



# INDIA PESTICIDES LIMITED

CIN: U24112UP1984PLC006894

Corporate Office: Water Works Road, Aishbagh, Lucknow-226004

Regd. Office: Swarup Bhawan, 35-A, Civil Lines, Bareilly-243001





## India Pesticides Limited

(An ISO 9001:2008 CHSAS 19001:2007, ISO 14001:2004, & A GMP Certified Company)

CIN: U24112UP1984PLC006894

Corporate Office: Water Works Road, Aishbagh, Lucknow-226004

Regd. Office: Swarup Bhawan, 35-A, Civil Lines, Bareilly-243001

e-mail [id-investor@indiapesticideslimited.com](mailto:id-investor@indiapesticideslimited.com)

[info@indiapesticideslimited.com](mailto:info@indiapesticideslimited.com)

website: [www.indiapesticideslimited.com](http://www.indiapesticideslimited.com)

### CORPORATE DETAILS

#### BOARD OF DIRECTORS

##### CHAIRMAN AND NON-EXECUTIVE DIRECTOR

Mr. Anand Swarup Agarwal

##### WHOLE-TIME DIRECTOR

Mr. Rajendra Singh Sharma

##### NON-EXECUTIVE DIRECTORS

Mr. Mohan Vasant Tanksale (Independent)

Dr. Madhu Dikshit (Independent)

Mr. Adesh Kumar Gupta (Independent)

Mr. Rahul Arun Bagaria (Non Independent)

##### CHIEF EXECUTIVE OFFICER

Mr. Dheeraj Kumar Jain

##### CHIEF FINANCIAL OFFICER

Mr. Satya Prakash Gupta

##### COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Ajeet Pandey

##### COMMITTEES OF THE BOARD

###### AUDIT COMMITTEE

Mr. Mohan Vasant Tanksale, Chairman;

Mr. Adesh Kumar Gupta; and

Mr. Rahul Arun Bagaria.

###### Nomination and Remuneration Committee

Mr. Adesh Kumar Gupta, Chairman;

Dr. Madhu Dikshit; and

Mr. Rahul Arun Bagaria

###### Stakeholders' Relationship Committee

Mr. Anand Swarup Agarwal, Chairman;

Mr. Rajendra Singh Sharma; and

Mr. Adesh Kumar Gupta

###### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Mohan Vasant Tanksale, Chairman;

Mr. Anand Swarup Agarwal; and

Mr. Rajendra Singh Sharma.

###### RISK MANAGEMENT COMMITTEE

Dr. Madhu Dikshit, Chairman,

Mr. Anand Swarup Agarwal,

Mr. Adesh Kumar Gupta,

Mr. Dheeraj Kumar Jain; and

Mr. Satya Prakash Gupta

#### REGISTERED OFFICE

35-A, Civil Lines, Bareilly – 243 001,

Uttar Pradesh, India. Tel:+91 05812567459

#### CORPORATE OFFICE

Swarup Cold Storage Compound,

Water Works Road, Aishbagh, Lucknow – 226 004,

Uttar Pradesh, India. Tel: +91 0522 2653602

Website:[www.indiapesticideslimited.com](http://www.indiapesticideslimited.com)

Email Id:- [info@indiapesticideslimited.com](mailto:info@indiapesticideslimited.com)

#### MANUFACTURING FACILITIES

At UPSIDC Industrial Area, Uttar Pradesh, India:

Dewa Road, District Lucknow

Sandila, District Hardoi

#### STATUTORY AUDITORS

Lodha & Co.

Mumbai, Maharashtra, India

#### COST AUDITORS

Manoj Mishra & Associates,

Lucknow, Uttar Pradesh, India

#### SECRETARIAL AUDITORS

GSK & Associates, Company Secretaries,

Kanpur, Uttar Pradesh, India

#### INTERNAL AUDITORS

M/s. Ashok K Agarwal & Associates, Chartered

Accountants, Lucknow, Uttar Pradesh, India

#### BANKERS

##### Bank of India

278/81, Chandra Nagari Aishbagh Road

Lucknow 226 004 Tel: +91 8189001651

E-mail: [aishbagh.lucknow@bankofindia.co.in](mailto:aishbagh.lucknow@bankofindia.co.in)

Website: [www.bankofindia.co.in](http://www.bankofindia.co.in)

##### State Bank of India

Commercial Branch Lucknow 6A Way Road, Gokhle

Marg UP Lucknow 226 001 Tel: + 91 522 2205548

E-mail: [sbi.04166@sbi.co.in](mailto:sbi.04166@sbi.co.in)

Website: [www.onlinesbi.com](http://www.onlinesbi.com) State Bank of India

#### REGISTRAR AND SHARE TRANSFER AGENT

KFin Technologies Pvt. Ltd;

Selenium Tower B, Plot 31 & 32, Financial District,

Nanakramguda, Serilingampally Mandal, Hyderabad-  
500 032, Telangana.

[einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) / [www.kfintech.com](http://www.kfintech.com)



# INDIA PESTICIDES LIMITED

CIN: U24112UP1984PLC006894

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e-mail id-sp.gupta@indiapesticideslimited.com

website: www.indiapesticideslimited.com

## NOTICE

Notice is hereby given that 36<sup>th</sup> Annual General Meeting of India Pesticides Limited will be held at a shorter notice on **Monday, 31<sup>st</sup> day of May, 2021 at 04:30 P.M.** at corporate office **Waterworks Road, Swarup Cold Storage, Aishbagh, Lucknow- 226004 Uttar Pradesh** to transact the following businesses at shorter consent:

### ORDINARY BUSINESSES:

1. To receive, consider and adopt the Standalone and Consolidated Audited Balance Sheet as at March 31, 2021 and the Statement of Profit and Loss for the year ended on that date together with the Reports of Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Anand Swarup Agarwal, Chairman and Non-Executive Director (DIN: 00777581), who retires by rotation and being eligible offers himself for re-appointment.
3. To declare a dividend of Rs. 0.32/- per equity share of face value of ` 1/- each for the financial year ended March 31, 2021

### SPECIAL BUSINESSES:

#### **Item No. 4:**

#### **Increase in Remuneration of the Whole-Time Director.**

To consider, and if thought fit, to pass with or without modification(s), the following resolutions as **Special Resolution:**

“**RESOLVED THAT** subject to the provisions of Section 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the recommendation of the Nomination and Remuneration Committee, approval of the members be and is hereby accorded for increase in the remuneration of Mr. Rajendra Singh Sharma, Whole Time Director of the Company and authority be given to Board of Directors to alter and vary the terms and conditions of the remuneration from time to time within the scope of Schedule V of the Companies Act, 2013, or any amendments thereto or any re-enactment thereof as may be agreed to between the Board of Directors and Mr. Rajendra Singh Sharma.

#### Remuneration:

1. Consolidated salary @ Rs 60792/- per month
2. 10% Annual Salary Increase every year

**RESOLVED FURTHER THAT** Board of Directors be and are hereby authorized to take such steps as may be necessary, desirable or expedient to give effect to this resolution.”



**Item No. 5:**

**To increase in borrowing limits under Section 180 (1) (c) of the Companies Act 2013.**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

**“RESOLVED THAT** in supersession of earlier resolution passed in this regard and pursuant to the provisions of Section 180 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) and re-enactment (s) thereof for the time being in force), and pursuant to the provisions of the Articles of Association of the Company, approval of the members be and is hereby accorded, that the Board of Directors (hereinafter referred to as the “Board” which term shall include any committee thereof for the time being exercising the powers conferred on the Board by this Resolution) be and are hereby authorised to borrow, from time to time, any sum or sums of money at their discretion from the financial institutions, bankers and/or from any person/s, firms, body/ies corporate whether by way of loans, advances, deposits, bill discounting, issue of debentures, bonds or any other financial instruments or otherwise and whether secured or unsecured, as may be required for the purposes of the business of the Company, which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital, free reserves and Securities Premium of the Company (that is to say reserves not set apart for any specific purpose) provided that the total amount so borrowed by the Board shall not at any time exceed Rs. 500 Crores (Rupees Five Hundred Crores only).

**RESOLVED FURTHER THAT** the Board of Directors of the Company and/or Mr. Ajeet Pandey, Company Secretary of the Company be and is hereby severally authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required to give effect to this Resolution.”

**Item No. 6:**

**Creation of Charges on the movable and immovable properties of the Company under Section 180(1) (a) of the Companies Act, 2013 both present and future, in respect of borrowings.**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

**RESOLVED THAT** in supersession of earlier resolution passed in this regard and pursuant to the provisions of Section 180 (1) (a) and any other provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) and re-enactment (s) thereof for the time being in force), and pursuant to the provisions of the Articles of Association of the Company, the approval of the members be and is hereby accorded to authorise the Board of Directors of the Company to create such charges, mortgages and hypothecations as may be necessary on such of the assets of the Company, both present and future, by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any committee thereof for the time being exercising the powers conferred on the Board by this Resolution) in such manner as the Board/Committee of the Board may direct in favour of financial institutions, investment institutions and their subsidiaries, banks, mutual funds, trusts, other bodies corporate (hereinafter referred to as the "Lending Agencies") and Trustees for the holders of debentures/bonds and/or other instruments which may be issued on private placement basis, to secure debentures, bonds and other instruments of an outstanding aggregate value not exceeding Rs. 500 Crores (Rupees Five Hundred Crores only) together with interest thereon at the agreed rates, further interest, liquidated damages, premium on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company to the Trustees under the Trust Deed and to the Lending Agencies under their respective Agreements / Debenture Trust Deeds entered / to be entered into by the Company in respect of the said borrowing.



**RESOLVED FURTHER THAT** the Board be and is hereby authorized to finalize with the lender/debenture trustees, etc., the documents for creating the aforesaid mortgages, charges and/or hypothecations and to accept any modifications to, or to modify, alter or vary, the terms and conditions of the aforesaid documents and to do all such acts and things and to execute all such documents as may be necessary for giving effect to this Resolution.

**Item No. 7:**

**To approve Inter corporate loans and investments or guarantee or security in excess of the prescribed limits under Section 186 of the Companies Act 2013.**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** in supersession of earlier resolution passed in this regard and pursuant to the provisions of Section 186 of the Companies Act, 2013 and rules made thereunder and such other provisions as may be applicable, if any, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) the approval of the members be and is hereby accorded to authorise the Board of Directors of the Company to agree to at its discretion to give loan(s) and/or give any guarantee(s)/provide any security(ies) in connection with loan(s) made to and to make investments in shares, debentures and/or any other securities of other body corporates, whether Indian or overseas and/or in various schemes of Mutual Funds or such other funds, in their absolute discretion deem beneficial and in the interest of the Company in excess of 60% of the paid up Share Capital and Free Reserves and Securities Premium of the Company or 100% of Free Reserves and Securities Premium of the Company whichever is more, as prescribed under Section 186 of the Companies Act, 2013 from time to time, in one or more tranches, up to maximum amount of Rs. 500/- Crores (Rupees Five Hundred Crores only).”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company and/or Mr. Ajeet Pandey Company Secretary of the Company be and is hereby severally authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required to give effect to this Resolution.”

By the order of the Board  
**For India Pesticides Limited**

**Ajeet Pandey**  
**Company Secretary and**  
**Compliance Officer**  
**Membership No.: 42500**  
**Address: Swarup Cold Storage,**  
**Water Works Road,**  
**Aishbagh, Lucknow-226004**

**Date: 25.05.2021**  
**Place: Lucknow**



**NOTES:**

- 1. THE EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013 IN RESPECT OF ORDINARY AND SPECIAL RESOLUTIONS SET ABOVE IS ANNEXED HERETO.**
- 2. RELEVANT DOCUMENTS WITH RESPECT TO BUSINESS TRANSACTIONS CAN BE INSPECTED AT REGISTERED OFFICE OF THE COMPANY.**
- 3. A PERSON ENTITLED TO ATTEND THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING INSTEAD OF HIMSELF. A PROXY NEED NOT TO BE A MEMBER OF THE COMPANY.**
- 4. PROXY FORM IN ORDER TO BE VALID MUST BE LODGED WITH THE COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
- 5. SHORTER NOTICE CONSENT HAS BEEN RECEIVED FROM ALL THE SHAREHOLDERS OF THE COMPANY TO CONVENE THE MEETING AT A SHORTER NOTICE.**
- 6. BODY CORPORATE MEMBERS INTENDING TO SEND THEIR AUTHORIZED REPRESENTATIVE(S) TO ATTEND THE ANNUAL GENERAL MEETING ARE REQUESTED TO FORWARD A CERTIFIED COPY OF BOARD RESOLUTION AUTHORIZING THEIR REPRESENTATIVE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING EITHER TO THE COMPANY IN ADVANCE OR SUBMIT THE SAME AT THE VENUE OF THE GENERAL MEETING.**
- 7. AT THE ENSUING ANNUAL GENERAL MEETING, MR ANAND SWARUP AGARWAL CHAIRMAN AND NON EXECUTIVE DIRECTOR OF THE COMPANY RETIRE BY ROTATION AND BEING ELIGIBLE, OFFER THEMSELVES FOR RE-APPOINTMENT**
- 8. RECORD DATE IS 21.05.2021**
- 9. ROUTE MAP: ATTACHED**



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e-mail id-sp.gupta@indiapesticideslimited.com

website: www.indiapesticideslimited.com

### **Explanatory Statement**

**[pursuant to Section 102 of Companies Act, 2013]**

#### **Item No. 4**

In view of the contribution and ongoing efforts of Mr. Rajendra Singh Sharma, Whole Time Director of the Company, the Nomination and Remuneration Committee at its meeting, recommended to Board of Directors of the Company to increase the remuneration of Director in the manner as provided in the proposed resolution.

The proposed remuneration is towards his able guidance and a service provided to the Company and is well within the limits prescribed under Schedule V of The Companies Act, 2013.

The present proposal requires approval of Shareholders of the company by way of Special Resolution. None of the Directors, except Mr. Rajendra Singh Sharma himself is interested in this resolution.

#### **Details of Director are as under:**

<b>Name</b>	Rajendra Singh Sharma
<b>Age</b>	76 years
<b>Date of Appointment</b>	10.06.1998
<b>Qualification</b>	B.Sc. in Agriculture
<b>Experience and Expertise in specific functional areas</b>	Mr. Rajendra Singh Sharma is having 46 Years of experience in field of Pesticides
<b>List of other Public Limited Companies in which directorships held.</b>	Anand Herbal Limited Shalvis Specialities Limited
<b>No- Of Equity Shares held in the Company</b>	Nil
<b>Relationship with other Directors, Manager and Key Managerial Personnel</b>	None

The Directors recommend the Item No. 4 of the Notice for consent and approval by the shareholders.

#### **Item No. 5 & 6**

In accordance with the provisions of Section 180(1) (c) of the Companies Act, 2013, a Company can borrow monies exceeding the aggregate of its paid share up capital, free reserves and securities premium (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) with the approval of Members of the Company by way of a Special Resolution.

The members of the Company at its Annual General Meeting, held on September 30, 2015 had approved the overall limit of Rs. 125/- Crores for borrowing which is in excess of the paid-up share capital of the Company, free reserves and securities premium of the Company under Section 180 of the Companies Act 2013.



Considering the requirements of the additional funds that may be needed in future from time to time for business purpose and the proposed initial public offer of the Company, it is imperative to increase the said limit from Rs. 125 crores to Rs. 500 crores, to enable the Company to evaluate the appropriate borrowing alternatives to meet the funding requirements, as aforesaid, approval of members is being sought to borrow money up to Rs. 500 Crores (Rupees Five hundred Crores only) (which includes the money already borrowed and money to be borrowed) which is in excess of the aggregate of the paid up share capital, free reserves and securities premium of the Company.

In view of the resolutions relating to borrowing powers as stated in Resolution No.5 & 6, the Company may have to create further charges/ mortgages/hypothecation in favour of the lenders/debenture trustees. Therefore, a resolution enabling the Directors to create charges/mortgages/hypothecation on the movable/immovable properties of the Company to the extent of Rs. 500 Crores (Rupees Five hundred Crores only) is proposed.

Since the invocation of security / mortgage by the lender/debenture trustees may be regarded as a disposal of the undertaking by the Company in favour of the Institutions / Banks, in accordance with the provisions of Section 180(1) (a) of the Companies Act, 2013, it is necessary to obtain approval of the Members by means of a Special Resolution, to enable the Board of Directors of the Company to create charge/mortgage/hypothecation on the Company's assets, both present and future, in favour of the lenders/trustees for the holders of debentures/bonds, to secure the repayment of moneys borrowed by the Company (including temporary loans obtained from the Company's Bankers in the ordinary course of business).

The approval of the Members for the said borrowings and charges/ mortgages/hypothecation for the said borrowing is therefore now being sought, by way of Special Resolutions, pursuant to Section 180(1)(c) and 180(1)(a) of the Companies Act, 2013 respectively.

The Directors recommend the Resolutions No.5 and 6 of the accompanying Notice for the approval of the Members of the Company.

None of the Directors or Key Managerial Personnel of the Company or any of their relatives has or shall have any concern or interest as when the Board of Directors shall exercise such powers.

The Board of Directors believe that casting of your consent as sought is in the interest of the Company and, therefore, recommends the Resolution for approval of members.

#### **Item No. 7**

As per the provisions of Section 186 of the Companies Act, 2013, no company shall directly or indirectly (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more.

Where such giving of any loan or guarantee or providing any security or the acquisition exceeds the limits specified, under Section 186 of the Companies Act, 2013 prior approval by means of a special resolution passed at a general meeting is necessary.

The members of the Company at its Annual General Meeting, held on September 30, 2015 had approved the overall limit of Rs. 20/- Crores under Section 186 of the Companies Act 2013.





During the course of business the Company has to make loan, issue guarantee or make investment in its subsidiaries, group companies and / or other bodies corporate and considering the issue proceeds of the proposed initial public offer of the company, it is imperative to obtain approval of the shareholders by means of a Special Resolution for the authorizing the Board to exercise aforesaid powers as prescribed under Section 186 of the Companies Act, 2013 from time to time, in one or more tranches, up to maximum limit of Rs. 500 Crores (Five Hundred Crores Only)

The Directors recommend the Item No. 7 of the Notice for consent and approval by the shareholders.

None of the Directors or Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, financially or otherwise, in these Resolutions.

The Board of Directors believe that casting of your consent as sought is in the interest of the Company and, therefore, recommends the Resolution for approval of members.

By the order of the Board

**For India Pesticides Limited**

**Ajeet Pandey**  
**Company Secretary and**  
**Compliance Officer**  
**Membership No.: 42500**  
**Address: Swarup Cold Storage,**  
**Water Works Road,**  
**Aishbagh, Lucknow-226004**

**Date: 25.05.2021**

**Place: Lucknow**



**Information of directors to be re-appointed at the forthcoming Annual General Meeting pursuant to Regulation 36(3) (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance with the provisions of Companies Act, 2013 read with Secretarial Standard -2**

Name	Mr. Anand Swarup Agarwal
Designation	Chairman and Non-Executive Director
Date of Birth	23.01.1945
Age	76 years
Qualifications	Bachelor's Degree in Law from University of Lucknow
Experience	35 years
Remuneration last drawn	Being Non- Executive Director of the Company, no remuneration has been drawn by Mr. Anand Swarup Agarwal, apart from sitting fee.
Nationality	Indian
Expertise in specific functional area	He has over 35 years of experience in agrochemical manufacturing area
Date of first appointment on the Board of the Company	10.09.2020
No. of Equity Shares held in the Company	4,47,89,850
No. of Board meetings attended during the year	6
Relationship with other directors, . Manager and other KMP	Nil
Other Directorships, Membership/ Chairmanship of Committees of other Boards	Nil
Terms and conditions of appointment or re-appointment	Term: Two years Liable to retire by rotation and is eligible for re-appointment.



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website: www.indiapesticideslimited.com

## PROXY FORM

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 Annual General Meeting of the Company, to be held on Monday, 31<sup>st</sup> May, 2021 at 04:30 P.M. at corporate office of the Company at Swarup Cold Storage, Water Works Road, Aishbagh, Lucknow-226004 adjournment thereof in respect of such resolutions as are indicated below:

Resol ution No.	RESOLUTIONS	Optional *	
		For	Against
<b>Ordinary Business</b>			
1	Adoption of Annual Accounts for the year ended 31 <sup>st</sup> March, 2021		
2	Appoint a director in place of Mr. Anand Swarup Agarwal, who retires by rotation and being eligible offers himself for re-appointment.		
3.	To declare a dividend of Rs. 0.32/- per equity share of face value of ` 1/- each for the financial year ended March 31, 2021		
<b>Special Business</b>			
4.	Increase in Remuneration of Whole Time Director.		
5.	To increase in borrowing limits under Section 180 (1) (c) of the Companies Act 2013.		
6.	Creation of Charges on the movable and immovable properties of the Company under Section 180(1)(a) of the Companies Act, 2013 both present and future, in respect of borrowings.		
7.	To approve Inter corporate loans and investments or guarantee or security in excess of the prescribed limits under Section 186 of the Companies Act 2013.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2021

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

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



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**Note:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of Annual General Meeting.
3. \* It is optional to put a "✓" in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Please complete all details including details of member(s) in above box before submission.



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### ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint shareholders may obtain additional Slip at the venue of the meeting.

DP Id*	
Client Id*	

Folio No.	
No. of Shares	

NAME AND ADDRESS OF THE SHAREHOLDER:-

I hereby record my presence at the ANNUAL GENERAL MEETING of the Company to be held at corporate office Waterworks Road, Swarup Cold Storage, Aishbagh, Lucknow- 226004 Uttar Pradesh at 04:30 P.M. on 31<sup>st</sup> day of May, 2021.

Signature of Shareholder / Proxy

\*Applicable for investors holding shares in electronic form.

**Form No. MGT- 12****Polling Paper**

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1) (c) of the Companies (Management and Administration) Rules,2014]

**Name of the Company: India Pesticides Limited**  
**Registered Office: 35-A, Civil Lines Bareilly, Uttar Pradesh-243001**  
**Corporate Office: Water Work Road, Swarup Cold Storage Compound, Aishbagh Lucknow-226004 UP**  
**CIN: U24112UP1984LC006894**

**BALLOT PAPER**

S. No.	Particulars	Details
1.	Name of the first named Shareholder (In Block Letters)	
2.	Postal address	
3.	Registered Folio No./ *Client ID No. (*applicable to investors holding shares in dematerialized form)	
4.	Class of Share	Equity Shares

I hereby exercise my vote in respect of Ordinary/ Special Resolutions enumerated below by recording my assent or dissent to the said resolutions in the following manner:

No.	Item No.	No. of Shares held	I assent to the resolution	I dissent from the resolution
1.	To adopt Standalone and Consolidated Financial Statements of the Company including Report of Board of Directors and Auditors			
2.	To Reappoint Mr. Anand Swarup Agarwal			
3.	To Declare Dividend on Equity Shares			
4.	Increase in Remuneration to the Whole-Time Director			
5.	To increase in borrowing limits under Section 180 (1) (c) of the Companies Act 2013.			
6.	Creation of Charges on the movable and immovable properties of the Company under Section 180(1)(a) of the Companies Act, 2013 both present and future, in respect of borrowings.			
7.	To approve Inter corporate loans and investments or guarantee or security in excess of the prescribed limits under Section 186 of the Companies Act 2013.			

**Place:****Date:****(Signature of the shareholder\*)**

(\*as per Company records)

### MAP TO THE AGM VENUE





**INDIA PESTICIDES LIMITED**  
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**website: www.indiapesticideslimited.com**

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**BOARD'S REPORT**

To,  
The Members,  
**India Pesticides Limited**

The directors have pleasure in presenting their Annual Report of the Company together with the Audited accounts for the period ended on 31<sup>st</sup> March, 2021.

**Financial Results:**

**(All amount in Indian rupees million, unless otherwise stated)**

<b>Particulars</b>	<b>Standalone</b>		<b>Consolidated</b>
	<b>Current Year (for the Period 2020-21)</b>	<b>Previous (for the Period 2019-20)</b>	<b>Current Year (for the Period 2020-21)</b>
<i>Total Income</i>	6553.77	4897.27	6553.77
<i>Less-Expenditure during the year</i>	4658.44	3860.70	4658.7
<i>Profit/(Loss) before Depreciation, Interest &amp; tax</i>	1895.33	1036.57	1895.07
<i>Less- Depreciation</i>	61.35	50.69	61.35
<i>Less- Finance Cost</i>	34.33	52.18	34.33
<i>Less: Exceptional Items</i>			
<i>Profit/(Loss) after Depreciation, interest &amp; Before Tax</i>	1799.65	933.70	1799.39
<i>Less- Provision For Tax &amp; Adjustments</i>	454.21	225.86	454.12
<b>Net Profit/(Loss)</b>	<b>1345.44</b>	<b>707.83</b>	<b>1345.27</b>

**State of Company's Affairs**

During the Financial year, the Company has earned a net profit of Rs.1345.44millionasagainst previous year's profit of Rs. 707.83 million.

During the year, the Company has earned a consolidated net profit of Rs. 1345.27 million.





## **CHANGES IN STRUCTURE OF SHARE CAPITAL, IF ANY:**

### **During the Financial Year 2020-2021 the Company has Changed in Structure of Share Capital:-**

#### **Authorised Share Capital:-**

As per recommendation of the Board of Directors dated 10<sup>th</sup> December, 2020 and approval of the shareholders obtained in Annual general Meeting dated 21<sup>st</sup> December, 2020, Company has increased its Authorised Share Capital from Rs 3,50,00,000 to Rs 15,00,00,000.

#### **Split of shares:-**

As per recommendation of the Board of Directors dated 10<sup>th</sup> December, 2020 and approval of the shareholders obtained in Annual general Meeting dated 21<sup>st</sup> December, 2020, the Company has increased its existing authorised share capital to Rs. 15,00,00,000 consisting of 15,00,00,000 equity shares of face value of Rs.100 each. Further, the existing equity shares were split into 15,00,00,000 equity shares of face value of Rs.1 each by obtaining shareholders' approval in the Extra Ordinary General Meeting held on 28<sup>th</sup> December, 2020. Pursuant to the above resolution the existing issued, paid-up and subscribed paid up capital of the Company stands sub-divided to 31,832,500 equity shares of Re. 1 each.

#### **Bonus Issue**

As per recommendation of the Board of Directors dated 21<sup>st</sup> December, 2020 and approval of the shareholders dated 28<sup>th</sup> December, 2020, the Company has issued 7,95,81,250 bonus equity shares of face value of Rs. 1/- each in ratio of 2.5:1 (i.e. 5 (Five) Bonus Shares for every 2 (Two) Equity Share to the shareholders of the Company. the Company has allotted 79581250 Bonus equity shares to the exiting members on January 22, 2021.

#### **Preferential Allotment**

As per recommendation of the Board of Directors dated 23<sup>rd</sup> January, 2021 and approval of the shareholders dated 25<sup>th</sup> January, 2021, the Company has issued 3,71,380 equity shares of face value of Rs. 1/- each at a premium of Rs. 32.70/- on preferential basis to Mr. Arun Kishanlal Bagaria and Mrs. Madhu Arun Bagaria and allotted 1,85,690 equity shares to Mr. Arun Kishanlal Bagaria and 1,85,690 equity shared to Mrs. Madhu Arun Bagaria respectively on 28<sup>th</sup> January, 2021.

#### **Issued, Subscribed and Paid-up Share Capital: `**

Company Issued, Subscribed and Paid-up Share Capital as on March 31, 2021 is Rs. 111785130/- divided into 111785130 Equity Shares of Rs. 1/- each.

#### **Initial Public Offer ("IPO")**

The Board of Directors of the Company are pleased to inform that during the year under review, the Company has filed DRHP on 09.02.2021 with SEBI for its Initial Public Offer (IPO) with issue size of Rs. 800 Cr. and Initial Public Offering (IPO) of Company comprised of a fresh issue of Rs. 100 Cr. and an offer for sale of Rs. 700 Cr, by selling shareholders. The Company has received in principle Approvals from both BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") dated March 10, 2021 and March 18, 2021 respectively.

