
- Digital innovation is crucial to the agriculture growth. There is a need to streamline policies, technology in areas of related to micro-irrigation, advanced seeds, drone applications, and digital platforms etc., which will help spur growth.



- There is a need to increase public expenditure in agri-infrastructure like irrigation, cold storage and other inputs that increase farm productivity.
- Efforts should be made to link the soil health card with fertiliser subsidies, bridge skill gap in the agriculture sector.

#### **Improve agricultural institutions and governance systems**

- There is need to bring key policy areas under a single umbrella at the central level.
- Strengthen co-ordination amongst central ministries and agencies and between the Centre and the States for effective implementation of new policies and schemes.
- There is a need for prioritisation of institutional reforms to allow development of a single market for agricultural products the government needs to fast track and focus on initiatives like ENAM.
- Reform are refocus the agriculture extension system on today's challenges.

#### **Making trade work for Indian agriculture**

- Support services are needed in the FPO structure to enable them to secure market linkages.
- FPO issues such as better insurance terms, quality assessment infrastructure, precision agriculture solutions for better crop management, access to finance, IoT based applications etc., needs to be addressed.
- There is a need to move away from the use of export restrictions in order to create a stable and predictable market environment.

#### **Operation and Threats**

Syngenta is well placed to boost agriculture growth by overcoming challenges and taking advantage of opportunities.

Our approach is to expand through customer-oriented innovation, not only in product R&D but also in every aspect of our business model. We seek new and better ways to use resources, to develop and deliver products and services to farmers and, to create value for our many stakeholders – including employees, the communities where they live and the society at large.

We create and develop innovative products and solutions that meet farmers' challenges and are unique in our ability to combine technologies – chemistry, genetics, breeding and computational science.

Our vegetable hybrids meet the needs of diverse customers and growing systems from large farms and highly-intensive production systems to smallholders. We continue to aim at increasing yields in a sustainable way with new traits to improve quality as well as integrated pest and disease management to protect crops. We have seed conditioning plants set up at three different locations in India which cater to conditioning and packaging the seeds, protecting their essential properties and vigor.

Syngenta continues to invest strongly in technology and marketing of vegetable seeds. State-of-the-art molecular markers technologies help broaden and deepen our germplasm base from conventional breeding. The range includes tomatoes, hot pepper, cucumber, cabbage, cauliflower, sweet corn, beans and watermelons.

As a market leader in crop protection products, with broad coverage of an extremely diverse market, we develop and produce herbicides, insecticides, fungicides and seed treatments that promote strong and healthy plant growth. We continuously invest in Research and Development to deliver more winning innovations for our growers and stakeholders around the country.

Our CSR vision is to 'provide sustainable solutions through partnerships to improve lives'. We believe in engaging with local communities by listening to their concerns, sharing values, and helping them improve their lives.

Our CSR initiatives help to create a better world for farming communities across the country. Our flagship projects and interventions like I-CLEAN and I-SAFE address issues ranging from poor working conditions of rural vendors, health and cleanliness, water and soil sustainability, commercial uncertainties, skill development and training, access to infrastructure and modern technology in remote and economically backward areas of the country.

Our CSR programs in Andhra Pradesh, Bihar, Karnataka, Maharashtra, Rajasthan and Telangana are making a huge impact in the rural areas.

Our focus continues to be on Product Stewardship initiatives with a much stronger farmer-centric approach. Our 'Safe Use' training programs are aimed at sharing best practices while managing crop protection products. Training farmers on safe use is of paramount importance and Syngenta focuses on key facets of stewardship such as application technology, capacity building and medical stewardship.

Our Good Growth Plan commitments are integral to our business strategy. Through it, we have aligned with the UN's Sustainable Development Goals and have put sustainability at centre stage. Our success will be measured through the benefits we bring to agriculture and the environment. In a sector as challenging as agriculture, success is not a given - it requires determined execution and collaboration. We will need to collaborate with many partners to achieve better outcomes and to earn trust of our stakeholders by delivering on our commitments.

Through our vision we aim help the farmers of the country achieve the objective of doubling their incomes.

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

The revenue from operations of the Company for the current year was Rs.291,513 Lakhs as against Rs.271,803 Lakhs of previous year. The profit after tax in 2018-19 stood at Rs.50,352 Lakhs as against Rs.28,279 Lakhs in the previous year.

Increase in Revenue at 13.5 % on account of higher commodity prices in Seeds. Crop protection has grown at 5.2% due to favorable weather conditions and high growth in portfolio on Rice , Wheat & Veg due to increased acreage and output prices. Exports increase of 9.5 % is due to higher demand in majorly Asian countries.

Higher profit due to onetime exceptional gain of INR 204 Cr for divestment and higher realization in Seeds.

### **4. Outlook:**

Industry growth was impacted due to delayed monsoon. Country witnessed a 33% deficient monsoon till the end of June but it caught up July onwards and so far we have had a normal monsoon. Outbreak of Fall army worm in different parts of India has impacted the ROI for the farmers as cost for containment has increased. Increase in Minimum Support Price for major crops to farmers has helped mitigate some of the above risks.

### **5. Risks and Concerns:**

Indian agriculture is going to pass through changing patterns shaping the industry with recent industry consolidation and new regulations in India.

Indian agriculture continues to heavily reliant on weather, monsoon timing, distribution and pesticide disease intensity remains a key challenge. Sudden changes lead to fluctuations in demand. Many Indian companies are elevating their global presence with prized acquisition and gaining scale and sophistication. Recent Chinese headwinds emanating from stringent environmental measures is pushing cost of raw material and putting pressure on business profitability. Many local generic players are bringing new products from their alliances



with Indian or Global companies, thus increasing competition intensity. This risk can be substantially offset with introduction of new technologies and broad base of our product portfolios.

Counterfeit products pose challenge to business. Regulatory challenges posing security issues to germplasm and hybrids.

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 Indirect procurement and commercial audit.

#### **7. Personnel and Welfare:**

In the prevalent situation of mergers and acquisitions going on in our industry, we have been able to attract good talent from our competitors. We have also been able to keep our attrition at all below industry levels. We have provided multiple career opportunities to our employees by promoting talent within the organization. We also continue to rotate people to ensure their job enrichment.

Continuous up-gradation of appropriate skills and talent development, through training programmes conducted by internal as well as external faculty 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 organization design, talent development and creating talent pipeline for future growth of the business.

Industrial Relations at Ranebennur, Kodakandla and Nuthankal seeds 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 conducted various skill enhancement and Leadership Development Programmes across all businesses through various workshops. The HR team is completely aligned to business needs.

On behalf of the Board of Directors

**SYNGENTA INDIA LIMITED**

Date: August 14, 2019

Place: Pune

**Rafael Del Rio**  
**Managing Director**  
**DIN: 08105128**

**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, 2019 are as follows:

Name of the Director	Whole-time/ Non-Executive Director	No. of Board Meetings attended	Attendance at the last AGM on 28. 09. 2018	Directorship in other Companies incorporated in India
Mr. Prakash K. Apte	Non - Executive Director	8	YES	5
*Mr. Rafael Del Rio	Managing Director	5	YES	0
**Mr. Govind P. S. Bene	Director	2	NO	0
***Ms. Sumie Fujimura	Director	7	YES	0
Mr. Abhishek Agarwal	Whole-time Director & Chief Financial Officer	7	YES	0
Mr. Narendra Kulkarni	Whole time Director	7	YES	0
Mr. V. R. Kaundinya	Independent Director	8	YES	8
Mr. Balaji Bakthisaran	Independent Director	6	NO	2
****Ms. Jaya Kumari	Whole time Director	0	NA	0

\* Mr. Rafael Del Rio was appointed as Managing Director of the Company w.e.f April 23, 2018.

\*\*Mr. Govind P.S. Bene resigned as Director of the Company w.e.f August 3, 2018.

\*\*\*Ms. Sumie Fujimura resigned as Director of the Company w.e.f December 31, 2018.

\*\*\*\*Ms. Jaya Kumari was appointed as Whole Time Director of the Company w.e.f. March 20, 2019.

#### 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 2018-19, total 8 board meetings were held on April 23, 2018, June 20, 2018, August 4, 2018, August 7, 2018, September 28, 2018, October 22, 2018, December 7, 2018 and March 20, 2019.

**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 Legal Head are the permanent invitees to attend all the meetings of the Audit Committee. The statutory auditor and the internal auditor attend the meetings of the Committee by invitation.

- Meetings:**

During the year 2018-19, total 6 Audit Committee Meetings were held on June 20, 2018, August 4, 2018, August 7, 2018, September 28, 2018, December 7, 2018 and March 20, 2019.

The details of attendance at the Audit Committee Meetings during the year 2018-19 are given below:

Sr. No.	Name of the Director	No. of Meetings attended
1	Prakash Apte (Chairman)	6
2	V. R. Kaundinya	6
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
*Rafael Del Rio	Managing Director	Chairman
Balaji Bakthisaran	Independent	Member
V R Kaundinya	Independent	Member

\*Mr. Rafael Del Rio was appointed as the member of the CSR Committee w.e.f April 23, 2018.

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

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

- Formulate and recommend to the Board a CSR Policy
- Recommend the amount of expenses to be incurred
- 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 2018-19, a total of 3 CSR Committee Meetings were held.

The details of attendance at the CSR Committee Meetings during the year 2018-19 are given below:

Sr. No.	Name of the Director	No. of Meetings attended
1	Rafael Del Rio	2
2	Balaji Bakthisaran	3
3	V R Kaundinya	3

### C. Nomination & Remuneration Committee

- **Composition**

Pursuant to Section 178 of the Act, the Board has 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 :**

- 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.
- Formulate criteria for evaluation of Directors performance
- To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- To recommend to the Board policy relating to appointment, remuneration and removal, for Directors, Key Managerial Personnel and Senior Management Personnel.
- 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.
- 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**

Nomination and Remuneration Committee has been uploaded on the website of the Company. The weblink for the same is <http://www.syngenta.co.in/Information-Investors>

The salient features of the Nomination and Remuneration Policy is as under :

**1) Population Covered:**

This policy shall be applicable to:

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

**2) Objective :**

The objective of this policy is to lay down a framework in relation to remuneration of directors, KMP, senior management personnel and other employees.

**3) Scope :**

Appointment, Retirement and Removal of Director(s), Key Managerial Personnel and their remuneration and then Evaluation.

- **Meetings**

During the year 2018-19, Three Nomination and Remuneration Committee Meeting were held on April 23, 2018, September 28, 2018 and March 20, 2019.

The details of attendance at the Nomination and Remuneration Committee Meetings during the year 2018-19 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	1

#### D. Stakeholders Relationship Committee

- **Composition**

The composition of the Stakeholders Relationship Committee is as follows:

Name of the director	Category
Prakash K. Apte	Non- Executive Chairman
Rafael Del Rio	Managing Director
*Abhishek Agarwal	Whole Time Director

\* Mr. Abhishek Agarwal was appointed as the member of Stakeholders Relationship Committee w.e.f. June 21, 2019.

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

- To approve/reject registration of transfer/transmission of Shares in a timely manner;
- 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

The Stakeholders Relationship Committee meets as and when required.

**(i) Risk Management:**

The details are covered in Board's Report.

**(ii) 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 Legal Head at the Registered Office of the Company.

**(iii) 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.

**3. 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.

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

**4. Investor Information:**

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

**5. Shareholder Information:**

**Annual General Meeting**

Date and Time	: September 27, 2019 at 11.00 a.m.
Venue	: Orchid Hotel, adjacent to Chhatrapati Shivaji Sports Complex, Pune Bangalore Highway, Balewadi, Pune 411045
Dates of book closure	: September 23, 2019 to September 27, 2019 (both days inclusive)
Dividend Payment Date	: On and from October 4, 2019


**E-voting Dates:**

- Cut-off date: September 20, 2019
- E-voting start date: September 24, 2019 from 09.00 a.m.
- E-voting End date: September 26, 2019 up to 05.00 p.m.

**6. 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 members holding shares in physical form, may, if they so desire, send the Share Certificates directly to the new Registrar and Transfer Agent for dematerialization. Members have the option to open their accounts either with National Securities Depository Limited (NSDL) and/or Central Depository Services (India) Limited (CDSL) as the Company has entered into agreements with both the Depositories.

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

<b>Mumbai</b>	<b>Pune</b>
C-13, Pannalal Silk Mills Compound, L.B.S Marg, Bhandup (West) Mumbai 400 078	202, Akshay Complex, Dhole Patil Road, Near Ganesh Temple, Pune, Maharashtra 411001
Tel: 022 49186270	Tel: 020-26161629
Email:- <a href="mailto:swati.uchil@linkintime.co.in">swati.uchil@linkintime.co.in</a>	Email :- <a href="mailto:pune@linkintime.co.in">pune@linkintime.co.in</a>

**7. Share Transfer System:**

All physical share transfers are effected within one month of lodgment, subject to the documents being in order.

**8. Investor Correspondence**

Ms. Sandip Pawar	Ms. Arundhati Kulkarni
M/s. Link Intime India Pvt. Ltd	Syngenta India Limited
C- 13, Pannalal Silk Mills Compound, L.B.S Marg, Bhandup (West), Mumbai 400 078	S.No. 110/11/3, Baner Road, Pune - 411 045
Email: <a href="mailto:sandip.pawar@linkintime.co.in">sandip.pawar@linkintime.co.in</a>	Email:- <a href="mailto:arundhati.kulkarni@syngenta.com">arundhati.kulkarni@syngenta.com</a>

On behalf of the Board of Directors

**SYNGENTA INDIA LIMITED**

Date: August 14, 2019

Place: Pune

**Rafael Del Rio**  
**Managing Director**  
**DIN: 08105128**

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

## Independent Auditors' Report

### To the Members of Syngenta India Limited

### Report on the Ind AS Financial Statements

#### Opinion

We have audited the financial statements of Syngenta India Limited ("the Company"), which comprise the balance sheet as at 31 March 2019, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Management's Responsibility for the Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows 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 of 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



## Independent Auditors' Report (continued)

that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

## Independent Auditors' Report (continued)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
  - (A) 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 (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
    - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.
    - e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"
  - (B) With respect to the other matters to be included in the Auditors' 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 as at 31 March 2019 on its financial position in its financial statements - Refer Note 34 to the financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
    - iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2019



## Independent Auditors' Report (continued)

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

**For B S R & Associates LLP**

*Chartered Accountants*

Firm Registration No: 116231W/ W-100024

**Shiraz Vastani**

*Partner*

Membership No.:103334

ICAI UDIN: 19103334AAAABX4880

Place: Pune

Date: August 14, 2019

## Annexure A to the Independent Auditors' Report – 31 March 2019

### Annexure A to the Independent Auditors' Report on the financial statements of Syngenta India Limited for the year ended 31 March 2019

With reference to the Annexure referred to in paragraph 1 in Report on Other Legal and Regulatory Requirements of the Independent Auditor's Report to the members of the Company on the financial statements for the year ended 31 March 2019, 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) In our opinion and according to information and explanation given to us, and on the basis of our examination of records of the Company, the inventory except inventories lying with customers, sales in transit and goods-in-transit have been physically verified at reasonable intervals by the management. In respect of inventory lying with customers which have been subsequently returned to the Company and with respect of goods-in-transit, subsequent goods receipt have been verified by the management. With respect to sales in transit, management tracks the subsequent receipt of goods by the customers. The discrepancies noticed on verification between the physical stocks and book records were not material. In our opinion, the frequency of such verification is reasonable and adequate in relation to the size of the Company and the nature of its business.
- (iii) In our opinion and according to the information and explanations given to us, 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.
- (iv) In our opinion and 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 Act apply.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public in terms of directives issued by the Reserve Bank of India and 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.