#### **Subsidiaries, Joint Ventures or Associate Companies**

Our Company has one Wholly Owned Subsidiary having name Shalvis Specialities Limited w.e.f. 18.01.2021. The Statement containing salient features of the financial statement of Subsidiaries/associate companies/joint ventures (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) is annexed AOC-1 as Annexure 1.



### **Shalvis Specialities Limited (“SSL”)**

SSL was incorporated on January 18, 2021 as a public company limited by shares under the Companies Act, 2013. Its corporate identification number is U24290UP2021PLC140490. It has its registered office at 35-A, Civil Lines, Bareilly 243001.

SSL is authorised to engage in the business of among other things, manufacture, production, formulation, sale and trade of all types of agricultural chemicals and pesticides under the objects clause of its memorandum of association.

### **Capital Structure of subsidiary**

The authorised share capital of SSL is Rs.10,000,000 divided into 1,000,000 equity shares of ₹10 each. The issued, subscribed and paid-up share capital of SSL is Rs. 8,000,000 divided into 800,000 equity shares of Rs. 10 each.

The Company has no Joint Venture or Associate Company.

### **Material Changes and Commitments during the Year**

There are no material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report during the year under review, as required under Section 134(3)(l) of the Companies Act, 2013.

### **Adequacy of Internal Financial Controls - Rule 8(5)(viii) of The Companies (Accounts) Rules, 2014**

The Company has, in all material respects, an adequate system of internal controls over financial reporting and such internal controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2021.

### **Change in the Nature of Business**

During the year, there was no material change in nature of business of the company.

### **Impact of COVID 19**

Financial Year 2020-21 has been challenging, particularly in later part of the year due to COVID-19 Outbreak. Our focus has been safety of our people, Protecting Supply Line, Supply demand, contributing the society & optimizing cost and cash.

The outbreak of COVID 19 pandemic globally and in India has severely impacted businesses and economies. There has been disruption to regular business operations due to the measures taken to curb the impact of the pandemic. The Company's plants, warehouses and offices were shut post announcement of nationwide lockdown. However, since manufacturing of pesticides was determined to be an essential industry, we were allowed to resume operations in a phased manner after second week of April 2020 and both of our facilities restarted operations, subject to certain adjustments in working patterns, social distancing measures and additional safety measures.

The Company has considered external and internal information in assessing the impact of COVID 19 on various elements of its financial statements, including recoverability of its assets as at the Balance Sheet date.

### **Extract of Annual Return**

The Extract of Annual Return as required under section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, in Form MGT-9 is annexed herewith for your kind perusal and information. (**Annexure: 2**) and is also available on the Company's website viz [www.indiapesticideslimited.com](http://www.indiapesticideslimited.com).



### **Dividend**

In the Financial year 20-21, board of directors on November 11, 2020 recommend a final dividend for the Financial year 19-20 and members approved at AGM dated 21.12.2020 for an amount of Rs. 35.02 Millions to its shareholders.

During the current financial year our Directors are pleased to recommend a Final Dividend on May 25, 2021 for an amount of Rs. 35.77 Millions to its shareholders for the Financial Year 2020-21. The dividend, if approved at the 36<sup>th</sup> Annual General Meeting (AGM), will be paid to those members whose names appear on the register of members of the company as on record date.

### **Dividend Distribution Policy**

The Company has adopted the Dividend Distribution Policy to determine the distribution of dividends in accordance with the provisions of applicable laws. The policy was adopted and effective from January 23, 2021. The Web-link for assessing the policy is <https://www.indiapesticideslimited.com/corporate-governance-polices/>

### **Reserves & Surplus**

Current Year's profit of Rs.1,345.44 million has been included under the head Retained Earnings during the year under review.

### **Directors & Key Managerial Personnel**

Term of Mr. Pranav Agarwal, Independent director of the company expired on 29.09.2020. He was appointed as Independent director for a term of 5 years. The Board has placed on record its appreciation for the valuable contribution made by him as Directors of the Company.

Mr. Anand Swarup Agarwal was appointed as an Additional Director of the Company on 10.09.2020 and was regularized as Chairman & Non-Executive Director of the Company in the Extra Ordinary General Meeting of the Company held on 06.10.2020.

Mr. Ajeet Pandey was appointed as Company Secretary and Compliance Officer w.e.f .01.10.2020.

Mr. Satya Prakash Gupta was appointed as Chief Financial Officer of the company w.e.f. 01.11.2020.

Mr. Kuruba Adeppa was appointed as an Additional Director of the Company on 10.12.2020 and was regularized as Wholetime Director of the Company in the Annual General Meeting of the Company held on 21.12.2020. He resigned on 08.02.2021 due to his inability to devote full time as a Wholetime Director in the Company. The Board recognizes valuable contribution made by him during his tenure as Directors of the Company.

Mr. Ashok Kumar Gupta and Mr. Govind Singh Mehta resigned from the Company on 10.12.2020. The Company acknowledges and values contribution made by them during their tenure.

Ms. Shweta Agarwal resigned from the Company on 21.12.2020. The Company acknowledges and values contribution made by her during her tenure.

Mr. Sanjay Khatau Asher was appointed as Independent Director of the Company on 21.12.2020 in the Annual General Meeting by the shareholders of the Company. He resigned on 08.02.2021 due to his inability to hold more directorships in the Company as he exceeded the number set by the law in which a person can be director or can hold chairmanship. The Board has placed on record its appreciation for the valuable contribution made by him as Directors of the Company.



Mr. Mohan Vasant Tanksale was appointed as Independent Director of the Company on 21.12.2020 in the Annual General Meeting by the shareholders of the Company.

Dr. Madhu Dikshit was appointed as Independent Director of the Company on 21.12.2020 in the Annual General Meeting by the shareholders of the Company.

Mr. Rahul Arun Bagaria was appointed as an Additional Director of the Company on 23.01.2021 and was regularized as Non-Executive Director of the Company in the Extra Ordinary General Meeting of the Company held on 25.01.2021.

Mr. Adesh Kumar Gupta was appointed as an Additional Director of the Company on 23.01.2021 and was regularized as Independent Director of the Company in the Extra Ordinary General Meeting of the Company held on 25.01.2021.

Mr. Dheeraj Kumar Jain was appointed as Chief Executive Officer of the Company on 23<sup>rd</sup> January, 2021 in the Board Meeting.

**Retirement by Rotation:-**

Mr. Anand Swarup Agarwal, Chairman and Non-Executive Director shall retire by Rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

**ANNUAL EVALUATION OF THE BOARD OF ITS OWN PERFORMANCE, ITS COMMITTEES AND INDIVIDUAL DIRECTORS (INCLUDING CHAIRMAN OF THE COMPANY):-**

Pursuant to the provisions of the Act and the Listing Regulations, annual performance evaluation is to be done for the Board, its Committees, the Chairman and Individual Directors. To ensure an effective evaluation process, the Nomination and Remuneration Committee of the Board of Directors ("NRC") has put in place evaluation framework for conducting the performance evaluation exercise. During the financial year 2020-21, the NRC, for further improving the evaluation process, made certain amendments in criteria of evaluation for improvement.

**Auditors and Report thereon**

During the year under review, M/s R K Chari & Co., Chartered Accountants (Firm Registration No. 000481C), resigned from the post of Statutory Auditors of the Company. Thereafter, the company appointed M/s Lodha & Co., Chartered Accountants (Firm Registration No. 301051E) as Statutory Auditors at Extra Ordinary General Meeting held on 13.08.2020 to hold office till the conclusion of the Annual General Meeting for the Financial year 2019-20.

At the AGM of the Company held on 21.12. 2020, pursuant to the provisions of the Act and the Rules made thereunder, M/s. Lodha & Co., Chartered Accountants (Firm Registration No. 301051E), were appointed as Statutory Auditors of the Company from the conclusion of the 35<sup>th</sup> AGM held on 21.12. 2020 till the conclusion of the 40<sup>th</sup> AGM to be held in the year 2025.

During the year under review, the Auditors had not reported any matter under Section 143(12) of the Companies Act 2013; therefore, no detail is required to be disclosed under Section 134(3)(ca) of the Companies Act, 2013.



#### **Comments by Board on Auditors' Report:**

The Auditors' report read along with notes to accounts is self-explanatory and therefore does not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

#### **Compliance under Secretarial Standards:**

The Company is in compliance of all Secretarial Standards issued by The Institute of Company Secretary of India from time to time.

#### **Particulars of Loans, Guarantees and Investments**

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 form part of the notes to Financial Statements.

#### **Related Party Transactions**

The related party transactions entered into during the year are detailed in Note No. 36 of the Balance Sheet. All the transactions were on arms's length basis and in the ordinary course of business, thus Form AOC-2 in terms of Section 134 of Companies Act, 2013 is not required.

#### **Deposits**

1. Accepted during the year: NIL
2. Remained unpaid or unclaimed as at the end of the year: NIL
3. If there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved:
  - a. At the beginning of the year: NIL
  - b. Maximum during the year: NIL
  - c. At the end of the year: NIL

#### **Deposits not in compliance with Chapter V of the Act**

The Company has not accepted any amount covered under the provisions of Section 73 of Companies Act, 2013 and Rules made there under.

#### **Directors Responsibility Statement:**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 your directors state that:

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



### **Declaration by Independent Directors**

The Company has received declaration from all independent directors (within the prescribed time limit) in accordance with the provisions of Section 149(6) of the Companies Act, 2013.

### **Audit Committee**

According to Section 177 of the Companies Act, 2013, the company's Audit Committee comprised of three directors as on 31.03.2021. The board accepted the recommendations of the Audit Committee. The composition of the Audit Committee as on 31.03.2020 is as under:

<b>Name of the Director</b>	<b>Position held in the Committee</b>	<b>Category of the Director</b>
Mr. Mohan Vasant Tanksale	Chairman	Non Executive /Independent Director
Mr. Adesh Kumar Gupta	Member	Non Executive/Independent Director
Mr. Rahul Arun Bagaria	Member	Non Executive/ Non Independent Director

The Audit Committee was last reconstituted by the Board of Directors at their meeting held on February 08, 2021. The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and the Listing Regulations.

The terms of reference of the Audit Committee include:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, replacement, reappointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a) Matters required to be included in the director's responsibility statement to be included in the Board's report, in terms of the Companies Act, 2013, as amended;
  - b) Changes, if any, in accounting policies and practices and reasons for the same;
  - c) Major accounting entries involving estimates based on the exercise of judgment by management;
  - d) Significant adjustments made in the financial statements arising out of audit findings;
  - e) Compliance with listing and other legal requirements relating to financial statements;
  - f) Disclosure of any related party transactions; and
  - g) Qualifications and modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Examination of the financial statement and auditor's report thereon;
7. Monitoring the end use of funds raised through public offers and related matters;
8. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the issue document/prospectus/notice and making appropriate recommendations to the Board to take up steps in this matter;
9. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;



10. Approval or any subsequent modification of transactions of the Company with related parties;
11. Scrutiny of inter-corporate loans and investments;
12. Valuation of undertakings or assets of the Company, wherever it is necessary;
13. Evaluation of internal financial controls and risk management systems;
14. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
15. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
16. Discussion with internal auditors of any significant findings and follow up thereon;
17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
18. Discussion with statutory auditors, internal auditors, secretarial auditors and cost auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
19. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
20. To review the functioning of the whistle blower mechanism;
21. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
22. Carrying out any other function as may be required / mandated by the Board from time to time and/ or mandated as per the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013, the listing agreements to be entered into between the Company and the respective stock exchanges on which the equity shares of the Company are proposed to be listed and/or any other applicable laws;
23. Reviewing the utilization of loan and/or advances from investment by the holding company in the subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
24. Consider and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.

The Audit Committee shall mandatorily review the following information:

1. management discussion and analysis of financial condition and results of operations;
2. statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. management letters / letters of internal control weaknesses issued by the statutory auditors;
4. internal audit reports relating to internal control weaknesses;
5. the appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the Audit Committee; and
6. statement of deviations as and when becomes applicable:



- (a) quarterly statement of deviation(s) submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.”

The Audit Committee is required to meet at least four times in a year and not more than 120 days are permitted to elapse between two meetings under the terms of the Listing Regulations.

**Nomination and Remuneration Committee:**

As per the Section 178(1) of the Companies Act, 2013 the Company’s Nomination and Remuneration Committee comprises of three Non-executive Directors. The table sets out the composition of the Committee as on 31.03.2021

<b>Name of the Director</b>	<b>Position held in the Committee</b>	<b>Category of the Director</b>
Mr. Adesh Kumar Gupta	Chairman	Non Executive/ Independent Director
Mr. Rahul Arun Bagaria	Member	Non Executive/ Non Independent Director
Dr.. Madhu Dikshit	Member	Non Executive/Independent Director

The Nomination and Remuneration Committee was last reconstituted by the Board of Directors at their meeting held on January 23, 2021. The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and the Listing Regulations.

The terms of reference of the Nomination and Remuneration Committee include:

1. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

- (i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
  - (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - (iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals;
2. Formulating criteria for evaluation of performance of independent directors and the Board of Directors;
  3. Devising a policy on diversity of Board;
  4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal;





5. Extending or continuing the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
6. Recommending to the Board, all remuneration, in whatever form, payable to senior management.
7. Carrying out any other function as may be required/ mandated by the Board from time to time and/ or mandated as per the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013, the listing agreements to be entered into between the Company and the respective stock exchanges on which the equity shares of the Company are proposed to be listed and/or any other applicable laws; and
8. Performing such other functions as may be necessary or appropriate for the performance of its duties.

**Remuneration to Executive Directors:**

The remuneration paid to Executive Directors is recommended by the Nomination and Remuneration Committee and approved by Board in Board meeting, subject to the subsequent approval of the shareholders at the General Meeting and such other authorities, as may be required. The remuneration is decided after considering various factors such as qualification, experience, performance, responsibilities shouldered, industry standards as well as financial position of the Company.

**Remuneration to Non-Executive Directors:**

The Non-Executive Directors are paid remuneration by way of Sitting Fees and Commission. The Non-Executive Directors are paid sitting fees for each meeting of the Board and Committee of Directors attended by them.

**Remuneration Policy**

The Nomination and Remuneration Policy approved by the Board is uploaded on the website of the Company at [www.indiapesticideslimited.com](http://www.indiapesticideslimited.com)

**Stakeholders' Relationship Committee**

The members of the Stakeholders' Relationship Committee are:

1. Mr. Anand Swarup Agarwal, Chairman;
2. Mr. Rajendra Singh Sharma; and
3. Mr. Adesh Kumar Gupta.

The Stakeholders' Relationship Committee was constituted by the Board of Directors at their meeting held on January 23, 2021. The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and the Listing Regulations.

The terms of reference of the Stakeholders' Relationship Committee are as follows:

1. To resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;
2. To review measures taken for effective exercise of voting rights by shareholders;
3. To review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
4. To review the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company; and



5. Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act, 2013 or the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, each as amended or by any other regulatory authority.

#### **Risk Management Committee**

The members of the risk management committee are:

1. Dr. Madhu Dikshit, Chairperson;
2. Mr. Anand Swarup Agarwal;
3. Mr. Adesh Kumar Gupta;
4. Mr. Dheeraj Kumar Jain; and
5. Mr. Satya Prakash Gupta

The Risk Management Committee was constituted by the Board of Directors at their meeting held on February 08, 2021. The scope and function of the Risk Management Committee is in accordance with the Companies Act, 2013 and the Listing Regulations.

The terms of reference of the Risk Management Committee of the Company are as follows:

- (a) To formulate a detailed risk management policy which shall include:
  - (i) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the risk management committee;
  - (ii) Measures for risk mitigation including systems and processes for internal control of identified risks; and
  - (iii) Business continuity plan.
- (b) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (c) To monitor and oversee implementation of the risk management policy of the Company, including evaluating the adequacy of risk management systems;
- (d) To periodically review the risk management policy of the Company, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (e) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (f) To review the appointment, removal and terms of remuneration of the chief risk officer (if any); and
- (g) To carry out any other function as may be required / mandated by the Board from time to time and/ or mandated as per the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the listing agreements to be entered into between the Company and the respective stock exchanges on which the equity shares of the Company are proposed to be listed and/or any other applicable laws."

The Risk Management Committee shall meet at least twice in a year. The quorum of the meeting will be at least two members or one third of the members of the committee, whichever is higher, including at least one member of the board of directors in attendance.



### **Risk Management Policy**

The Company has a Risk Management Policy to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.

The Risk Management Policy as approved by the Board is uploaded on the Company's website at [www.indiapesticideslimited.com](http://www.indiapesticideslimited.com).

### **Corporate Social Responsibility**

The composition of CSR Committee as on 31.03.2021:

1. Mr. Mohan Vasant Tanksale, Chairman
2. Mr. Anand Swarup Agarwal, Member
3. Mr. Rajendra Singh Sharma, Member

The company was required to spend Rs. 39.77 Millions in specified project as per the provision of the Act but has made expenditure of Rs. 8.73 Millions towards CSR activities and the balance amount shall be spent in phased manner as per the requirement of project.

Further, the Company has transferred unspent amount of Rs. 31.04 Millions to the special account named as "Unspent Corporate Social Responsibility Account" on 30<sup>th</sup> April, 2021 as required by the amended Companies (CSR) Amendment Rules, 2021 to be spent in future on identified projects as decided by the Board.

The Annual Report on CSR initiatives is enclosed herewith as **Annexure 3**.

### **Conservation Of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo:**

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

#### **A) Conservation of energy:**

**B)**

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Power and Fuel Consumption		
<b>1. Electricity</b>		
Purchased Units (kwh)	28439392.94 Units	20316692 Units
Total Amount (in Rs.)	247802576.26	185892178.47
Unit Rate (in Rs.)	8.71	9.15
<b>2. Own Generation (on Diesel)</b>		
Units Generated	1709148.40 Units	2259208.90 Units
Total Amount (Rs.)	35067057.13	37803879.58
Unit Cost (Rs.)	20.52	16.73

- (i) The steps taken or impact on conservation of energy:  
The products manufactured by the company are material intensive. However, consistent efforts are being made for identifying the potential for energy saving.
- (ii) The steps taken by the company for utilizing alternate sources of energy:  
Company is exploring possibility of roof top Solar Energy System.



**(B) Technology absorption:**

- i. The efforts made towards technology absorption:  
All process technologies are developed in-house at the R&D. The R&D is equipped with instruments and equipment's to generate products from gram scale to kilo scale. After completely studying the process in pilot plant, standard operating procedures are developed for implementation in the plant.
- ii. The benefits derived:
  1. Reduction in cost of manufacturing
  2. Commercialization of new product
- iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):No technology has been imported by the Company.
- iv. The expenditure incurred on Research and Development: Rs. 20.15Million.

**(C) Foreign exchange earnings and Outgo:**

- a. Foreign Exchange earned in terms of actual inflows during the year: Rs.3546.78 Millions; and
- b. Foreign Exchange outgo during the year in terms of actual outflows: Rs. 1245.85Millions.

**Details of Board Meeting Held during the Year**

Number of Board Meetings held during the year: 12

Date of Board Meeting	No. of directors present
18.05.2020	3
19.06.2020	3
14.07.2020	5
13.08.2020	5
10.09.2020	5
25.09.2020	6
11.11.2020	5
25.11.2020	5
10.12.2020	5
21.12.2020	4
23.01.2021	6
08.02.2021	6

**Secretarial Auditors and Secretarial Audit Report**

Pursuant to the provisions of Section 204 of Companies Act, 2013 and rules made there under, the Company has appointed M/s. GSK & Associates, Company Secretaries to undertake the Secretarial Audit of the Company for the Financial Year 2020-21. The Secretarial Audit Report is annexed as **Annexure 4** and forms an integral part of this report.

There is no secretarial audit qualification for the year under review.

**Cost Audit**

M/s. Manoj Mishra & Associates, Cost Auditors, Lucknow has conducted the cost audit of books and accounts of the Company for the Financial Year 2020-21.

There is no cost audit qualification for the year under review.

**Internal Auditor**

Mr. Awadh Narain Shukla, Chartered Accountant, was appointed as the Internal Auditor of the Company for the FY 2020 21.

The Board of Directors have appointed M/s. Ashok K Agarwal& Associates, Chartered Accountants (FRN: 015816C), as the Internal Auditor of the Company on May 25<sup>th</sup>, 2021 for conducting the internal audit for the FY 2021-22.



**Significant And Material Orders Passed By The Regulators Or Courts Or Tribunals Impacting The Going Concern Status And Company's Operations In Future**

The Company has not received any order passed by Regulators or Courts or Tribunals impacting the Going Concern Status and Company's operations in future.

**Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2020-21.

<b>No. of complaints received</b>	NIL
<b>No. of complaints disposed off</b>	NIL

**Credit Ratings**

The Company had a Long Term / Short Term Bank Facilities of CARE A; Stable / CARE A1 (Single A; Outlook: Stable/ A One) and Short Term Bank Facilities of CARE A1 (A One) by CARE for bank loan facilities aggregating to Rs. 60 crore.

**Vigil Mechanism:**

In accordance with the provisions of the Act and listing regulations, Vigil Mechanism for directors and employees to report genuine concerns has been established.

The Vigil Mechanism Policy has been uploaded on the website of the Company under investor relations/ listing compliances tab at [www.indiapesticideslimited.com](http://www.indiapesticideslimited.com).

**Acknowledgement**

Your Directors wish to express their grateful appreciation to the continued co-operation received from the Banks, Government Authorities, Customers, Vendors and Shareholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed service of the Executives, staff and Workers of the Company.

By the order of the Board

**For India Pesticides Limited**

**Anand Swarup Agarwal**  
Chairman and  
Non- Executive Director  
DIN:00777581  
Address: SwarupBhawan,  
Water Works Road, Aishbagh,  
Lucknow -226004  
Date: 25.05.2021  
Place: Lucknow

**Rajendra Singh Sharma**  
Wholetime Director  
DIN:02487797  
Address:-E-2866,Rajaji Puram  
Awass Vikas Colony  
Lucknow -226017



**Annexure 2**

**FORM NO. MGT.9**

**EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31<sup>st</sup> March, 2021

**[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]**

**I. REGISTRATION AND OTHER DETAILS:**

- i. CIN: U24112UP1984PLC006894
- ii. Registration Date: 13.12.1984
- iii. Name of the Company: India Pesticides Limited.
- iv. Category / Sub-Category of the Company: Company limited by Shares / Indian Non- Government Company
- v. Address of the Registered office and contact details: 35-A Civil Lines, Bareilly
- vi. Whether listed company: No (Proposed Listed entity on BSE and NSE)
- vii. Name, Address and Contact details of Registrar and Transfer Agent:  
**KFin Technologies Private Limited** (Formerly known as "Karvy Fintech Private Limited")  
Address: Selenium Tower-B Plot 31 & 32, Gachibowli Financial District, Nanakramguda, Serilingampally Mandal ,Hyderabad 500032 Telangana, India  
Contact Details: +91 40 6716 2222  
E-Mail- [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

**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:-

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacture of Pesticides	2021	93.09

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-**

S. No.	Name And Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Shalvis Specialities Limited	U24290UP2021PLC140490	Wholly Owned Subsidiary	100	2(87)



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

Category of Shareholders	No. of Shares held at the beginning of the year -01.04.2020				No. of Shares held at the end of the year 31.03.2021				% Change during the year
	De-mat	Physical	Total	% of Total Shares	De-mat	Physical	Total	% of Total Shares	
<b>A. Promoters*</b>									
<b>(1) Indian</b>									
a. Individual/ HUF	0	127971	127971	40.20	64389283	0	64389283	57.60	17.40
b. Central Govt.									
c. State Govt. (s)									
d. Bodies Corp.	0	0	0	0	28035234	0	28035234	25.08	25.08
e. Banks/FI									
f. Any Other.	0	0	0	0	0		0	0	0
<b>Sub-total (A) (1)</b>	<b>0</b>	<b>127971</b>	<b>127971</b>	<b>40.20</b>	<b>92424517</b>	<b>0</b>	<b>92424517</b>	<b>82.68</b>	<b>42.48</b>
<b>(2) Foreign</b>									
a. NRIs – Individuals									
b. Other Individuals									
c. Bodies Corp.									
d. Banks / FI									
e. Any Other....									
<b>Sub-total (A)(2)</b>									
<b>Total shareholding of Promoter (A) = (A)(1)+(A)( 2)</b>	<b>0</b>	<b>127971</b>	<b>127971</b>	<b>40.20</b>	<b>92424517</b>	<b>0</b>	<b>92424517</b>	<b>82.68</b>	<b>42.48</b>







ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	0	190354	190354	59.8	19360613	0	19360613	17.32	-42.48
c. Others (specify)									
<b>Sub-total (B)(2)</b>	0	0	0	0	0	0	0	0	0
<b>Total Public Shareholding (B) = (B)(1) + (B)(2)</b>	0	190354	190354	59.8	19360613	0	19360613	17.32	-42.48
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	0	318325	318325	100	111785130	0	111785130	100.00	0

\*Promoters including promoter group shareholding.

i. Category-wise Share Holding:-

ii. Shareholding of Promoters & Promoters Group as on March 31, 2021:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding 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	Anand Swarup Agarwal (*PTR)	127971	40.20	0	44789850	40.07	0	0.13
2	ASA Family Trust(*PTR)	0	0	0	7717117	6.90	0	6.90
3	PSA Family Trust(**PG)	0	0	0	12422242	11.11	0	11.11
4	VSA Family Trust(**PG)	0	0	0	2200000	1.97	0	1.97
5	MSA Family Trust(**PG)	0	0	0	5695875	5.10	0	5.10
6	Mahendra Swarup Agarwal(**PG)	0	0	0	11069375	9.90	0	9.90
7	Virendra Swarup Agarwal (**PG)	0	0	0	4621750	4.13	0	4.13
8	Pramod Swarup Agarwal(**PG)	0	0	0	1220508	1.09	0	1.09
9	Vishal Swarup Agarwal(**PG)	0	0	0	985000	0.88	0	0.88
10	Vishwas Swarup Agarwal(**PG)	0	0	0	860000	0.77	0	0.77
11	Sanju Agarwal(**PG)	0	0	0	842800	0.75	0	0.75

\*PTR: - Promoter

\*\*PG: - Promoter Group



**iii. Change in Promoters' & Promoters Group Shareholding (please specify, if there is no change):**

Sl. 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	127971	40.20		
Mr. Anand Swarup Agarwal	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus / sweat equity etc):	On 28.12.2020 ( Splitting of Shares)		12669129	11.33
		On 22.01.2021 Bonus Shares Allotted)		31992750	28.62
	At the End of the year	0	0	44789850	40.07

**iv. Change in Promoters' & Promoters Group Shareholding (please specify, if there is no change):**

Sl. 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	0	0	0	0
ASA Family Trust	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc):	Transfer On 05.02.2021 ( Purchase of shares)		7717117	6.90
	At the End of the year	0	0	7717117	6.90



**v. Change in Promoters' & Promoters Group Shareholding (please specify, if there is no change):**

Sl. 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	0	0	0	0
PSA Family Trust	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc):	Transfer On 05.02.2021 ( Purchase of shares)		12422242	11.11
	At the End of the year	0	0	12422242	11.11

**vi. Change in Promoters' & Promoters Group Shareholding (please specify, if there is no change):**

Sl. 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	0	0	0	0
MSA Family Trust	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/bonus /sweat equity etc):	Transfer On 05.02.2021 ( Purchase of shares)		5695875	5.10
	At the End of the year	0	0	5695875	5.10

**vii. Change in Promoters' & Promoters Group Shareholding (please specify, if there is no change):**

Sl. 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	0	0	0	0
VSA Family Trust	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc):	Transfer On 05.02.2021 ( Purchase of shares)		2200000	1.97
	At the End of the year	0	0	2200000	1.97



**viii. Change in Promoters' & Promoters Group Shareholding (please specify, if there is no change):**

Sl. 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				
Mr. Pramod Swarup Agarwal	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc):	On 28.12.2020 ( Splitting of Shares)		1494500	1.34
		On 22.01.2021 Bonus Shares Allotted)		3736250	3.34
		Transfer On 05.02.2021 ( Sale of shares)		4010242	(3.59)
	At the End of the year			1220508	1.09

**ix. Change in Promoters' & Promoters Group Shareholding (please specify, if there is no change):**

Sl. 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				
Mr. Mahendra Swarup Agarwal	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc):	On 28.12.2020 ( Splitting of Shares)		3337500	2.99
		On 22.01.2021 Bonus Shares Allotted)		8343750	7.46
		Transfer On 05.02.2021 ( Sale of shares)		611875	(.55)
	At the End of the year			11069375	9.90



**x. Change in Promoters' & Promoters Group Shareholding (please specify, if there is no change):**

Sl. 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					
8	Mr. Virendra Swarup Agarwal	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):		On 28.12.2020 ( Splitting of Shares)	1320500	1.18
				On 22.01.2021 Bonus Shares Allotted)	3301250	2.96
	At the End of the year			4621750	4.14	

**xi. Change in Promoters' & Promoters Group Shareholding (please specify, if there is no change):**

Sl. 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					
9	Ms. Sanju Agarwal	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):		On 28.12.2020 ( Splitting of Shares)	1032000	0.92
				On 22.01.2021 Bonus Shares Allotted)	2580000	2.31
				Transfer On 04.02.2021 ( Sale of shares)	2769200	(2.48)
	At the End of the year			842800	0.75	



**xii. Change in Promoters' & Promoters Group Shareholding (please specify, if there is no change):**

Sl. 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				
Mr. Vishal Swarup Agarwal	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	On 28.12.2020 ( Splitting of Shares)		985000	0.88
		On 22.01.2021 Bonus Shares Allotted)		2462500	2.20
		Transfer On 05.02.2021 ( Sale of shares)		(2462500)	(2.20)
	At the End of the year			985000	0.88

**xiii. Change in Promoters' & Promoters Group Shareholding (please specify, if there is no change):**

Sl. 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				
Mr. Vishwas Swarup Agarwal	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	On 28.12.2020 ( Splitting of Shares)		860000	0.77
		On 22.01.2021 Bonus Shares Allotted)		2150000	1.92
		Transfer On 05.02.2021 ( Sale of shares)		(2150000)	(1.92)
	At the End of the year			860000	0.77



**xiv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):As per List Attached enclosed as Annexure :5**

Sl. 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	0	0	0	0
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc):				
	At the End of the year				

**xv. Shareholding of Directors and Key Managerial Personnel:**

Sl. 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
1	For Each of the Directors and KMP.				
	At the beginning of the year	127971	40.20		
Mr. Anand Swarup Ag arwal	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	On 28.12.2020 ( Splitting of Shares)		12669129	11.33
		On 22.01.2021 Bonus Shares Allotted)		31992750	28.62
	At the End of the year		0	44789850	40.07



## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	236803431	65550000	-	269381159
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	11566	10790164	-	10801730
<b>Total (i+ii+iii)</b>	<b>157692725</b>	<b>122790164</b>	<b>-</b>	<b>280482889</b>
Change in Indebtedness during the financial year				
• Addition	79705706	-		79705706
• Reduction		(57240164)	-	(57240164)
Net Change	79705706	(57240164)	-	22465542
Indebtedness at the end of the financial year			-	
i) Principal Amount	237398431	60000000	-	297398431
ii) Interest due but not paid		5550000		5550000
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	<b>237398431</b>	<b>65550000</b>	<b>-</b>	<b>302948431</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Rajendra Singh Sharma	Ashok Kumar Gupta*	Mr.Kuruba Adeppa**	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0.64	1.19	0.30	2.13
2.	Stock Option	0	0		0
3.	Sweat Equity	0	0		0
4.	Commission - as % of profit - others, specify...	0	0		0
5.	Others, please specify	0	0		0
	Total (A)	0.64	1.19	0.30	2.13
	Ceiling as per the Act	In terms of provisions of Section 198 of the Companies Act, 2013.			

\*Mr. Ashok Kumar Gupta has resigned from the board w.e.f. December 10, 2020.

\*\*Mr. Kuruba Adeppa has Appointed on December 10, 2020 and resigned from the Board w.e.f. February 08, 2021.





**B. Remuneration to other directors:**

Sl. no.	Particulars of Remuneration	Name of Directors						Total Amount
		(1)	(2)	(3)	(4)	(5)	(6)	
		Mr.Pranav Agarwal*	Ms.Shweta Agarwal*	Mr. Sanjay Khatau Asher**	Mr. Mohan Vasant Tanksale**	Dr. Madhu Dikshit**	Mr.Aadesh Kumar Gupta**	
1.	Independent Directors							
	<ul style="list-style-type: none"> <li>• Fee for attending board committee meetings</li> <li>• Commission</li> <li>• Others, please specify</li> </ul>	0.06	0.24	0.15	0.25	0.40	0.30	1.40
	Total (1)	0.06	0.24	0.15	0.25	0.40	0.30	1.40

\*Mr.Pranav Agarwal has retired from the Board w.e.f. September 29, 2020.

Ms. Shweta Agarwal has resigned from the Board w.e.f. December 21, 2020.

\*\*Mr. Sanjay K. Asher has been appointed on December 21, 2020 and resigned from the Board w.e.f. February 08, 2021.

\*\*Mr. Mohan Vasant Tanksale has been appointed on December 21, 2020 on the Board as an Independent Director.

\*\*Dr. Madhu Dikshit has been appointed on December 21, 2020 on the Board as an Independent Director.

\*\*Mr.Aadesh Kumar Gupta has been appointed as an Additional Director on January 23, 2021 on the Board and was regularized in extraordinary general meeting dated 25<sup>th</sup> January, 2021 as an Independent Director.

Sl. no.	Particulars of Remuneration	Name of Directors			Total
		(1)	(2)	(3)	
2.	Other Non-Executive Directors	Mr. Govind Singh Mehta*	**Mr. Anand Swarup Agarwal	** Mr. Rahul Arun Bagaria	
	<ul style="list-style-type: none"> <li>• Fee for attending board committee meetings</li> <li>• Commission</li> <li>•Others, please specify</li> </ul>	0.04	0.72	0.30	1.06
	Total (2)	0.04	0.72	0.30	1.06
	Total (B) = (1 + 2)				2.46
	Total Managerial Remuneration				4.29
	Overall Ceiling as per the Act	In terms of provisions of Section 198 of the Companies Act, 2013.			Ceiling as per the Act

\*Mr.Govind Singh Mehta has resigned from the Board w.e.f. December 10, 2020.

\*\*Mr, Anand Swarup Agarwal has been appointed on October 06, 2020 on the Board as an Chairman and Non-Executive Director.

\*Mr.Rahul Arun Bagaria has been appointed as an Additional Director on January 23, 2021 on the Board and was regularized in extraordinary general meeting dated 25<sup>th</sup> January, 2021 as an Independent Director.



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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CFO	CS	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	1.53	0.72	0.34	2.59
2.	Stock Option				
3.	Sweat Equity				
4.	Commission - as % of profit - others, specify...				
5.	Others, please specify				
	Total	1.53	0.72	0.34	2.59

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:NIL**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/C OURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

By the order of the Board  
For India Pesticides Limited

Anand Swarup Agarwal  
Chairman and  
Non- Executive Director  
DIN:00777581  
Address: Swarup Bhawan,  
Water Works Road, Aishbagh,  
Lucknow -226004  
Date: 25.05.2021  
Place: Lucknow

Rajendra Singh Sharma  
Wholetime Director  
DIN:02487797  
Address:-E-2866,RajajiPuram  
AwasiVikasColony  
Lucknow -226017



Annexure 3

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES:**

1. Brief outline of the Company's CSR policy:
  - i. Health care: supporting various medical initiatives aiming at reducing mortality rate of children, regular health checkups for poor including children in schools of neighboring regions, promoting preventive health care, etc.
  - ii. Skill Development and Women Empowerment and vocational training programmes for differently abled persons.
  - iii. Promoting Education.
  - iv. Promoting Sports through various events.
  - v. Good Agricultural Practices.
  - vi. Model Village/Habitation Development- Co Community Development.
  - vii. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Govt for socio economic development and relief and welfare of the weaker sections of the society and women.
  - viii. Rural Development Projects.
  - ix. Protection of flora and fauna.
2. The composition of the CSR Committee:

S. No.	Name Of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Mohan Vasant Tanksale	Independent Director	1	1
2.	Mr. Anand Swarup Agarwal	Non-Executive Director	1	1
3.	Mr. Rajendra Singh Sharma	Wholetime Director	1	1

3. the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: <https://www.indiapesticideslimited.com>
4. the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). **NA**
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: **NA**

S. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)



6. Average net profit of the company as per section 135(5):Rs. 685.91 Millions
7. (a) Two percent of average net profit of the company as per section 135(5):Rs. 13.72 Millions  
 (b) Surplus arising out of the CSR projects or programs or activities of the previous financial years.: Nil  
 (c) Amount required to be set off for the financial year, if any: Nil  
 (d) Total CSR obligation for the financial year (7a+7b-7c) :Rs. 13.72 Millions

**8. (a) CSR amount spent or unspent for the financial year:-**

Total Amount Spent for the Financial Year (inRs. )	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date	Name of the fund	Amount	Date of transfer
Rs. 8.73 Millions	Rs. 31.04 Millions	30.04.2021	-	--	-

**(b) Details of CSR amount spent against ongoing projects for the financial year:**

Report for FY:					20-21							
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)		
Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				S t a t e	District						Name	CSR Registration number
01)	Health Care	Clause I of Schedule VII	Yes	U P	Lucknow /Sandila	In Continuation	11249000.00	6279107.00	4969893.00	Yes		
02)	Education	Clause I of Schedule VII	Yes	U P	Lucknow /Sandila	In Continuation	7500000.00	634764.00	6865236.00	Yes		
03)	Rural Development	Clause III of Schedule VII	Yes	U P	Lucknow /Sandila	In Continuation	7200000.00	204149.00	6995851.00	Yes		
04)	Sports	Clause VII of Schedule VII	Yes	U P	Lucknow /Sandila	In Continuation	7500000.00	300000.00	7200000.00	Yes		
05)	Environmental	Clause IV of Schedule VII	Yes	U P	Lucknow /Sandila	In Continuation	5065871.00	59500.00	5006371.00	Yes		
<b>TOTAL</b>							<b>38514871.00</b>	<b>7477520.00</b>	<b>31037351.00</b>			



**(c.) Details of CSR amount spent against other than ongoing projects for the financial year:**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
S. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project.		Amount spent for the project (inRs.).	Mode of implementation – Direct (Yes No)	Mode of implementation – Through implementing agency:	
				State	District			Name	CSR registration number
1	Heratige Building	Clause IV of Schedule VII	Yes	UP	Lucknow/Sandila	1251000.00	Yes		
						1251000.00			

- (d) Amount spent in Administrative Overheads: Not Applicable  
(e) Amount spent on Impact Assessment, if applicable: Not Applicable  
(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : Rs. 8.73 Millions  
(g) Excess amount for set off, if any: Not applicable

S.No.	Particulars	Amount (Rs.)
1.	Two percent of average net profit of the company as per section 135(5)	
2.	Total amount spent for the Financial Year	
3.	Excess amount spent for the financial year [(ii)-(i)]	
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	
5.	Amount available for set off in succeeding financial years [(iii)-(iv)]	

**9 (a) Details of Unspent CSR amount for the preceding three financial years:-**

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer	
1	18-19	19657450.45	1389286.92		0.00		0.00
2	19-20	6390149.23	4635704.00		0.00		0.00
3	20-21	4989751.00	8728520.00		0.00		0.00



<b>TOTAL</b>	<b>31037350.68</b>	<b>14753510.92</b>		<b>0.00</b>		<b>0.00</b>
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**9(b)Details of CSR amount spent in the FY for ongoing projects of the preceding FY(s)**

Report for FY:					2018-19			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year. (in Rs)	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project Completed / Ongoing
1	1	Health Care	In Continuation	In Continuation	7500000.00	776610.00	6723390.00	On Going Project
2	2	Education	In Continuation	In Continuation	2500000.00	68050.00	2431950.00	On Going Project
3	3	Rural Devolpment	In Continuation	In Continuation	5000000.00	184219.00	4815781.00	On Going Project
4	4	Sports	In Continuation	In Continuation	4000000.00	111296.00	3888704.00	On Going Project
5	5	Environmental	In Continuation	In Continuation	1989775.00	192150.00	1797625.00	On Going Project
6	6	Other Than On-going Project	Kerala Disaster Relief	Kerala Disaster Relief	56962.00	56962.00	0.00	Completed During 2018-19
<b>TOTAL</b>					<b>21046737</b>	<b>1389287</b>	<b>19657450</b>	
Report for FY:					2019-20			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year. (in Rs)	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project Completed / Ongoing
1	1	Health Care	In Continuation	In Continuation	9223390.00	2533200.00	6690190.00	On Going Project
2	2	Education	In Continuation	In Continuation	4931950.00	778840.00	4153110.00	On Going Project
3	3	Rural Devolpment	In Continuation	In Continuation	7200000.00	177750.00	7022250.00	On Going Project
4	4	Sports	In Continuation	In Continuation	6504485.00	1105114.00	5399371.00	On Going Project
5	5	Environmental	In Continuation	In Continuation	2823479.00	40800.00	2782679.00	On Going Project
<b>TOTAL</b>					<b>30683304.00</b>	<b>4635704.00</b>	<b>26047600.00</b>	



9. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details). **NOT APPLICABLE**

S. No.	Particulars	
a.	Date of creation or acquisition of the capital asset(s)	
b.	Amount of CSR spent for creation or acquisition of capital asset.	
c.	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	
d.	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	

10. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): The Company didn't find suitable areas for spending the amount for wellbeing of society.

By the order of the Board  
For India Pesticides Limited

Anand Swarup Agarwal  
Chairman and  
Non- Executive Director  
DIN:00777581  
Address: Swarup Bhawan,  
Water Works Road, Aishbagh,  
Lucknow -226004

Rajendra Singh Sharma  
Wholetime Director  
DIN:02487797  
Address:-E-2866,Rajaji Puram  
AwasiVikasColony  
Lucknow -226017

Date: 25.05.2021  
Place: Lucknow



**Annexure-4**

**SECRETARIAL AUDIT REPORT**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021**  
**[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule no. 9 of the Companies**  
**(Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To  
The Members,  
**India Pesticides Limited**  
**35-A Civil Lines, Bareilly -243001**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by **INDIA PESTICIDES LIMITED (CIN: U24112UP1984PLC006894)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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 year ended on 31<sup>st</sup> March, 2021, 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 31<sup>st</sup> March, 2021 according to the provisions of:

I.

- The Companies Act, 2013 (the Act) and the rules made thereunder.
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **(Not applicable to the company);**
- The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, **(Not applicable during the year);**
- 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, as amended from time to time;  
**(Not applicable to the company);**





- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, **(Not applicable to the company);**
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; as amended from time to time. **(Not applicable to the company);**
- e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28<sup>th</sup> October, 2014 **(Not applicable to the company);**
- f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the company);**
- g) The Securities and Exchange Board of India (Registrar 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 (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the company);**
- i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the company);** and

During the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, etc. mentioned above.

## II.

- Insecticides Act, 1968
- Industrial Employment Standing Order Act, 1946
- Industrial Disputes Act, 1947
- Payment of Wages Act, 1936
- Minimum Wages Act, 1948
- Payment of Bonus Act, 1965
- Factories Act, 1948
- Industrial Employment (Standing Orders) Act, 1946
- Workmen's Compensation Act, 1923
- Employees' State Insurance Act, 1947
- Employees' Provident Fund & Miscellaneous Provisions Act, 1952
- Payment of Gratuity Act, 1972
- The Boilers Act, 1923
- The Standards of Weight & Measurement Act, 1985
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013



- Goods and Services Tax Act, 2017
- The Pesticides Management Bill, 2020
- Drugs and Cosmetics Act, 1940
- The Petroleum Act, 1934
- The Explosives Act, 1884
- The environment Protection Act, 1986
- Air (Prevention and Control of Pollution) Act, 1981
- The Water (Prevention and Control of Pollution) Act, 1974
- Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016
- The Public Liability Insurance Act, 1991
- Manufacture, Storage and Import of Hazardous Chemical Rules, 1989
- Uttar Pradesh Shops and Commercial Establishments Act, 1962
- The Foreign Trade (Regulation and Development) Act, 1992
- Consumer Protection Act, 2019
- The Bureau of Indian Standards Act, 2016
- The Legal Metrology Act, 2009
- Intellectual Property Laws

During the year under review the Company has filed periodical returns and has not received any show cause notice and has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We have relied on the representation made by the Company and its officers on systems and mechanism formed by the Company for compliance under the Act, Laws and Regulations to the Company.

We have also examined compliance with respect to Secretarial Standards issued by The Institute of Company Secretaries of India.

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

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

Majority decision is carried through while there has been no member dissenting from the decisions arrived.

**We further report that:**

The Board of Directors appointed Mr. Anand Swarup Agarwal as an Additional Director on 10<sup>th</sup> September, 2020 and was regularized as Chairman and Non-Executive Director at the Extraordinary General Meeting held on 6<sup>th</sup> October 2020 for a term of two years.



- Mr. Pranav Agarwal retired from the post of directorship of the Company w.e.f. 29<sup>th</sup> September, 2020.
- The Board of Directors appointed Mr. Ajeet Pandey as Company Secretary and Compliance Officer of the Company w.e.f. 1<sup>st</sup> October, 2020.
- The Board of Directors appointed Mr. Satya Prakash Gupta as Chief Financial Officer of the Company w.e.f. 1<sup>st</sup> November, 2020.
- Mr. Govind Singh Mehta and Mr. Ashok Kumar Gupta resigned from the post of directorship of the Company w.e.f. 10<sup>th</sup> December, 2020.
- Ms. Shweta Agarwal resigned from the post of directorship of the Company w.e.f. 21<sup>st</sup> December, 2020.
- The Board of Directors appointed Mr. Kuruba Adeppa as Whole Time Director of the Company on 10<sup>th</sup> December, 2020, subject to Shareholder's approval which was obtained on 21<sup>st</sup> December, 2020.
- The Authorised Share Capital of the Company was increased from Rs. 3,50,00,000/- divided into 3,50,000 equity shares of Rs. 100/- each to Rs. 15,00,00,000/- divided into 15,00,000 equity shares of Rs. 100/- each on 21<sup>st</sup> December, 2020.
- M/s R K Chari & Co., Chartered Accountants (Firm Registration No. 000481C), resigned from the post of Statutory Auditors of the Company on 14<sup>th</sup> July 2020. Thereafter, the company appointed M/s Lodha & Co., Chartered Accountants (Firm Registration No. 301051E) as Statutory Auditors at Extra Ordinary General Meeting held on 13<sup>th</sup> August, 2020 to hold office till the conclusion of the Annual General Meeting for the Financial year 2019-20. At the Annual General Meeting of the Company held on 21<sup>st</sup> December, 2020, pursuant to the provisions of the Act and the Rules made thereunder, M/s Lodha & Co., Chartered Accountants (Firm Registration No. 301051E), were re-appointed as Statutory Auditors of the Company for a period of 5 consecutive years from the conclusion of the 35<sup>th</sup> AGM till the conclusion of the 40<sup>th</sup> AGM to be held in the year 2025.
- Mr. Sanjay Khatau Asher, Mr. Mohan Vasant Tanksale and Mrs. Madhu Dikshit appointed as Independent Directors of the Company w.e.f. 21<sup>st</sup> December, 2020 for a term of 5 consecutive years.
- The Company has adopted a new set of Memorandum of Association and Articles of Association on 28<sup>th</sup> December, 2020 in order to align them with the requirements of the stock exchange where the security of the company is proposed to be listed.
- The Authorised Share Capital of the Company was sub-divided from Rs. 15,00,00,000/- divided into 15,00,000 equity shares of Rs. 100/- each to Rs. 15,00,00,000/- divided into 15,00,00,000 equity share of Rs. 1 each on 28<sup>th</sup> December, 2020 consequently paid up capital of the company changed from 3,18,325 equity shares of Rs. 100/- each to 3,18,32,500 equity share of Rs. 1 each.
- The Company has issued 7,95,81,250 Equity Shares of Rs. 1/- each amounting to Rs. 7,95,81,250/- to the Existing Shareholders of the Company as Bonus Shares in the ratio of 5 shares for every 2 shares subject to approval of shareholders obtained in extraordinary general meeting held on 28<sup>th</sup> December, 2020.
- Shalvis Specialities Limited (CIN: U24290UP2021PLC140490) incorporated on 18<sup>th</sup> January 2021 is Wholly Owned Subsidiary of the Company.



- The Company has allotted 7,95,81,250 Equity Shares of Rs. 1/- each amounting to Rs. 7,95,81,250/- to the Existing Shareholders of the Company as Bonus Shares in the ratio of 5 shares for every 2 shares held in the company on 22<sup>nd</sup> January 2021.
- Mr. Rahul Arun Bagaria was appointed as Non-Executive Director of the Company w.e.f. 23<sup>rd</sup> January, 2021 for a term of 5 consecutive years, subject to shareholder approval which was received on 25<sup>th</sup> January 2021.
- Mr. Adesh Kumar Gupta was appointed as Independent Director of the Company w.e.f. 23<sup>rd</sup> January, 2021 for a term of 5 consecutive years, subject to shareholders approval which was obtained on 25<sup>th</sup> January 2021.
- Mr. Dheeraj Kumar Jain was appointed as Chief Executive Officer of the Company for a term of 5 consecutive years w.e.f. 23<sup>rd</sup> January, 2021.
- The Board of Directors allotted 3,71,380 Equity shares of the Company having face Value of Rs. 1/- each at a premium of Rs. 32.70/-each aggregating to Rs. 1,25,15,506/- on a preferential allotment basis to Arun Bagaria and Madhu Bagaria (1,85,690 equity shares each) on 28<sup>th</sup> January, 2021. The Paid up capital of the company increased to Rs. 11,17,85,130 upon Preferential allotment.
- Mr. Sanjay Khatau Asher and Mr. Kuruba Adeppa Resigned from the post of directorship of the Company w.e.f. 8<sup>th</sup> February 2021.

**We further report that** the Company has filed Draft Red Herring Prospectus (DRHP) with SEBI on 09.02.2021 for its Initial Public Offer (IPO) with issue size of Rs 800 Cr. and the Company has received in principle Approvals from both BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") dated March 10, 2021 and March 18, 2021 Respectively.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For GSK & Associates  
(Company Secretaries)  
FRN: P2014UP036000  
Khushboo Gupta  
Partner  
(M. No.: F7243)  
(CP No.: 7886)**

**Date: 25.05.2021  
Place: Kanpur  
UDIN: F007243C000366965**



**Annexure: 5**

**Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year @Rs.100/-		Cumulative Shareholding during the year @ Rs.1/-	
		No. of Shares	% of Total Shares held	No. of Shares	% of Total Shares held
1	ASHA AGARWAL	13203	4.15%	4621050	4.13%
2	NUPUR GOYAL	8800	2.76%	3080000	2.76%
3	SUGANDHA SWARUP ARORA	8800	2.76%	3080000	2.76%
4	SNEH LATA AGARWAL	18918	5.94%	1891800	1.69%
5	SUDHA AGARWAL	17438	5.48%	1743800	1.56%
6	SHALINI PAWAN AGARWAL	4500	1.41%	1492500	1.34%
7	SAURABH SWARUP AGARWAL	14400	4.52%	1440000	1.29%
8	APARNA GUPTA	8800	2.76%	880000	0.79%
9	KAJAREE SWARUP AGARWAL	1250	0.39%	437500	0.39%
10	ANURAG SWARUP AGARWAL	2700	0.85%	220500	0.20%

**INDIA PESTICIDES LIMITED**

CIN : U24112UP1984PLC006894

**Standalone Balance Sheet as at 31st March 2021***(All amounts in Rupees Millions, unless otherwise stated)*

Particulars	Note	As at 31st March, 2021	As at 31st March, 2020
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	2A	1,199.92	950.01
Right of Use Assets	2B	43.54	42.57
Capital work-in-progress	2C	118.85	11.56
Intangible Assets	3	1.22	1.65
Intangible Assets under development		-	-
Financial Assets			
Investments	4	99.05	30.37
Other Financial Assets	5	28.49	48.84
Other Non-current Assets	6	11.53	20.62
<b>Total Non current assets</b>		<b>1,502.60</b>	<b>1,105.62</b>
<b>Current Assets</b>			
Inventories	7	700.79	385.73
Financial Assets			
Trade Receivables	8	2,142.20	1,831.74
Cash and Cash Equivalents	9	19.07	67.17
Other Balances with Banks	10	410.55	13.12
Other Financial Assets	11	1.16	6.75
Other Current Assets	12	394.43	246.88
<b>Total Current Assets</b>		<b>3,668.20</b>	<b>2,551.39</b>
<b>Total Assets</b>		<b>5,170.80</b>	<b>3,657.01</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	13	111.79	31.83
Other Equity	14	3,783.16	2,536.40
<b>Total Equity</b>		<b>3,894.95</b>	<b>2,568.23</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
Financial Liabilities			
Borrowings	15	74.49	104.44
Other Financial Liabilities	16	1.13	1.10
Provisions	17	6.89	5.39
Deferred Tax Liabilities (Net)	18	81.03	73.05
<b>Total Non Current Liabilities</b>		<b>163.54</b>	<b>183.97</b>
<b>Current Liabilities</b>			
Financial liabilities			
Borrowings	19	225.08	135.45
Trade Payables	20		
Total outstanding dues of micro enterprises and small enterprises		47.17	16.85
Total outstanding dues of creditors other than micro enterprises and small enterprises		693.30	598.57
Other Financial Liabilities	21	55.85	82.36
Other Current Liabilities	22	53.57	62.53
Provisions	23	31.81	0.53
Current Tax Liabilities (Net)	24	5.53	8.51
<b>Total Current Liabilities</b>		<b>1,112.31</b>	<b>904.81</b>
<b>Total Liabilities</b>		<b>1,275.85</b>	<b>1,088.78</b>
<b>Total Equity and Liabilities</b>		<b>5,170.80</b>	<b>3,657.01</b>
<b>Significant accounting policies and Key accounting estimates and judgements</b>	1		
See accompanying notes to Standalone Financial Statements	2-43		

**As per our report of even date attached**For **Lodha & Co.**

Chartered Accountants

ICAI Firm Registration No: 301051E

For and on behalf of Board of Directors of

**India Pesticides Limited****R.P. Baradiya**

Partner

**A. S. Agarwal**Director  
DIN: 00777581**R. S. Sharma**Director  
DIN: 02487797**D. K. Jain**

Chief Executive Officer

**S. P. Gupta**

Chief Financial Officer

**Ajeet Pandey**

Company Secretary

Place : Mumbai

Dated:

Place : Lucknow

Dated:

**INDIA PESTICIDES LIMITED**

CIN : U24112UP1984PLC006894

**Standalone Statement of Profit and Loss for the year ended 31st March 2021***(All amounts in Rupees Millions, unless otherwise stated)*

Particulars	Note	Year ended 31st March, 2021	Year ended 31st March, 2020
Revenue from Operations	25	6,489.54	4,796.27
Other Income	26	64.23	101.00
<b>Total Income (I)</b>		<b>6,553.77</b>	<b>4,897.27</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	27	3,300.90	2,566.04
Changes in inventories of finished goods, Stock-in-trade and work-in-progress	29	(196.77)	(35.07)
Employee Benefits Expense	30	227.42	163.99
Finance Costs	31	34.33	52.18
Depreciation and Amortisation Expense	2 & 3	61.35	50.69
Other Expenses	32	1,326.89	1,165.74
<b>Total Expenses (II)</b>		<b>4,754.12</b>	<b>3,963.57</b>
<b>Profit Before Tax (I-II)</b>		<b>1,799.65</b>	<b>933.70</b>
<b>Tax Expense</b>			
(1) Current Tax		448.03	231.11
(2) Deferred Tax		8.27	(2.09)
(3) Current taxes relating to earlier years		2.09	(3.16)
<b>Profit for the period</b>		<b>1,345.44</b>	<b>707.83</b>
<b>Other comprehensive income</b>			
(i) Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans		1.20	(2.86)
- Equity Instruments through OCI		2.30	-
- Income tax related to items that will not be reclassified to Profit and loss		0.28	0.72
<b>Total Other comprehensive income/(loss) for the year (Net of Tax)</b>		<b>3.78</b>	<b>(2.14)</b>
<b>Total Comprehensive income for the Year</b>		<b>1,349.22</b>	<b>705.69</b>
<b>Earnings per Equity Share of Rs.1 Each</b>			
<b>(Refer note 13(d), 13(e) and 13(f))</b>	39		
Basic (in Rs)		12.07	6.35
Diluted (in Rs)		12.07	6.35
<b>Significant accounting policies and Key accounting estimates and judgements</b>	1		
See accompanying notes to Standalone Financial Statements	2-43		