## Annexure A to the Independent Auditors' Report (Continued)

(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, Duty of Customs, Goods and Service Tax and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities except for certain dues relating to Income Tax (Tax deducted at source) wherein there have been delay of 100 days amounting to INR 311 lakhs, Goods and Services Tax wherein there have been delays of 117 days amounting to INR 1,690 lakhs and provident fund dues referred to in note 34 (b) to the financial statements. As explained to us, the Company did not have any dues on account of Employees' State Insurance Corporation, Sales Tax, Service Tax, value Added tax and Duty of Excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Income-Tax, Duty of Customs, Duty of Excise, Goods and Service Tax and other material statutory dues were in arrears as at 31 March 2019, for a period of more than six months from the date they became payable except for provident fund dues referred to in note 34 (b) to the financial statements.

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, Duty of Excise and Goods and Service Tax which have not been deposited by the Company on account of any disputes except for the following:

Name of the Statute	Nature of Dues	Amount (in Rs. Lakhs) #	Amount paid under protest (in INR Lakhs) ##	Financial year to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Excise duty and penalty	2,907(*)	1,390	2009-10 to 2015-16	CESTAT
Central Excise Act, 1944	Excise duty	1,237(*)	1,237	May 2016 to June 2017	CESTAT
Central Excise Act, 1944	Excise duty and penalty	6,978(*)	Nil	February 2008 to October 2008	CESTAT
Central Excise Act, 1944	Interest and penalty	19	0.08	2013-14	CESTAT
Central Excise Act, 1944	Interest	63	Nil	2015-16	CESTAT
Finance Act, 1994	Penalty	303 (*)	76	2012-13, 2013-14	CESTAT
Customs Act, 1962	Customs duty	50	50	2016-17	Commissioner of Central Excise and customs
Central Sales Tax Act	Sales tax, interest and penalty	399	248	2005-06, 2006-07	VAT Tribunal, Gujarat
Central Sales Tax Act	Sales tax and interest	61	Nil	2008-09	Joint Commission (Appeals), Gujarat

## Annexure A to the Independent Auditors' Report (Continued)

Name of the Statute	Nature of Dues	Amount (in Rs. Lakhs) #	Amount paid under protest (in INR Lakhs) ##	Financial year to which the amount relates	Forum where the dispute is pending
Gujarat Valued Added Tax Act	Sales tax and interest	73	5	2009-10	High Court, Gujarat
Gujarat Valued Added Tax Act	Sales tax, interest and penalty	109	40	2006-07	VAT Tribunal, Gujarat
Central Sales Tax Act	Sales tax, interest and penalty	642	15	2009-10, 2010-11	Joint Commissioner of Commercial Tax (Appeals), Baroda.
Central Sales Tax Act	Sales tax and interest	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 and interest	23	Nil	2010-11	Deputy Commissioner (Appeals), Rajasthan
Gujarat Valued Added Tax Act	Sales tax, interest and penalty	964	50	2010-11	VAT Tribunal, Gujarat
Central Sales Tax Act	Sales tax	12	Nil	2000-01	Joint Commissioner of Commercial Tax (Appeals), Gujarat
Central Sales Tax Act	Sales tax, interest and penalty	37	Nil	2012-13	Deputy Commissioner of Commercial Tax (Appeals), Baroda
Bihar Valued Added Tax Act	Sales tax and interest	188	60	2013-14, 2014-15	Deputy Commissioner of Commercial Tax (Appeals), Bihar
Gujarat Valued Added Tax Act	Sales tax, interest and penalty	637	15	2011-12	Joint Commissioner of Commercial Tax (Appeals), Baroda
Gujarat Valued Added Tax Act	Sales tax, interest and penalty	1,533	Nil	2012-13	Deputy Commissioner of Commercial Tax (Appeals), Baroda
Madhya Pradesh Value Added Tax Act	Sales tax and interest	6	2	2014-15	Additional Commissioner Appeals (Madhya Pradesh)
Gujarat Valued Added Tax Act	Sales tax, interest and penalty	434	20	2013-14	Deputy Commissioner of Commercial Tax (Appeals)
Central Sales Tax	Sales tax, interest and penalty	365	5	2013-14	Deputy Commissioner of Commercial Tax (Appeals)
The Goa Tax on Entry of Goods Act.	Entry tax and penalty	764	Nil	2013-14, 2014-15, 2015-16	The Appellate Authority, Commercial tax, Goa

**Annexure A to the Independent Auditors' Report (Continued)**

Name of the Statute	Nature of Dues	Amount (in Rs. Lakhs) #	Amount paid under protest (in INR Lakhs) ##	Financial year to which the amount relates	Forum where the dispute is pending
Andhra Pradesh Value Added Tax	Sales tax and penalty	8	1	2014-15, 2015-16	Deputy Commissioner of Commercial Tax (Appeals)
Central Sales Tax	Sales tax	2	0.2	2015-16	Appellate Deputy Commissioner (CT), Tirupati
Central Sales Tax	Sales tax and interest	43	4	2014-15, 2015-16, 2016-17, 2017-18	Joint Commissioner of Commercial tax (Appeals)
The Income Tax Act, 1961	Income tax matters	101	101	2014-15	Commissioner of Appeals (Income tax)
The Income Tax Act, 1961	Income tax matters	180	180	2007-08	Assistant Commissioner of Income Tax
The Income Tax Act, 1961	Transfer pricing issues	343	343	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) In our opinion and according to the information and explanations given to us, 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) 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.
- (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 financial statements.

## Annexure A to the Independent Auditors' Report (Continued)

- (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.
- (xvi) 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

ICAI UDIN: 19103334AAAABX4880

Place: Pune

Date: August 14, 2019



## Annexure B to the Independent Auditors' Report – 31 March 2019

### **Annexure B to the Independent Auditors' Report on the financial statements of Syngenta India Limited for the year ended 31 March 2019**

#### **Report on the Internal Financial Controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013**

**(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

#### **Opinion**

We have audited the internal financial controls with reference to financial statements of Syngenta India Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to financial statements 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 issued by the Institute of Chartered Accountants of India (the "Guidance Note").

#### **Management's Responsibility for Internal Financial Controls**

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 Companies Act, 2013 (hereinafter referred to as "the Act").

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

## Annexure B to the Independent Auditors' Report (Continued)

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 with reference to financial statements.

### Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements include 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 controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**For B S R & Associates LLP**

*Chartered Accountants*

Firm Registration No: 116231W/ W-100024

**Shiraz Vastani**

*Partner*

Membership No.:103334

ICAI UDIN: 19103334AAAABX4880

Place: Pune

Date: August 14, 2019



## Balance Sheet as at 31 March 2019

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

	Notes	As at	
		31 March 2019	31 March 2018
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2	12,229	12,846
Capital work-in-progress	2	880	806
Intangible assets	3	634	829
Investment property	4	1,381	1,428
Financial assets			
Other financial assets	5	589	555
Income tax assets (net)	27	6,754	10,380
Deferred tax assets (net)	27	7,478	5,137
Other non-current assets	6	4,331	5,974
<b>Total non-current assets</b>		<b>34,276</b>	<b>37,955</b>
<b>Current assets</b>			
Inventories	7	95,595	107,854
Financial assets			
i. Loans	5	163	163
ii. Trade receivables	8	62,788	43,739
iii. Cash and cash equivalents	9	91,702	37,327
iv. Bank balances other than (iii) above	9.1	132,900	76,121
v. Other financial assets	5	4,300	4,007
Income tax assets (net)	27	5,625	-
Other current assets	6	37,058	41,164
<b>Total current assets</b>		<b>430,131</b>	<b>310,375</b>
<b>Total assets</b>		<b>464,407</b>	<b>348,330</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	10	1,647	1,647
Other equity	11	326,646	278,218
<b>Total equity</b>		<b>328,293</b>	<b>279,865</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Provisions	12	1,927	1,984
<b>Total non-current liabilities</b>		<b>1,927</b>	<b>1,984</b>
<b>Current liabilities</b>			
Financial liabilities			
i. Trade payables	14		
- total outstanding dues of micro enterprises and small enterprises		799	451
- total outstanding dues of creditors other than micro enterprises and small enterprises		69,831	32,893
ii. Other financial liabilities	13	974	1,014
Deferred income		-	4,135
Other current liabilities	15	58,705	6,799
Provisions	12	3,878	20,582
Income tax liability (net)	27	-	607
<b>Total current liabilities</b>		<b>134,187</b>	<b>66,481</b>
<b>Total liabilities</b>		<b>136,114</b>	<b>68,465</b>
<b>Total equity and liabilities</b>		<b>464,407</b>	<b>348,330</b>

Summary of significant accounting policies 1

See accompanying notes to the financial statements 2-41

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

UDIN - 19103334AAAABX4880

**For and on behalf of the Board of Directors of****Syngenta India Limited**

CIN - U24210PN2000PLC135336

**Rafael Julio Del Rio**

Managing Director

DIN - 08105128

**Abhishek Agarwal**

Whole Time Director &amp;

Chief Financial Officer

DIN - 03481395

**Arundhati Kulkarni**

Company Secretary

Place: Pune

Date: August 14, 2019

Place: Pune

Date: August 14, 2019

## Statement of Profit and Loss for the year ended 31 March 2019 (Currency: Indian Rupees in Lakhs, except share data)

	Note	For the year ended	
		31 March 2019	31 March 2018
<b>Continuing operations</b>			
Revenue from operations	17	291,513	271,803
Other income	18	21,641	16,869
<b>Total income</b>		<b>313,154</b>	<b>288,672</b>
<b>Expenses</b>			
Cost of materials consumed	19	146,887	147,733
Purchase of stock-in-trade	20	24,426	24,646
Changes in inventory of finished goods, work-in-progress and stock-in-trade	21	(2,616)	3,642
Excise duty		-	3,045
Employee benefit expenses	22	22,986	18,259
Finance cost	23	645	380
Depreciation and amortization expenses	24	2,365	2,025
Other expenses	25	64,982	44,939
<b>Total expenses</b>		<b>259,675</b>	<b>244,669</b>
<b>Profit before exceptional items and tax</b>		<b>53,479</b>	<b>44,003</b>
Exceptional items	37.1 & 37.2	20,418	-
<b>Profit before tax</b>		<b>73,897</b>	<b>44,003</b>
<b>Tax expense</b>			
Current tax	27	25,919	15,486
Deferred tax charge / (credit)	27	(2,374)	238
<b>Total tax expense</b>		<b>23,545</b>	<b>15,724</b>
<b>Profit for the year</b>		<b>50,352</b>	<b>28,279</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified subsequently to profit and loss</i>			
Remeasurements of employee benefit obligations		95	(595)
Income tax relating to items that will not be reclassified to profit and loss	27	(33)	208
<b>Other comprehensive income / (loss) for the year, net of tax</b>		<b>62</b>	<b>(387)</b>
<b>Total comprehensive income for the year</b>		<b>50,414</b>	<b>27,892</b>
<b>Earnings per share</b>			
Basic earning per share of face value of INR 5 each (in INR)	26	152.84	85.84
Diluted earning per share of face value of INR 5 each (in INR)		152.84	85.84

Summary of significant accounting policies 1  
See accompanying notes to the financial statements 2 - 41

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  
UDIN - 19103334AAAABX4880

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

**Rafael Julio Del Rio**  
Managing Director  
DIN - 08105128

**Arundhati Kulkarni**  
Company Secretary

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

Place: Pune  
Date: August 14, 2019

Place: Pune  
Date: August 14, 2019



## Cash Flow Statement for the year ended 31 March 2019 (Currency: Indian Rupees in Lakhs, except share data)

	For the year ended	
	31 March 2019	31 March 2018
<b>Cash flow from operating activities</b>		
Profit before tax	73,897	44,003
<b>Adjustments for :</b>		
Interest income	(12,088)	(5,514)
Interest expense	89	52
Depreciation and amortization expenses	2,365	2,025
Loss on sale of property, plant and equipment	410	-
Gain on divestment of specified seeds business	(2,771)	-
Gain on divestment of specified crop protection products	(17,647)	-
Profit on sale of investment property	-	(769)
Remeasurement of employee benefit obligation through OCI	95	(595)
	<b>44,350</b>	<b>39,202</b>
<b>Changes in assets and liabilities</b>		
Inventories	12,259	1,509
Trade receivables	(19,049)	8,289
Loans, other financial assets and other assets	6,589	(14,967)
Trade payables	37,286	(12,635)
Other financial liabilities, other current liabilities and provisions	31,551	6,580
<b>Cash generated from operating activities</b>	<b>112,986</b>	<b>27,978</b>
Income taxes paid (net)	(28,523)	(14,672)
<b>Net cash flows from operating activities (A)</b>	<b>84,463</b>	<b>13,306</b>
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(2,231)	(3,092)
Proceeds from sale of property, plant and equipment	11	-
Proceeds from sale of investment property	-	813
Proceeds / advance from sale of specified seeds business	2,186	584
Proceeds from sale of specified crop protection products	17,647	-
Investment in bank deposits (net)	(56,779)	(56,121)
Interest received	11,153	5,468
<b>Net cash flows (used in) investing activities (B)</b>	<b>(28,013)</b>	<b>(52,348)</b>
<b>Cash flows from financing activities</b>		
Interest paid	(89)	(52)
Dividend paid	(1,647)	(1,643)
Taxes on dividend paid	(339)	(335)
<b>Net cash (used in) in financing activities (C)</b>	<b>(2,075)</b>	<b>(2,030)</b>
<b>Net increase/ (decrease) in cash and cash equivalents (A + B + C)</b>	<b>54,375</b>	<b>(41,072)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>37,327</b>	<b>78,399</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>91,702</b>	<b>37,327</b>
<b>Components of cash and cash equivalents</b>		
Bank balances		
- in current accounts	6,154	2,889
- in deposits accounts (with original maturity of 3 months or less)	85,475	34,365
- in unpaid dividend accounts	73	73
<b>Total cash and cash equivalents (refer note 9)</b>	<b>91,702</b>	<b>37,327</b>

Summary of significant accounting policies

1

See accompanying notes to the financial statements

2 - 41

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

UDIN - 19103334AAAABX4880

**For and on behalf of the Board of Directors of  
Syngenta India Limited**

CIN - U24210PN2000PLC135336

**Rafael Julio Del Rio**

Managing Director

DIN - 08105128

**Arundhati Kulkarni**

Company Secretary

**Abhishek Agarwal**

Whole Time Director &amp;

Chief Financial Officer

DIN - 03481395

Place: Pune

Date: August 14, 2019

Place: Pune

Date: August 14, 2019

## Statement of changes in equity for the year ended 31 March 2019 (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	
<b>Balance as at 1 April 2017</b>	<b>1,647</b>	<b>53,538</b>	<b>1,648</b>	<b>197,122</b>	<b>253,955</b>
Profit for the year	-	-	-	28,279	28,279
Transfer to general reserves	-	2,828	-	(2,828)	-
Other comprehensive income (net of tax)	-	-	-	(387)	(387)
<b>Transactions with the owners in their capacity as the owners recorded directly in equity</b>					
Dividends	-	-	-	(1,647)	(1,647)
Dividend distribution tax	-	-	-	(335)	(335)
<b>Balance as at 31 March 2018</b>	<b>1,647</b>	<b>56,366</b>	<b>1,648</b>	<b>220,203</b>	<b>279,865</b>
Profit for the year	-	-	-	50,352	50,352
Transfer to general reserves	-	5,035	-	(5,035)	-
Other comprehensive income (net of tax)	-	-	-	62	62
<b>Transactions with the owners in their capacity as the owners recorded directly in equity</b>					
Dividends	-	-	-	(1,647)	(1,647)
Dividend distribution tax	-	-	-	(339)	(339)
<b>Balance as at 31 March 2019</b>	<b>1,647</b>	<b>61,401</b>	<b>1,648</b>	<b>263,596</b>	<b>328,293</b>

Summary of significant accounting policies 1

See accompanying notes to the financial statements 2 - 41

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  
 UDIN - 19103334AAAABX4880

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

**Rafael Julio Del Rio**  
 Managing Director  
 DIN - 08105128

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

**Arundhati Kulkarni**  
 Company Secretary

Place: Pune  
 Date: August 14, 2019

Place: Pune  
 Date: August 14, 2019

## Notes to financial statements as at 31 March 2019

### 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 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 have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The financial statements were authorized for issue by the Company's Board of Directors on 6 August 2019.