**As per our report of even date attached**

For **Lodha & Co.**  
**Chartered Accountants**  
ICAI Firm Registration No: 301051E

**R.P. Baradiya**  
Partner

Place : Mumbai  
Dated:

For and on behalf of Board of Directors of  
**India Pesticides Limited**

**A. S. Agarwal**  
Director  
DIN: 00777581

**R. S. Sharma**  
Director  
DIN: 02487797

**D. K. Jain**  
Chief Executive Officer

**S. P. Gupta**  
Chief Financial Officer

Place : Lucknow  
Dated:

**Standalone Statement of Cash flow for the year ended 31st March 2021**

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	Year Ended	Year Ended
	31st March, 2021	31st March, 2020
<b>A Cash flow from operating activities:</b>		
<b>Net profit before tax</b>	1799.65	933.70
<b>Adjustment to reconcile profit before tax to net cash flows</b>		
Depreciation	61.35	50.67
Net unrealised foreign exchange loss/(gain)	9.12	(41.97)
Net gain on sale / fair valuation of investments through profit and loss	(20.18)	5.57
(Profit)/Loss on Sale of property, plant and equipment (net)	(0.03)	(0.19)
Dividend Income	(0.08)	(0.08)
Provision for Employee Benefits	4.38	4.32
Finance Lease	0.02	0.03
Interest received	(22.47)	(3.94)
Provision for Expected Credit Loss	20.46	3.47
Bad Debt	17.49	4.84
Interest expenses	28.27	52.18
<b>Operating profit before working capital changes</b>	<b>1897.97</b>	<b>1008.59</b>
<b>Adjustment for</b>		
Decrease/ (Increase) in other financial assets	25.95	(8.06)
Decrease/ (Increase) in non current assets	4.56	(3.42)
Decrease/ (Increase) in trade receivables	(345.21)	(14.31)
Decrease/(Increase) in other current assets	(147.55)	(89.02)
Decrease/(Increase) in Inventories	(315.06)	(30.46)
(Decrease)/Increase in other financial liabilities	10.72	10.88
(Decrease)/Increase in trade payables	126.52	64.85
(Decrease)/ Increase in other current liabilities	(8.96)	35.01
(Decrease)/ Increase in provisions	32.94	0.35
<b>Cash generated from operations</b>	<b>1281.88</b>	<b>974.41</b>
Direct taxes paid (net)	(448.93)	(222.91)
<b>Net cash generated from / (used in) operating activities</b>	<b>832.96</b>	<b>751.50</b>
<b>B Cash generated from investing activities</b>		
Purchase of property, plant and equipment, Intangible assets and Capital work in progress	(419.15)	(308.37)
Proceeds from sale of property, plant and equipment	0.11	0.04
Purchase of Investments	(79.41)	(21.06)
Sale proceeds of Investments	33.21	15.74
Increase in Term Deposits	(397.43)	(0.99)
Interest Income	22.47	3.94
<b>Net cash flow from / (used in) from investing activities</b>	<b>(840.20)</b>	<b>(310.70)</b>
<b>C Cash generated from financing activities</b>		
Proceeds from Long term Borrowings	8.20	2.40
Repayment of Long term Borrowings	(70.13)	(30.48)
Proceeds/(repayment) from short-term borrowings (net)	89.62	(302.27)
Dividend paid (including corporate dividend tax)	(35.02)	(7.66)
Interest paid (net)	(33.52)	(51.92)
<b>Cash generated from / (used in) financing activities</b>	<b>(40.85)</b>	<b>(389.93)</b>
<b>D Net Increase/ (Decrease) in cash and cash equivalent ( A+B+C)</b>	<b>(48.10)</b>	<b>50.87</b>
<b>Cash and Cash equivalents</b>		
At the beginning of the year	67.17	16.30
At the end of the year	19.07	67.17
<b>Notes:</b>		
<b>Net Debt Reconciliation</b>		
<b>Particulars</b>	<b>Year Ended</b>	<b>Year Ended</b>
	<b>31st March, 2021</b>	<b>31st March, 2020</b>
Opening Net Debt	280.39	610.58
Proceeds from Borrowings (net)	97.82	2.40
Repayment of Borrowings (net)	(70.13)	(332.75)
Interest Expense (net)	28.27	52.18
Interest Paid (net)	(33.52)	(51.92)
Discounting adjustment for borrowing cost	0.12	(0.10)
<b>Closing Net Debt</b>	<b>302.95</b>	<b>280.39</b>

The above cash flow statement has been prepared by using indirect method as per Indian Accounting Standard (Ind AS) 7 - Statement of Cash Flows.

As per our attached report of even date

For **Lodha & Co.**  
Chartered Accountants  
ICAI Firm Registration No: 301051E

For and on behalf of Board of Directors of  
**India Pesticides Limited**

**R.P. Baradiya**  
Partner

**A. S. Agarwal**  
Director  
DIN: 00777581

**R. S. Sharma**  
Director  
DIN: 02487797

**D. K. Jain**  
Chief Executive Officer

**S. P. Gupta**  
Chief Financial Officer

**Ajeet Pandey**  
Company Secretary

Place : Mumbai  
Dated:

Place : Lucknow  
Dated:



**INDIA PESTICIDES LIMITED****Standalone Statement of Changes In Equity for the year ended 31st March 2021****A. Equity Share Capital***(All amounts in Rupees Millions, unless otherwise stated)*

Particulars	No. of Shares	Amount
<b>As at 31st March, 2019</b>	<b>3,18,325</b>	<b>31.83</b>
Changes in equity share capital during the period	-	-
<b>As at 31st March, 2020</b>	<b>3,18,325</b>	<b>31.83</b>
Changes in equity share capital during the period	11,14,66,805	79.95
<b>As at 31st March, 2021</b>	<b>11,17,85,130</b>	<b>111.79</b>

**B. Other Equity***(All amounts in Rupees Millions, unless otherwise stated)*

Particulars	Reserves and Surplus			Remeasurement of net defined benefit plan	Total
	Securities Premium	General Reserve	Retained Earnings		
<b>Balance as on 31st March, 2019</b>	<b>8.58</b>	<b>489.37</b>	<b>1,340.91</b>	<b>(0.50)</b>	<b>1,838.37</b>
Profit/(loss) for the year	-	-	707.83	(2.14)	705.69
Other Comprehensive Income / (loss)	-	-	-	-	-
<b>Total Comprehensive Income for the year</b>	<b>8.58</b>	<b>489.37</b>	<b>2,048.75</b>	<b>(2.64)</b>	<b>2,544.06</b>
Dividends paid (incl. dividend distribution tax)	-	-	(7.66)	-	(7.66)
Transfer to General Reserves	-	100.00	(100.00)	-	-
<b>Balance as on 31st March 2020</b>	<b>8.58</b>	<b>589.37</b>	<b>1,941.08</b>	<b>(2.64)</b>	<b>2,536.40</b>
Profit/(loss) for the year	-	-	1,345.44	3.78	1,349.22
Other Comprehensive Income / (loss)	-	-	-	-	-
<b>Total Comprehensive Income for the year</b>	<b>8.58</b>	<b>589.37</b>	<b>3,286.52</b>	<b>1.14</b>	<b>3,885.61</b>
Dividends paid	-	-	(35.02)	-	(35.02)
Amounts utilized towards issue of fully paid up bonus shares to the extent available (Refer note 13(e))	(8.58)	(71.00)	-	-	(79.58)
Add: On Preferential Allotment (Refer note 13(f))	12.14	-	-	-	12.14
<b>Balance as on 31st March 2021</b>	<b>12.14</b>	<b>518.37</b>	<b>3,251.50</b>	<b>1.14</b>	<b>3,783.16</b>

As per our report of even date attached

For Lodha &amp; Co.

**Chartered Accountants**

ICAI Firm Registration No: 301051E

For and on behalf of Board of Directors of

**India Pesticides Limited****R.P. Baradiya**

Partner

**A. S. Agarwal**Director  
DIN: 00777581**R. S. Sharma**Director  
DIN: 02487797**D. K. Jain**

Chief Executive Officer

**S. P. Gupta**

Chief Financial Officer

**Ajeet Pandey**

Company Secretary

Place : Mumbai

Dated:

Place : Lucknow

Dated:

**INDIA PESTICIDES LIMITED**

**Significant accounting policies and explanatory notes to Standalone Financial Statements**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**Company Profile**

India Pesticides Limited ("the Company") is a company incorporated on 13<sup>th</sup> December 1984 and having its registered office at Bareilly, Uttar Pradesh, India. The Company is engaged in 'Agri Chemicals' business which primarily includes manufacture, sale and distribution of insecticides, fungicides, herbicide and various other agrochemical products. The Company has its own manufacturing site for agrochemical production at Sandila and Dewa Road in Uttar Pradesh.

**1 Significant Accounting policies**

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

**1.1 Basis of Preparation**

The Standalone financial statements of the Company are based on the principle of historical cost except for certain financial assets and liabilities and defined benefit plan that are measured at fair value, and are drawn up to comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

The accounting policies are applied consistently to all the years presented in the standalone financial statements.

The Standalone Financial statements have been prepared on an accrual basis under the historical cost convention except for the following that are measured at fair value as required by relevant Ind AS.

Certain financial assets measured at fair value (refer accounting policy regarding financial instruments)

**Current versus non-current classification**

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or noncurrent classification of assets and liabilities.

**1.2 Application of Accounting Pronouncements**

The Company has applied the Ind AS pronouncements pursuant to issuance of the Companies (Indian Accounting Standards) Amendment Rules, 2019 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2019. Accordingly, the Company has adopted Ind AS 116, Leases with modified retrospective approach to reporting period commencing from 1st April, 2019.

**1.3 Use of Estimates and Judgments**

In preparing the Standalone Financial Statements, the Management has to make certain assumptions and estimates that may substantially impact the presentation of the Company's financial position and/ or results of operations.

The estimates and judgments used in the preparation of the Standalone Financial Statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Although the Company regularly assesses these estimates, actual results may differ from these estimates. Changes in estimates are recorded in the periods in which they become known.

#### 1.4 Summary of Significant accounting policies

##### (a) Property, Plant & Equipment

###### Measurement at recognition:

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenses directly attributable to new manufacturing facility during its construction period are capitalized if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of property, plant and equipment if the recognition criteria are met.

Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

###### Capital work in progress and Capital advances:

Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as Other Non-Current Assets.

###### Depreciation and Amortisation

Depreciation on each part of an item of property, plant and equipment is provided using the Straight Line Method based on the useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

Leasehold improvements are amortized over the period of the lease.

The Estimated useful lives of the assets are as follows:

Asset Class	Useful Life
Factory Building	30 years
Plant & Machinery	20 years
R&D Equipment	20 years
Electrical Installations and Equipment	10 years
Furniture & Fixtures	10 years
Vehicles	8 years
Office Equipments	5 years
Computers	3 years

The estimated useful life, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

###### Derecognition:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

##### (b) Intangible Assets

###### Measurement at recognition:

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Internally generated intangibles including research cost are not capitalized and the related expenditure is recognized in the Statement of Profit and Loss in the period in which the expenditure is incurred. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.

###### Amortization:

Intangible Assets with finite lives are amortized on a Straight Line basis over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognized in the Statement of Profit and Loss. The estimated useful life of intangible assets is mentioned below:

Asset Class	Useful Life
Software	5 years
Know How	10 years

The amortization period and the amortization method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

###### Derecognition:

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

##### (c) Revenue Recognition

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

###### Sale of Products:

Revenue from sale of products is recognized when the control on the goods has been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and goods and services tax. Transaction price is recognized based on the price specified in the contract, net of the estimated sales incentives/ discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

###### Export Incentive:

Income from Export Incentives such as duty drawback and MEIS are recognised on an accrual basis to the extent the ultimate realisation is reasonably certain.

**(d) Other Income**

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established. It is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts over the expected life of the financial asset to the asset's gross carrying amount on initial recognition. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument.

**(e) Inventories**

Inventories encompass goods consumed in production (raw materials, packing materials and stores and spare parts), goods in the production process for sale (work-in-progress) and goods held for sale in the ordinary course of business (finished goods and stock-in-trade). Inventories are recognised at the lower of their cost of acquisition calculated by the weighted average method and at their net realisable value. The net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and selling expenses necessary to make the sale.

**(f) Financial Instruments**

**(i) Financial Assets**

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, in case of Financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition value of the financial asset.

Financial assets are subsequently classified as measured at

**- amortised cost**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are accounted for at amortised cost using the effective interest method. This category comprises trade accounts receivable, loans, cash and cash equivalents, bank balances and other financial assets. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the Statement of Profit and Loss when the asset is derecognised or impaired. Interest income from these financial assets is included in Other Income using the effective interest rate method.

**- fair value through profit and loss (FVTPL)**

Assets shall be measured at FVTPL unless it is measured at amortised cost or at FVOCI. A gain or loss on a debt instrument that is subsequently measured at FVTPL and is not part of a hedging relationship is recognised in the Statement of Profit and Loss and presented within other gains/ (losses) in the period in which it arises. Interest income from these financial assets is included in Other Income.

**- fair value through other comprehensive income (FVOCI)**

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. The movements in carrying amount are taken through Other Comprehensive Income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from equity to the Statement of Profit and Loss and recognised in other gains/ (losses). Interest income from these financial assets is included in Other Income using the effective interest rate method.

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

**Derecognition**

Financial assets are derecognised when contractual rights to receive cash flows from the financial assets expire or the financial assets are transferred together with all material risks and benefits.

**(ii) Financial Liabilities**

Financial liabilities are initially recognised at fair value if the Company has a contractual obligation to transfer cash or other financial assets to another party. Borrowings and payables are recognised net of directly attributable transaction costs. In subsequent periods, such liabilities are measured at amortised cost using the effective interest method.

**Derecognition**

Financial liabilities are derecognised when the contractual obligation is discharged or cancelled, or has expired.

**(g) Impairment of Financial Assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The Company applies Expected Credit Loss (ECL) model for recognising impairment loss on financial assets measured at amortised cost. The Company follows 'simplified approach' permitted by Ind AS 109 - Financial Instruments for recognition of impairment loss on trade receivables and lease receivables based on expected lifetime losses at each reporting date right from its initial recognition. If the reasons for previously recognised impairment losses no longer apply, the impairment losses are reversed provided that this does not cause the carrying amounts to exceed the amortised cost of acquisition.

**(h) Fair Value Measurement**

The Company measures certain financial instruments at fair value at each reporting date. Certain accounting policies and disclosures require the measurement of fair values, for both financial and non- financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability also reflects its non-performance risk.

The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognised in Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

While measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique 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 assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

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

When quoted price in active market for an instrument is available, the Company measures the fair value of the instrument using that price. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Company uses a valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

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

**(i) Trade Receivables and Loans**

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

**(j) Investments**

Financial assets are recognised and measured in accordance with Ind AS 109 - Financial Instruments. Accordingly, the Company recognises financial asset only when it has a contractual right to receive cash or other financial assets from another entity. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. Subsequent to initial recognition, financial assets are measured at amortised cost, fair value through other comprehensive income (FVOCI) or FVTPL. The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

Investment in Equity Instruments are classified as FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in Other Comprehensive Income for investment in equity instruments which are not held for trading.

**(k) Foreign Currency Transactions**

The Standalone Financial Statements are presented in Indian Rupee, which is the Company's functional and presentation currency. A company's functional currency is that of the primary economic environment in which the company operates.

Foreign currency transactions are translated into the functional currency using the exchange rate at the date of the transaction. Foreign exchange gains/ losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in the Statement of Profit and Loss.

**Monetary items:**

Transactions in foreign currencies are initially recorded at their respective exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing on the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss either as profit or loss on foreign currency transaction and translation or as borrowing costs to the extent regarded as an adjustment to borrowing costs.

**Non – Monetary items:**

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

**(l) Income tax**

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

**Current Tax:**

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

**Deferred Tax:**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in Standalone Financial Statements and the corresponding tax bases used in the computation of taxable profit under Income tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

**Presentation of current and deferred tax:**

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

**(m) Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognised 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. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are not recognised but are disclosed in notes.

Contingent assets are not disclosed in the Standalone Financial Statements unless an inflow of economic benefits is probable.

**(n) Cash & Cash Equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and demand deposits with an original maturity of three months or less and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**(o) Provision for Employee Benefits**

**Short Term Employee Benefits:**

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

**Post-Employment Benefits:**

**I. Defined Contribution plans:**

Defined contribution plans are employee state insurance scheme and Government administered pension fund scheme for all applicable employees and superannuation scheme for eligible employees.

**Recognition and measurement of defined contribution plans:**

The Company recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Company during the reporting period. If the contributions payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

## II. Defined benefit plans:

### i) Provident fund scheme:

The Company makes specified monthly contributions towards Employee Provident Fund scheme to a separate trust administered by the Company. The minimum interest payable by the trust to the beneficiaries is being notified by the Government every year. The Company has an obligation to make good the shortfall, if any, between the return on investments of the trust and the notified interest rate.

### ii) Gratuity scheme:

The Company has a Defined Benefit Plan namely Gratuity covering its employees. The Gratuity scheme is funded through Group Gratuity-cum-Life Assurance Scheme which is administered by LIC. The present value of provisions for defined benefit plans and the resulting expense are calculated in accordance with Ind AS 19 - Employee Benefits by the Projected Unit Credit Method. The future benefit obligations are valued by an independent actuary at the year-end and spread over the entire employment period on the basis of specific assumptions regarding beneficiary structure and the economic environment. This includes the determination of the discount rate, salary escalation, mortality rate etc. which affects the valuation. In determining the appropriate discount rate at each balance sheet date, the Management considers the interest rates which relates to the benchmark rate available for Government Securities and that have terms to maturity approximating the terms of the related defined benefit obligation.

### Recognition and measurement of defined benefit plans:

The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

The Company presents the above liability/(asset) as current and non-current in the balance sheet as per actuarial valuation by the independent actuary; however, the entire liability towards gratuity is considered as current as the Company will contribute this amount to the gratuity fund within the next twelve months.

### Other Long Term Employee Benefits:

Entitlements to annual leave and sick leave are recognized when they accrue to employees. Sick leave can only be availed while annual leave can either be availed or encashed subject to a restriction on the maximum number of accumulation of leave. The Company determines the liability for such accumulated leaves using the Projected Accrued Benefit method with actuarial valuations being carried out at each Balance Sheet date. Expenses related to other long term employee benefits are recognized in the Statement of Profit and loss (including actuarial gain and loss).

## (p) Lease accounting

### Assets taken on lease:

The Company mainly has lease arrangements for land.

The Company assesses whether a contract is or contains a lease, at inception of a contract. The assessment involves the exercise of judgement about whether (i) the contract involves the use of an identified asset, (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of the lease, and (iii) the Company has the right to direct the use of the asset.

The Company recognises a right-of-use asset ("ROU") and a corresponding lease liability at the lease commencement date. The ROU asset is initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The ROU asset is depreciated using the straight-line method from the commencement date to the earlier of, the end of the useful life of the ROU asset or the end of the lease term i.e. between 74 to 90 years

If a lease transfers ownership of the underlying asset or the cost of the ROU asset reflects that the Company expects to exercise a purchase option, the related ROU asset is depreciated over the useful life of the underlying asset. The estimated useful lives of ROU assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company uses an incremental borrowing rate specific to the Company, term and currency of the contract. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability include fixed payments, variable lease payments that depend on an index or a rate known at the commencement date; and extension option payments or purchase options payment which the Company is reasonable certain to exercise.

Variable lease payments that do not depend on an index or rate are not included in the measurement the lease liability and the ROU asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "other expenses" in the statement of profit or loss.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made and remeasured (with a corresponding adjustment to the related ROU asset) when there is a change in future lease payments in case of renegotiation, changes of an index or rate or in case of reassessment of options.

### Short-term leases and leases of low-value assets:

The Company has elected not to recognize ROU assets and lease liabilities for short term leases as well as low value assets and recognizes the lease payments associated with these leases as an expense in the statement of profit and loss.

**(q) Impairment of Non-financial Assets**

Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any indication of such impairment exists, the recoverable amount of such assets / cash generating unit is estimated and in case the carrying amount of these assets exceeds their recoverable amount, an impairment is recognised.

The recoverable amount is the higher of the fair value less cost to sell and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. Assessment is also done at each Balance Sheet date as to whether there is indication that an impairment loss recognised for an asset in prior accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss.

**(r) Borrowing Costs**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

**(s) Government Grants / Subsidies:**

Government grants / subsidies are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized in Statement of Profit and Loss.

**(t) Segment reporting**

The Company identifies operating segments based on the dominant source, nature of risks and returns and the internal organisation. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Board of Directors (who are Company's chief operating decision makers) in deciding how to allocate resources and in assessing performance.

**(u) Dividends Payable**

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

**(v) Earnings Per Share**

Basic earnings per share are calculated by dividing the Profit or Loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the Profit or Loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

The weighted average number of equity shares outstanding during the period is adjusted for bonus issue and share split.

**(w) Events after reporting date**

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the standalone financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

**(x) Offsetting of financial instruments**

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

**(y) Rounding Of Amounts**

All amounts disclosed in the Standalone Financial Statements and notes have been rounded off to the nearest million, unless otherwise stated.

**(z) Recent Accounting Pronouncements**

The Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

**(aa) Critical accounting estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

**(a) Income taxes**

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

**(b) Property, plant and equipment**

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of 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 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 technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

**(c) Defined Benefit Obligation**

The costs of providing pensions and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates.

**(d) Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

**(e) Right-of-use assets and lease liability**

The Company has exercised judgement in determining the lease term as the noncancellable term of the lease, together with the impact of options to extend or terminate the lease if it is reasonably certain to be exercised. Where the rate implicit in the lease is not readily available, an incremental borrowing rate is applied. This incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar nature and value to the right-of-use asset in a similar economic environment. Determination of the incremental borrowing rate requires estimation.

2A Property, Plant and Equipment

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	Leasehold Land	Factory Building	Plant & Equipment	R&D Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Computers	Total
<b>Gross Carrying Amount</b>									
Balance as at 31 <sup>st</sup> March, 2019	40.64	189.82	471.17	1.17	7.56	22.95	1.25	1.85	736.41
Additions during the year	-	72.03	265.15	-	1.35	3.68	0.44	0.67	343.32
Disposals/ Reclassifications during the year	40.64	-	-	-	-	0.62	-	-	41.26
Balance as at 31 <sup>st</sup> March, 2020	-	261.85	736.32	1.17	8.91	26.00	1.69	2.52	1,038.47
Additions during the year	-	97.00	200.90	-	0.94	10.17	1.11	0.76	310.88
Disposals/ Reclassifications during the year	-	-	-	-	-	0.34	-	-	0.34
Balance as at 31 <sup>st</sup> March, 2021	-	358.85	937.22	1.17	9.85	35.83	2.80	3.28	1,349.01
<b>Accumulated Depreciation</b>									
Balance as at 31 <sup>st</sup> March, 2019	-	5.84	28.21	0.06	0.72	3.15	0.29	0.54	38.81
Depreciation expense for the year	-	11.82	32.05	0.06	0.91	3.95	0.32	1.12	50.23
Eliminated on disposal of asset/ reclassifications	-	-	-	-	-	0.58	-	-	0.58
Balance as at 31 <sup>st</sup> March, 2020	-	17.66	60.26	0.11	1.63	6.52	0.61	1.66	88.45
Depreciation expense for the year	-	9.08	45.34	0.06	1.02	4.39	0.41	0.59	60.89
Eliminated on disposal of asset/ reclassifications	-	-	-	-	-	0.25	-	-	0.25
Balance as at 31 <sup>st</sup> March, 2021	-	26.74	105.60	0.17	2.65	10.66	1.02	2.25	149.09
<b>Net Carrying amount</b>									
Balance as at 31 <sup>st</sup> March, 2019	40.64	183.98	442.95	1.11	6.84	19.80	0.96	1.31	697.60
Balance as at 31 <sup>st</sup> March, 2020	-	244.19	676.06	1.06	7.28	19.49	1.08	0.86	950.01
Balance as at 31 <sup>st</sup> March, 2021	-	332.11	831.62	1.00	7.20	25.17	1.78	1.03	1,199.92

2B Right of Use Assets

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	As at	As at	As at
	31st March, 2021	31st March, 2020	31st March, 2019
<b>Opening Balance</b>	42.57	-	-
Reclassified on account of adoption of Ind AS 116	-	40.64	-
Additions	0.99	1.94	-
Deletions	-	-	-
Depreciation	0.02	0.02	-
<b>Closing Balance</b>	43.54	42.57	-

Note: Refer Note 33 for detailed disclosures

(All amounts in Rupees Millions, unless otherwise stated)

Capital work-in-progress	Plant & Machinery	Buildings	Total
Balance as at 31 <sup>st</sup> March, 2020	1.14	10.43	11.57
Balance as at 31 <sup>st</sup> March, 2021	102.84	16.01	118.85

Note: Capital expenditures contracted for but not recognised in the financial statements is Rs. 22.41 mn as at 31st March, 2021.

Refer Note 15 and 19 for details of security charge on Property, plant and equipment, Right of use of assets and Capital work-in-progress.



### 3 Intangible Assets

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	Software	Know How	Total
<b>Gross Carrying Amount</b>			
Balance as at 31 <sup>st</sup> March, 2019	0.29	2.12	2.42
Additions during the year	0.10	-	0.10
Deductions during the year	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2020</b>	<b>0.40</b>	<b>2.12</b>	<b>2.52</b>
Additions during the year	-	-	-
Deductions during the year	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>0.40</b>	<b>2.12</b>	<b>2.52</b>
<b>Accumulated amortization</b>			
Balance as at 31 <sup>st</sup> March, 2019	0.07	0.36	0.43
Amortization expense for the year	0.09	0.35	0.44
Deductions for the year	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2020</b>	<b>0.16</b>	<b>0.70</b>	<b>0.86</b>
Amortization expense for the year	0.08	0.36	0.44
Deductions for the year	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>0.24</b>	<b>1.06</b>	<b>1.30</b>
<b>Net Carrying amount</b>			
Balance as at 31 <sup>st</sup> March, 2019	0.22	1.76	1.99
Balance as at 31 <sup>st</sup> March, 2020	0.24	1.41	1.65
Balance as at 31 <sup>st</sup> March, 2021	0.16	1.06	1.22

Notes: The amortization expense of intangible assets has been included under 'Depreciation and amortization expense' in the Statement of Profit and Loss.