#### 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

### 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. Accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed below. 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.

## Notes to financial statements as at 31 March 2019 (continued)

### 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 using the expected value method, when the related sales are made, based on the historical experience, market conditions and underlying schemes.
- 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 using the expected value method 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 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

## Notes to financial statements as at 31 March 2019 (continued)

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 27 and note 34

### v. Defined employment benefits

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 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.

### vi. 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 assets' 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 1.5 (c)

#### 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.

## Notes to financial statements as at 31 March 2019 (continued)

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

- Note 1.5 (b) – investment property; and
- Note 1.5 (c) – financial instruments; and
- Note 1.5 (o) – share-based payment arrangements

### 1.4 Changes in accounting policies:

Effective 1 April 2018, the Company has adopted Ind AS 115 "Revenue from Contracts with Customers" which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using modified retrospective method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The comparative information has not been restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11.

A number of other new standards are also effective from April 1, 2018 but they do not have a material effect on the financial statements. Due to the transition methods chosen by the Company in applying these standards, comparative information throughout these financial statements has not been restated to reflect the requirements of the new standards.

The effect of initially applying Ind AS 115 is described in Note 38.

### 1.5 Significant accounting policies

#### a. Revenue from contracts with customers:

The Company derives revenue primarily from sale of crop protection chemicals and seeds. Crop protection chemicals include herbicides, insecticides, fungicides and seed treatments to control weeds, insects and diseases in crops, and are essential inputs enabling growers to improve agricultural productivity and food quality. In Seeds, the Company operates in the sectors of field crops (including corn, oilseeds and cereals) and vegetables.

The Company recognizes revenue when 'control' of the promised goods underlying the particular performance obligation is transferred to the customer in an amount that reflects the consideration it expects to receive in exchange for those goods. Control of products passes to the customers, at a point in time which is usually upon delivery of goods to the customer / carrier appointed by the customer. Revenue excludes taxes collected from customers on behalf of the government.

When another party is involved in providing goods or services to its customer, the Company determines whether it is a principal or an agent in these transactions by evaluating the nature of its promise to the customer. The Company is a principal and records revenue on a gross basis if it controls the promised goods or services before transferring them to the customer. However, if the Company's role is only to arrange for another entity to provide the goods or services, then the Company is an agent and accordingly records revenue at the net amount that it retains for its agency services.

#### Variable consideration:

Revenue is measured based on the transaction price, which is the consideration, adjusted for the variable considerations like rebates, discounts and returns, as specified in the contracts with the customers. The variable consideration is estimated at contract inception and constrained until it is highly probable that



## Notes to financial statements as at 31 March 2019 (continued)

a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

### **i. Rights to return:**

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. The Company uses the expected value method to estimate the goods that will be returned based on historical experience of actual returns where the Company considers these to be reliable estimates of future returns. For goods that are expected to be returned, instead of revenue, the Company recognises a refund liability. A right of return asset (and corresponding adjustment to change in inventory) is also recognised for the right to recover products from a customer.

### **ii. Rebates and discounts:**

The Company provides incentive program to customers that provide rebates and discounts dependent upon achievement of sales targets, as well as cash discounts for punctual payment of accounts receivable. Rebates are offset against amounts payable by the customer. The Company applies the expected value method to estimate the variable consideration for the expected future rebates / discounts based on historical experience, market conditions and underlying schemes. The Company recognises a refund liability in respect of the expected future rebates / discounts.

Significant judgements associated with the above have been disclosed in Note 1.3.i

### **Loyalty points program**

The Company operates loyalty programs where direct/ indirect customers accumulate points for purchases made which entitles them to free or discounted goods, other than Company's goods. The promise to provide additional points to customers is therefore a separate performance obligation as it provides material right to the customer. The transaction price is allocated to the goods and the points on a relative standalone selling price basis. A contract liability for the award points is recognised at the time of sale. Revenue is recognised as sales when obligation is fulfilled based on the points redeemed.

### **Significant financing component:**

Generally, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

### **Contract balances:**

Contract liability is recognized for the Company's obligation to transfer goods to a customer for which the Company has received consideration in advance. Contract liabilities are recognised as revenue when the Company performs under the contract.

A receivable is recognized when the control in promised goods is transferred to the customers as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

## Notes to financial statements as at 31 March 2019 (continued)

### Assets and liabilities arising from contracts with customers

#### i. Right to return assets

Right to return asset represents the Company's right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods. The Company updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned products.

#### ii. Refund liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

### b. 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.

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.

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.

### c. 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.

**Notes to financial statements as at 31 March 2019** (continued)

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

**ii. 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.

**iii. 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:

<b>Asset Category</b>	<b>Useful Life</b>
<b>Buildings*</b>	
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
<b>Plant and equipments*</b>	
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
Vehicles	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).

**iv. 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.

## Notes to financial statements as at 31 March 2019 (continued)

### d. Intangible assets and amortization

#### i. Acquired intangible assets

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and any accumulated impairment loss.

Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it relates.

#### ii. Amortization

Intangible assets are amortized on a straight line basis over the estimated useful economic life. The Company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds ten years, the Company amortizes the intangible asset over the best estimate of its useful life. Such intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern.

A summary of amortization policies applied to the Company's intangible assets is as below:

Asset category	Amortization period
Computer software	5 years

### e. 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 2019 (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 de-recognition 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 de-recognition 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.

## **f. 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

## Notes to financial statements as at 31 March 2019 (continued)

experience and informed credit assessment and including forward looking information.

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.



## Notes to financial statements as at 31 March 2019 (continued)

### 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.

### 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 and stock-in-trade 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.

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.

## Notes to financial statements as at 31 March 2019 (continued)

### 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 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.

## Notes to financial statements as at 31 March 2019 (continued)

### *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.

### *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.

## Notes to financial statements as at 31 March 2019 (continued)

### 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.

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 intermediate 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.



## Notes to financial statements as at 31 March 2019 (continued)

### p. 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.

### q. 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.

### 1.6 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind ASs which the Company has not applied as they are effective from April 1, 2019:

#### Ind AS 116 – Leases:

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset

## Notes to financial statements as at 31 March 2019 (continued)

representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The Company has completed an initial assessment of the potential impact on its financial statements but has not yet completed its detailed assessment. The quantitative impact of adoption of Ind AS 116 on the financial statements in the period of initial application is not reasonably estimable as at present.

### a. Leases in which the Company is a lessee

The Company will recognise new assets and liabilities for its operating leases of premises and other assets. The nature of expenses related to those leases will change from lease rent in previous periods to a) amortization change for the right-of-use asset, and b) interest accrued on lease liability. Previously, the Company recognised operating lease expense on a straight-line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

### b. Leases in which the Company is a lessor

Based on the information currently available, there are no such lease arrangements.

### c. Transition

The Company will adopt Ind AS 116, effective from annual reporting period beginning on April 1, 2019. The Company will apply the standard to its leases, using modified retrospective approach and recognising the cumulative effect of initially applying the standard on the date of initial application (April 1, 2019). Accordingly, the Company will not restate comparative information, instead, the cumulative effect of initially applying this Standard will be recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019. On that date, the Company will recognise a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate as at April 1, 2019. In accordance with the standard, the Company will elect not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value. On transition, the Company will be using the practical expedient provided in the standard and therefore, will not reassess whether a contract, is or contains a lease, at the date of initial application.

## Ind AS 12 - Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Company does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgment, to determine whether each tax treatment should be considered separately or



## Notes to financial statements as at 31 March 2019 (continued) (Currency: Indian Rupees in Lakhs, except share data)

whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company does not expect any significant impact of the amendment on its financial statements.

### **Ind AS 109 – Prepayment Features with Negative Compensation**

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Company does not expect this amendment to have any impact on its financial statements.

### **Ind AS 19 – Plan Amendment, Curtailment or Settlement**

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company does not expect this amendment to have any significant impact on its financial statements.

### **Ind AS 23 – Borrowing Costs**

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company does not expect any impact from this amendment.

### **Ind AS 28 – Long-term Interests in Associates and Joint Ventures**

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The Company does not currently have any long-term interests in associates and joint ventures and hence does not expect any impact from this amendment.

### **Ind AS 103 – Business Combinations and Ind AS 111 – Joint Arrangements**

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. The Company does not have control / joint control / joint control of a business that is a joint operation and hence does not expect any impact from this amendment.

## Notes to financial statements as at 31 March 2019 (continued) (Currency: Indian Rupees in Lakhs, except share data)

### 2 Property, plant and equipment and capital work-in-progress

#### a. Reconciliation of carrying amounts of property, plant and equipment

	Freehold land	Buildings	Plant and equipments	Furniture and fixtures	Computers	Vehicles	Total
<b>Cost</b>							
<b>Balance as at 1 April 2017</b>	678	5,283	7,796	1,436	1,428	10	16,631
Additions	-	131	783	281	534	-	1,729
Disposals	-	(10)	(9)	(9)	(0)	(0)	(29)
<b>Balance as at 31 March 2018</b>	<b>678</b>	<b>5,404</b>	<b>8,570</b>	<b>1,708</b>	<b>1,962</b>	<b>10</b>	<b>18,331</b>
<b>Balance as at 1 April 2018</b>	678	5,404	8,570	1,708	1,962	10	18,332
Additions	-	334	1,164	107	320	1	1,926
Disposals	-	(152)	(636)	(42)	(35)	(1)	(866)
<b>Balance as at 31 March 2019</b>	<b>678</b>	<b>5,586</b>	<b>9,098</b>	<b>1,773</b>	<b>2,247</b>	<b>10</b>	<b>19,392</b>
<b>Accumulated depreciation</b>							
<b>Balance as at 1 April 2017</b>	-	(712)	(1,757)	(487)	(694)	(1)	(3,651)
Depreciation for the year	-	(243)	(945)	(273)	(395)	-	(1,856)
Disposals	-	9	6	7	0	-	22
<b>Balance as at 31 March 2018</b>	<b>-</b>	<b>(946)</b>	<b>(2,696)</b>	<b>(753)</b>	<b>(1,089)</b>	<b>(1)</b>	<b>(5,485)</b>
<b>Balance as at 1 April 2018</b>	-	(946)	(2,696)	(753)	(1,089)	(1)	(5,485)
Depreciation for the year	-	(302)	(1,202)	(285)	(330)	(4)	(2,123)
Disposals	-	99	278	36	31	1	445
<b>Balance as at 31 March 2019</b>	<b>-</b>	<b>(1,149)</b>	<b>(3,620)</b>	<b>(1,002)</b>	<b>(1,388)</b>	<b>(4)</b>	<b>(7,163)</b>
<b>Carrying amounts (net)</b>							
<b>Balance as at 31 March 2018</b>	<b>678</b>	<b>4,458</b>	<b>5,874</b>	<b>955</b>	<b>873</b>	<b>9</b>	<b>12,846</b>
<b>Balance as at 31 March 2019</b>	<b>678</b>	<b>4,437</b>	<b>5,478</b>	<b>771</b>	<b>859</b>	<b>6</b>	<b>12,229</b>

#### b. Capital work-in-progress

Capital work in progress as at 31 March 2019 amounts to INR 880 Lakhs and as at 31 March 2018 amounts to INR 806 Lakhs. Capital work in progress majorly comprises 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.



## Notes to financial statements as at 31 March 2019 (continued)

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

### 3. Intangible assets

#### a. Reconciliation of carrying amounts of intangible assets

	<b>Computer Software</b>	<b>Total</b>
<b>Cost</b>		
<b>Balance as at 1 April 2017</b>	-	-
Additions	951	951
Disposals	-	-
<b>Balance as at 31 March 2018</b>	<b>951</b>	<b>951</b>
<b>Balance as at 1 April 2018</b>	951	951
Additions	-	-
Disposals	-	-
<b>Balance as at 31 March 2019</b>	<b>951</b>	<b>951</b>
<b>Accumulated amortization</b>		
<b>Balance as at 1 April 2017</b>	-	-
Amortization for the year	(122)	(122)
Disposals	-	-
<b>Balance as at 31 March 2018</b>	<b>(122)</b>	<b>(122)</b>
<b>Balance as at 1 April 2018</b>	(122)	(122)
Amortization for the year	(195)	(195)
Disposals	-	-
<b>Balance as at 31 March 2019</b>	<b>(317)</b>	<b>(317)</b>
<b>Carrying amounts (net)</b>		
<b>Balance as at 31 March 2018</b>	<b>829</b>	<b>829</b>
<b>Balance as at 31 March 2019</b>	<b>634</b>	<b>634</b>

## Notes to financial statements as at 31 March 2019 (continued) (Currency: Indian Rupees in Lakhs, except share data)

### 4. Investment property

#### a. Reconciliation of carrying amounts of investment property

	As At	
	31 March 2019	31 March 2018
<b>Cost</b>		
Balance as at 1 April 2018	1,547	1,553
Disposal	-	(6)
<b>Balance as at 31 March 2019</b>	<b>1,547</b>	<b>1,547</b>
<b>Accumulated depreciation</b>		
Balance as at 1 April 2018	(119)	(72)
Depreciation for the year	(47)	(47)
<b>Balance as at 31 March 2019</b>	<b>(166)</b>	<b>(119)</b>
<b>Carrying amounts (net)</b>	<b>1,381</b>	<b>1,428</b>

#### b. Amount recognized in profit and loss for investment property

	For the year ended	
	31 March 2019	31 March 2018
Rental income	313	310
Depreciation	(47)	(47)
<b>Net profit from investment properties</b>	<b>266</b>	<b>263</b>

#### 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 2019	31 March 2018
Land and buildings	4,202	4,159

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.

## Notes to financial statements as at 31 March 2019 (continued)

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

### 5 Financial assets

	As at			
	31 March 2019		31 March 2018	
	Non Current	Current	Non Current	Current
<b>Unsecured, considered good</b>				
<b>Loans</b>				
Loans to employees	-	163	-	163
	-	<b>163</b>	-	<b>163</b>
<b>Other financial assets</b>				
Security deposits	589	-	555	-
Receivable for sale of Panoli Land #	-	6	-	6
Receivables from group companies for services and other recharges	-	2,558	-	3,200
Interest accrued on bank deposits	-	1,736	-	801
	<b>589</b>	<b>4,300</b>	<b>555</b>	<b>4,007</b>

# The Company had a leasehold land in Panoli, Gujarat. The memorandum of understanding signed during the year ended 31 March 2017 for sale of the said land comprised of the area that was agreed to be outright sold and the balance area which was demarcated for acquisition by the Central Railways for its rail corridor.

During the year ended 31 March 2018, the Company had transferred the entire leasehold land in Panoli, Gujarat including the demarcated area for Central Railway's rail corridor to a third party buyer. The compensation for the area sold outright was received in full and profit on sale of land amounting to INR 769 Lakhs was recognized in the Statement of Profit and Loss for the year ended 31 March 2018. Compensation for the land demarcated for railways would be disbursed by the buyer on receipt of the same from Central Railways based on valuation done by the concerned authorities. As the valuation of the land is still pending as at 31 March 2019, the transfer value of land demarcated for railways is disclosed at cost in the other financial assets.

**Notes to financial statements as at 31 March 2019** (continued)  
(Currency: Indian Rupees in Lakhs, except share data)

**6 Other assets**

	As at			
	31 March 2019		31 March 2018	
	Non Current	Current	Non Current	Current
<b>Unsecured, considered good unless otherwise stated</b>				
Capital advances	271	-	39	-
Advances other than capital advances				
Advance to employees	-	262	-	381
Advance to suppliers	-	5,902	-	15,812
Prepayments	-	519	56	436
Right to recover products from customers on settling the refund liability (Refer note 38)	-	9,878	-	-
<b>Balances with government authorities for indirect taxes</b>				
Considered good	4,060	20,497	5,879	24,535
Considered doubtful	1,048	-	-	954
	<b>5,108</b>	<b>20,497</b>	<b>5,879</b>	<b>25,489</b>
Provision for doubtful balance	(1,048)	-	-	(954)
	<b>4,060</b>	<b>20,497</b>	<b>5,879</b>	<b>24,535</b>
	<b>4,331</b>	<b>37,058</b>	<b>5,974</b>	<b>41,164</b>

**7 Inventories**

	As at	
	31 March 2019	31 March 2018
Raw materials * (including raw material-in-transit amounting to INR 7,477 Lakhs; 31 March 2018: INR 5,789 Lakhs)	25,688	30,363
Packing materials	2,596	2,919
Finished goods #	29,556	40,706
Traded goods #	7,171	4,503
Work-in-progress **	30,584	29,363
	<b>95,595</b>	<b>107,854</b>

\* Raw material includes basic seeds used for further multiplication.

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

# Finished Goods and Traded goods includes Inventory held by customers of INR Nil (31 March 2018: INR 3,071 Lakhs).

The write down of inventories as at the year end amounted to INR 9,719 Lakhs (31 March 2018: 9,982 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.

## Notes to financial statements as at 31 March 2019 (continued)

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

### 8 Trade receivables

	As at	
	31 March 2019	31 March 2018
<b>Trade receivables (unsecured)</b>		
Considered good	62,788	43,739
Credit impaired	3,540	2,261
	<b>66,328</b>	<b>46,000</b>
Less: Allowance for credit impaired	(3,540)	(2,261)
<b>Net trade receivables</b>	<b>62,788</b>	<b>43,739</b>

The Company's exposure to credit risk and loss allowances related to trade receivables are disclosed in Note 16.

### 9 Cash and cash equivalents

	As at	
	31 March 2019	31 March 2018
Bank balances in current accounts	6,154	2,889
Demand deposits (with original maturity of 3 months or less)	85,475	34,365
Bank balances in unpaid dividend accounts	73	73
<b>Cash and cash equivalents in balance sheet and in the statement of cash flows</b>	<b>91,702</b>	<b>37,327</b>

#### 9.1 Bank balances other than cash and cash equivalents

	As at	
	31 March 2019	31 March 2018
Deposit with original maturity of more than three month and remaining maturity less than twelve months	132,900	76,121
	<b>132,900</b>	<b>76,121</b>

### 10 Equity share capital

	As at	
	31 March 2019	31 March 2018
<b>Authorized</b> 32,950,000 (31 March 2018: 32,950,000) equity shares of face value of INR 5 each	1,648	1,648
<b>Issued, subscribed and fully paid-up share capital</b> 32,943,708 (31 March 2018: 32,943,708) equity shares of face value of INR 5 each fully paid up	<b>1,647</b>	<b>1,647</b>

**Notes to financial statements as at 31 March 2019** (continued)  
(Currency: Indian Rupees in Lakhs, except share data)

**(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 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.

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

	For the year ended	
	31 March 2019	31 March 2018
	No. of shares	No. of shares
<b>Equity shares</b>		
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 2019	31 March 2018
Syngenta Participations AG, Switzerland, intermediate subsidiary of ultimate holding company 16,246,450 (31 March 2018: 16,246,450) equity shares of face value of INR 5 each	812	812
Syngenta South Asia AG, Switzerland, intermediate subsidiary of ultimate holding company 14,434,178 (31 March 2018: 14,434,178) equity shares of face value of INR 5 each	722	722
Syngenta Research Services Pte. Ltd. Singapore, intermediate subsidiary of ultimate holding company 1,082,044 (31 March 2018: 1,082,044) equity shares of face value of INR 5 each	54	54

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

Name of the shareholder	As at			
	31 March 2019		31 March 2018	
	No. of shares	% holding in the class	No. of shares	% holding in the class
<b>Equity shares of face value INR 5 each fully paid</b>				
Syngenta Participations AG, Switzerland	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%

## Notes to financial statements as at 31 March 2019 (continued)

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

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

Name of the shareholder	As At			
	31 March 2019		31 March 2018	
	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

### (f) Dividends

	For the year ended	
	31 March 2019	31 March 2018
<b>Equity shares</b>		
<i>Dividends recognized at the end of reporting year</i>		
Final dividend for the year ended 31 March 2018 of INR 5 (31 March 2017 INR 5) per fully paid equity share	1,647	1,647
<i>Dividends not recognized at the end of the reporting year</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 2018 - INR 5). This proposed dividend is subject to the approval of shareholders in ensuing Annual General Meeting.	1,647	1,647

## 11 Other equity

	For the year ended	
	31 March 2019	31 March 2018
<b>Retained earnings</b>		
<i>Items of other comprehensive income</i>		
At the beginning of the year	(366)	21
Remeasurement of employee benefit obligations during the period (net of tax)	62	(387)
<b>At the end of the year</b>	<b>(304)</b>	<b>(366)</b>
<i>Items other than other comprehensive income</i>		
At the beginning of the year	220,570	197,101
Profit and loss attributable to shareholders	50,352	28,279
Transfers to general reserve	(5,035)	(2,828)
Dividends paid	(1,647)	(1,647)
Dividend distribution tax on above	(339)	(335)
<b>At the end of the year</b>	<b>263,900</b>	<b>220,570</b>
<b>Total retained earnings at the end of the year</b>	<b>263,596</b>	<b>220,204</b>
<b>General reserves</b>		
At the beginning of the year	56,366	53,538
Transfers during the year	5,035	2,828
<b>At the end of the year</b>	<b>61,401</b>	<b>56,366</b>
<b>Capital reserves</b>		
At the beginning and at the end of the year	1,648	1,648
<b>Total other equity</b>	<b>326,645</b>	<b>278,217</b>

**Notes to financial statements as at 31 March 2019** (continued)  
(Currency: Indian Rupees in Lakhs, except share data)

**12 Provisions**

	As at			
	31 March 2019		31 March 2018	
	Non Current	Current	Non Current	Current
<b>Provision for employee benefits</b>				
Compensated absences	1,249	246	1,158	371
Post retirement medical benefits (see note 28)	16	4	33	1
Gratuity (see note 28)	358	-	231	32
Pension (see note 28)	125	-	13	-
Long term service awards (see note 28)	47	14	80	10
Other retirement benefits (see note 28)	132	38	365	-
<b>Total provision for employee benefits (A)</b>	<b>1,927</b>	<b>302</b>	<b>1,880</b>	<b>414</b>
<b>Other provisions</b>				
Provision for site restoration	-	-	104	-
Provision for litigations	-	834	-	609
Provision for rebates (Refer note 38)	-	-	-	18,897
Provisions for indirect tax matters	-	2,742	-	662
<b>Total other provisions (B)</b>	<b>-</b>	<b>3,576</b>	<b>104</b>	<b>20,168</b>
<b>Total provisions (A+B)</b>	<b>1,927</b>	<b>3,878</b>	<b>1,984</b>	<b>20,582</b>

Movement in other provisions during the year	Provision for site restoration	Provision for litigations	Provision for rebates	Provision for indirect tax matters	Total
<b>Balance at 1 April 2017</b>	<b>95</b>	<b>477</b>	<b>14,298</b>	<b>604</b>	<b>15,474</b>
Provisions made during the year	-	377	55,119	58	55,554
Provisions utilized during the year	-	(31)	(49,620)	-	(49,651)
Provisions reversed during the year	-	(214)	(900)	-	(1,114)
Unwinding of discount	9	-	-	-	9
<b>Balance at 31 March 2018</b>	<b>104</b>	<b>609</b>	<b>18,897</b>	<b>662</b>	<b>20,272</b>
<b>Balance at 1 April 2018</b>	<b>104</b>	<b>609</b>	<b>-</b>	<b>662</b>	<b>1,375</b>
Provisions made during the year	-	316	-	1,264	1,580
Reclassification made during the year	-	-	-	833	833
Provisions utilized during the year	-	(7)	-	(17)	(24)
Provisions reversed during the year	(104)	(84)	-	-	(188)
Unwinding of discount	-	-	-	-	-
<b>Balance at 31 March 2019</b>	<b>-</b>	<b>834</b>	<b>-</b>	<b>2,742</b>	<b>3,576</b>



## Notes to financial statements as at 31 March 2019 (continued) (Currency: Indian Rupees in Lakhs, except share data)

### Provision for site restoration

Syngenta group companies worldwide place great importance on protecting the environment and conserving natural resources. Provision was made towards cost of carrying out remediation measures. The management has reviewed the opening provision and the same been reversed during the year since it is no longer required.

### Provision for litigations

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 rebates

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. During the year, upon adoption of Ind AS 115 the rebates and discounts have been shown as refund liabilities under the head "other current liabilities". (Refer note 15 and note 38)

### Provision for indirect tax matters

This represents provisions made for probable liabilities/claims arising out of pending and potential disputes/litigations with various regulatory authorities in respect of sales tax, VAT and GST 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.

## 13 Other financial liabilities

	As at	
	31 March 2019	31 March 2018
<b>Current</b>		
Capital creditors	20	18
Accrued employee liabilities	881	923
Unpaid dividend	73	73
	<b>974</b>	<b>1,014</b>

## 14 Trade payables

	As at	
	31 March 2019	31 March 2018
<b>Trade payables</b>		
- total outstanding dues of micro and small enterprises (Refer note 35)	799	451
- total trade payables other than micro and small enterprises		
to related parties	32,280	7,525
others	37,551	25,368
	<b>70,630</b>	<b>33,344</b>

The Company's exposure to currency and liquidity risk related to trade payables is detailed in note 16.

## Notes to financial statements as at 31 March 2019 (continued) (Currency: Indian Rupees in Lakhs, except share data)

### 15 Other current liabilities

	As at	
	31 March 2019	31 March 2018
<b>Refund liabilities</b>		
Anticipated sales returns, credit balances etc.	16,777	-
Rebates and discounts	30,495	-
<b>Contract liabilities</b>		
Advances from customers	4,417	5,017
Customer loyalty program	3,234	-
Consideration received in advance for sale of specified seeds business (Refer note 37.1)	-	584
Statutory dues # (Refer note 41)	3,782	1,198
	<b>58,705</b>	<b>6,799</b>

# Statutory dues include payables on account of Provident Fund, Superannuation, TDS, custom duty, GST, etc.

### 16 Fair value measurements

#### 16.1 Financial instruments by category

The carrying value and fair value of financial instruments by categories as on 31 March 2019

	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		
<b>Financial assets:</b>								
Trade receivables	8	62,788	-	-	-	-	62,788	62,788
Loans	5	163	-	-	-	-	163	163
Cash and cash equivalents	9	91,702	-	-	-	-	91,702	91,702
Other bank balances	9.1	132,900	-	-	-	-	132,900	132,900
Security deposits	5	589	-	-	-	-	589	589
Receivables from group companies for services and other recharges	5	2,558	-	-	-	-	2,558	2,558
Receivable for sale of Panoli Land	5	6	-	-	-	-	6	6
Interest accrued on bank deposits	5	1,736	-	-	-	-	1,736	1,736
		<b>292,442</b>	-	-	-	-	<b>292,442</b>	<b>292,442</b>
Current		291,853	-	-	-	-	291,853	291,853
Non current		589	-	-	-	-	589	589
		<b>292,442</b>	-	-	-	-	<b>292,442</b>	<b>292,442</b>
<b>Financial liabilities:</b>								
Trade payables	14	70,630	-	-	-	-	70,630	70,630
Capital creditors	13	20	-	-	-	-	20	20
Accrued employee liabilities	13	881	-	-	-	-	881	881
Unpaid dividend	13	73	-	-	-	-	73	73
		<b>71,604</b>	-	-	-	-	<b>71,604</b>	<b>71,604</b>
Current		<b>71,604</b>	-	-	-	-	<b>71,604</b>	<b>71,604</b>

## Notes to financial statements as at 31 March 2019 (continued)

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

### The carrying value and fair value of financial instruments by categories as on 31 March 2018

	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		
<b>Financial assets:</b>								
Trade receivables	8	43,739	-	-	-	-	43,739	43,739
Loans	5	163	-	-	-	-	163	163
Cash and cash equivalents	9	37,327	-	-	-	-	37,327	37,327
Other bank balances	9.1	76,121	-	-	-	-	76,121	76,121
Security deposits	5	555	-	-	-	-	555	555
Receivables from group companies for services and other recharges	5	3,200	-	-	-	-	3,200	3,200
Receivable for sale of Panoli land	5	6	-	-	-	-	6	6
Interest accrued on bank deposits	5	801	-	-	-	-	801	801
		<b>161,912</b>	-	-	-	-	<b>161,912</b>	<b>161,912</b>
Current		161,357	-	-	-	-	161,357	161,357
Non current		555	-	-	-	-	555	555
		<b>161,912</b>	-	-	-	-	<b>161,912</b>	<b>161,912</b>
<b>Financial liabilities:</b>								
Trade payables	14	33,344	-	-	-	-	33,344	33,344
Capital creditors	13	18	-	-	-	-	18	18
Accrued employee liabilities	13	923	-	-	-	-	923	923
Unpaid dividend	13	73	-	-	-	-	73	73
		<b>34,358</b>	-	-	-	-	<b>34,358</b>	<b>34,358</b>
Current		<b>34,358</b>	-	-	-	-	<b>34,358</b>	<b>34,358</b>

## 16.2 Financial risk management

### 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).

## Notes to financial statements as at 31 March 2019 (continued) (Currency: Indian Rupees in Lakhs, except share data)

The company does not have assets and liabilities which are measured at fair value on a recurring basis as of 31 March 2019 and 31 March 2018.

### 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 intermediate 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 hedge 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 2019

	U.S. dollars	Japanese Yen	UK Pound Sterling	EURO	Swiss Franc	Australian dollars	Total
Trade receivables	4,445	-	-	-	-	-	4,445
Trade payables	(692)	(87)	-	(10)	(79)	-	(868)
	<b>3,754</b>	<b>(87)</b>	-	<b>(10)</b>	<b>(79)</b>	-	<b>3,577</b>

## Notes to financial statements as at 31 March 2019 (continued)

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

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 2018.