## 4 Investments

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>(A) INVESTMENTS MEASURED AT AMORTISED COST</b>		
<b>In Unquoted, fully paid up Equity Shares of Subsidiary</b>		
Shalvis Specialities Ltd 8,00,000 (31st March, 2020 : Nil, 31st March, 2019 : Nil) equity shares of Rs.10 each	8.00	-
<b>TOTAL</b>	<b>8.00</b>	<b>-</b>
<b>In Unquoted, fully paid up Debt Instrument</b>		
India Infoline Finance Ltd 4,000 @ 9.5% (31st March, 2020 : 4,000 @ 9.5 %, 31st March, 2019 : 4,000 @ 9.5 %) non-convertible debentures of Rs. 1000 each	4.86	4.44
<b>TOTAL</b>	<b>4.86</b>	<b>4.44</b>
<b>In Unquoted Government Securities</b>		
National Saving Certificate	0.04	0.04
<b>TOTAL</b>	<b>0.04</b>	<b>0.04</b>
<b>(B) INVESTMENTS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (FVOCI)</b>		
<b>In Unquoted, fully paid up Equity Shares of Other Company</b>		
Swarup Chemicals Pvt Limited 3900 (31st March, 2020 : 3900, 31st March, 2019 : 3900) equity shares of Rs.10 each	2.30	-
<b>TOTAL</b>	<b>2.30</b>	<b>-</b>
<b>(C) INVESTMENTS MEASURED AT FAIR VALUE THROUGH PROFIT AND LOSS (FVTPL)</b>		
<b>In Quoted, fully paid up Equity Shares of Other Companies</b>		
Punjab National Bank 50 (31st March, 2020 : 50, 31st March, 2019 : 50) equity shares of Rs.2 each	0.00	0.00
Triveni Engineering Ltd Nil (31st March, 2020 : 666, 31st March, 2019 : 666) equity shares of Rs.10 each	-	0.02
Coromandal International Ltd 125 (31st March, 2020 : 125, 31st March, 2019 : 125) equity shares of Re.1 each	0.10	0.07
Suditi Industries Ltd 11,739 (31st March, 2020 : 8899, 31st March, 2019 : 4632) equity shares of Re.10 each	0.12	0.07
Vedanta Ltd 3,086 (31st March, 2020 : Nil, 31st March, 2019 : Nil) equity shares of Re.1 each	0.71	-
Vinati Organics Ltd Nil (31st March, 2020 : Nil, 31st March, 2019 : 159) equity shares of Rs.2 each	-	-
AIA Engineering Ltd. Nil (31st March, 2020 : Nil, 31st March, 2019 : 191) equity shares of Rs.2 each	-	-

Axis Bank Ltd Nil (31st March, 2020 : Nil, 31st March, 2019 : 563) equity shares of Rs.2 each	-	-
Canfin Homes Ltd Nil (31st March, 2020 : 497, 31st March, 2019 : 691) equity shares of Rs.2 each	-	0.14
DFM Foods Ltd Nil (31st March, 2020 : 1989, 31st March, 2019 : 1989) equity shares of Rs.2 each	-	0.35
HDFC Bank Ltd Nil (31st March, 2020 : Nil, 31st March, 2019 : 254) equity shares of Rs.2 each	-	-
IFB Industries Ltd Nil (31st March, 2020 : 403, 31st March, 2019 : 476) equity shares of Rs.10 each	-	0.11
JB Chemicals & Pharmaceuticals Ltd Nil (31st March, 2020 : Nil, 31st March, 2019 : 921) equity shares of Rs.2 each	-	-
K M Sugar Mills Ltd 1,36,325 (31st March, 2020 : 1,25,619, 31st March, 2019 : 60989) equity shares of Rs.2 each	1.62	0.80
Magma Fincorp Ltd Nil (31st March, 2020 : 5352, 31st March, 2019 : 3767) equity shares of Rs.2 each	-	0.09
Majesco Ltd Nil (31st March, 2020 : 1093, 31st March, 2019 : 740) equity shares of Rs.5 each	-	0.28
Mayur Uniquoters Limited Nil (31st March, 2020 : Nil, 31st March, 2019 : 751) equity shares of Rs.5 each	-	-
Nesco Ltd Nil (31st March, 2020 : 501, 31st March, 2019 : 501) equity shares of Rs.2 each	-	0.24
Orient Electric Limited Nil (31st March, 2020 : 1261, 31st March, 2019 : 1764) equity shares of Re.1 each	-	0.25
PI Industries Ltd 151 (31st March, 2020 : 188, 31st March, 2019 : 237) equity shares of Re.1 each	0.34	0.22
United Breweries Ltd Nil (31st March, 2020 : Nil, 31st March, 2019 : 113) equity shares of Re.1 each	-	-
Zensar Technologies Ltd Nil (31st March, 2020 : Nil, 31st March, 2019 : 1297) equity shares of Rs.2 each	-	-
Alkyl Amines Chemicals Ltd Nil (31st March, 2020 : 174, 31st March, 2019 : Nil) equity shares of Rs.5 each	-	0.21
Bata India Ltd Nil (31st March, 2020 : 198, 31st March, 2019 : Nil) equity shares of Rs.5 each	-	0.24

Borosil Limited Nil (31st March, 2020 : 1289, 31st March, 2019 : Nil) equity shares of Re.1 each	-	0.05
ICICI Bank Ltd. 616 (31st March, 2020 : 624, 31st March, 2019 : Nil) equity shares of Rs.2 each	0.36	0.20
IIFL Wealth Management Ltd. Nil (31st March, 2020 : 205, 31st March, 2019 : Nil) equity shares of Rs.2 each	-	0.20
Kotak Mahindra Bank Ltd Nil (31st March, 2020 : 167, 31st March, 2019 : Nil) equity shares of Rs.5 each	-	0.22
Multi Commodity Exchange of India Ltd. Nil (31st March, 2020 : 216, 31st March, 2019 : Nil) equity shares of Rs.10 each	-	0.24
Muthoot Finance Ltd. Nil (31st March, 2020 : 316, 31st March, 2019 : Nil) equity shares of Rs.10 each	-	0.19
Natco Pharma Ltd. Nil (31st March, 2020 : 446, 31st March, 2019 : Nil) equity shares of Rs.2 each	-	0.22
Navin Fluorine International Ltd. 124 (31st March, 2020 : 121, 31st March, 2019 : Nil) equity shares of Rs.2 each	0.34	0.15
Nocil Ltd Nil (31st March, 2020 : 2341, 31st March, 2019 : Nil) equity shares of Rs.10 each	-	0.15
Rites Ltd. Nil (31st March, 2020 : 807, 31st March, 2019 : Nil) equity shares of Rs.10 each	-	0.20
Tube Investments of India Ltd. Nil (31st March, 2020 : 676, 31st March, 2019 : Nil) equity shares of Re.1 each	-	0.18
Sam Industries Ltd 2200 (31st March, 2020 : 2200, 31st March, 2019 : 2200) equity shares of Rs.10 each	0.03	0.03
Modipon Ltd 100 (31st March, 2020 : 100, 31st March, 2019 : 100) equity shares of Rs.10 each	0.00	0.00
Apollo Hospitals Enterprises Ltd 228 (31st March, 2020 : Nil, 31st March, 2019 : Nil) equity shares of Rs.10 each	0.66	-
Bank of Baroda 5686 (31st March, 2020 : Nil, 31st March, 2019 : Nil) equity shares of Rs.10 each	0.42	-
Bharti Airtel Ltd 696 (31st March, 2020 : Nil, 31st March, 2019 : Nil) equity shares of Rs.10 each	0.41	-

Bharat Petroleum Corporation Ltd 1299 (31st March, 2020 : Nil, 31st March, 2019 : Nil) equity shares of Rs.10 each	0.56	-
Dr Reddy Laboratories 76 (31st March, 2020 : Nil, 31st March, 2019 : Nil) equity shares of Rs.10 each	0.34	-
Gujarat Narmada Valley Fertilizers & Chemicals 1657 (31st March, 2020 : Nil, 31st March, 2019 : Nil) equity shares of Rs.10 each	0.50	-
HCL Technologies Ltd 466 (31st March, 2020 : Nil, 31st March, 2019 : Nil) equity shares of Rs.10 each	0.46	-
Indian Railway Catering & Tourism 281 (31st March, 2020 : Nil, 31st March, 2019 : Nil) equity shares of Rs.10 each	0.49	-
Infosys Ltd 340 (31st March, 2020 : Nil, 31st March, 2019 : Nil) equity shares of Rs.10 each	0.47	-
Karnataka Bank Ltd 6825 (31st March, 2020 : Nil, 31st March, 2019 : Nil) equity shares of Rs.10 each	0.42	-
Polycab India Limited 377 (31st March, 2020 : Nil, 31st March, 2019 : Nil) equity shares of Rs.10 each	0.52	-
Reliance Industries Ltd - Right Issue 300 (31st March, 2020 : Nil, 31st March, 2019 : Nil) equity shares of Rs.10 each	0.33	-
State Bank India 1176 (31st March, 2020 : Nil, 31st March, 2019 : Nil) equity shares of Rs.10 each	0.43	-
Sun TV Network 911 (31st March, 2020 : Nil, 31st March, 2019 : Nil) equity shares of Rs.10 each	0.43	-
Ultramarine & Pigments Ltd 1248 (31st March, 2020 : Nil, 31st March, 2019 : Nil) equity shares of Rs.10 each	0.36	-
Infrastructure Development Finance Co. Ltd. (Equity) 10,586 (31st March, 2020 : Nil, 31st March, 2019 : Nil) equity shares of Rs.10 each	0.50	-
<b>TOTAL</b>	<b>10.92</b>	<b>5.14</b>

<b>In Unquoted, fully paid up Equity Shares of Other Companies</b>			
1	Kalyanpur Cements Ltd 16500 (31st March, 2020 : 16500, 31st March, 2019 : 16500) equity shares of Rs.10 each	-	-
2	Eggro Paper Moulds Ltd 3300 (31st March, 2020 : 3300, 31st March, 2019 : 3300) equity shares of Rs.10 each	-	-
3	United Health Care Ltd 100 (31st March, 2020 : 100, 31st March, 2019 : 100) equity shares of Rs.10 each	-	-
4	XLO Machine Tool Ltd 200 (31st March, 2020 : 200, 31st March, 2019 : 200) equity shares of Rs.10 each	-	-
5	Stallion Shox Ltd 100 (31st March, 2020 : 100, 31st March, 2019 : 100) equity shares of Rs.10 each	-	-
6	Swarup Publication P Ltd 1900 (31st March, 2020 : 1900, 31st March, 2019 : 1900) equity shares of Rs.10 each	-	-
7	Indo fil Limited 21 (31st March, 2020 : 21, 31st March, 2019 : 21) equity shares of Rs.10 each	-	-
	<b>TOTAL</b>	-	-
<b>In quoted, fully paid up Mutual Funds</b>			
1	Master Share UTI 100 (31st March, 2020 : 100, 31st March, 2019 : 100) equity shares of Rs.10 each	0.00	0.00
2	BOI AXA Large & Mid Cap Equity Fund 2,40,090.91 (31st March, 2020 : 3,52,099.199, 31st March, 2019 : 2,15,492.045) units.	10.51	9.59
3	BOI AXA Equity Debt Rebalancer Fund Nil (31st March, 2020 : Nil, 31st March, 2019 : 68,524.9875) units.	-	-
4	ICICI Prudential Regular Savings Plan Growth 34,641.616 (31st March, 2020 : 34,641.616, 31st March, 2019 : 34,641.616) units.	0.82	0.75
5	Birla Sun Life Medium Term Plan (Growth) Nil (31st March, 2020 : Nil, 31st March, 2019 : 1,06,152.585) units.	-	-
6	BOI AXA Midcap Tax Fund  1,50,000 (31st March, 2020 : 1,50,000, 31st March, 2019 : 1,50,000) units.	1.98	1.13
7	BOI AXA Conservative Hybrid Fund Nil (31st March, 2020 : Nil, 31st March, 2019 : 2,54,691.182) units.	-	-
8	BOI AXA Small Cap Fund Nil (31st March, 2020 : 2,00,000, 31st March, 2019 : 2,00,000) units.	-	1.77
9	SBI Overnight Fund (G)  Nil (31st March, 2020 : 126.9841, 31st March, 2019 : 2,54,691.182) units.	-	0.49
10	ICICI Prudential Balanced Advantage Fund  68,810.472 (31st March, 2020 : 68,810.472, 31st March, 2019 : Nil) units.	3.04	2.10
11	DSP Corporate Bond Fund Nil (31st March, 2020 : 1,30,472.319, 31st March, 2019 : Nil) units.	-	1.54
12	DSP Dynamic Asset Allocation Fund 255,137.282 (31st March, 2020 : 1,24,664.963, 31st March, 2019 : Nil) units.	-	1.77
13	BOI AXA Mid & Small Cap Equity & Debt Fund 1,57,472.441 (31st March, 2020 : 1,57,472.441, 31st March, 2019 : Nil) units.	2.72	1.61
17	Axis Special Situations Fund 5,00,087.396 (31st March, 2020 : Nil, 31st March, 2019 : Nil) units.	5.17	-
18	Axis Growth Opportunities Fund 1,57,621.375 (31st March, 2020 : Nil, 31st March, 2019 : Nil) units.	2.51	-
19	BOI AXA Flexi Cap Fund 4,69,994.501 (31st March, 2020 : Nil, 31st March, 2019 : Nil) units.	6.97	-
20	DSP Mid Cap Fund 64,785.317 (31st March, 2020 : Nil, 31st March, 2019 : Nil) units.	4.94	-
21	Edelweiss Greater China Equity Off Shore Fund 1,02,479.093 (31st March, 2020 : Nil, 31st March, 2019 : Nil) units.	5.37	-

22	HDFC Dividend Yield Fund 4,62,554.354 (31st March, 2020 : Nil, 31st March, 2019 : Nil) units.	5.06	-
23	Mirae Asset Mid Cap Fund 1,50,350.334 (31st March, 2020 : Nil, 31st March, 2019 : Nil) units.	2.42	-
24	PGIM India Emerging Markets Equity fund 1,28,462.231 (31st March, 2020 : Nil, 31st March, 2019 : Nil) units.	2.25	-
25	PGIM India Flexi Cap Fund 60,824.209 (31st March, 2020 : Nil, 31st March, 2019 : Nil) units.	1.24	-
26	PGIM India Midcap Opportunities Fund 40,754.402 (31st March, 2020 : Nil, 31st March, 2019 : Nil) units.	1.28	-
27	SBI Savings Fund 4,31,859.760 (31st March, 2020 : Nil, 31st March, 2019 : Nil) units.	14.16	-
28	PGIM India Arbitrage Fund 1,71,340.499 (31st March, 2020 : Nil, 31st March, 2019 : Nil) units.	2.50	-
	<b>TOTAL</b>	<b>72.94</b>	<b>20.75</b>
	<b>TOTAL NON CURRENT INVESTMENT</b>	<b>99.05</b>	<b>30.37</b>
<b>Aggregate book value of:</b>			
	Quoted investments	<b>74.98</b>	<b>31.89</b>
	Unquoted investments	<b>12.92</b>	<b>4.92</b>
<b>Aggregate market value of:</b>			
	Quoted investments	<b>83.85</b>	<b>25.89</b>
	Unquoted investments	<b>15.20</b>	<b>4.48</b>
	<b>Aggregate amount of impairment in value of Investments</b>	<b>0.89</b>	<b>0.89</b>

5 Other Financial Assets (non-current)

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Unsecured and Considered Good</b>		
Sundry Deposits	20.00	16.37
Term Deposits*	8.49	32.47
<b>Total</b>	<b>28.49</b>	<b>48.84</b>

\*on lien against margin money, against bank guarantee and other commitments

6 Other Non-current Assets

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Others</b>		
Advance to Gratuity Trust	2.07	6.61
Capital Advances	9.46	14.01
<b>Total</b>	<b>11.53</b>	<b>20.62</b>

Note: Capital expenditures contracted for but not recognised in the financial statements is Rs. 22.41 mn as at 31st March, 2021.

7 Inventories

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Raw Materials	235.84	145.78
Work-in-Progress	14.04	28.08
Finished Goods	393.66	182.85
Packing Materials	44.79	23.47
Stores, Spares and Consumables	12.46	5.55
<b>Total</b>	<b>700.79</b>	<b>385.73</b>

Refer Note 19 for details of security charge on Inventories.

8 Trade Receivables

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured, considered good	2,174.65	1,843.73
Credit Impaired	-	-
Less: Allowance for Expected Credit Loss	32.45	11.99
<b>Total</b>	<b>2,142.20</b>	<b>1,831.74</b>

i) No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

ii) Trade receivables are non interest bearing and generally on terms of 30 to 180 days.

iii) Refer Note 19 for details of security charge on Trade receivables.



## 9 Cash and Cash Equivalents

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Cash and Cash Equivalents</b>		
Cash on hand	1.98	4.48
<b>Balances with Banks</b>		
In Current Accounts	17.09	55.19
In Cash Credit Accounts	-	7.50
<b>Total</b>	<b>19.07</b>	<b>67.17</b>

## 10 Other Balances with Banks

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Balances with Banks</b>		
Term Deposits	410.55	13.12
<b>Total</b>	<b>410.55</b>	<b>13.12</b>

\*out of the above Term Deposit of Rs. 199.45 mn is on lien against margin money, against bank guarantee and other commitments as at March 2021 (Rs. 13.12 mn for March 2020)

Bank deposits earns interest at fixed rates. Short-term deposits are generally made for varying periods between three months to twelve months, depending on the cash requirements of the Company, and earn interest at the respective deposit rates.

## 11 Other Financial Assets (current)

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Unsecured and Considered Good</b>		
Other Receivables	0.89	0.31
Interest Subsidy Receivable	0.27	6.44
<b>Total</b>	<b>1.16</b>	<b>6.75</b>

## 12 Other Current Assets

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance with Government Authorities	185.69	200.39
Prepaid Expenses	2.77	2.24
<b>Others</b>		
Security Deposits	6.59	3.76
Advances to Employees	9.35	9.23
Advances to Suppliers*	190.03	31.27
<b>Total</b>	<b>394.43</b>	<b>246.89</b>

\*Includes related party balance of Rs.34 mn.

13 Equity Share Capital

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	As at		As at	
	31st March, 2021	31st March, 2020	31st March, 2020	31st March, 2019
<b>Authorised :</b>				
150,000,000 (31st March, 2020 : 350,000, 31st March, 2019 : 350,000) Equity Shares of Re. 1 each (31st March, 2020 : Rs. 100, 31st March, 2019 : Rs. 100) (Refer note 13(d)).	150.00	35.00		35.00
	<b>150.00</b>	<b>35.00</b>		<b>35.00</b>
<b>Issued, Subscribed and Paid up :</b>				
111,785,130 (31st March, 2020 : 318,325, 31st March, 2019 : 318,325) Equity Shares of Re. 1 (31st March, 2020 : Rs. 100, 31st March, 2019 : Rs. 100) (Refer note 13(d), 13(e) and 13(f)).	111.79	31.83		31.83
	<b>111.79</b>	<b>31.83</b>		<b>31.83</b>

a) Reconciliation of number of shares

Equity Shares	As at 31st March, 2021		As at 31st March, 2020	
	Number	(Rs. in mn)	Number	(Rs. In mn)
Shares outstanding at the beginning of the year	3,18,325	31.83	3,18,325	31.83
Add: Splitting of equity shares to Re.1 from Rs.100 (Face Value) (Refer note 13(d) below).	3,15,14,175	-		
Add: Shares issued during the year				
Bonus Shares (Refer note (e) below)	7,95,81,250	79.58		
Preferential allotment of Shares (Refer note (f) below)	3,71,380	0.37		
Shares bought back during the year				
<b>Shares outstanding at the end of the year</b>	<b>11,17,85,130</b>	<b>111.79</b>	<b>3,18,325</b>	<b>31.83</b>

b) Details of shareholders holding more than 5% of shares:

Name of Shareholders	As at 31st March, 2021		As at 31st March, 2020	
	% of Holding	No. of Shares held	% of Holding	No. of Shares held
Equity Shares of Re.1 (31st March, 2020 : Rs. 100, 31st March, 2019 : Rs. 100) each held by: (Refer note 13(d) and 13(e))				
1. Anand Swarup Agarwal	40.07%	4,47,89,850	40.20%	1,27,971
2. Sudha Agarwal	-	-	5.48%	17,438
3. Sneha Lata Agarwal	-	-	5.94%	18,918
4. Mahendra Swarup Agarwal	9.90%	1,10,69,375	10.48%	33,375
8. ASA Family Trust	6.90%	77,17,117	-	-
9. PSA Family Trust	11.11%	1,24,22,242	-	-
10. MSA Family Trust	5.10%	56,95,875	-	-

As per the records of the Company, including its registers of Shareholders/Members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of equity shares.

c) Rights, preferences and restrictions :

The company has only one class of equity shares having a par value of Re. 1 Per Share (March 31, 2020 - Rs 100 per share, March 31, 2019 - Rs 100 per share). Each holder of equity share is entitled to one vote per share.

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 no. of equity shares held by shareholder.

d) Split shares

(i) As per recommendation of the Board of Directors dated 21st December, 2020 and approval of the shareholders dated 28th December, 2020, the Company has increased its existing authorised share capital to Rs. 15,00,00,000 consisting of 15,00,000 equity shares of face value of Rs.100 each. Further, the existing equity shares were split into 15,00,00,000 equity shares of face value of Re.1 each.

(ii) Pursuant to the above resolution the existing issued, paid-up and subscribed paid up capital of the Company stands sub-divided to 31,832,500 equity shares of Re. 1 each.

**e) Bonus Shares**

As per recommendation of the Board of Directors dated 21st December, 2020 and approval of the shareholders dated 28th December, 2020, the Company has issued 7,95,81,250 bonus equity shares of face value of Rs. 1/- each in ratio of 2.5:1 (i.e. 5 (Five) Bonus Shares for every 2 (Two) Equity Shares.

**f) Preferential allotment**

As per recommendation of the Board of Directors dated 23rd January, 2021 and approval of the shareholders dated 25th January, 2021 in Extraordinary General Meeting, the Company has issued 371,380 equity shares of face value of Re. 1/- each on preferential basis at an issue price of Rs. 33.70 (including a premium of Rs.32.70).

Consequent to the above and note (d), (e) and (f) the issued, subscribed and paid-up share capital has increased to Rs. 111.79 mn comprising of 111,785,130 equity shares of face value of Re.1/- each.

g) No class of shares have been bought back by the Company during the period of five years immediately preceding the current period/year end.

h) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current period/year end except as disclosed in Note (e) above.

**14 Other Equity**

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Securities Premium</b>		
As per Opening Balance	8.58	8.58
Less: amounts utilized towards issue of fully paid up bonus shares to the extent available (Refer note 13(e))	8.58	
Add: On Preferential Allotment (Refer note 13(f))	12.14	
<b>Closing Balance</b>	<b>12.14</b>	<b>8.58</b>
<b>General Reserve</b>		
As per last Balance Sheet	589.37	489.37
Less : amounts utilized towards issue of fully paid up bonus shares ((Refer note 13(e))	71.00	-
Add : Transferred from Surplus	-	100.00
<b>Closing Balance</b>	<b>518.37</b>	<b>589.37</b>
<b>Retained Earnings</b>		
As per last Balance Sheet	1,938.44	1,340.41
Add: Net Profit after Tax transferred from the Statement of Profit and Loss	1,345.44	707.83
Less: Other Comprehensive income (net of tax)	-3.78	2.14
Less : Appropriations		
Transfer to General Reserve	-	100.00
Dividend distributed during the year (refer note below)	35.02	6.37
Corporate Dividend Tax on final dividend for previous year	-	1.30
<b>Closing Balance</b>	<b>3,252.64</b>	<b>1,938.44</b>
<b>Total</b>	<b>3,783.16</b>	<b>2,536.40</b>

**Nature and purpose of reserves**

a) **Securities premium** - Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

b) **General reserve** - General reserve was created through an annual transfer of net income in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year.

**Note**

(All amounts in Rupees Millions, unless otherwise stated)

Dividend on Equity shares paid during the year	Year ended 31st March 2021	Year ended 31st March 2020
Final Dividend Rs 110 (March 31, 2020 : Rs.20, March 31, 2020 : Rs.20) per equity share of Rs.100 each (Refer note below)	35.02	6.37
Dividend distribution tax on final dividend	-	1.30

**Note:**

(i) The Board of Directors at its meeting held on 11th November, 2020 have recommended a payment of final dividend of Rs.110 per equity share of face value of Rs.100 each for the financial year ended 31st March, 2020. The same amounts to Rs. 35.02 Mn. The above was approved at the Annual General Meeting of the Company held on 21st December, 2020.

(ii) The Board of Directors at its meeting held on 25th May, 2021 have recommended a payment of final dividend of Rs. 0.32 per equity share of face value of Re.1 each for the financial year ended 31st March, 2021. The above is subject to the approval of the shareholders in the Annual General Meeting of the Company and hence not been recognised as a liability.

15 Borrowings (Non-Current)

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Secured Term Loan:</b>		
From Banks	12.32	22.24
<b>Unsecured Term Loan:</b>		
From Others	65.55	97.86
From Related parties	-	24.93
Less: Current maturities of Long term Debt	3.38	40.59
<b>Total</b>	<b>74.49</b>	<b>104.44</b>

i) **Detail of Securities and Terms of repayment**

- a Out of total Secured Term Loan from Bank, outstanding of Rs. NIL as on 31st March 2021 (Rs.12.98 Mn as on 31st March 2020 and Rs. 46.96 Mn as on 31st March, 2019) is secured by mortgage of Plant & Equipment and immovable properties located at Sandila Unit and carried Interest Rate @ 9% to 10%.
- b Secured Term Loan from Banks comprise of multiple Vehicle Loans which are each repayable in balance 12 to 60 monthly instalments from the date of balance sheet. Interest rate for these loans ranges between 7.95 % to 10.00%.
- c Loans from Others comprise of Inter corporate loans which are not due for repayment in the next 12 months from the date of the Balance Sheet. Interest on these loans are payable at rates ranging between 9% to 12% per annum.
- d Loans from Related Parties were due for repayment in the next 12 months from the date of the Balance Sheet along with interest @ 12 % per annum. The loan is repaid as on 31st March 2021.

ii) Refer Note 41 for maturity analysis.

16 Other Financial Liabilities

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Unsecured</b>		
Lease Liability	1.13	1.10
<b>Total</b>	<b>1.13</b>	<b>1.10</b>

17 Provisions

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Provision for Employee Benefits</b>		
Provision for Compensated Absences	6.89	5.39
<b>Total</b>	<b>6.89</b>	<b>5.39</b>

18 Deferred Tax Liabilities (Net)

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Deferred Tax Liabilities</b>		
Arising on account of:		
Difference between written down value/capital work in progress of fixed assets as per the books of accounts and Income Tax Act, 1961	85.81	73.28
Increase in borrowing cost pursuant to application of effective interest rate method	0.06	2.56
Provision for Employee Defined Benefit obligations	0.49	2.49
Provision for Compensated Absences	0.10	0.01
<b>Deferred Tax Assets</b>		
Arising on account of:		
Lease liability amortisation	(0.06)	(0.03)
Allowances for Doubtful debt and Advances	(8.17)	(3.70)
Difference in carrying value and Tax base of investments measured at FVTPL and Amortised Cost	2.80	(1.56)
<b>Total</b>	<b>81.03</b>	<b>73.05</b>

**19 Borrowings (Current)***(All amounts in Rupees Millions, unless otherwise stated)*

Particulars	As at	As at
	31st March, 2021	31st March, 2020
<b>Secured</b>		
From Banks	225.08	135.45
<b>Total</b>	<b>225.08</b>	<b>135.45</b>

i) Working capital loans are secured by first charge by way of hypothecation on the current assets of the Company namely inventories of raw materials, finished and work in progress, stores spares and consumables and packing materials, book debts and all other movable assets both present and future, and additionally secured by way of second charge on :

- The immovable properties situated at Plot No. E-17 to E-23, UPSIDC, Deva Road, Lucknow.
- Land & building situated at Khasra No. 691, Village Uttar Dhauna, Tiwariganj, Chinhat, Faizabad Road, Lucknow owned by M/s Ram Swarup Cold Storage & Allied Ind. Lucknow.
- Hypothecation of Plant & Machinery at UPSIDC, Deva Road, Lucknow in favour of the banks.
- Leasehold Industrial plot at K4 & K5 at UPSIDC, Sandila, UP.

ii) Refer Note 41 for maturity analysis.

**20 Trade Payables***(All amounts in Rupees Millions, unless otherwise stated)*

Particulars	As at	As at
	31st March, 2021	31st March, 2020
(a) Dues to MSME	47.17	16.85
(b) Dues to Other than MSME	693.30	598.57
<b>Total</b>	<b>740.47</b>	<b>615.42</b>

**Terms and conditions of the above financial liabilities:**

Trade payables are non-interest bearing and are normally settled on 30-120 days terms.