	U.S. dollars	Japanese Yen	UK Pound Sterling	EURO	Swiss Franc	Australian dollars	Total
Trade receivables	2,759	-	-	-	-	-	2,759
Trade payables	(80)	(120)	-	(10)	(4)	(5)	(219)
	<b>2,679</b>	<b>(120)</b>	-	<b>(10)</b>	<b>(4)</b>	<b>(5)</b>	<b>2,540</b>

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 2019 one percentage point strengthening or weakening in exchange rate between Indian rupee and U.S. dollar and other currencies, has an effect of INR 44 Lakhs (31 March 2018 INR 28 Lakhs) 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 2019 and 31 March 2018 were INR 218,375 Lakhs and INR 105,924 Lakhs respectively. At 31 March 2019 and at 31 March 2018, the net amount of earnings-at-risk on bank deposit due to potential changes in interest rates (a parallel shift of 100 bps was applied) were INR 2,184 Lakhs and INR 1,059 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. 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 in 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

## Notes to financial statements as at 31 March 2019 (continued) (Currency: Indian Rupees in Lakhs, except share data)

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.

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 2019 and 31 March 2018.*

The Company uses the aging matrix to measure the expected credit loss of trade receivables. Expected loss rates are based on average of 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 2019		As at 31 March 2018	
	Gross carrying amounts	Expected credit loss rate	Gross carrying amounts	Expected credit loss rate
Current (not past due)	23,581	1.87%	16,051	1.83%
1 - 180 days past due	25,810	3.48%	16,614	4.01%
181 - 360 days past due	732	94.88%	434	97.00%
More than 360 days past due	1,507	100.00%	882	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 does not have 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 2019, the Company had a working capital of INR 295,944 Lakhs (current assets of INR 430,131 Lakhs less current liabilities of INR 134,187 Lakhs) and as on 31 March 2018 INR 243,894 Lakhs (current assets of INR 310,375 Lakhs less current liabilities of INR 66,481 Lakhs) including cash and cash equivalents and other bank balance of INR 224,602 Lakhs (as on 31 March 2018 INR 113,448 Lakhs).

The table below provides details regarding the contractual maturities of significant financial liabilities as of 31 March 2019.

Particulars	Less than 1 year	1-2 years	2-5 years	More than 5 years	Total
Trade payables	70,630	-	-	-	70,630
Other financial liabilities	974	-	-	-	974

The table below provides details regarding the contractual maturities of significant financial liabilities as of 31 March 2018.

Particulars	Less than 1 year	1-2 years	2-5 years	More than 5 years	Total
Trade payables	33,344	-	-	-	33,344
Other financial liabilities	1,014	-	-	-	1,014



## Notes to financial statements as at 31 March 2019 (continued) (Currency: Indian Rupees in Lakhs, except share data)

### 17 Revenue from operations

	For the year ended	
	31 March 2019	31 March 2018
<b>Revenue from contracts with customers</b>		
<b>Sale of products -</b>		
Crop protection chemicals	202,873	192,408
Seeds	87,637	77,337
Others - Revenue from redemption of loyalty award credit points	846	1,664
<b>Total sale of products (A) #</b>	<b>291,356</b>	<b>271,409</b>
<b>Other operating revenue</b>		
Process reject and seeds trash (B)	157	394
<b>Total revenue from operations (A+B)</b>	<b>291,513</b>	<b>271,803</b>

# Includes sale of traded goods of INR 30,156 Lakhs (31 March 2018 : INR 36,913 Lakhs)

The Government of India introduced the Goods and Service tax (GST) with effect from 1 July 2017. In accordance with the requirements of Ind AS, revenue for the year ended 31 March 2019 and for the period 1 July 2017 to 31 March 2018 is net of GST. However, revenue for the period 1 April 2017 to 30 June 2017 is inclusive of the excise duty.

#### (a) Disaggregate revenue information

The disaggregated revenues from contracts with customers by product lines and geography for each of the business segments are presented below.

The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

#### *The analysis of revenue by major product lines for the years ended 31 March 2019 is as follows:*

Particulars	31 March 2019
Insecticides	108,013
Fungicides	43,783
Selective herbicides	28,651
Seedcare	7,995
Non-selective herbicides	4,318
Other crop protection	10,113
<b>Total Crop Protection</b>	<b>202,873</b>
Corn	33,710
Diverse field crops	9,935
Vegetables	44,149
<b>Total Seeds</b>	<b>87,794</b>
Others	846
<b>Total revenue</b>	<b>291,513</b>

## Notes to financial statements as at 31 March 2019 (continued) (Currency: Indian Rupees in Lakhs, except share data)

*The analysis of revenue by major geographical areas is as follows:*

**For the year ended 31 March 2019**

Particulars	Crop Protection	Seeds	Others	Total
India	161,228	64,219	846	226,293
Rest of the world (Asian countries)	41,645	23,575	-	65,220
<b>Total</b>	<b>202,873</b>	<b>87,794</b>	<b>846</b>	<b>291,513</b>

### (b) Contract balances

The following table provides information about receivables and contract liabilities from contracts with customers.

Particulars	Note	31 March 2019
Receivables included in 'trade receivables'	8	62,788
Contract liabilities	15	7,651

The contracts with customers does not create any contract assets, as an unconditional right to receive the consideration from the customer arises upon the satisfaction of the performance obligation. The resultant asset is accounted as trade receivable.

The contract liabilities are primarily pertaining to customer loyalty program and advance consideration received from customers, for which revenue is recognised upon satisfaction of performance obligations.

Movement in contract liabilities during the year	31 March 2019
<b>Balance at 1 April 2018</b>	<b>9,152</b>
Advance consideration received from customers / customer loyalty program accrual	54,575
Revenue recognised upon satisfaction of performance obligations	56,076
<b>Balance at 31 March 2019</b>	<b>7,651</b>

### (c) Performance obligations and remaining performance obligations

The revenue is recognised at a consideration which the Company expects to receive from the customer once the control of the goods is transferred to the customer. The Company satisfies its performance obligations at a point in time as per the terms of contracts with customers which is generally up on delivery of the promised goods to the customer/carrier appointed by the customer.

The contract with customers does not give rise to any significant financing arrangement as the invoices are generally due for payment within 60 days to 120 days.

The consideration is variable in case of some contracts due to allowances for rebates and discounts, right to return goods by the customers etc.

The unsatisfied performance obligations as on 31 March 2019 are relating to the contracts with customers which have original maturity of less than a year and hence their value is not disclosed as per Ind AS 115.

### (d) Cost to obtain contract or fulfil a contract

There is no cost incurred for obtaining or fulfilling a contract and there is no closing assets recognised from the costs incurred to obtain or fulfil a contract with a customer.



## Notes to financial statements as at 31 March 2019 (continued)

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

### (e) Reconciliation of revenue recognised with contract price is as follows:

	31 March 2019
Revenue from contracts with customers as per the contract price	353,703
<b>Adjustments made to contract price on account of :-</b>	
a) Discounts / Rebates / Incentives	47,019
b) Sales returns anticipated post year end	15,328
<b>Revenue from contracts with customers</b>	<b>291,356</b>
Process reject and seeds trash	157
<b>Revenue recognised in the Statement of Profit and Loss</b>	<b>291,513</b>

### 18 Other income

	For the year ended	
	31 March 2019	31 March 2018
Interest income on		
- deposits with bank	12,088	5,514
- overdue trade receivables	733	340
- income tax refunds	1,164	-
- security deposits at amortized cost	29	26
Investment property rentals (Refer note 4)	313	310
Gain on account of foreign currency transactions (net)	35	-
Net gain on sale of investment property	-	769
Liabilities written back to the extent no longer required	188	462
Provision for doubtful debts written back	-	1,659
Charges for shared services	3,448	4,005
Government grants (duty drawback and export incentive) *	3,621	3,756
Excess pension liability written back (Refer note 28)	-	2
Other non-operating income	22	27
	<b>21,641</b>	<b>16,869</b>

\* Amount for the year ended 31 March 2018, includes INR 1,552 Lakhs related to earlier years.

### 19 Cost of materials consumed

	For the year ended	
	31 March 2019	31 March 2018
<b>Raw materials consumed</b>		
Inventory of raw materials at the beginning of the year	30,363	27,950
Add: Purchases	132,845	140,634
Less: Inventory of raw materials at the end of the year	(25,688)	(30,363)
	<b>137,520</b>	<b>138,221</b>
<b>Packing material consumed</b>		
Inventory of packing materials at the beginning of the year	2,919	3,198
Add: Purchases	9,044	9,233
Less: Inventory of packing materials at the end of the year	(2,596)	(2,919)
	<b>9,367</b>	<b>9,512</b>
	<b>146,887</b>	<b>147,733</b>

**Notes to financial statements as at 31 March 2019** (continued)  
(Currency: Indian Rupees in Lakhs, except share data)

**20 Purchases of stock-in-trade**

	For the year ended	
	31 March 2019	31 March 2018
Purchases of stock-in-trade	24,426	24,646
	<b>24,426</b>	<b>24,646</b>

**21 Changes in inventory of finished goods, work-in-progress and stock-in-trade**

	For the year ended	
	31 March 2019	31 March 2018
<b>Opening inventory</b>		
Finished goods	40,706	47,199
Work-in-progress	29,363	20,649
Stock-in-trade	4,503	10,366
	<b>74,572</b>	<b>78,214</b>
<b>Closing inventory</b>		
Finished goods (Refer Note 38a)	36,287	40,706
Work-in-progress	30,584	29,363
Stock-in-trade (Refer Note 38a)	10,317	4,503
	<b>77,188</b>	<b>74,572</b>
	<b>(2,616)</b>	<b>3,642</b>

**22 Employee benefit expenses**

	For the year ended	
	31 March 2019	31 March 2018
Salaries, wages and bonus	20,322	15,334
Contribution to provident and other funds	1,080	1,039
Cash-settled share-based payments (Refer note 29)	-	600
Gratuity expenses (Refer note 28)	272	278
Pension expenses (Refer note 28)	43	-
Post retirement medical benefit (Refer note 28)	5	8
Staff welfare expenses	1,264	1,000
	<b>22,986</b>	<b>18,259</b>

**23 Finance costs**

	For the year ended	
	31 March 2019	31 March 2018
Interest		
- on customs duties, GST etc	470	283
- on tax deducted at source	21	-
- others	89	52
Unwinding of discount on site restoration provisions	-	9
Bank charges	65	36
	<b>645</b>	<b>380</b>



## Notes to financial statements as at 31 March 2019 (continued)

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

### 24 Depreciation and amortization expense

	For the year ended	
	31 March 2019	31 March 2018
Depreciation on property, plant and equipment	2,123	1,856
Depreciation on investment property	47	47
Amortization of intangible assets	195	122
	<b>2,365</b>	<b>2,025</b>

### 25 Other expenses

	For the year ended	
	31 March 2019	31 March 2018
Power, fuel and water charges	694	679
Rates and taxes	993	358
Processing charges	7,021	7,181
Consumption of stores, spare parts and consumables	44	57
Repairs and maintenance		
- Buildings	198	273
- Machinery	20	8
- Others	274	220
Insurance	191	235
Rent	6,222	5,068
Royalty and technical know-how	2,590	2,310
Freight, clearing and forwarding charges	6,996	7,849
Clinical and field trials	1,823	1,583
Advertisement and sales promotion	3,595	4,829
Travelling and conveyance	4,659	4,068
Communication expenses	439	547
Excise duty related to (decrease) in inventory of finished goods	-	(5,498)
Outsourced services/personnel	9,614	8,960
Bad debts/ advances written off	60	1,211
Provision for doubtful debts/advances/balances (net)	2,246	-
Net loss on sale of property, plant and equipment	410	-
Loss on account of foreign currency transactions (net)	-	82
Corporate service charges (Refer Note 39)	11,187	-
Legal and professional fees	782	1,059
Donations	550	438
Expenditure on corporate social responsibility (Refer note 36)	1,019	1,053
Payment to auditors #	47	62
Miscellaneous expenses	3,308	2,307
	<b>64,982</b>	<b>44,939</b>

#### # Payment to auditors

As auditor:

Statutory audit fees	33	31
Other audit services	-	15
Certification	-	4
Tax audit fees	11	9
Reimbursement of expenses	3	3
	<b>47</b>	<b>62</b>

## Notes to financial statements as at 31 March 2019 (continued) (Currency: Indian Rupees in Lakhs, except share data)

### 26 Earnings per share

The calculation of profit attributable to equity share holders and weighted average number of equity shares outstanding for the purpose of basic and dilutive earnings per share are as follows

	For the year ended	
	31 March 2019	31 March 2018
Profit for the year attributable to equity shareholders (basic and diluted)	50,352	28,279
Weighted average number of equity shares (basic and diluted)	32,943,708	32,943,708
<b>Earnings per share</b>		
Basic earning per share of face value of INR 5 each (in INR)	152.84	85.84
Diluted earning per share of face value of INR 5 each (in INR)	152.84	85.84

### 27 Income taxes

#### a. Income tax expense recognized in the statement of profit and loss

	For the year ended	
	31 March 2019	31 March 2018
Current tax	25,919	15,486
Deferred tax	(2,374)	238
<b>Tax expense</b>	<b>23,545</b>	<b>15,724</b>

Current tax expense for the year ended 31 March 2019 includes changes in estimates related to prior years of INR 388 Lakhs (31 March 2018 - INR 443 Lakhs).

Entire deferred tax for the year ended 31 March 2019 and 31 March 2018 relates to the origination and reversal of temporary differences.

#### b. Income tax expense recognized in other comprehensive income

	For the year ended	
	31 March 2019	31 March 2018
Remeasurement of employee benefit obligations income/(expense) before tax	95	(595)
Tax (expense)/benefit	(33)	208
<b>Other comprehensive income net of tax</b>	<b>62</b>	<b>(387)</b>



## Notes to financial statements as at 31 March 2019 (continued)

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

### 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 2019		31 March 2018	
Profit before income taxes		73,897		44,003
Enacted tax rates in India		34.94%		34.61%
Computed expected tax expense using enacted income tax rate	34.94%	25,823	34.61%	15,229
Tax effect of prior period income / amounts which are non deductible in calculating taxable income	(0.34%)	(255)	(0.99%)	(437)
Tax effect of CSR expenditure	0.48%	356	0.83%	364
Tax effect of lower rate on income chargeable under 'Capital gain' #	(3.22%)	(2,378)	0.43%	190
Changes in estimates related to prior years	(0.18%)	(133)	0.84%	369
Tax effect of indexation benefit on freehold land	(0.01%)	(9)	0.02%	9
Others	0.19%	141	0.00%	-
<b>Income tax expense</b>	<b>31.67%</b>	<b>23,545</b>	<b>35.73%</b>	<b>15,724</b>

# During the year, the Company has treated the profit on sale of certain crop protection and seeds business under the head "Capital Gains" as per the provision of the Income Tax Act, 1961 and rules enacted therein by the Government of India. Refer note 37.1 and 37.2 for further detail.

During the previous year, the Company treated the sale of Panoli land under the head "Capital Gains" as per the provisions of the Income Tax Act, 1961 and rules enacted therein by the Government of India. Refer note 5 for details.

Accordingly, the profits and losses on the sale of such assets were taxed at applicable lower rate.