Disclosure relating to suppliers registered under MSMED Act based on the information available with the Company:

*(All amounts in Rupees Millions, unless otherwise stated)*

Particulars	As at	As at
	31st March, 2021	31st March, 2020
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
Principal	47.17	16.85
Interest	0.37	0.66
<b>Total</b>	<b>47.54</b>	<b>17.51</b>
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) 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.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	0.37	0.66
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-

**21 Other Financial Liabilities***(All amounts in Rupees Millions, unless otherwise stated)*

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Current maturities of Long-term debts / borrowings</b>		
<b>Term Loans</b>		
Secured		
From Banks (Refer note no 18)	3.38	15.57
Unsecured		
From Related Parties	-	24.93
Trade and Security Deposits from Customers	52.44	41.83
Lease Liability	0.03	0.03
<b>Total</b>	<b>55.85</b>	<b>82.36</b>

**22 Other Current Liabilities***(All amounts in Rupees Millions, unless otherwise stated)*

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Other Advances</b>		
Advance from Customers	47.52	52.36
<b>Others</b>		
Statutory Liabilities	6.05	10.18
<b>Total</b>	<b>53.57</b>	<b>62.54</b>

**23 Provisions***(All amounts in Rupees Millions, unless otherwise stated)*

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Provision for Employee Benefits</b>		
Provision for Compensated Absences	0.77	0.53
Provision for Corporate Social Responsibility*	31.04	-
<b>Total</b>	<b>31.81</b>	<b>0.53</b>

\* In accordance with Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 notified by Ministry of Corporate Affairs on January 22, 2021, the Company has created provision for the cumulative unspent amount as on March 31, 2021.

**24 Current Tax Liabilities (Net)***(All amounts in Rupees Millions, unless otherwise stated)*

Particulars	As at 31st March, 2021	As at 31st March, 2020
Tax Payable	5.53	8.51
(Net of Advance Tax & TDS 442.51 mn as at 31st March, 2021, 222.91 mn as at 31st March, 2020 and 173.1 mn as at 31 March, 2019)		
<b>Total</b>	<b>5.53</b>	<b>8.51</b>

## 25 Revenue from Operations

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>(i) Sales of products</b>		
Home Market (Net of Returns)	2,746.01	1,800.34
Exports	3,680.33	2,979.24
	<b>6,426.34</b>	<b>4,779.58</b>
<b>(ii) Other Operating Revenues</b>		
Export Incentives	63.20	16.69
<b>Total</b>	<b>6,489.54</b>	<b>4,796.27</b>

### Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>Revenue as per contracted price</b>	6,426.34	4,779.58
Less: Discounts	-	-
Revenue from contract with customers	6,426.34	4,779.58

Effective 1st April 2018 the Company has adopted IND AS 115 "Revenue from Contracts with customers". The effect on adoption of IND AS 115 does not have any material impact on the financial statements of the Company.

## 26 Other Income

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>Interest Income from financial assets at amortised cost</b>		
On bank deposits	19.65	2.82
Other Interest	2.82	1.13
Dividend Income	0.08	0.08
<b>Other non-operating Income (Net of expenses directly attributable to such income)</b>		
Fair value of Investment through Amortised cost	0.42	0.39
Fair value of Investments at fair value through profit and loss	18.52	-
Miscellaneous income	0.86	0.96
<b>Other gains and losses</b>		
Net Gain on foreign currency transactions & translation	20.61	95.43
Profit from Sale of Investments	1.24	-
Profit on Sale of Property, Plant & Equipment	0.03	0.19
<b>Total</b>	<b>64.23</b>	<b>101.00</b>

## 27 Cost of Materials Consumed

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>Raw materials</b>		
Opening stock	145.78	154.26
Add : Purchases of Raw Material	3,210.27	2,380.10
	-	-
Less: Closing stock	235.84	145.78
<b>TOTAL</b>	<b>3,120.21</b>	<b>2,388.58</b>
<b>Packing Materials Consumed</b>		
Opening Stock	23.47	20.07
Add:Purchases of Packing Material	202.01	180.88
	-	-
Less: Closing Stock	44.79	23.47
<b>TOTAL</b>	<b>180.69</b>	<b>177.48</b>
<b>Total</b>	<b>3,300.90</b>	<b>2,566.06</b>

**29 Changes in inventories of finished goods, Stock-in-trade and work-in-progress***(All amounts in Rupees Millions, unless otherwise stated)*

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>Inventories at the beginning of the year</b>		
Finished Goods	182.85	160.15
Work in Progress	28.08	15.71
<b>(a)</b>	<b>210.93</b>	<b>175.86</b>
<b>Inventories at the end of the year</b>		
Finished goods	393.66	182.85
Work in Progress	14.04	28.08
<b>(b)</b>	<b>407.70</b>	<b>210.93</b>
<b>Net (Increase)/Decrease in Inventories</b>	<b>(a) -(b)</b>	<b>(35.07)</b>

**30 Employee Benefits Expense***(All amounts in Rupees Millions, unless otherwise stated)*

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Salaries, wages and benefits	199.12	142.33
Contribution to provident and other funds	20.67	16.48
Staff welfare expenses	7.63	5.19
<b>Total</b>	<b>227.42</b>	<b>164.00</b>

**31 Finance Costs***(All amounts in Rupees Millions, unless otherwise stated)*

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Interest expense		
- Cash credit facilities / buyers' credit	8.97	24.23
- Term Loans from Banks	1.38	4.28
(Net of subsidy Rs. NIL for March 31, 2021 and 31 March 2020 ; 50 million for 31 March 2019)		
- On Other Loans	8.51	11.40
- Others	6.06	5.93
Other Borrowing Costs	9.41	6.34
<b>Total</b>	<b>34.33</b>	<b>52.18</b>

**2 & 3 Depreciation and Amortisation Expense***(All amounts in Rupees Millions, unless otherwise stated)*

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Depreciation on Property, Plant & equipment	60.89	50.23
Depreciation on Right of Use	0.02	0.02
Amortisation of Intangible Assets	0.44	0.44
<b>Total</b>	<b>61.35</b>	<b>50.69</b>



### 32 Other Expenses

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Consumption of stores, spares and consumables	271.54	440.76
Power and Fuel	282.87	223.70
Labour Charges	180.24	90.58
Pollution Control Expenses	27.77	10.64
Freight and handling Charges	254.86	176.88
Advertisement and Sales Promotion Expenses	16.77	9.40
Legal and Professional expenses	84.13	77.15
Travelling & Conveyance	32.35	36.96
Rent Expenses	9.18	7.75
<b>Repairs &amp; Maintenance</b>		
-Building	5.81	1.66
-Others	9.20	7.36
- Machinery	31.60	23.19
Rates, Fees and Taxes	6.24	8.25
Testing and Sampling Charges	3.63	7.50
Insurance	7.90	6.80
Printing, Stationery and Communication Expenses	7.89	6.66
Corporate Social Responsibility Expenses and Other Donations*	39.82	4.71
<i>Payment to Auditors</i>		
- Statutory Audit Fees	2.00	2.00
- In other Capacity		
For Tax Audit	0.40	-
For Certifications of Draft Red Herring Prospectus	4.00	-
For other matters	-	-
Bad Debts	17.49	4.84
Provision for Doubtful Debts	20.46	3.47
Loss from Sale of Investments	-	0.15
Fair value of Investments at fair value through profit and loss	-	5.80
Miscellaneous Expenses	10.74	9.51
<b>Total</b>	<b>1,326.89</b>	<b>1,165.72</b>

\*Note : **Corporate Social Responsibility Expenses**

(All amounts in Rupees Millions, unless otherwise stated)

A	Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
	Gross Amount Required to be spent by the Company :	13.72	11.03
B	Amount spent during the year / period on:	Year ended 31st March, 2021	Year ended 31st March, 2020
i	Construction / Acquisition of any assets	-	-
ii	Purpose other than above	8.73	4.64
C	Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
	Related party transactions in relation to Corporate Social Responsibility:	-	-
D	Provision movement during the year/ Period:	Year ended 31st March, 2021	Year ended 31st March, 2020
	Opening provision	-	-
	Addition during the year / Period	31.04	-
	Utilised during the year /Period	-	-
	Closing provision	31.04	-

### 33 Leases

Following are the changes in the carrying value of right of use assets (Land)

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	As at	As at
	31st March, 2021	31st March, 2020
Opening Balance	42.57	-
Reclassified on account of adoption of Ind AS 116	-	40.64
Additions	0.99	1.94
Deletions	-	-
Depreciation	0.02	0.02
Closing Balance	43.54	42.57

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due. Rent expense recorded for short-term leases was Rs. 9.18 mn for the year ended March 31, 2021 (Rs. 7.75 Mn for the year ended March 31, 2020). The Company's lease asset classes primarily consist of leases for land. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange of consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all the economic benefits from the use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense in the statement of profit and loss.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include the options when it is reasonably certain that they will be exercised.

The lease liability is initially measure at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

#### Transition

Effective from 1st April, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1st April, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application. Comparatives as at end of the year ended 31st March, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies.

#### The following is the summary of practical expedients elected on initial application:

- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
- Excluded the initial direct costs from the measurement of the right-of-use asset as at the date of initial application.
- Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

- b The Impact of adoption of Ind AS 116 on Statement of Profit and Loss for the year ended March 31, 2020 is not significant.

### 34 Contingent Liabilities

(All amounts in Rupees Millions, unless otherwise stated)

Claims against the Company not acknowledged as debts	As at	As at
	31st March, 2021	31st March, 2020
Tax matters in dispute under appeal	-	6.31

### 35 Assets and liabilities relating to Employee Benefits

See accounting policy in Note 1.(a)

For details about the related employee benefit expenses, refer Note 30

#### A. Defined Contribution Plan:

The Company's defined contribution plans are superannuation, employees state insurance scheme and provident fund administered by Government since the Company has no further obligation beyond making the contributions.

The expenses recognised during the year towards defined contribution plans are as detailed below:

Particulars	(All amounts in Rupees Millions, unless otherwise stated)	
	Year ended 31st March, 2021	Year ended 31st March, 2020
Provident Fund and other Funds	13.73	11.17
<b>Total (included in Note 30 - 'Contribution to provident and other funds')</b>	<b>13.73</b>	<b>11.17</b>

#### B. Defined Benefit Obligation:

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972/ Company policy. Employees who are in continuous service for a period of 5 years or more are eligible for gratuity.

The amount of gratuity payable on retirement/ termination is the employee's last drawn salary per month computed proportionately as per the Payment of Gratuity Act, 1972/ Company policy multiplied for the number of years of service.

The plan asset for the funded gratuity plan is invested in insurer managed fund administered by Life Insurance Corporation of India ('LIC'), independently as per the investment pattern stipulated for Pension and Group Schemes fund as per the regulations framed by Insurance and Regulatory and Development Authority of India i.e., 100% of plan assets are invested in insurer managed fund. Quoted price of the same is not available in active market.

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code and recognise the same when the Code becomes effective.

The results of the actuarial study for the obligation for employee benefits as computed by the actuary are shown below:

Actuarial study analysis	Gratuity		Leave Encashment	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
<b>Principal actuarial assumptions</b>				
Discount rate	6.50%	6.50%	6.50%	6.50%
Range of compensation increase	7.00%	7.00%	7.00%	7.00%
Withdrawal Rate:				
- Younger ages	10.00%	10.00%	10.00%	10.00%
- Older ages	8.00%	8.00%	8.00%	8.00%
Expected rate of return on plan assets	-	-	-	-
Plan duration	-	-	-	-

Actuarial study analysis	Gratuity		Leave Encashment	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
<b>Components of income statement charge</b>				
Current service cost	4.66	3.12	1.72	1.96
Interest cost	2.28	2.08	-	-
Recognition of past service cost	-	-	-	-
Immediate recognition of (gain)/losses	-	-	-	-
Settlement/curtailment/termination loss	-	-	-	-
<b>Total charged to statement of profit or loss</b>	<b>6.94</b>	<b>5.20</b>	<b>1.72</b>	<b>1.96</b>
<b>Total charged to Retained Earnings</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Movements in net liability/(asset)</b>				
Net liability at the beginning of the year	36.06	28.00	5.92	3.96
Employer contributions	-	-	-	-
Total expense recognised in the statement of profit or loss	6.94	5.20	1.72	1.96
Total expense recognised in the Retained Earnings	-	-	-	-
Total amount recognised in OCI	(1.20)	2.86	-	-
<b>Net liability at the end of the year</b>	<b>41.80</b>	<b>36.06</b>	<b>7.64</b>	<b>5.92</b>
<b>Reconciliation of benefit obligations</b>				
Obligation at start of the year	15.79	7.73	5.92	3.96
Current service cost	4.66	3.12	1.72	1.96
Interest cost	2.28	2.08	-	-
Benefits paid directly by the Group	-	-	-	-
Extra payments or expenses/(income)	-	-	-	-
Obligation of past service cost	-	-	-	-
Actuarial gain/loss	(1.20)	2.86	-	-
<b>Defined benefits obligations at the end of the year</b>	<b>21.53</b>	<b>15.79</b>	<b>7.64</b>	<b>5.92</b>
<b>Re-measurements of defined benefit plans</b>				
Actuarial gain/(loss) due to changes in demographic assumptions	-	0.01	-	-
Actuarial gain/(loss) due to changes in financial assumptions	0.47	(2.39)	-	-
Actuarial gain/(loss) on account of experience adjustments	(1.66)	(0.48)	-	-
<b>Total actuarial gain/(loss) recognised in OCI</b>	<b>(1.19)</b>	<b>(2.86)</b>	<b>-</b>	<b>-</b>
<b>Total actuarial gain/(loss) recognised in Statement of profit or loss</b>	<b>(1.19)</b>	<b>(2.86)</b>	<b>-</b>	<b>-</b>

#### Sensitivity analysis of significant assumptions

C. 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. Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Sensitivity of DBO, Service Cost, and P&L Account	Gratuity			
	Year ended 31st March, 2021		Year ended 31st March, 2020	
	% increase in DBO	Liability	% increase in DBO	Liability
<b>Discount rate</b>				
+ 0.5% discount rate	-3.64%	40.28	-3.58%	34.76
- 0.5% discount rate	3.89%	43.42	3.82%	37.43
<b>Salary increase</b>				
+ 0.5% salary growth	3.77%	43.37	3.74%	37.40
+ 0.5% salary growth	-3.60%	40.29	-3.57%	34.77
<b>Withdrawal rate</b>				
+ 0.5% salary growth	-0.23%	41.70	-0.18%	35.99
- 0.5% salary growth	0.24%	41.90	0.19%	36.12

Sensitivity of DBO, Service Cost, and P&L Account	Leave Encashment	
	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>Discount rate</b>		
+ 0.5% discount rate	7.31	5.67
- 0.5% discount rate	7.99	6.19
<b>Salary increase</b>		
+ 0.5% salary growth	7.99	6.19
+ 0.5% salary growth	7.31	5.67
<b>Withdrawal rate</b>		
+ 1.1 % salary growth	7.63	5.92
- 1.1 % salary growth	7.65	5.93

#### Note:

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors as supply and demand in the employment market.

## 36 Related party disclosures as per Ind AS 24

## 1) Related parties with whom transactions have taken place during the year and its relationship:

Name of the related parties	Designation / Relationship
Anand Swarup Agarwal (w.e.f 6th October, 2020)	Chairman and Non Executive Director
Satya Prakash Gupta (w.e.f 1st November 2020)	Chief Financial Officer
Dheeraj Kumar Jain (w.e.f 23rd January 2021)	Chief Executive Officer
Ajeet Pandey (w.e.f 1st October 2020)	Company Secretary
Ajai Kumar Sinha (w.e.f 1st February 2021)	General Manager
B.T. Hanumantha Reddy	General Manager
Rajendra Singh Sharma	Whole-time Director
Rahul Arun Bagaria (w.e.f 23rd January 2021)	Non Executive Director
Adesh Kumar Gupta (w.e.f 23rd January 2021)	Independent Director
Mohan Vasant Tanksale (w.e.f 21st December 2020)	Independent Director
Madhu Dikshit (w.e.f 21st December 2020)	Independent Director
Shalvis Specialities Ltd (w.e.f 18th January 2021)	Wholly Owned Subsidiary
Swarup Publications Pvt Limited (w.e.f 6th October, 2020)	Entity in which a director or manager or his relative is a member or director
Swarup chemicals Pvt Limited (w.e.f 6th October, 2020)	Entity in which a director or manager or his relative is a member or director
Sanju Agarwal	Relative of director
Vishwas Swarup Agarwal	Relative of director
Komal Swarup Agarwal	Relative of director
Vishal Swarup Agarwal	Relative of director
Kajaree Swarup Agarwal	Relative of director
Mahendra Swarup Agarwal	Relative of director
Sudha Agarwal	Relative of director
Pramod Swarup Agarwal	Relative of director
Virendra Swarup Agarwal	Relative of director
Madhu Arun Bagaria (w.e.f 23rd January 2021)	Relative of director
Arun Kishanlal Bagaria (w.e.f 23rd January 2021)	Relative of director
Ashok Kumar Gupta (Resigned w.e.f 10th December 2020)	Whole-time Director
Pranav Agarwal (Resigned w.e.f 29th September 2020)	Independent Director
Shweta Agarwal (Resigned w.e.f 21st December 2020)	Independent Director
G S Mehta (Resigned w.e.f 10th December 2020)	Non Executive Director
Sanjay Khatau Asher (21st December 2020 - 8th February 2021)	Independent Director
Kuruba Adeppa (10th December 2020 - 8th February 2021)	Whole-time Director

## 2 Transactions during the year

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>Remuneration</b>		
Rajendra Singh Sharma	0.64	0.60
Ashok Kumar Gupta	1.19	1.47
Ajeet Pandey	0.34	-
Satya Prakash Gupta	0.72	-
Dheeraj Kumar Jain	1.53	-
Ajai Kumar Sinha	0.16	-
Kuruba Adeppa	0.30	-
B.T. Hanumantha Reddy	1.82	-
<b>Director Sitting fees</b>		
G S Mehta	0.04	0.08
Pranav Agarwal	0.06	0.04
Shweta Agarwal	0.24	0.04
Anand Swarup Agarwal	0.72	-
Adesh Kumar Gupta	0.30	-
Mohan Vasant Tanksale	0.25	-
Rahul Arun Bagaria	0.30	-
Madhu Dikshit	0.40	-
Sanjay Khatau Asher	0.15	-
<b>Professional Fees</b>		
Sanju Agarwal	0.90	0.70
Vishal Swarup Agarwal	12.00	12.00
Vishwas Swarup Agarwal	12.00	12.00
Anand Swarup Agarwal	6.00	12.00
Mahendra Swarup Agarwal	0.60	0.60
Virendra Swarup Agarwal	0.60	0.60
Pramod Swarup Agarwal	0.60	0.60
Sudha Agarwal	0.30	0.30
Komal Swarup Agarwal	0.90	-
Kajaree Swarup Agarwal	0.90	-

<b>Interest Income</b>		
Swarup Chemicals Pvt Limited	1.01	-
<b>Expenses (net)</b>		
Swarup Chemicals Pvt Limited	8.68	-
Swarup Publications Pvt Limited	1.75	-
Vishal Swarup Agarwal	0.54	0.54
<b>Reimbursement of Expenses made on behalf of the Company</b>		
Vishal Swarup Agarwal	1.20	1.20
<b>Reimbursement of Expenses made on behalf of the related party</b>		
Shalvis Specialities Ltd	0.23	-
<b>Interest Expense on Unsecured Loan</b>		
Mahendra Swarup Agarwal	0.42	1.27
Pramod Swarup Agarwal	0.28	0.83
Sudha Agarwal	0.20	0.60
<b>Equity Investment</b>		
Shalvis Specialities Ltd	8.00	-
<b>Issue of shares</b>		
Madhu Arun Bagaria (w.e.f 23rd January 2021)	6.26	-
Arun Kishanlal Bagaria (w.e.f 23rd January 2021)	6.26	-
<b>TOTAL</b>	<b>78.79</b>	<b>45.47</b>

### 3 Outstanding balances as at the year end

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	As at	As at
	31st March, 2021	31st March, 2020
<b>Unsecured Loans</b>		
Mahendra Swarup Agarwal	-	11.69
Pramod Swarup Agarwal	-	7.70
Sudha Agarwal	-	5.54
<b>Advances</b>		
Swarup Chemicals Pvt Limited	34.00	-

### 4 Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. There have been no guarantees provided or received for any related party receivables or payables. No balances in respect of the related parties has been provided for written off / written back.

### 5 Related party relationship is as identified by the management and relied upon by the auditors.

**37 Financial instruments**

The details of significant accounting policies, including criteria for recognition, the basis of measurement and the basis on which income and expenditure are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed below and Note 1.

**A Calculation of fair values**

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values of financial instruments:

- i The fair value of the long-term borrowings carrying floating-rate of interest is not impacted due to interest rate changes and will not be significantly different from their carrying amounts as there is no significant change in the under-lying credit risk of the Company (since the date of inception of the loans).
- ii Cash and cash equivalents, trade receivables, investments in term deposits, other financial assets, trade payables, and other financial liabilities have fair values that approximate to their carrying amounts due to their short-term nature.

**Financial Assets and Liabilities**

The accounting classification of each category of financial instruments, and their carrying amounts are set out as below:

**a. Financial Assets**

Particulars	Instruments carried at fair value			<i>(All amounts in Rupees Millions, unless otherwise stated)</i>		
	FVOCI (Equity instruments)	FVOCI (Other instruments)	FVTPL	Instruments carried at amortized cost	Total Fair Value	Total Carrying Value
<b>As at 31st March, 2020</b>						
(i) Investments	-	-	25.89	4.48	<b>30.37</b>	<b>30.37</b>
(ii) Other financial assets	-	-	-	55.59	<b>55.59</b>	<b>55.59</b>
(iii) Trade receivables	-	-	-	1,831.74	<b>1,831.74</b>	<b>1,831.74</b>
(iv) Cash and cash equivalents	-	-	-	67.17	<b>67.17</b>	<b>67.17</b>
(v) Other Balances with Banks	-	-	-	13.12	<b>13.12</b>	<b>13.12</b>
<b>Total</b>	-	-	<b>25.89</b>	<b>1,972.10</b>	<b>1,997.99</b>	<b>1,997.99</b>
<b>As at 31st March, 2021</b>						
(i) Investments	2.30	-	83.84	12.90	<b>99.05</b>	<b>99.05</b>
(ii) Other financial assets	-	-	-	29.64	<b>29.64</b>	<b>29.64</b>
(iii) Trade receivables	-	-	-	2,142.20	<b>2,142.20</b>	<b>2,142.20</b>
(iv) Cash and cash equivalents	-	-	-	19.07	<b>19.07</b>	<b>19.07</b>
(v) Other Balances with Banks	-	-	-	410.55	<b>410.55</b>	<b>410.55</b>
<b>Total</b>	<b>2.30</b>	-	<b>83.84</b>	<b>2,614.36</b>	<b>2,700.51</b>	<b>2,700.51</b>

**b. Financial Liabilities***(All amounts in Rupees Millions, unless otherwise stated)*

Particulars	Fair value through profit & loss	At amortized cost*	Total carrying amount	Total Fair Value
<b>As at 31st March, 2020</b>				
(i) Borrowings	-	239.89	239.89	239.89
(ii) Other financial liabilities	-	83.45	83.45	83.45
(ii) Trade payables	-	615.42	615.42	615.42
<b>Total</b>	<b>-</b>	<b>938.76</b>	<b>938.76</b>	<b>938.76</b>
<b>As at 31st March, 2021</b>				
(i) Borrowings	-	299.57	299.57	299.57
(ii) Other financial liabilities	-	56.99	56.99	56.99
(ii) Trade payables	-	740.47	740.47	740.47
<b>Total</b>	<b>-</b>	<b>1,097.03</b>	<b>1,097.03</b>	<b>1,097.03</b>

\*The carrying value and fair value approximation, if any.

**c. Fair value hierarchy**

The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

The categories used are as follows:

- Level 1: It includes financial instruments measured using quoted prices and the mutual funds are measured using the closing Net Asset Value (NAV).
- Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The below table summarises the categories of financial assets and liabilities as at March 31, 2021, March 31, 2020 and March 31, 2019 measured at fair value:

As at 31st March, 2020	Level 1	Level 2	Level 3	Total
<b>Financial Assets at Fair Value</b>				
Investments in Equity Shares	5.14	-	-	5.14
Investment in Mutual Funds	20.75	-	-	20.75
<b>As at 31st March, 2021</b>				
<b>Financial Assets at Fair Value</b>				
Investments in Equity Shares	10.92	-	2.30	13.22
Investment in Mutual Funds	72.93	-	-	72.93

**38 Segment Reporting**

The Board of Directors are identified as Chief Operating Decision Maker of the Company. They are responsible for allocating resources and assessing the performance of the operating segments. Accordingly, they have determined "Agro Chemicals" as its only operating Segment.

Thus the segment revenue, interest revenue, interest expense, depreciation and amortisation, segment assets and segment liabilities are all as reflected in the Financial Statements.

**Geographical Information**

*(All amounts in Rupees Millions, unless otherwise stated)*

a. Revenue from external customers	Year ended 31st March, 2021	Year ended 31st March, 2020
attributed to the Company's country of domicile, India	2,746.01	1,800.34
attributed to all foreign countries	3,680.33	2,979.24
<b>Total</b>	<b>6,426.34</b>	<b>4,779.58</b>
<b>b. Revenues from transactions with customers (including customers of the same group) exceeding 10% of the Company's sales in current as</b>		
	2,830.50	1,403.94
<b>c. Non-current assets (excluding Deferred/ Current Tax and Financial Assets)</b>	<b>Year ended 31st March, 2021</b>	<b>As at 31st March, 2020</b>
located in the Company's country of domicile, India	1,363.54	1,005.79
located in all foreign countries	-	-
<b>Total</b>	<b>1,363.54</b>	<b>1,005.79</b>



**39 Income tax**

This note provides an analysis of the group's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Company's tax positions.

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>(i) Tax expense recognised in the standalone statement of profit and loss</b>		
Current Tax on profits for the year	448.03	231.11
Adjustments for current tax of prior periods	2.09	(3.16)
<b>Total Current Tax Expense</b>	<b>450.12</b>	<b>227.95</b>
Deferred Tax charge/ (credit) P&L	8.27	(2.09)
(Decrease) increase in deferred tax liabilities	-	-
<b>Total Deferred Tax Expense</b>	<b>8.27</b>	<b>(2.09)</b>
<b>Income tax expense recognised in the standalone statement of profit and loss</b>	<b>458.39</b>	<b>225.86</b>
<b>(ii) Tax expense recognised in OCI</b>		
<b>Deferred Tax:</b>		
Deferred Tax expense on Remeasurement of defined benefit plans	0.28	0.72
<b>Income tax expense recognised in the standalone statement of profit and loss</b>	<b>0.28</b>	<b>0.72</b>

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:</b>		
Enacted income tax rate in India applicable to the Company (in %)	25.17	25.17
Profit/ (Loss) before income tax expense	<b>1,799.65</b>	<b>933.70</b>
<b>Current tax expense on Profit/ (loss) before tax expenses at enacted income tax rate in India</b>	<b>452.94</b>	<b>234.99</b>
<b>Tax effects of :</b>		
Tax effect on non-deductible expenses	10.02	1.12
Effect of Income which is taxed at special rates	(5.66)	(0.05)
Effect of Income that is exempted from tax	-	(0.02)
Effect of Government grants offered to income tax on receipt basis	(1.55)	1.62
Effects of Adjustments for current tax of prior periods	2.09	(3.16)
Effect of change in tax rate	-	(9.85)
Other items	0.56	1.05
<b>Total Income tax expense</b>	<b>458.39</b>	<b>225.70</b>

The Company elected to exercise the option of lower tax rate permitted under section 115BAA of the Income-tax Act, 1961 inserted vide Taxation Laws (Amendment) Act, 2019. The Company, accordingly has recognized Provision for Income Tax.