### d. Details of income tax assets (liabilities)

	As at	
	31 March 2019	31 March 2018
Net income tax asset at the beginning of the year	9,773	10,587
Current income tax expense	(21,550)	(14,853)
Income taxes paid for current year	26,761	14,436
Interest on Income Tax refund	1,164	-
Income taxes paid for earlier years	600	236
Prior year current tax provision	388	(443)
Current tax on capital gains	(4,757)	(190)
Net income tax asset at the end of the year	<b>12,379</b>	<b>9,773</b>
Income tax asset at the year end - Non Current	6,754	10,380
Income tax asset at the year end - Current	5,625	-
Income tax (liability) at the year end	-	(607)
	<b>12,379</b>	<b>9,773</b>

**Notes to financial statements as at 31 March 2019** (continued)  
(Currency: Indian Rupees in Lakhs, except share data)

**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

	<b>As at</b>	
	<b>31 March 2019</b>	<b>31 March 2018</b>
<b>Deferred tax assets</b>		
Prepayments	54	45
Pension and employee benefits cost	1,058	1,092
Allowance for doubtful debt - trade receivables and advances	1,603	790
Provisions	4,539	3,294
Others	582	665
	<b>7,836</b>	<b>5,886</b>
<b>Deferred tax liabilities</b>		
Property, plant and equipment and investment property	(305)	(705)
Financial assets	(53)	(44)
	<b>(358)</b>	<b>(749)</b>
<b>Net deferred tax asset</b>	<b>7,478</b>	<b>5,137</b>

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 2019 (continued)

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

### Gross movement in the deferred taxes

	Balance as at 1 April 2017	Recognized in profit or loss during the year 2017-18	Recognized in OCI during the year 2017-18	Balance as at 31 March 2018	Recognized in profit or loss during the year 2018-19	Recognized in OCI during the year 2018-19	Balance as at 31 March 2019
<b>Deferred tax assets</b>							
Prepayments	37	8	-	45	9	-	54
Pension and employee benefits cost	1,190	(306)	208	1,092	(1)	(33)	1,058
Allowance for doubtful debt - trade receivables	1,357	(567)	-	790	813	-	1,603
Provisions	2,545	749	-	3,294	1,245	-	4,539
Others	726	(61)	-	665	(83)	-	582
	5,855	(177)	208	5,886	1,983	(33)	7,836
<b>Deferred tax liabilities</b>							
Property, plant and equipment and investment property	(654)	(51)	-	(705)	400	-	(305)
Financial assets	(34)	(10)	-	(44)	(9)	-	(53)
	(688)	(61)	-	(749)	391	-	(358)
<b>Net deferred tax asset</b>	<b>5,167</b>	<b>(238)</b>	<b>208</b>	<b>5,137</b>	<b>2,374</b>	<b>(33)</b>	<b>7,478</b>

## Notes to financial statements as at 31 March 2019 (continued) (Currency: Indian Rupees in Lakhs, except share data)

### 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 1,080 Lakhs (31 March 2018: INR 1,039 Lakhs).

#### Defined benefit plans

The Company operates five defined benefit plans, viz., Gratuity, Pension, Long Service Award, Post Retirement Medical Benefits and Other retirement Benefit for its employees as detailed below:

#### Gratuity

Under the gratuity plan, every employee who has completed specified years of service as per Payment of Gratuity Act, 1972 gets gratuity on separation in accordance with the Company's policy based on completed years 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 which is accounted for on an actuarial basis as on the balance sheet date.

#### Other Retirement Benefit (RET)

Under the Company's other retirement benefit scheme, certain categories of employees, are eligible for 2 years salary as compensation at the time of retirement which is accounted for on an actuarial basis as on the balance sheet date.



## Notes to financial statements as at 31 March 2019 (continued)

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

### 28 Employee benefits (continued)

#### Assets and Liabilities related to employee benefits:

	Gratuity		Pension		LSA		RET		PRMB	
	(Funded)		(Funded)		(Non Funded)		(Non Funded)		(Non Funded)	
	As at		As at		As at		As at		As at	
	31 March 2019	31 March 2018								
Defined benefit obligation	2,257	1,994	997	1,096	61	90	169	365	20	34
Fair value of planned assets	1,900	1,731	873	1,084	-	-	-	-	-	-
<b>(Liability) / assets recognized in balance sheet</b>	<b>(357)</b>	<b>(263)</b>	<b>(124)</b>	<b>(13)</b>	<b>(61)</b>	<b>(90)</b>	<b>(169)</b>	<b>(365)</b>	<b>(20)</b>	<b>(34)</b>
Current	-	(32)	-	-	(14)	(10)	(38)	-	(4)	(1)
Non current	(357)	(231)	(124)	(13)	(47)	(80)	(132)	(365)	(16)	(33)
<b>Total employee benefit assets / (liabilities)</b>	<b>(357)</b>	<b>(263)</b>	<b>(124)</b>	<b>(13)</b>	<b>(61)</b>	<b>(90)</b>	<b>(170)</b>	<b>(365)</b>	<b>(20)</b>	<b>(34)</b>

#### Changes in present value of defined benefit obligation are as follows:

	Gratuity		Pension		LSA		RET		PRMB	
	(Funded)		(Funded)		(Non Funded)		(Non Funded)		(Non Funded)	
	For the year ended		For the year ended		For the year ended		For the year ended		For the year ended	
	31 March 2019	31 March 2018								
Opening defined benefit obligation	1,994	1,884	1,096	1,190	90	82	365	235	34	26
Current service cost	262	277	43	33	10	15	23	49	2	7
Interest cost	141	129	70	61	6	6	27	18	3	2
Benefits paid from plan	(223)	(327)	(339)	(743)	-	-	-	-	-	-
Benefits paid by employer	-	-	-	-	(9)	(9)	-	-	(2)	(2)
Remeasurements										
Effect of changes in demographic assumptions	(48)	24	-	-	(10)	12	(52)	81	(4)	5
Effect of changes in financial assumptions	51	-	18	-	1	-	4	-	0	-
Effect of experience adjustments	80	10	109	555	(27)	(15)	(198)	(18)	(13)	(3)
Transfer in	-	-	-	-	-	-	-	-	-	-
Transfer out	-	(3)	-	-	-	(1)	-	-	-	(1)
<b>Closing defined benefit obligation</b>	<b>2,257</b>	<b>1,994</b>	<b>997</b>	<b>1,096</b>	<b>61</b>	<b>90</b>	<b>169</b>	<b>365</b>	<b>20</b>	<b>34</b>

**Notes to financial statements as at 31 March 2019** (continued)  
(Currency: Indian Rupees in Lakhs, except share data)

**28. Employee benefits (continued)**

Changes in fair value of plan assets are as follows:

	Gratuity		Pension		LSA		RET		PRMB	
	(Funded)		(Funded)		(Non Funded)		(Non Funded)		(Non Funded)	
	For the year ended		For the year ended		For the year ended		For the year ended		For the year ended	
	31 March 2019	31 March 2018								
Opening fair value of planned assets	1,731	1,676	1,084	1,477	-	-	-	-	-	-
Interest income	131	128	69	96	-	-	-	-	-	-
Employer's contribution	264	213	13	238	-	-	-	-	-	-
Employer direct benefit payments	-	-	-	-	-	-	-	-	-	-
Benefits paid from plan assets	(223)	(327)	(339)	(743)	-	-	-	-	-	-
Benefits paid by employer	-	-	-	-	-	-	-	-	-	-
Remeasurements	-	-	-	-	-	-	-	-	-	-
Return on plan assets (excluding interest income)	(3)	41	46	16	-	-	-	-	-	-
Transfer in	-	-	-	-	-	-	-	-	-	-
Transfer out	-	-	-	-	-	-	-	-	-	-
Transferred to assets held for sale	-	-	-	-	-	-	-	-	-	-
<b>Closing fair value of planned assets</b>	<b>1,900</b>	<b>1,731</b>	<b>873</b>	<b>1,084</b>	-	-	-	-	-	-

Net employee benefit expense recognized in employee cost:

	Gratuity		Pension		LSA		RET		PRMB	
	(Funded)		(Funded)		(Non Funded)		(Non Funded)		(Non Funded)	
	For the year ended		For the year ended		For the year ended		For the year ended		For the year ended	
	31 March 2019	31 March 2018								
Current service cost	262	277	43	33	10	16	23	49	2	6
Past service cost	-	-	-	-	-	-	-	-	-	-
Interest cost on benefit obligation	141	129	70	61	6	6	27	18	3	2
Interest income on plan assets	(131)	(128)	(69)	(96)	-	-	-	-	-	-
<b>Remeasurements</b>										
Effect of changes in demographic assumptions	-	-	-	-	(10)	-	-	-	-	-
Effect of changes in financial assumptions	-	-	-	-	1	-	-	-	-	-
Effect of experience adjustments	-	-	-	-	(27)	-	-	-	-	-
<b>Total employee benefit expense recognized in profit and loss account</b>	<b>272</b>	<b>278</b>	<b>44</b>	<b>(2)</b>	<b>(20)</b>	<b>22</b>	<b>50</b>	<b>67</b>	<b>5</b>	<b>8</b>
<b>Remeasurements</b>										
Effect of changes in demographic assumptions	(48)	24	-	-	-	12	(52)	82	(4)	5
Effect of changes in financial assumptions	51	-	18	-	-	-	4	-	0	-
Effect of experience adjustments	80	10	109	555	-	(15)	(198)	(18)	(13)	(3)
(Return) on plan assets (excluding interest income)	3	(41)	(46)	(16)	-	-	-	-	-	-
<b>Total remeasurements included in OCI</b>	<b>86</b>	<b>(7)</b>	<b>81</b>	<b>539</b>	-	<b>(3)</b>	<b>(246)</b>	<b>64</b>	<b>(17)</b>	<b>2</b>
<b>Net employee benefit expense</b>	<b>358</b>	<b>271</b>	<b>125</b>	<b>537</b>	<b>(20)</b>	<b>19</b>	<b>(196)</b>	<b>131</b>	<b>(12)</b>	<b>10</b>



## Notes to financial statements as at 31 March 2019 (continued) (Currency: Indian Rupees in Lakhs, except share data)

### 28. Employee benefits (continued)

The following table provides details of the cash flows of employee benefit plans

	Gratuity		Pension		LSA		RET		PRMB	
	(Funded)		(Funded)		(Non Funded)		(Non Funded)		(Non Funded)	
	For the year ended		For the year ended		For the year ended		For the year ended		For the year ended	
	31 March 2019	31 March 2018								
<b>Expected cash flows for following year</b>										
Expected total benefit payments										
Year 1	342	243	189	334	15	10	39	-	4	1
Year 2	395	265	125	446	13	9	-	29	2	4
Year 3	396	232	90	111	12	11	-	21	3	3
Year 4	443	218	143	77	15	10	65	-	5	3
Year 5	390	195	12	108	11	9	69	36	2	2
Next 5 years	1,970	794	757	643	43	43	49	56	13	8

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 2019	31 March 2018	31 March 2019	31 March 2018
Investment with insurer	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 2019	31 March 2018
Discount rate	7.0%	7.5%
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 2019 (continued) (Currency: Indian Rupees in Lakhs, except share data)

### 28. Employee benefits (continued)

#### (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 2019		31 March 2018	
	Increase	Decrease	Increase	Decrease
Gratuity (funded):				
Discount rate (1% movement)	(100)	109	(105)	117
Future Salary growth (1% movement)	107	(99)	105	(96)
Attrition (1% movement)	(13)	14	(11)	12
Pension (funded):				
Discount rate (1% movement)	(35)	37	(38)	40
Future Salary growth (1% movement)	36	(34)	34	(32)
Attrition (1% movement)	(6)	6	5	(5)
LSA (unfunded):				
Discount rate (1% movement)	(2)	2	(5)	6
Future Salary growth (1% movement)	NA	NA	NA	NA
Attrition (1% movement)	(2)	2	(6)	6
RET(unfunded):				
Discount rate (1% movement)	(8)	9	(32)	37
Future Salary growth (1% movement)	9	(8)	34	(30)
Attrition (1% movement)	(10)	11	(37)	43
PRMB (unfunded):				
Discount rate (1% movement)	(1)	1	(2)	3
Future Salary growth (1% movement)	NA	NA	NA	NA
Attrition (1% movement)	(1)	1	(3)	3

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.

### 29. Employee share based payment

Certain employees of the Company had received share based payment awards from Syngenta AG (intermediate holding company). Subsequent to the acquisition of the shares of Syngenta AG by China National Chemical Corporation (ChemChina), the ESOPs outstanding as at 31 March 2017 were vested on 7 June 2017. During the year, no new employee share based plans were introduced. There were no share based payment awards outstanding as on 31 March 2019.

#### a. Description of share-based payments arrangements which were outstanding at the beginning of the previous year

##### (i) Long term incentive plan - Share Options

The Syngenta Long-Term Incentive Plan provided 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 was at the discretion of the Compensation Committee, whose members were appointed



## Notes to financial statements as at 31 March 2019 (continued)

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

by the Board of Directors of Syngenta AG. Standard options vest in full and were exercisable after completion of three years service and terminate after 10 or 11 years from the grant date. Vesting could occur after less than three years in particular circumstances including redundancy and retirement. None of the options vested on a pro rata basis during the vesting period.

(ii) Long term incentive plan -Restricted share units (RSUs)

RSUs (or equivalent restricted ADSs) were rights to receive the equivalent number of Syngenta AG shares for no payment at the end of a three year vesting period. RSUs did not carry rights to dividends and the grant date fair value was reduced to reflect this. None of the RSUs or equivalent ADSs vested on pro rata basis during the vesting period.

(iii) Deferred share plan (DSPs)

The Deferred share plan provided selected senior executives with an opportunity to obtain shares of Syngenta AG. The plan entitled participants to defer part of their short term incentive awards in favour of Syngenta AG 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 was the Syngenta AG share price on the grant date adjusted for the absence of dividend entitlement during the deferral period. Shares were deferred for a period of three years starting on the grant date. At the end of the deferral period, Syngenta AG matched the deferred share on a one for one basis. A mandatory part of the short term incentive was allocated as deferred shares. Additional voluntary deferrals within the limits of the plan could be made at the discretion of the participants. Vesting could occur before the end of the three years in particular circumstances including retirement. None of the shares vested 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 intermediate holding company, awarded to the employees of the Company under the share-based payment arrangements which are cash-settled share based payment arrangements in accordance with Ind AS 102 Share based payment. However, since Syngenta AG has recharged the company for the outstanding and vested share based plans, the amount of recharge was recognized in the statement of profit and loss at the amortized cost.

**c. Reconciliation of outstanding balances**

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")

The following table summaries the activity related to restricted share units, deferred share plan and options that occurred during the periods:

	DSP	RSU	Options
<b>Outstanding at 31 March 2017</b>	<b>676</b>	<b>1,250</b>	<b>3,373</b>
Granted	-	-	-
Forfeited	-	-	-
Vested	(676)	(1,250)	(3,373)
<b>Outstanding at 31 March 2018</b>	<b>-</b>	<b>-</b>	<b>-</b>

**d. Expense recognized in statement of profit and loss**

Syngenta AG had recharged the cost of the Long term incentive (LTI) Share Options, RSUs and DSPs to the Company amounting to INR 600 Lakhs during the previous year. (Refer note 22)

## Notes to financial statements as at 31 March 2019 (continued) (Currency: Indian Rupees in Lakhs, except share data)

### 30 Related Party Disclosures

#### a. Names of related parties and related party relationship

##### Ultimate holding company

China National Agrochemicals Corporation, China (w.e.f. 18 May 2017)

Syngenta AG, Switzerland (upto 17 May 2017)

##### Intermediate holding company

Syngenta AG, Switzerland (w.e.f. 18 May 2017)

##### 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)

##### Party 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
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 International AG, Switzerland	Devgen Seeds & Crop Technology Pvt. Ltd., India
Syngenta South Asia AG, Switzerland	PT Syngenta Inc, Indonesia
Syngenta Research Services PTE Ltd., Singapore	Adama India Private Ltd (w.e.f. 18 May 2017)
Syngenta Vietnam Limited, Vietnam	Syngenta France SAS, France
Syngenta Panama AG, Panama	Syngenta Crop Protection S.A., Panama
Syngenta Nantong Crop Protection Co. Ltd., China	Syngenta South Africa (Pty) Ltd, South Africa

##### Key Management Personnel

Mr. Prakash K. Apte	Non-Executive Chairman
Mr. Bipinchandra C. Solanki	Managing director (upto 31 March 2018)
Mr. Rafael Julio Del Rio	Managing director (w.e.f. 23 April 2018)
Mr. Govind P.S. Bene	Director (upto 3 August 2018)
Mr. Abhishek Agarwal	Whole time director & Chief Financial Officer (w.e.f. 1 April 2017)
Mr. Vinnakota Kaundinya Ramachandra	Independent director
Mr. Balaji Bakthisaran	Independent director
Mr. Narendra Kulkarni	Whole time director (w.e.f. 27 June 2017)
Mrs. Sumie Fujimura	Director (upto 31 December 2018)
Mrs. Jaya Kumari	Whole time director (w.e.f. 20 March 2019)
Mr. Rajendra Jog	Whole time director (upto 27 June 2017)
Mrs. Arundhati Kulkarni	Company Secretary



## Notes to financial statements as at 31 March 2019 (continued)

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

### b) Transactions with related parties

	For the year ended	
	31 March 2019	31 March 2018
<b>Dividend paid</b>		
Syngenta Participations AG, Switzerland	812	812
Syngenta South Asia AG, Switzerland	722	722
Syngenta Research Services Pte Limited	54	54
<b>Purchases of raw materials and stock in trade</b>		
Syngenta Asia Pacific PTE Ltd., Singapore	63,284	77,214
<b>Royalty/technical know-how fee</b>		
Syngenta Crop Protection AG, Switzerland	691	654
Syngenta Asia Pacific PTE Ltd., Singapore	1,899	1,656
<b>Donations</b>		
Syngenta Foundation India	550	437
<b>Expenditure on corporate social responsibility</b>		
Syngenta Foundation India	-	311
<b>Cash settled share-based payment</b>		
Syngenta AG, Switzerland	-	600
<b>Corproate service charge (excluding GST)</b>		
Syngenta Crop Protection AG, Switzerland	10,709	-
<b>Shared services expenses</b>		
Syngenta Crop Protection AG, Switzerland	42	46
Syngenta Biosciences Pvt. Ltd., India	45	29
Devgen Seeds and Crop Technology Pvt. Ltd., India	70	253
Syngenta Asia Pacific PTE Ltd., Singapore	4	-
Syngenta Services Pvt. Ltd., India	496	466
Syngenta Japan K.K., Japan	113	229
Syngenta Panama AG	84	-
Syngenta Crop Protection S.A. ,Panama	1,151	-
<b>Sale of finished goods</b>		
Syngenta Asia Pacific PTE Ltd., Singapore	52,344	50,871
Syngenta (Pakistan) Limited, Pakistan	6,195	3,381
Adama India Private Ltd	6,152	4,764
Others	-	161
<b>Rent income</b>		
Syngenta Biosciences Pvt. Ltd., India	313	310
<b>Reimbursement by Related Party</b>		
Syngenta Asia Pacific PTE Ltd., Singapore	226	-
Syngenta Participations AG, Switzerland	49	-

**Notes to financial statements as at 31 March 2019** (continued)  
(Currency: Indian Rupees in Lakhs, except share data)

	For the year ended	
	31 March 2019	31 March 2018
<b>Shared services income</b>		
Syngenta Foundation India	285	446
Syngenta Crop Protection Pvt. Ltd., India	7	22
Syngenta Crop Protection AG, Switzerland	84	101
Syngenta Biosciences Pvt. Ltd., India	365	440
Devgen Seeds and Crop Technology Pvt. Ltd., India	257	321
Syngenta Services Pvt. Ltd., India	429	923
Syngenta Asia Pacific PTE Ltd., Singapore	1,719	1,405
PT Syngenta Inc, Indonesia	162	205
Syngenta Vietnam Limited, Vietnam	69	83
Syngenta Pollen Limited, Kenya	-	59
Syngenta South Africa (Pty) Ltd, South Africa	70	-
<b>Payments on behalf of a fellow subsidiary</b>		
Syngenta Biosciences Pvt. Ltd., India	13	-
Devgen Seeds & Crop Technology Pvt. Ltd., India	1	23
Others	-	17
<b>Payments by a fellow subsidiary on behalf of company</b>		
Syngenta Crop Protection Pvt. Ltd., India	-	1
Devgen Seeds & Crop Technology Pvt. Ltd., India	-	2
Others	-	-
<b>Collections on behalf of fellow subsidiary</b>		
Syngenta Services Pvt. Ltd., India	-	49
Others	-	10
<b>Collections by fellow subsidiary on behalf of company</b>		
Syngenta Crop Protection Pvt. Ltd., India	-	33
<b>Remuneration to Key Management Personnel</b>		
<b>Executive directors * :</b>		
Mr. Rafael Julio Del Rio	1,517	-
Mr. Bipinchandra C. Solanki	-	968
Mr. Govind P.S. Bene	73	74
Mr. Rajendra Jog	-	21
Mr. Narendra Kulkarni	82	47
Mr. Abhishek Agarwal	110	92
Mrs. Sumie Fujimura	209	273
Mrs. Jaya Kumari	1	-
<b>Non-executive directors** :</b>		
Mr. Prakash K. Apte	13	12
Mr. Vinnakota Kaundinya Ramachandra	11	9
Mr. Balaji Bakthisaran	10	10
<b>Company secretary * :</b>		
Mrs. Arundhati Kulkarni	23	19



## Notes to financial statements as at 31 March 2019 (continued)

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

- \* The remuneration to the executive directors and company secretary
- does not include the provisions made for various employment benefits such as gratuity, compensated absences etc, as they are determined on an actuarial basis for the Company as a whole.
  - includes cost of employee share-based payments.
- \*\* The remuneration to the non-executive directors includes sitting fees and commission.

### c) Balances outstanding as at the year end

	As at	
	31 March 2019	31 March 2018
<b>Payables</b>		
Devgen Seeds and Crop Technology Pvt. Ltd., India	-	106
Syngenta Asia Pacific PTE Ltd., Singapore	20,250	5,688
Syngenta Biosciences Pvt. Ltd., India	-	1
Syngenta Crop Protection AG, Switzerland	10,689	1,037
Syngenta Crop Protection Pvt. Ltd., India	-	151
Syngenta France SAS, France	4	36
Syngenta Services Pvt. Ltd., India	-	386
Syngenta Japan K.K., Japan	102	120
Syngenta S.A. , Panama	84	-
Syngenta Crop Protection S.A. ,Panama	1,151	-
<b>Receivables / Advances</b>		
Devgen Seeds and Crop Technology Pvt. Ltd., India	472	358
Syngenta (Pakistan) Limited, Pakistan	3,126	1,847
Syngenta Asia Pacific PTE Ltd., Singapore	10,351	14,507
Syngenta Biosciences Pvt. Ltd., India	667	260
Syngenta Crop Protection Pvt. Ltd., India	167	159
Syngenta Foundation India	318	321
Syngenta Vietnam Limited, Vietnam	29	112
Syngenta Nantong Crop Protection Co. Ltd., China	34	34
Adama India Private Ltd	1,401	1,636
PT Syngenta Inc, Indonesia	95	49
Syngenta Services Pvt. Ltd., India	605	1,047
Syngenta Pollen Limited, Kenya	-	18
Syngenta Agro Asia Pacific PTE. Ltd., Singapore	-	156
Syngenta Crop Protection AG, Switzerland	52	-
Syngenta Participations AG, Switzerland	49	-
Syngenta South Africa (Pty) Ltd, South Africa	70	-

# Amount not disclosed, being below threshold limit adopted for rounding off purpose.

## Notes to financial statements as at 31 March 2019 (continued) (Currency: Indian Rupees in Lakhs, except share data)

### 31 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.

#### i) Product information

Revenue

	For the year ended	
	31 March 2019	31 March 2018
Crop protection	202,873	192,802
Seeds	87,794	77,337
Others	846	1,664
<b>Total</b>	<b>291,513</b>	<b>271,803</b>

#### 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 2019	31 March 2018	31 March 2019	31 March 2018
India	226,293	212,221	26,208	32,263
Rest of the world (Asian countries)	65,220	59,582	-	-
<b>Total</b>	<b>291,513</b>	<b>271,803</b>	<b>26,208</b>	<b>32,263</b>

\* Non-current assets exclude financial assets and deferred tax assets.

#### iii) Major customer

Revenue from one customer of the Company's single reportable segment is INR 52,344 Lakhs (31 March 2018 INR 50,871 Lakhs) which is more than 10% of the Company's total revenue.

### 32 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 2019	31 March 2018
Within one year	4,115	3,306
Between one and five years	4,904	5,564
More than five years	36	257



## Notes to financial statements as at 31 March 2019 (continued) (Currency: Indian Rupees in Lakhs, except share data)

- b. Rental expenses for operating leases recognized in the statement of profit and loss for the year ended 31 March 2019 amounts to INR 6,222 Lakhs (31 March 2018 : INR 5,068 Lakhs).

### 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 27 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 2019	31 March 2018
Within one year	316	313
Between one and five years	1,278	1,594
More than five years	7,052	7,052

- b. Amount recognized as investment property rentals against this lease arrangement is INR 313 Lakhs (31 March 2018 : INR 310 Lakhs) has been included in other income.

### 33 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 517 Lakhs (31 March 2018 INR 491 Lakhs).
- b) For commitments relating to lease arrangements, refer note 33.

### 34 Contingent liabilities

	As at	
	31 March 2019	31 March 2018
<b>a) Claims against the Company not acknowledged as debts</b>		
Excise duty in relation to classification and CENVAT credit matters etc.	11,508	13,955
Customs duty in relation to classification matter	50	50
VAT/GST in relation to classification and concessional declarations etc.	7,442	5,852
Income Tax in relation to Transfer Pricing and Corporate Tax matters	618	4,013
Trade demands	867	833

- b) In February 2019, the honourable Supreme Court of India in its judgment clarified that certain special allowances should be considered to measure obligations under Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (the PF Act). The Company believes that there are interpretative challenges on the application of judgment retrospectively.. Due to imperative challenges, the Company has not disclosed contingent liability amount for past liability.

**Notes to financial statements as at 31 March 2019** (continued)  
(Currency: Indian Rupees in Lakhs, except share data)

**35 Details of dues to Micro, Small And Medium enterprises as defined under the MSMED Act, 2006**

	As at	
	31 March 2019	31 March 2018
<b>The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the year.</b>		
Principal amount due to micro and small enterprises	712	273
Interest due on above	1	1
	<b>713</b>	<b>274</b>
<b>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</b>		
Payments made to suppliers beyond the appointed date	7,549	3,290
Interest paid on above	-	-
<b>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</b>	86	47
The amount of interest accrued and remaining unpaid at the end of each accounting year		
Financial Year 2014-15	-	54
Financial Year 2015-16	-	40
Financial Year 2016-17	-	36
Financial Year 2017-18	-	48
Financial Year 2018-19	87	-
<b>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</b>	87	178

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.



## Notes to financial statements as at 31 March 2019 (continued) (Currency: Indian Rupees in Lakhs, except share data)

### 36 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 908 Lakhs (31 March 2018 : INR 943 Lakhs).

The Company in pursuance of its Corporate Social Responsibility Policy has spent INR 1,019 Lakhs (31 March 2018 INR 1,053 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.

**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 2019	31 March 2018
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>RO plants under local community development programme.</p> <p>I-CLEAN project under local community development programme in Shivamogga Dist.</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>	309	283
Eradicating hunger and poverty	<p>Disaster Relief during flood and fire incident - supply of food, clothing, drinking water etc. in East Champaran Bihar.</p> <p>Collaboration with Government of Maharashtra under VSTF (Village Social Transformation Foundation) project.</p> <p>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.</p>	315	82

**Notes to financial statements as at 31 March 2019** (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 2019	31 March 2018
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	<p>Solar electrification project in Pali and Jodhpur in Rajasthan.</p> <p>Irrigation project through HoseReel machine irrigation technology. Drip and Lift irrigation.</p> <p>Jalyukt Shivar Abhiyaan - Desilting of the river bed of Amna River at Deulgaon raja.</p> <p>Tree plantation activities</p> <p>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.</p>	151	496
Promotion of Education	<p>Syngenta Scholarships, support schools to develop science laboratories, library facility, sports facility, furniture etc.</p> <p>"Education support to schools under local community development – Benches &amp; Desks, Computer and projector, school repair etc. Vocational skill training - Tailoring skill training to women".</p> <p>"Syngenta Me &amp; 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. Awareness on child labour and chemical safety Importance of education and support children with educational materials."</p>	92	25
Promoting Preventive healthcare.	<p>Health and Safety programmes for farmers through training, mobile health van, doctors training programme and PPE kits.</p> <p>Health camps and eye camps under local community development programme.</p> <p>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.</p>	152	167
<b>Total</b>		<b>1,019</b>	<b>1,053</b>



## Notes to financial statements as at 31 March 2019 (continued) (Currency: Indian Rupees in Lakhs, except share data)

### 37 Other notes

#### 37.1 Divestment of Specified Seeds Business

The board of directors' of the Company at its meeting held on 28 February 2018 had approved sale/transfer of Company's seeds business pertaining to pearl millet, sorghum and fodder ("Divested Business") as a going concern on a slump sale basis. Consequent to this, Business Transfer Agreement (BTA) was signed with Crystal Crop Protection Limited ("the buyer") on 27 March 2018.

The transfer of divested business was subject to fulfilment of certain conditions precedents. Upon fulfilment of the same and receipt of the agreed sale consideration of INR 2,983 lakhs, the Company has transferred this business to the buyer on 19 April 2018. On the date of transfer, the carrying value of assets including the net working capital was INR 2,088 lakhs, resulting in net gain on transfer of INR 2,770 lakhs which has been recognized in the statement of profit and loss for the year ended on 31 March 2019.

The additional consideration of INR 1,875 lakhs towards net working capital was received by 28 November 2018.

#### 37.2 Divestment of Specified Crop Protection Products

In compliance of the Competition Commission of India's ("CCI") order received by China National Chemical Corporation (the ultimate holding company), the Company is required to divest certain crop protection products to independent third party/ies. The board of directors' of the Company at its meeting held on 4 August 2018 has approved divestment of such products. Upon approval of the terms and conditions of the Asset Transfer Agreement ("ATA") by the CCI, the Company has taken appropriate action for execution of the said ATA.

The transfer of divested business was subject to fulfilment of certain conditions precedents. Upon fulfilment of the same and receipt of the agreed sale consideration of INR 17,714 lakhs, the Company has transferred this business to the buyer on 03 January 2019. The said transfer has resulted into net gain of INR 17,647 lakhs and same has been recognized in the statement of profit and loss for the year ended on 31 March 2019.