**The details of Income tax Assets / Liabilities are as follows:-**

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Income Tax Assets	-	-
Current Income Tax Liabilities	5.53	8.51
<b>Net Current Income Tax Assets at the end of the year</b>	<b>5.53</b>	<b>8.51</b>

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

As at 31st March, 2021

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	Balance sheet	Profit and loss	OCI	Balance sheet
	01st April 2020	For the Year	For the Year	31st March, 2021
<b>Deferred Tax Liabilities</b>				
Arising on account of:				
Difference between written down value/capital work in progress of fixed assets as per the books of accounts and Income Tax Act, 1961	73.28	12.53	-	85.81
Increase in borrowing cost pursuant to application of effective interest rate method	2.56	(2.50)	-	0.06
Provision for Employee Defined Benefit obligations	2.49	(2.27)	0.28	0.49
Provision for Compensated Absences	0.01	0.09	-	0.10
<b>Deferred Tax Assets</b>				
Arising on account of:				
Lease liability amortisation	(0.03)	(0.03)	-	(0.06)
Allowances for Doubtful debt and Advances	(3.70)	(4.46)	-	(8.17)
Difference in carrying value and Tax base of investments measured at FVTPL	(1.56)	4.36	-	2.80
<b>Total</b>	<b>73.05</b>	<b>7.72</b>	<b>0.28</b>	<b>81.03</b>

As at 31st March, 2020

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	Balance sheet	Profit and loss	OCI	Balance sheet
	01 <sup>st</sup> April 2019	2019-2020	2019-2020	31st March 2020
<b>Deferred Tax Liabilities</b>				
Arising on account of:				
Difference between written down value/capital work in progress of fixed assets as per the books of accounts and Income Tax Act, 1961	72.64	0.64	-	73.28
Increase in borrowing cost pursuant to application of effective interest rate method	2.60	(0.04)	-	2.56
Provision for Employee Defined Benefit obligations	3.17	(1.40)	0.72	2.49
Provision for Compensated Absences	0.42	(0.41)	-	0.01
<b>Deferred Tax Assets</b>				
Arising on account of:				
Lease liability amortisation	-	(0.03)	-	(0.03)
Allowances for Doubtful debt and Advances	(2.83)	(0.87)	-	(3.70)
Difference in carrying value and Tax base of investments measured at FVTPL	(0.14)	(1.42)	-	(1.56)
<b>Total</b>	<b>75.86</b>	<b>(3.53)</b>	<b>0.72</b>	<b>73.05</b>

#### 40 Earnings per share (EPS)

- (a) Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

##### i Profit attributable to Equity holders of Company

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Profit attributable to equity share holders of the Company for basic and diluted earnings per share	1,345.44	707.83

##### ii Weighted average number of ordinary shares

Particulars	As at 31st March, 2021	As at 31st March, 2020
Equity shares outstanding as at year end	11,17,85,130	3,18,325
<b>Equity shares post split and bonus (Refer note 13(d), 13(e) and 13(f))</b>		
Weighted average number of shares as at year end for basic earnings per shares	11,14,76,834	11,14,13,750
Weighted average number of shares as at year end for diluted earnings per shares	11,14,76,834	11,14,13,750
<b>Basic earnings per share (in Rs)</b>	<b>12.07</b>	<b>6.35</b>
<b>Diluted earnings per share (in Rs)</b>	<b>12.07</b>	<b>6.35</b>

41 Financial risk management

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board has been monitoring the risks that the Company is exposed to due to outbreak of COVID 19 closely. The Board has taken all necessary actions to mitigate the risks identified basis the information and situation present.

The Company has exposure to the following risks arising from financial instruments:

- a. Credit risk;
- b. Liquidity risk;
- c. Market risk; and
- d. Interest rate risk

(A) Credit risk

Credit risk arises from the possibility that the value of receivables or other financial assets of the Company may be impaired because counterparties cannot meet their payment or other performance obligations.

To manage credit risks from trade receivables other than Related Party, the credit managers from Order to Cash department of the Company regularly analyse customer's receivables, overdue and payment behaviours. Some of these receivables are collateralised and the same is used according to conditions. These could include advance payments, security deposits, post-dated cheques etc. Credit limits for this trade receivables are evaluated and set in line with Company's internal guidelines. There is no significant concentration of default risk.

Credit risks from financial transactions are managed independently by Finance department. For banks and financial institutions, the Company has policies and operating guidelines in place to ensure that financial instrument transactions are only entered into with high quality banks and financial institutions. The Company had no other financial instrument that represents a significant concentration of credit risk.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through out each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- iv) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery. Where loans or receivables have been written off, the Company continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in statement of profit & loss.

Credit risk is managed at Company level.

For other financial assets, the Company assesses and manages credit risk based on internal control and credit management system.

The finance function consists of a separate team who assess and maintain an internal credit management system. Internal credit control and management is performed on a Company basis for each class of financial instruments with different characteristics.

The Company considers whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. It considers available reasonable and supportive forward-looking information.

Macroeconomic information (such as regulatory changes, market interest rate or growth rates) are also considered as part of the internal credit management system.

A default on a financial asset is when the counterparty fails to make payments as per contract. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

The Company measures the expected credit loss of trade receivables from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, no additional provision has been considered necessary in respect of trade receivables more than 3 months, since the management has taken suitable measures to recover the said dues and is hopeful of recovery in due course of time.

Ageing of account receivables : (All amounts in Rupees Millions, unless otherwise stated)

	As at 31st March, 2021	As at 31st March, 2020
0-3 months	1,197.17	880.09
More than 3 months	977.48	963.64
<b>Total</b>	<b>2,174.65</b>	<b>1,843.73</b>

Reconciliation of loss allowance - Trade Receivables

	As at 31st March, 2021	As at 31st March, 2020
Opening balance	11.99	8.52
Allowance made during the year	20.46	3.47
<b>Closing balance</b>	<b>32.45</b>	<b>11.99</b>

The Company maintains exposure in cash and cash equivalents, deposits with banks, investments, and other financial assets. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Management of the Company. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. Additionally, considering the COVID 19 situation, the Company has also assessed the performance and recoverability of trade receivables. The Company believes that the current value of trade receivables reflects the fair value/ recoverable values.

**(B) Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Due to the dynamic nature of underlying businesses, the Company maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecast of Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. In addition, the company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

**Maturities of financial liabilities**

The tables below analyse the company's financial liabilities into relevant maturity groupings based on their contractual maturities for: all non-derivative financial liabilities, and the amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Maturity analysis of significant financial liabilities

(All amounts in Rupees Millions, unless otherwise stated)

	Contractual cash flows					
	As at 31st March, 2021			As at 31st March, 2020		
	Carrying amount	Upto 1 year	More than 1 year	Carrying amount	Upto 1 year	More than 1 year
<b>Non-derivative financial liabilities</b>						
Term Loans	77.87	3.38	74.49	145.03	40.59	104.44
Short Term Borrowings	225.08	225.08	-	135.45	135.45	-
Trade and Other Payables	740.47	740.47	-	615.42	615.42	-
Other Financial Liabilities	53.60	0.03	53.57	42.96	0.03	42.93
Other Current Liabilities	53.57	53.57	-	62.54	62.54	-

**(C) Market risk**

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices - will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return. The Company is exposed to market risk primarily related to foreign exchange rate risk (currency risk), interest rate risk and market value of its investments. Thus the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

**Foreign Currency Risk**

Foreign currency opportunities and risks for the Company result from changes in exchange rates and the related changes in the value of financial instruments (including receivables and payables) in the functional currency (INR). The Company is exposed to foreign exchange risk arising from foreign currency transactions primarily with respect to US Dollar(USD). The USD exchange rate has changed substantially in recent periods and may continue to fluctuate substantially in the future. The Company has put in place a Financial Risk Management Policy to identify the most effective and efficient ways of managing the currency risks.

## Exposure to currency risk

The currency profile of financial assets and financial liabilities are as below:

	As at 31st March, 2021				As at 31st March, 2020			
	INR Rs in mn	EURO Rs in mn	USD RS in mn	AUD RS in mn	INR Rs in mn	EURO Rs in mn	USD RS in mn	AUD RS in mn
<b>Financial Assets</b>								
Trade Receivables	1,481.55	154.93	467.32	38.41	1,289.17	79.91	462.65	-
<b>Total</b>	<b>1,481.55</b>	<b>154.93</b>	<b>467.32</b>	<b>38.41</b>	<b>1,289.17</b>	<b>79.91</b>	<b>462.65</b>	<b>-</b>
<b>Financial Liabilities</b>								
Trade payables	604.62	-	135.86	-	528.14	-	87.28	-
<b>Total</b>	<b>604.62</b>	<b>-</b>	<b>135.86</b>	<b>-</b>	<b>528.14</b>	<b>-</b>	<b>87.28</b>	<b>-</b>

The following significant exchange rates have been applied during the year.

Currency	31st March, 2021	31st March, 2020
USD	73.50	75.39
EURO	86.10	83.05
AUD	55.57	-

## Sensitivity analysis

The following table details the Company's sensitivity to a 25 basis points increase and decrease in the Rupee against the relevant foreign currencies is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. This is mainly attributable to the net exposure outstanding on receivables or payables in the Company at the end of the reporting period. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 0.25% change in foreign currency rate. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. In cases where the related foreign exchange fluctuation is capitalised to fixed assets or recognised directly in reserves, the impact indicated below may affect the Company's income statement over the remaining life of the related fixed assets or the remaining tenure of the borrowing respectively.

(All amounts in Rupees Millions, unless otherwise stated)

	Year ended 31st March, 2021		Year ended 31 <sup>st</sup> March, 2020	
	0.25% increase	0.25% decrease	0.25% increase	0.25% decrease
USD	0.83	(0.83)	0.94	(0.94)
EURO	0.39	(0.39)	0.20	(0.20)
AUD	0.10	(0.10)	-	-

## (D) Cash flow and fair value interest rate risk

## - Interest rate risk management:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates. The Company's exposure to the risk of changes in market rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company's approach to managing interest rate risk is to have a judicious mix of borrowed funds with fixed and floating interest rate obligation. Moreover, the short-term borrowings of the Company do not have a significant fair value or cash flow interest rate risk due to their short tenure.

The Company is also exposed to interest rate risk on its financial assets that includes fixed deposits, since the same are generally for short duration, the Company believes it has manageable risk and achieving satisfactory returns. The Company also has long - term fixed interest bearing assets. However the Company has in place an effective system to manage risk and maximise return.

- Interest rate risk exposure:

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

(All amounts in Rupees Millions, unless otherwise stated)

	As at 31st March, 2021	As at 31st March, 2020
<b>Fixed-rate instruments</b>		
Financial assets	-	-
Financial liabilities	77.87	132.05
<b>Variable-rate instruments</b>		
Financial assets	-	-
Financial liabilities	225.08	148.43
<b>Total</b>	<b>302.95</b>	<b>280.48</b>

- Interest rate sensitivity

**Interest rate sensitivity**

A reasonably possible change of 25 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant. In cases where the related interest rate risk is capitalised to fixed assets, the impact indicated below may affect the Company's income statement over the remaining life of the related fixed assets.

**Price Risk**

The Company's exposure to price risk arises from investment in mutual funds and classified in the balance sheet as fair value through profit and loss. Mutual fund investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments. However, due to very short tenor of the underlying portfolio in the liquid schemes, these do not pose any significant price risk.

**(E) Risk due to outbreak of COVID 19 pandemic**

The outbreak of COVID 19 pandemic globally and in India has severely impacted businesses and economies. There has been disruption to regular business operations due to the measures taken to curb the impact of the pandemic. The Company's plants, warehouses and offices were shut post announcement of nationwide lockdown. However, since manufacturing of pesticides was determined to be an essential industry, we were allowed to resume operations in a phased manner after second week of April 2020 and both of our facilities restarted operations, subject to certain adjustments in working patterns, social distancing measures and additional safety measures. The Company has considered external and internal information in assessing the impact of COVID 19 on various elements of its financial statements, including recoverability of its assets as at the Balance Sheet date.

**42 Capital management**

**(a) Risk management**

The Company's objectives when managing capital are to:

1. safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
2. Maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, reduce debt or sell assets.

The gearing ratios were as follows:

(All amounts in Rupees Millions, unless otherwise stated)

	As at 31st March, 2021	As at 31st March, 2020
Net debt ( Total Debt - Cash & cash equivalent - Other Bank Balances other than on lien)	72.78	213.22
Total equity	3,894.95	2,568.23
<b>Net debt to equity ratio</b>	<b>0.02</b>	<b>0.08</b>

## Note 43

## Part A: Statement of Restatement Adjustments to Audited Financial Statements

## Reconciliation between audited profit and restated profit

(All amounts in Rupees Millions, unless otherwise stated)

	Year ended 31st March, 2021	Year ended 31st March, 2020	Year ended 31st March, 2019
Profit after tax (as per audited financial statements)	1,345.44	707.83	444.97
Adjustment for conversion from IGAAP to Ind AS/ Proforma Ind AS *	-	-	(5.76)
<b>Restated profit after tax</b>	<b>1,345.44</b>	<b>707.83</b>	<b>439.21</b>

## Reconciliation between total audited equity and total restated equity

(All amounts in Rupees Millions, unless otherwise stated)

	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Total Equity as per audited financial statements	3,894.95	2,568.23	1,858.01	1,420.89
Adjustment for conversion from IGAAP to Ind AS/ Proforma Ind AS*	-	-	12.19	18.26
<b>Total Equity as Restated Unconsolidated Summary Statement of Assets and Liabilities</b>	<b>3,894.95</b>	<b>2,568.23</b>	<b>1,870.20</b>	<b>1,439.15</b>

\* Adjustment for conversion from IGAAP to Ind AS

The audited financial statements of the Company as at and for the year ended March 31, 2019 were prepared in accordance with accounting principals generally accepted in India including the Companies Accounting Standards Rules, 2006 (as amended) specified under Section 133 of the Act, Companies (Accounts) Rules, 2014 (as amended). The same have been converted into Ind AS to confirm with the accounting policies generally accepted in India including Indian Accounting Standards ("Ind AS") specified under section 133 of the Act, Read with the Companies (Indian Accounting Standards) Rule, 2015, as amended. For further details refer note no 43 for Ind As Adjustments of total Comprehensive income for the year ended March 31, 2019 and for Equity as at March 31, 2019 and April 01, 2018.

## Part B: Material Regrouping

Appropriate regroupings have been made in the Restated Unconsolidated Summary Statement of Assets and Liabilities, Restated Unconsolidated Summary Statement of Profit and Loss and Restated Unconsolidated Summary Statement of Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per Ind AS financial information of the Company for the year ended March 31, 2021 prepared in accordance with Schedule III of Companies Act, 2013, requirements of Ind AS 1 and other applicable Ind AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations 2018, as amended.

For and on behalf of Board of Directors of

India Pesticides Limited

A. S .Agarwal

Director

DIN: 00777581

R. S. Sharma

Director

DIN: 02487797

D. K. Jain

Chief Executive Officer

S. P. Gupta

Chief Financial Officer

Ajeet Pandey

Company Secretary

Place : Lucknow

Dated:



**INDIA PESTICIDES LIMITED**

CIN : U24112UP1984PLC006894

**Consolidated Balance Sheet as at 31st March 2021***(All amounts in Rupees Millions, unless otherwise stated)*

Particulars	Note	As at 31st March, 2021
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant and Equipment	2A	1,199.92
Right of Use Assets	2B	43.54
Capital work-in-progress	2C	118.85
Intangible Assets	3	1.22
Intangible Assets under development		-
Financial Assets		
Investments	4	91.05
Other Financial Assets	5	28.49
Other Non-current Assets	6	11.53
<b>Total Non current assets</b>		<b>1,494.60</b>
<b>Current Assets</b>		
Inventories	7	700.79
Financial Assets		
Trade Receivables	8	2,142.20
Cash and Cash Equivalents	9	26.86
Other Balances with Banks	10	410.55
Other Financial Assets	11	1.16
Other Current Assets	12	394.43
<b>Total Current Assets</b>		<b>3,675.99</b>
<b>Total Assets</b>		<b>5,170.59</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Equity Share Capital	13	111.79
Other Equity	14	3,782.99
Non-Controlling Interest		-
<b>Total Equity</b>		<b>3,894.78</b>
<b>LIABILITIES</b>		
<b>Non-Current Liabilities</b>		
Financial Liabilities		
Borrowings	15	74.49
Other Financial Liabilities	16	1.13
Provisions	17	6.89
Deferred Tax Liabilities (Net)	18	80.98
<b>Total Non Current Liabilities</b>		<b>163.49</b>
<b>Current Liabilities</b>		
Financial liabilities		
Borrowings	19	225.08
Trade Payables	20	
Total outstanding dues of micro enterprises and small enterprises		47.17
Total outstanding dues of creditors other than micro enterprises and small enterprises		693.35
Other Financial Liabilities	21	55.85
Other Current Liabilities	22	53.57
Provisions	23	31.81
Current Tax Liabilities (Net)	24	5.48
<b>Total Current Liabilities</b>		<b>1,112.32</b>
<b>Total Liabilities</b>		<b>1,275.81</b>
<b>Total Equity and Liabilities</b>		<b>5,170.59</b>
<b>Significant accounting policies and Key accounting estimates and judgements</b>	1	
See accompanying notes to Consolidated Financial Statements	2-44	

**As per our report of even date attached**

For Lodha &amp; Co.

Chartered Accountants

ICAI Firm Registration No: 301051E

For and on behalf of Board of Directors of  
**India Pesticides Limited****R.P. Baradiya**

Partner

**A. S. Agarwal**

Director

DIN: 00777581

**R. S. Sharma**

Director

DIN: 02487797

**D. K. Jain**

Chief Executive Officer

**S. P. Gupta**

Chief Financial Officer

**Ajeet Pandey**

Company Secretary

Place : Mumbai

Dated:

Place : Lucknow

Dated:

**INDIA PESTICIDES LIMITED**

CIN : U24112UP1984PLC006894

**Consolidated Statement of Profit and Loss for the year ended 31st March 2021**

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	Note	Year ended 31st March, 2021
Revenue from Operations	25	6,489.54
Other Income	26	64.23
<b>Total Income (I)</b>		<b>6,553.77</b>
<b>EXPENSES</b>		
Cost of Materials Consumed	27	3,300.90
Changes in inventories of finished goods, Stock-in-trade and work-in-progress	29	(196.77)
Employee Benefits Expense	30	227.42
Finance Costs	31	34.33
Depreciation and Amortisation Expense	2 & 3	61.35
Other Expenses	32	1,327.15
<b>Total Expenses (II)</b>		<b>4,754.38</b>
<b>Profit Before Tax (I-II)</b>		<b>1,799.39</b>
<b>Tax Expense</b>		
(1) Current Tax		447.99
(2) Deferred Tax		8.22
(3) Current taxes relating to earlier years		2.09
<b>Profit for the period</b>		<b>1,345.27</b>
<b>Other comprehensive income</b>		
(i) Items that will not be reclassified to profit or loss		
- Remeasurement of defined benefit plans		1.20
- Equity Instruments through OCI		2.30
- Income tax related to items that will not be reclassified to Profit and loss		0.28
<b>Total Other comprehensive income/(loss) for the year (Net of Tax)</b>		<b>3.78</b>
<b>Total Comprehensive income for the Year</b>		<b>1,349.05</b>
<b>Profit Attributable to:</b>		
Owners of the Group		1,345.27
Non -Controlling Interest		-
<b>Other Comprehensive Income Attributable to:</b>		
Owners of the Group		3.78
Non -Controlling Interest		-
<b>Total Comprehensive Income Attributable to:</b>		
Owners of the Group		1,349.05
Non -Controlling Interest		-
<b>Earnings per Equity Share of Rs.1 Each</b>		
(Refer note 13(d), 13(e) and 13(f))	39	
Basic (in Rs)		12.07
Diluted (in Rs)		12.07
<b>Significant accounting policies and Key accounting estimates and judgements</b>		
See accompanying notes to Consolidated Financial Statements	1 2-44	

**As per our report of even date attached**

 For Lodha & Co.  
 Chartered Accountants  
 ICAI Firm Registration No: 301051E

 For and on behalf of Board of Directors of  
**India Pesticides Limited**
**R.P. Baradiya**  
 Partner

**A. S. Agarwal**  
 Director  
 DIN: 00777581

**R. S. Sharma**  
 Director  
 DIN: 02487797

**D. K. Jain**  
 Chief Executive Officer

**S. P. Gupta**  
 Chief Financial Officer

**Ajeet Pandey**  
 Company Secretary

 Place : Mumbai  
 Dated:

 Place : Lucknow  
 Dated:

**Consolidated Statement of Cash flow for the year ended 31st March 2021**

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	Year Ended	
	31st March, 2021	
<b>A Cash flow from operating activities:</b>		
Net profit before tax		1799.39
<b>Adjustment to reconcile profit before tax to net cash flows</b>		
Depreciation		61.35
Net unrealised foreign exchange loss/(gain)		9.11
Net gain on sale / fair valuation of investments through profit and loss		(20.18)
(Profit)/Loss on Sale of property, plant and equipment (net)		(0.03)
Dividend Income		(0.08)
Provision for Employee Benefits		4.38
Finance Lease		0.02
Interest received		(22.47)
Provision for Expected Credit Loss		20.46
Bad Debt		17.49
Interest expenses		28.27
<b>Operating profit before working capital changes</b>		<b>1897.72</b>
<b>Adjustment for</b>		
Decrease/ (Increase) in other financial assets		25.95
Decrease/ (Increase) in non current assets		4.56
Decrease/ (Increase) in trade receivables		(345.21)
Decrease/(Increase) in other current assets		(147.55)
Decrease/(Increase) in Inventories		(315.06)
(Decrease)/Increase in other financial liabilities		10.71
(Decrease)/Increase in trade payables		126.59
(Decrease)/ Increase in other current liabilities		(8.97)
(Decrease)/ Increase in provisions		32.94
<b>Cash generated from operations</b>		<b>1281.69</b>
Direct taxes paid (net)		(448.93)
<b>Net cash generated from / (used in) operating activities</b>		<b>832.76</b>
<b>B Cash generated from investing activities</b>		
Purchase of property, plant and equipment, Intangible assets and Capital work in progress		(419.15)
Proceeds from sale of property, plant and equipment		0.11
Purchase of Investments		(71.41)
Sale proceeds of Investments		33.21
Increase in Term Deposits		(397.43)
Interest Income		22.47
<b>Net cash flow from / (used in) from investing activities</b>		<b>(832.20)</b>
<b>C Cash generated from financing activities</b>		
Proceeds from Long term Borrowings		8.20
Repayment of Long term Borrowings		(70.13)
Proceeds/(repayment) from short-term borrowings (net)		89.63
Dividend paid (including corporate dividend tax)		(35.02)
Interest paid (net)		(33.52)
<b>Cash generated from / (used in) financing activities</b>		<b>(40.84)</b>
<b>D Net Increase/ (Decrease) in cash and cash equivalent ( A+B+C)</b>		<b>(40.29)</b>
<b>Cash and Cash equivalents</b>		
At the beginning of the year		67.17
At the end of the year		26.86
<b>Notes:</b>		
<b>Net Debt Reconciliation</b>		
Particulars	Year Ended	
	31st March, 2021	
Opening Net Debt		280.39
Proceeds from Borrowings (net)		97.82
Repayment of Borrowings (net)		(70.13)
Interest Expense (net)		28.27
Interest Paid (net)		(33.52)
Discounting adjustment for borrowing cost		0.12
<b>Closing Net Debt</b>		<b>302.95</b>

The above cash flow statement has been prepared by using indirect method as per Indian Accounting Standard (Ind AS) 7 - Statement of Cash Flows.

As per our attached report of even date

For **Lodha & Co.**  
Chartered Accountants  
ICAI Firm Registration No: 301051E

For and on behalf of Board of Directors of  
**India Pesticides Limited**

**R.P. Baradiya**  
Partner

**A. S. Agarwal**  
Director  
DIN: 00777581

**R. S. Sharma**  
Director  
DIN: 02487797

**D. K. Jain**  
Chief Executive Officer

**S. P. Gupta**  
Chief Financial Officer

**Ajeet Pandey**  
Company Secretary

Place : Mumbai  
Dated:

Place : Lucknow  
Dated:

**INDIA PESTICIDES LIMITED****Consolidated Statement of Changes In Equity for the year ended 31st March 2021****A. Equity Share Capital***(All amounts in Rupees Millions, unless otherwise stated)*

Particulars	No. of Shares	Amount
As at 1st April, 2020	3,18,325	31.83
Changes in equity share capital during the period	11,14,66,805	79.95
As at 31st March, 2021	11,17,85,130	111.79

**B. Other Equity***(All amounts in Rupees Millions, unless otherwise stated)*

Particulars	Reserves and Surplus			Remeasurement of net defined benefit plan	Total
	Securities Premium	General Reserve	Retained Earnings		
Balance as on 1st April, 2020	8.58	589.37	1,941.08	(2.64)	2,536.40
Profit/(loss) for the year	-	-	1,345.27	3.78	1,349.05
Other Comprehensive Income / (loss)	-	-	-	-	-
<b>Total Comprehensive Income for the year</b>	<b>8.58</b>	<b>589.37</b>	<b>3,286.35</b>	<b>1.14</b>	<b>3,885.45</b>
Dividends paid	-	-	(35.02)	-	(35.02)
Amounts utilized towards issue of fully paid up bonus shares to the extent available (Refer note 13(e))	(8.58)	(71.00)	-	-	(79.58)
Add: On Preferential Allotment (Refer note 13(f))	12.14	-	-	-	12.14
<b>Balance as on 31st March 2021</b>	<b>12.14</b>	<b>518.37</b>	<b>3,251.34</b>	<b>1.14</b>	<b>3,782.99</b>

**As per our report of even date attached**

For **Lodha & Co.**  
**Chartered Accountants**  
ICAI Firm Registration No: 301051E

For and on behalf of Board of Directors of  
**India Pesticides Limited**

**R.P. Baradiya**  
Partner

**A. S. Agarwal**  
Director  
DIN: 00777581

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Director  
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**D. K. Jain**  
Chief Executive Officer

**S. P. Gupta**  
Chief Financial Officer

**Ajeet Pandey**  
Company Secretary

Place : Mumbai  
Dated:

Place : Lucknow  
Dated:

## INDIA PESTICIDES LIMITED

### Significant accounting policies and explanatory notes to Consolidated Financial Statements

(All amounts in Indian Rupees Millions, unless otherwise stated)

#### Group Profile

The Consolidated Financial Statements India Pesticides Limited ('the Company') and its subsidiary (collectively, 'the Group') for the period ended March 31, 2021.

The Company was incorporated on 13<sup>th</sup> December 1984 and having its registered office at Bareilly, Uttar Pradesh, India. The Group is engaged in 'Agro Chemicals' business which primarily includes manufacture, sale and distribution of insecticides, fungicides, herbicide and various other agrochemical products. The Group has its own manufacturing site for agrochemical production at Sandila and Dewa Road in Uttar Pradesh.

#### **1 Significant Accounting policies**

This note provides a list of the significant accounting policies adopted in the preparation of these Consolidated Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **1.1 Basis of Preparation**

The Consolidated financial statements of the Company are based on the principle of historical cost except for certain financial assets and liabilities and defined benefit plan that are measured at fair value, and are drawn up to comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

The accounting policies are applied consistently to all the years presented in the consolidated financial statements.

The Consolidated Financial statements have been prepared on an accrual basis under the historical cost convention except for the following that are measured at fair value as required by relevant Ind AS.

Certain financial assets measured at fair value (refer accounting policy regarding financial instruments)

#### Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Group's operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or noncurrent classification of assets and liabilities.

##### **1.2 Basis of Consolidation**

The Consolidated Financial Statements comprise the financial statements of the Company and its subsidiary as at March 31, 2021. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- ii) Exposure, or rights, to variable returns from its involvement with the investee, and
- iii) The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- i) The contractual arrangement with the other vote holders of the investee
- ii) Rights arising from other contractual arrangements
- iii) The Group's voting rights and potential voting rights
- iv) The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent Company. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

**Consolidation procedure:**

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- i) Derecognises the assets (including goodwill) and liabilities of the subsidiary
- ii) Derecognises the carrying amount of any non-controlling interests
- iii) Derecognises the cumulative translation differences recorded in equity
- iv) Recognises the fair value of the consideration received
- v) Recognises the fair value of any investment retained
- vi) Recognises any surplus or deficit in profit or loss
- vii) Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

**1.3 Application of New Accounting Pronouncements**

The Group has applied the Ind AS pronouncements pursuant to issuance of the Companies (Indian Accounting Standards) Amendment Rules, 2019 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2019.

**1.3 Use of Estimates and Judgments**

In preparing the Consolidated Financial Statements, the Management has to make certain assumptions and estimates that may substantially impact the presentation of the Group's financial position and/ or results of operations.