#### 37.3 Reduction of the equity share capital of the Company

The board of directors' of the Company at its meeting held on 1 November 2017 had approved a proposal for the reduction of issued, subscribed and paid-up equity share capital of the Company from INR 1,647 Lakhs to INR 1,588 Lakhs by way of cancelling and extinguishing 11,81,036 fully paid up equity shares of INR 5 each, of the Company held by the public shareholders in accordance with Section 66 of the Companies Act, 2013 and the rules made thereunder. The said capital reduction is subject to an approval of the same by the National Company Law Tribunal ("NCLT").

Subsequent to the approval of the proposal for reduction of the equity share capital by the shareholders in the extra-ordinary General Meeting of the Company held on 8 December 2017, a petition (Company Petition No. 771 of 2017) was filed with the Mumbai Bench of NCLT on 13 December 2017. The hearing before NCLT has been concluded and NCLT has reserved the petition for order as per their order dated 3 April 2019.

## Notes to financial statements as at 31 March 2019 (continued) (Currency: Indian Rupees in Lakhs, except share data)

### 38. Ind AS 115 - Revenue from contracts with customers

#### The effect of adoption of Ind AS 115 is as follows:

Effective April 1, 2018, the Company adopted Ind AS 115 - Revenue from Contracts with Customers using the modified retrospective method, applied to contracts that were not completed as of April 1, 2018. In accordance with the cumulative catch-up transition method, the comparative information has not been reinstated. There is no impact on retained earnings as at April 1, 2018.

#### Changes in the timing of recognition:

There is no impact on the timing of recognition of Revenue on adoption of Ind AS 115 for the Company.

The following tables present the amounts by which each financial statement line item is affected in the Opening Balance Sheet as at 1 April 2018 by the application of Ind AS 115. Line items that were not affected by the changes have not been included. As a result, sub-totals and totals disclosed cannot be recalculated from the numbers provided.

#### Impact on the statement of financial position:

As at 1 April 2018	Note reference	As at 31 March 2018 Under Ind AS 18	Adjustments	As at April 1, 2018 Under Ind AS 115
<b>Current assets</b>				
Trade receivables	a	43,739	5,344	49,083
Other current assets	a	41,164	3,071	44,235
Inventories	a	107,854	(3,071)	104,783
<b>Total current assets</b>		<b>310,375</b>	<b>5,344</b>	<b>315,719</b>
<b>Current liabilities</b>				
Current provisions	b	20,582	(18,897)	1,685
Other current liabilities	a, b, c	6,799	28,376	35,175
Deferred income	b	4,135	(4,135)	-
<b>Total current liabilities</b>		<b>66,481</b>	<b>5,344</b>	<b>71,825</b>



## Notes to financial statements as at 31 March 2019 (continued)

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

### 38. Ind AS 115 - Revenue from contracts with customers (continued)

The following tables present the reconciliation between Ind AS 115 and Ind AS 18 for each financial statement line item affected by application of Ind AS 115. Line items that were not affected by the changes have not been included. As a result, sub-totals and totals disclosed cannot be recalculated from the numbers provided.

#### Impact on the statement of financial position:

As at 31 March 2019	Note reference	As at 31 March 2019 Under Ind AS 115	Adjustments	Amounts without adoption of Ind AS 115
<b>Current assets</b>				
Trade receivables	a	62,788	(16,777)	46,011
Other current assets	a	37,058	(9,878)	27,180
Inventories	a	95,595	9,878	105,473
<b>Total current assets</b>		<b>430,131</b>	<b>(16,777)</b>	<b>413,354</b>
<b>Current liabilities</b>				
Current provisions	b	3,878	30,495	34,373
Other current liabilities	a, b, c	58,705	(50,506)	8,199
Deferred income	b	-	3,234	3,234
<b>Total current liabilities</b>		<b>134,187</b>	<b>(16,777)</b>	<b>117,410</b>

#### Impact on the statement of profit or loss:

For the year ended 31 March 2019	Note reference	Year ended 31 March 2019 Under Ind AS 115	Adjustments	Amounts without adoption of Ind AS 115
Revenue from operations	d	291,513	1,193	292,706
Other expenses	d	64,982	1,193	66,175
<b>Profit before tax (before exceptional items)</b>		<b>53,479</b>	<b>-</b>	<b>53,479</b>

#### Notes:

##### a) Anticipated sales return:

The Company recognises provision for anticipated sales return towards saleable returns. Ind AS 115 changes the presentation of provision for anticipated sales return within the Balance Sheet from net to gross basis. The right of return goods is disclosed in "Other current assets" [Refer Note 6] at the former carrying amount of saleable returns less expected costs to recover and potential impairment. The Refund Liabilities disclosed under "Other current liabilities" [Refer Note 15] represents amounts expected to be

## Notes to financial statements as at 31 March 2019 (continued) (Currency: Indian Rupees in Lakhs, except share data)

### 38. Ind AS 115 - Revenue from contracts with customers (continued)

refunded upon sales return. Prior to the adoption of Ind AS 115, the Company presented the anticipated sales returns on a net basis in Balance Sheet under "Trade receivables" [Refer Note 8] and related right to return goods under "Inventories" [Refer Note 7].

#### b) **Rebates / discounts and customer loyalty program:**

The Company recognises provision for customer loyalty program and rebates / discounts. Ind AS 115 changes the presentation of such provisions within the Balance Sheet. The Refund Liabilities disclosed under "Other current liabilities" [Refer Note 15] represents the expected future rebates and Contract Liabilities disclosed under "Other current liabilities" [Refer Note 15] represents the provision for customer loyalty points. Prior to the adoption of Ind AS 115, the Company presented provision for rebates under "Provisions" [Refer Note 12] and provision for customer loyalty program under "Deferred income".

#### c) **Advance consideration received from customers:**

The Contract Liabilities disclosed under "Other current liabilities" [Refer Note 15] represents advance consideration received from customers where the Company has an obligation to transfer the goods to customers. Prior to the adoption of Ind AS 115, the Company presented the advance consideration in Balance Sheet under "Other current liabilities" [Refer Note 15].

#### d) **Accounting for revenue on net basis:**

The Company arranges to provide transport services for supply of goods to customer's location whereby it acts as an agent for providing such services. The revenue recognised is the net amount of consideration that the Company retains after paying the other party the consideration received in exchange for the transport services to be provided by that party. Prior to the adoption of Ind AS 115, the Company presented the transport cost in Statement of Profit and Loss under "Other expenses" [Refer Note 25].

39. During the year, the Company has accrued the cost of INR 10,709 lakhs in respect of corporate service charges which includes amount of INR 5,332 lakhs towards services received during the period from 1 April 2017 to 31 March 2018. The Group initiated the discussions with the Company for this cost towards the end of 2018 and accordingly the agreement was entered into with Syngenta Crop Protection AG ('SCPAG') effective 1 April 2017 towards various corporate support services received such as Finance, Information Technology, Human Resource, Legal etc.

### 40. 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 2019 (continued) (Currency: Indian Rupees in Lakhs, except share data)

### 41. Immaterial revision of comparative prior year figure

Statutory dues as on 31 March 2019 has been appropriately presented under 'Other current liabilities'. Consequently, previous year comparative amounts have been correctly reclassified to 'Other current liabilities' from 'Other current financial liabilities'. The correction did not affect the accompanying statement of profit and loss, total Comprehensive Income and Cash Flow for the year ended on that date. In accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors, the Company evaluated the materiality of the revision from both quantitative and qualitative perspective and concluded that the revision was immaterial to the Company's prior period financial statements.

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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  
UDIN - 19103334AAAABX4880

Place: Pune  
Date: August 14, 2019

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

**Rafael Julio Del Rio**  
Managing Director  
DIN - 08105128

**Arundhati Kulkarni**  
Company Secretary

Place: Pune  
Date: August 14, 2019

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

**Notes to financial statements as at 31 March 2019** (continued)  
(Currency: Indian Rupees in Lakhs, except share data)

**Financials: Five years' highlights**

**Rs. Lakhs**

<b>Year</b>	<b>2018-19</b>	<b>2017-18</b>	<b>2016-17</b>	<b>2015-16</b>	<b>2014-15</b>
Sales	<b>2,91,513</b>	2,71,803	2,87,356	2,92,736	2,90,475
Other income	<b>21,641</b>	16,869	13,066	9,197	10,589
Total income	<b>3,13,154</b>	2,88,672	3,00,422	3,01,933	3,01,064
Profit before tax	<b>73,897</b>	44,003	45,087	46,519	47,086
Provision for tax	<b>23,545</b>	15,724	16,254	14,854	7,043
Profit after tax (excluding other comprehensive income)	<b>50,352</b>	28,279	28,833	31,665	40,043
Dividend (including distribution tax)	<b>1,986</b>	1,982	1,982	1,982	1,982
Dividend percentage	<b>100</b>	100	100	100	100
Share capital	<b>1,647</b>	1,647	1,647	1,647	1,647
Reserves/Surplus (excluding capital reserves)	<b>3,24,997</b>	2,76,570	2,50,660	2,24,100	1,94,105
Net worth (excluding capital reserves)	<b>3,26,645</b>	2,78,217	2,52,307	2,25,747	1,95,752
Capital employed - a	<b>3,26,645</b>	2,78,217	2,52,307	2,25,747	1,95,752
ROCE (percentage) - b	<b>15.41</b>	10.16	11.43	14.03	20.46
RONW (percentage) - c	<b>15.41</b>	10.16	11.43	14.03	20.46
EPS (Rs.)	<b>152.84</b>	85.84	87.52	96.12	121.56

**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 (if any)

b = Return on Capital Employed is profit after tax as a percentage of capital employed

c = Return on Net Worth is profit after tax as a percentage of net worth

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# SYNGENTA INDIA LIMITED

Registered Office: Amar Paradigm, S.N. 110/11/3 Baner Road, Pune 411 045  
Tel No. 020 30699206, Fax No. 020 30699480, website: [www.syngenta.com](http://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 Twentieth Annual General Meeting of the Company, to be held on Friday, September 27, 2019 at 11.00 a.m. at The Orchid Hotel, adjacent to Chhatrapati Shivaji Sports Complex, Pune-Bangalore Highway, Balewadi, Pune – 411045 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions
<b>ORDINARY BUSINESS</b>	
1.	Adoption of Audited Financial Statements, Directors' Report and Auditors' Report for the year ended March 31, 2019
2.	Declaration of dividend on equity shares of the Company
3.	Re-appointment of Mr. Narendra Kulkarni (DIN : 07138608), who retires by rotation and being eligible, offers himself for re-appointment
4.	Re-appointment of Mr. Prakash Apte (DIN : 00196106), who retires by rotation and being eligible, offers himself for re-appointment
5.	Re-Appointment of M/s B S R & Associates, Chartered Accountant as Statutory Auditor from the conclusion of this 20 <sup>th</sup> AGM to the conclusion of 25 <sup>th</sup> AGM and to fix their remuneration
<b>SPECIAL BUSINESS</b>	
6.	Appointment of Ms. Jaya Kumari (DIN : 08394373) as an Additional Director of the Company
7.	Appointment of Ms. Jaya Kumari (DIN : 08394373) as Whole time Director of the Company for the period commencing from March 20, 2019 to March 19, 2022
8.	Ratification of remuneration of M/s. Dhananjay V. Joshi and Associates, Cost Accountants For Financial Year 2019-20

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2019

Signature of Shareholder \_\_\_\_\_

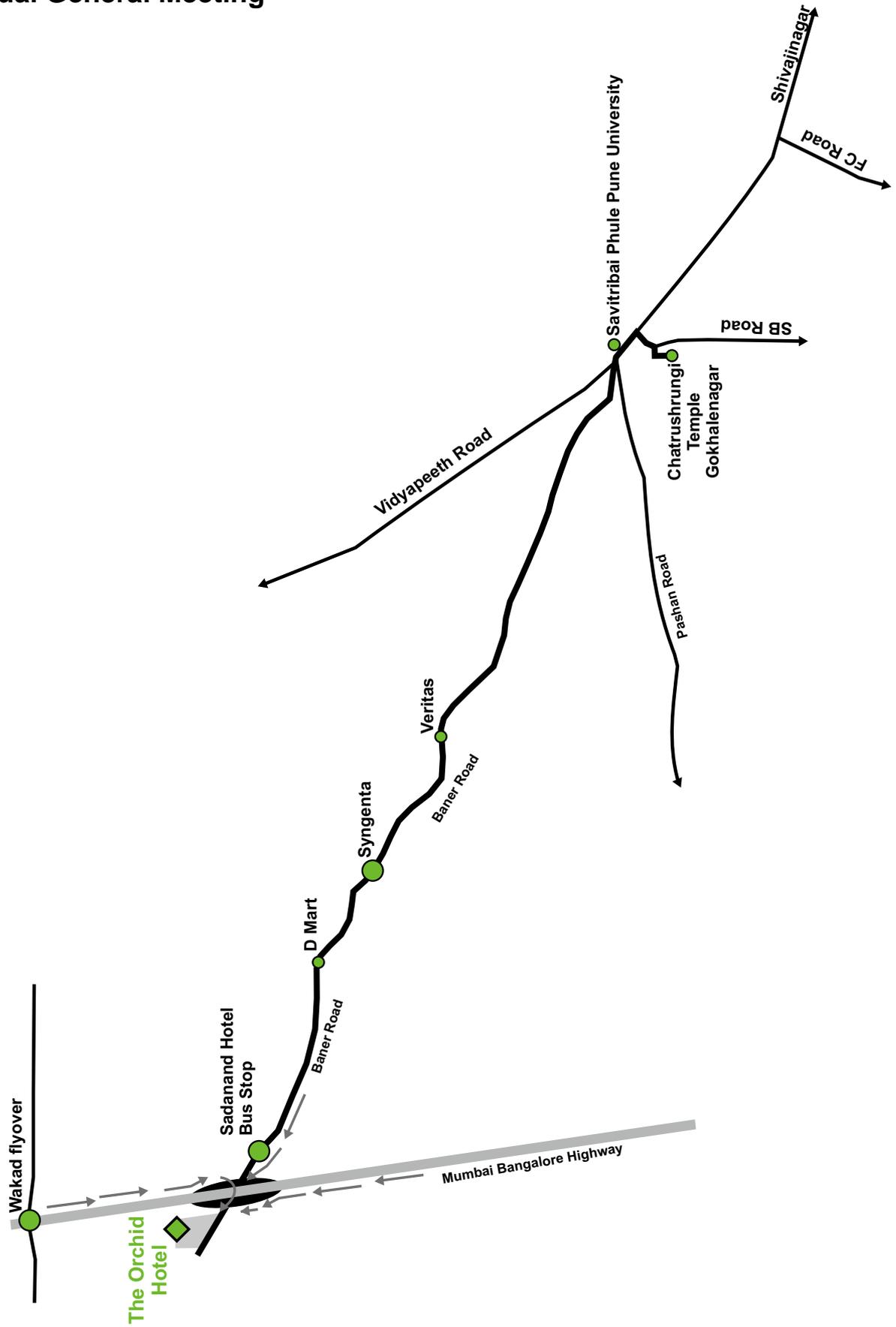
Signature of Proxy holder(s) \_\_\_\_\_

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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# Some Glimpses



Registered Office  
Syngenta India Limited  
Amar Paradigm, S. No. 110/11/3,  
Baner Road, Pune - 411 045.  
[www.syngenta.co.in](http://www.syngenta.co.in)

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