The estimates and judgments used in the preparation of the Consolidated Financial Statements are continuously evaluated by the Group and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Group believes to be reasonable under the existing circumstances. Although the Group regularly assesses these estimates, actual results may differ from these estimates. Changes in estimates are recorded in the periods in which they become known.

**1.4 Summary of Significant accounting policies****(a) Property, Plant & Equipment****Measurement at recognition:**

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenses directly attributable to new manufacturing facility during its construction period are capitalized if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of property, plant and equipment if the recognition criteria are met.

Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

**Capital work in progress and Capital advances:**

Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as Other Non-Current Assets.

**Depreciation and Amortisation**

Depreciation on each part of an item of property, plant and equipment is provided using the Straight Line Method based on the useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

Leasehold improvements are amortized over the period of the lease.

The Estimated useful lives of the assets are as follows:

Asset Class	Useful Life
Factory Building	30 years
Plant & Machinery	20 years
R&D Equipment	20 years
Electrical Installations and Equipment	10 years
Furniture & Fixtures	10 years
Vehicles	8 years
Office Equipments	5 years
Computers	3 years

The estimated useful life, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

**Derecognition:**

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

**(b) Intangible Assets**

**Measurement at recognition:**

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Internally generated intangibles including research cost are not capitalized and the related expenditure is recognized in the Statement of Profit and Loss in the period in which the expenditure is incurred. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.

**Amortization:**

Intangible Assets with finite lives are amortized on a Straight Line basis over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognized in the Statement of Profit and Loss. The estimated useful life of intangible assets is mentioned below:

<b>Asset Class</b>	<b>Useful Life</b>
Software	5 years
Know How	10 years

The amortization period and the amortization method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

**Derecognition:**

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

**(c) Revenue Recognition**

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for those goods or services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Group as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

**Sale of Products:**

Revenue from sale of products is recognized when the control on the goods has been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and goods and services tax. Transaction price is recognized based on the price specified in the contract, net of the estimated sales incentives/ discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

**Export Incentive:**

Income from Export Incentives such as duty drawback and MEIS are recognised on an accrual basis to the extent the ultimate realisation is reasonably certain.

**(d) Other Income**

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established. It is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts over the expected life of the financial asset to the asset's gross carrying amount on initial recognition. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument.

**(e) Inventories**

Inventories encompass goods consumed in production (raw materials, packing materials and stores and spare parts), goods in the production process for sale (work-in-progress) and goods held for sale in the ordinary course of business (finished goods and stock-in-trade). Inventories are recognised at the lower of their cost of acquisition calculated by the weighted average method and at their net realisable value. The net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and selling expenses necessary to make the sale.

**(f) Financial Instruments**

**(i) Financial Assets**

Financial assets are recognised when the Group becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, in case of Financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition value of the financial asset.

Financial assets are subsequently classified as measured at

**- amortised cost**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are accounted for at amortised cost using the effective interest method. This category comprises trade accounts receivable, loans, cash and cash equivalents, bank balances and other financial assets. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the Statement of Profit and Loss when the asset is derecognised or impaired. Interest income from these financial assets is included in Other Income using the effective interest rate method.

**- fair value through profit and loss (FVTPL)**

Assets shall be measured at FVTPL unless it is measured at amortised cost or at FVOCI. A gain or loss on a debt instrument that is subsequently measured at FVTPL and is not part of a hedging relationship is recognised in the Statement of Profit and Loss and presented within other gains/ (losses) in the period in which it arises. Interest income from these financial assets is included in Other Income.

**- fair value through other comprehensive income (FVOCI)**

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. The movements in carrying amount are taken through Other Comprehensive Income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from equity to the Statement of Profit and Loss and recognised in other gains/ (losses). Interest income from these financial assets is included in Other Income using the effective interest rate method.

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Group changes its business model for managing financial assets.

**Derecognition**

Financial assets are derecognised when contractual rights to receive cash flows from the financial assets expire or the financial assets are transferred together with all material risks and benefits.

**(ii) Financial Liabilities**

Financial liabilities are initially recognised at fair value if the Group has a contractual obligation to transfer cash or other financial assets to another party. Borrowings and payables are recognised net of directly attributable transaction costs. In subsequent periods, such liabilities are measured at amortised cost using the effective interest method.

**Derecognition**

Financial liabilities are derecognised when the contractual obligation is discharged or cancelled, or has expired.

**(g) Impairment of Financial Assets**

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The Group applies Expected Credit Loss (ECL) model for recognising impairment loss on financial assets measured at amortised cost. The Group follows 'simplified approach' permitted by Ind AS 109 - Financial Instruments for recognition of impairment loss on trade receivables and lease receivables based on expected lifetime losses at each reporting date right from its initial recognition. If the reasons for previously recognised impairment losses no longer apply, the impairment losses are reversed provided that this does not cause the carrying amounts to exceed the amortised cost of acquisition.

**(h) Fair Value Measurement**

The Group measures certain financial instruments at fair value at each reporting date. Certain accounting policies and disclosures require the measurement of fair values, for both financial and non- financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability also reflects its non-performance risk.

The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognised in Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

While measuring the fair value of an asset or liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique 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 assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

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

When quoted price in active market for an instrument is available, the Group measures the fair value of the instrument using that price. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted prices in an active market, then the Group uses a valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

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

**(i) Trade Receivables and Loans**

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

**(j) Investments**

Financial assets are recognised and measured in accordance with Ind AS 109 - Financial Instruments. Accordingly, the Group recognises financial asset only when it has a contractual right to receive cash or other financial assets from another entity. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. Subsequent to initial recognition, financial assets are measured at amortised cost, fair value through other comprehensive income (FVOCI) or FVTPL. The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

Investment in Equity Instruments are classified as FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in Other Comprehensive Income for investment in equity instruments which are not held for trading.

**(k) Foreign Currency Transactions**

The Consolidated Financial Statements are presented in Indian Rupee, which is the Group's functional and presentation currency. The Group's functional currency is that of the primary economic environment in which the Group operates.

Foreign currency transactions are translated into the functional currency using the exchange rate at the date of the transaction. Foreign exchange gains/ losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in the Statement of Profit and Loss.

**Monetary items:**

Transactions in foreign currencies are initially recorded at their respective exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing on the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss either as profit or loss on foreign currency transaction and translation or as borrowing costs to the extent regarded as an adjustment to borrowing costs.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.



**(l) Income tax**

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

**Current Tax:**

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

**Deferred Tax:**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Consolidated Financial Statements and the corresponding tax bases used in the computation of taxable profit under Income tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

**Presentation of current and deferred tax:**

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income.

The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Group has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Group.

**(m) Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognised if, as a result of a past event, the Group 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. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are not recognised but are disclosed in notes.

Contingent assets are not disclosed in the Consolidated Financial Statements unless an inflow of economic benefits is probable.

**(n) Cash & Cash Equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and demand deposits with an original maturity of three months or less and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

**(o) Provision for Employee Benefits**

**Short Term Employee Benefits:**

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Group recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

**Post-Employment Benefits:**

**I. Defined Contribution plans:**

Defined contribution plans are employee state insurance scheme and Government administered pension fund scheme for all applicable employees and superannuation scheme for eligible employees.

**Recognition and measurement of defined contribution plans:**

The Group recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Group during the reporting period. If the contributions payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

**II. Defined benefit plans:**

**i) Provident fund scheme:**

The Group makes specified monthly contributions towards Employee Provident Fund scheme to a separate trust administered by the Group. The minimum interest payable by the trust to the beneficiaries is being notified by the Government every year. The Group has an obligation to make good the shortfall, if any, between the return on investments of the trust and the notified interest rate.

**ii) Gratuity scheme:**

The Group has a Defined Benefit Plan namely Gratuity covering its employees. The Gratuity scheme is funded through Group Gratuity-cum-Life Assurance Scheme which is administered by LIC. The present value of provisions for defined benefit plans and the resulting expense are calculated in accordance with Ind AS 19 - Employee Benefits by the Projected Unit Credit Method. The future benefit obligations are valued by an independent actuary at the year-end and spread over the entire employment period on the basis of specific assumptions regarding beneficiary structure and the economic environment. This includes the determination of the discount rate, salary escalation, mortality rate etc. which affects the valuation. In determining the appropriate discount rate at each balance sheet date, the Management considers the interest rates which relates to the benchmark rate available for Government Securities and that have terms to maturity approximating the terms of the related defined benefit obligation.

**Recognition and measurement of defined benefit plans:**

The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

The Group presents the above liability/(asset) as current and non-current in the balance sheet as per actuarial valuation by the independent actuary; however, the entire liability towards gratuity is considered as current as the Group will contribute this amount to the gratuity fund within the next twelve months.

**Other Long Term Employee Benefits:**

Entitlements to annual leave and sick leave are recognized when they accrue to employees. Sick leave can only be availed while annual leave can either be availed or encashed subject to a restriction on the maximum number of accumulation of leave. The Group determines the liability for such accumulated leaves using the Projected Accrued Benefit method with actuarial valuations being carried out at each Balance Sheet date. Expenses related to other long term employee benefits are recognized in the Statement of Profit and loss (including actuarial gain and loss).

**(p) Lease accounting****Assets taken on lease:**

The Group mainly has lease arrangements for land.

The Group assesses whether a contract is or contains a lease, at inception of a contract. The assessment involves the exercise of judgement about whether (i) the contract involves the use of an identified asset, (ii) the Group has substantially all of the economic benefits from the use of the asset through the period of the lease, and (iii) the Group has the right to direct the use of the asset.

The Group recognises a right-of-use asset ("ROU") and a corresponding lease liability at the lease commencement date. The ROU asset is initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The ROU asset is depreciated using the straight-line method from the commencement date to the earlier of, the end of the useful life of the ROU asset or the end of the lease term i.e. between 74 to 90 years

If a lease transfers ownership of the underlying asset or the cost of the ROU asset reflects that the Group expects to exercise a purchase option, the related ROU asset is depreciated over the useful life of the underlying asset. The estimated useful lives of ROU assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group uses an incremental borrowing rate specific to the Group, term and currency of the contract. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability include fixed payments, variable lease payments that depend on an index or a rate known at the commencement date; and extension option payments or purchase options payment which the Group is reasonable certain to exercise.

Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and the ROU asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "other expenses" in the statement of profit or loss.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made and remeasured (with a corresponding adjustment to the related ROU asset) when there is a change in future lease payments in case of renegotiation, changes of an index or rate or in case of reassessment of options.

**Short-term leases and leases of low-value assets:**

The Group has elected not to recognize ROU assets and lease liabilities for short term leases as well as low value assets and recognizes the lease payments associated with these leases as an expense in the statement of profit and loss.

**(q) Impairment of Non-financial Assets**

Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any indication of such impairment exists, the recoverable amount of such assets / cash generating unit is estimated and in case the carrying amount of these assets exceeds their recoverable amount, an impairment is recognised.

The recoverable amount is the higher of the fair value less cost to sell and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. Assessment is also done at each Balance Sheet date as to whether there is indication that an impairment loss recognised for an asset in prior accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss.

**(r) Borrowing Costs**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

**(s) Government Grants / Subsidies:**

Government grants / subsidies are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized in Statement of Profit and Loss.

**(t) Segment reporting**

The Group identifies operating segments based on the dominant source, nature of risks and returns and the internal organisation. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Board of Directors (who are Group's chief operating decision makers) in deciding how to allocate resources and in assessing performance.

**(u) Dividends Payable**

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

**(v) Earnings Per Share**

Basic earnings per share are calculated by dividing the Profit or Loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the Profit or Loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

The weighted average number of equity shares outstanding during the period is adjusted for bonus issue and share split.

**(w) Events after reporting date**

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

**(x) Offsetting of financial instruments**

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

**(y) Rounding Of Amounts**

All amounts disclosed in the Consolidated Financial Statements and notes have been rounded off to the nearest million, unless otherwise stated.

**(z) Recent Accounting Pronouncements**

The Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

**(aa) Critical accounting estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

**(a) Income taxes**

The Group's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

**(b) Property, plant and equipment**

Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of 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 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 technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

**(c) Defined Benefit Obligation**

The costs of providing pensions and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates.

**(d) Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

**(e) Right-of-use assets and lease liability**

The Group has exercised judgement in determining the lease term as the noncancellable term of the lease, together with the impact of options to extend or terminate the lease if it is reasonably certain to be exercised. Where the rate implicit in the lease is not readily available, an incremental borrowing rate is applied. This incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar nature and value to the right-of-use asset in a similar economic environment. Determination of the incremental borrowing rate requires estimation.

INDIA PESTICIDES LIMITED  
Notes to restated Ind AS Summary Statements

2A Property, Plant and Equipment

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	Factory Building	Plant & Equipment	R&D Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Computers	Total
<b>Gross Carrying Amount</b>								
Balance as at 1 <sup>st</sup> April, 2020	261.86	736.32	1.17	8.92	25.99	1.70	2.50	1,038.49
Additions during the year	97.00	200.90	-	0.94	10.17	1.11	0.76	310.88
Disposals/ Reclassifications during the year	-	-	-	-	0.34	-	-	0.34
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>358.86</b>	<b>937.22</b>	<b>1.17</b>	<b>9.86</b>	<b>35.82</b>	<b>2.81</b>	<b>3.26</b>	<b>1,349.03</b>
<b>Accumulated Depreciation</b>								
Balance as at 1 <sup>st</sup> April, 2020	17.66	60.26	0.11	1.63	6.52	0.61	1.66	88.45
Depreciation expense for the year	9.08	45.34	0.06	1.02	4.39	0.41	0.59	60.89
Eliminated on disposal of asset/ reclassifications	-	-	-	-	0.25	-	-	0.25
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>26.74</b>	<b>105.60</b>	<b>0.17</b>	<b>2.66</b>	<b>10.66</b>	<b>1.02</b>	<b>2.25</b>	<b>149.11</b>
<b>Net Carrying amount</b>								
Balance as at 31 <sup>st</sup> March, 2021	332.12	831.62	1.00	7.21	25.17	1.79	1.01	1,199.92

2B Right of Use Assets

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	As at 31st March, 2021
Opening Balance	42.57
Additions	0.99
Deletions	-
Depreciation	0.02
<b>Closing Balance</b>	<b>43.54</b>

Note: Refer Note 33 for detailed disclosures

(All amounts in Rupees Millions, unless otherwise stated)

Capital work-in-progress	Plant & Machinery	Buildings	Total
Balance as at 31 <sup>st</sup> March, 2021	102.84	16.01	118.85

Note: Capital expenditures contracted for but not recognised in the financial statements is Rs. 22.41 mn as at 31st March, 2021.

Refer Note 15 and 19 for details of security charge on Property, plant and equipment, Right of use of assets and Capital work-in-progress.

3 Intangible Assets

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	Software	Know How	Total
<b>Gross Carrying Amount</b>			
Balance as at 1 <sup>st</sup> April, 2020	0.40	2.12	2.52
Additions during the year	-	-	-
Deductions during the year	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>0.40</b>	<b>2.12</b>	<b>2.52</b>
<b>Accumulated amortization</b>			
Balance as at 1 <sup>st</sup> April, 2020	0.16	0.70	0.86
Amortization expense for the year	0.08	0.36	0.44
Deductions for the year	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>0.24</b>	<b>1.06</b>	<b>1.30</b>
<b>Net Carrying amount</b>			
Balance as at 31 <sup>st</sup> March, 2021	0.16	1.06	1.22

Notes: The amortization expense of intangible assets has been included under 'Depreciation and amortization expense' in the Statement of Profit and Loss.

#### 4 Investments

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	As at 31st March, 2021
<b>(A) INVESTMENTS MEASURED AT AMORTISED COST</b>	
<b>In Unquoted, fully paid up Debt Instrument</b>	
India Infoline Finance Ltd 4,000 @ 9.5% (31st March, 2020 : 4,000 @ 9.5 %, 31st March, 2019 : 4,000 @ 9.5 %) non-convertible debentures of Rs. 1000 each	4.86
<b>TOTAL</b>	<b>4.86</b>
<b>In Unquoted Government Securities</b>	
National Saving Certificate	0.04
<b>TOTAL</b>	<b>0.04</b>
<b>(B) INVESTMENTS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (FVOCI)</b>	
<b>In Unquoted, fully paid up Equity Shares of Other Company</b>	
Swarup Chemicals Pvt Limited 3900 (31st March, 2020 : 3900, 31st March, 2019 : 3900) equity shares of Rs.10 each	2.30
<b>TOTAL</b>	<b>2.30</b>
<b>(C) INVESTMENTS MEASURED AT FAIR VALUE THROUGH PROFIT AND LOSS (FVTPL)</b>	
<b>In Quoted, fully paid up Equity Shares of Other Companies</b>	
Punjab National Bank 50 (31st March, 2020 : 50, 31st March, 2019 : 50) equity shares of Rs.2 each	0.00
Triveni Engineering Ltd Nil (31st March, 2020 : 666, 31st March, 2019 : 666) equity shares of Rs.10 each	-
Coromandal International Ltd 125 (31st March, 2020 : 125, 31st March, 2019 : 125) equity shares of Re.1 each	0.10
Suditi Industries Ltd 11,739 (31st March, 2020 : 8899, 31st March, 2019 : 4632) equity shares of Re.10 each	0.12
Vedanta Ltd 3,086 (31st March, 2020 : Nil, 31st March, 2019 : Nil) equity shares of Re.1 each	0.71
Vinati Organics Ltd Nil (31st March, 2020 : Nil, 31st March, 2019 : 159) equity shares of Rs.2 each	-
AIA Engineering Ltd. Nil (31st March, 2020 : Nil, 31st March, 2019 : 191) equity shares of Rs.2 each	-

Axis Bank Ltd Nil (31st March, 2020 : Nil, 31st March, 2019 : 563) equity shares of Rs.2 each	-
Canfin Homes Ltd Nil (31st March, 2020 : 497, 31st March, 2019 : 691) equity shares of Rs.2 each	-
DFM Foods Ltd Nil (31st March, 2020 : 1989, 31st March, 2019 : 1989) equity shares of Rs.2 each	-
HDFC Bank Ltd Nil (31st March, 2020 : Nil, 31st March, 2019 : 254) equity shares of Rs.2 each	-
IFB Industries Ltd Nil (31st March, 2020 : 403, 31st March, 2019 : 476) equity shares of Rs.10 each	-
JB Chemicals & Pharmaceuticals Ltd Nil (31st March, 2020 : Nil, 31st March, 2019 : 921) equity shares of Rs.2 each	-
K M Sugar Mills Ltd 1,36,325 (31st March, 2020 : 1,25,619, 31st March, 2019 : 60989) equity shares of Rs.2 each	1.62
Magma Fincorp Ltd Nil (31st March, 2020 : 5352, 31st March, 2019 : 3767) equity shares of Rs.2 each	-
Majesco Ltd Nil (31st March, 2020 : 1093, 31st March, 2019 : 740) equity shares of Rs.5 each	-
Mayur Uniquoters Limited Nil (31st March, 2020 : Nil, 31st March, 2019 : 751) equity shares of Rs.5 each	-
Nesco Ltd Nil (31st March, 2020 : 501, 31st March, 2019 : 501) equity shares of Rs.2 each	-
Orient Electric Limited Nil (31st March, 2020 : 1261, 31st March, 2019 : 1764) equity shares of Re.1 each	-
PI Industries Ltd 151 (31st March, 2020 : 188, 31st March, 2019 : 237) equity shares of Re.1 each	0.34
United Breweries Ltd Nil (31st March, 2020 : Nil, 31st March, 2019 : 113) equity shares of Re.1 each	-
Zensar Technologies Ltd Nil (31st March, 2020 : Nil, 31st March, 2019 : 1297) equity shares of Rs.2 each	-
Alkyl Amines Chemicals Ltd Nil (31st March, 2020 : 174, 31st March, 2019 : Nil) equity shares of Rs.5 each	-
Bata India Ltd Nil (31st March, 2020 : 198, 31st March, 2019 : Nil) equity shares of Rs.5 each	-

Borosil Limited Nil (31st March, 2020 : 1289, 31st March, 2019 : Nil) equity shares of Re.1 each	-
ICICI Bank Ltd. 616 (31st March, 2020 : 624, 31st March, 2019 : Nil) equity shares of Rs.2 each	0.36
IIFL Wealth Management Ltd. Nil (31st March, 2020 : 205, 31st March, 2019 : Nil) equity shares of Rs.2 each	-
Kotak Mahindra Bank Ltd Nil (31st March, 2020 : 167, 31st March, 2019 : Nil) equity shares of Rs.5 each	-
Multi Commodity Exchange of India Ltd. Nil (31st March, 2020 : 216, 31st March, 2019 : Nil) equity shares of Rs.10 each	-
Muthoot Finance Ltd. Nil (31st March, 2020 : 316, 31st March, 2019 : Nil) equity shares of Rs.10 each	-
Natco Pharma Ltd. Nil (31st March, 2020 : 446, 31st March, 2019 : Nil) equity shares of Rs.2 each	-
Navin Fluorine International Ltd. 124 (31st March, 2020 : 121, 31st March, 2019 : Nil) equity shares of Rs.2 each	0.34
Nocil Ltd Nil (31st March, 2020 : 2341, 31st March, 2019 : Nil) equity shares of Rs.10 each	-
Rites Ltd. Nil (31st March, 2020 : 807, 31st March, 2019 : Nil) equity shares of Rs.10 each	-
Tube Investments of India Ltd. Nil (31st March, 2020 : 676, 31st March, 2019 : Nil) equity shares of Re.1 each	-
Sam Industries Ltd 2200 (31st March, 2020 : 2200, 31st March, 2019 : 2200) equity shares of Rs.10 each	0.03
Modipon Ltd 100 (31st March, 2020 : 100, 31st March, 2019 : 100) equity shares of Rs.10 each	0.00
Apollo Hospitals Enterprises Ltd 228 (31st March, 2020 : Nil, 31st March, 2019 : Nil) equity shares of Rs.10 each	0.66
Bank of Baroda 5686 (31st March, 2020 : Nil, 31st March, 2019 : Nil) equity shares of Rs.10 each	0.42
Bharti Airtel Ltd 696 (31st March, 2020 : Nil, 31st March, 2019 : Nil) equity shares of Rs.10 each	0.41
Bharat Petroleum Corporation Ltd 1299 (31st March, 2020 : Nil, 31st March, 2019 : Nil) equity shares of Rs.10 each	0.56

Dr Reddy Laboratories 76 (31st March, 2020 : Nil, 31st March, 2019 : Nil) equity shares of Rs.10 each	0.34
Gujarat Narmada Valley Fertilizers & Chemicals 1657 (31st March, 2020 : Nil, 31st March, 2019 : Nil) equity shares of Rs.10 each	0.50
HCL Technologies Ltd 466 (31st March, 2020 : Nil, 31st March, 2019 : Nil) equity shares of Rs.10 each	0.46
Indian Railway Catering & Tourism 281 (31st March, 2020 : Nil, 31st March, 2019 : Nil) equity shares of Rs.10 each	0.49
Infosys Ltd 340 (31st March, 2020 : Nil, 31st March, 2019 : Nil) equity shares of Rs.10 each	0.47
Karnataka Bank Ltd 6825 (31st March, 2020 : Nil, 31st March, 2019 : Nil) equity shares of Rs.10 each	0.42
Polycab India Limited 377 (31st March, 2020 : Nil, 31st March, 2019 : Nil) equity shares of Rs.10 each	0.52
Reliance Industries Ltd - Right Issue 300 (31st March, 2020 : Nil, 31st March, 2019 : Nil) equity shares of Rs.10 each	0.33
State Bank India 1176 (31st March, 2020 : Nil, 31st March, 2019 : Nil) equity shares of Rs.10 each	0.43
Sun TV Network 911 (31st March, 2020 : Nil, 31st March, 2019 : Nil) equity shares of Rs.10 each	0.43
Ultramarine & Pigments Ltd 1248 (31st March, 2020 : Nil, 31st March, 2019 : Nil) equity shares of Rs.10 each	0.36
Infrastructure Development Finance Co. Ltd. (Equity) 10,586 (31st March, 2020 : Nil, 31st March, 2019 : Nil) equity shares of Rs.10 each	0.50
<b>TOTAL</b>	<b>10.92</b>



**In Unquoted, fully paid up Equity Shares of Other Companies**

1	Kalyanpur Cements Ltd 16500 (31st March, 2020 : 16500, 31st March, 2019 : 16500) equity shares of Rs.10 each	-
2	Eggro Paper Moulds Ltd 3300 (31st March, 2020 : 3300, 31st March, 2019 : 3300) equity shares of Rs.10 each	-
3	United Health Care Ltd 100 (31st March, 2020 : 100, 31st March, 2019 : 100) equity shares of Rs.10 each	-
4	XLO Machine Tool Ltd 200 (31st March, 2020 : 200, 31st March, 2019 : 200) equity shares of Rs.10 each	-
5	Stallion Shox Ltd 100 (31st March, 2020 : 100, 31st March, 2019 : 100) equity shares of Rs.10 each	-
6	Swarup Publication P Ltd 1900 (31st March, 2020 : 1900, 31st March, 2019 : 1900) equity shares of Rs.10 each	-
7	Indo fil Limited 21 (31st March, 2020 : 21, 31st March, 2019 : 21) equity shares of Rs.10 each	-
	<b>TOTAL</b>	-

**In quoted, fully paid up Mutual Funds**

1	Master Share UTI 100 (31st March, 2020 : 100, 31st March, 2019 : 100) equity shares of Rs.10 each	0.00
2	BOI AXA Large & Mid Cap Equity Fund 2,40,090.91 (31st March, 2020 : 3,52,099.199, 31st March, 2019 : 2,15,492.045) units.	10.51
3	BOI AXA Equity Debt Rebalancer Fund Nil (31st March, 2020 : Nil, 31st March, 2019 : 68,524.9875) units.	-
4	ICICI Prudential Regular Savings Plan Growth 34,641.616 (31st March, 2020 : 34,641.616, 31st March, 2019 : 34,641.616) units.	0.82
5	Birla Sun Life Medium Term Plan (Growth) Nil (31st March, 2020 : Nil, 31st March, 2019 : 1,06,152.585) units.	-
6	BOI AXA Midcap Tax Fund 1,50,000 (31st March, 2020 : 1,50,000, 31st March, 2019 : 1,50,000) units.	1.98
7	BOI AXA Conservative Hybrid Fund Nil (31st March, 2020 : Nil, 31st March, 2019 : 2,54,691.182) units.	-
8	BOI AXA Small Cap Fund Nil (31st March, 2020 : 2,00,000, 31st March, 2019 : 2,00,000) units.	-
9	SBI Overnight Fund (G) Nil (31st March, 2020 : 126.9841, 31st March, 2019 : 2,54,691.182) units.	-

10	ICICI Prudential Balanced Advantage Fund 68,810.472 (31st March, 2020 : 68,810.472, 31st March, 2019 : Nil) units.	3.04
11	DSP Corporate Bond Fund Nil (31st March, 2020 : 1,30,472.319, 31st March, 2019 : Nil) units.	-
12	DSP Dynamic Asset Allocation Fund 255,137.282 (31st March, 2020 : 1,24,664.963, 31st March, 2019 : Nil) units.	-
13	BOI AXA Mid & Small Cap Equity & Debt Fund 1,57,472.441 (31st March, 2020 : 1,57,472.441, 31st March, 2019 : Nil) units.	2.72
17	Axis Special Situations Fund 5,00,087.396 (31st March, 2020 : Nil, 31st March, 2019 : Nil) units.	5.17
18	Axis Growth Opportunities Fund 1,57,621.375 (31st March, 2020 : Nil, 31st March, 2019 : Nil) units.	2.51
19	BOI AXA Flexi Cap Fund 4,69,994.501 (31st March, 2020 : Nil, 31st March, 2019 : Nil) units.	6.97
20	DSP Mid Cap Fund 64,785.317 (31st March, 2020 : Nil, 31st March, 2019 : Nil) units.	4.94
21	Edelweiss Greater China Equity Off Shore Fund 1,02,479.093 (31st March, 2020 : Nil, 31st March, 2019 : Nil) units.	5.37
22	HDFC Dividend Yield Fund 4,62,554.354 (31st March, 2020 : Nil, 31st March, 2019 : Nil) units.	5.06
23	Mirae Asset Mid Cap Fund 1,50,350.334 (31st March, 2020 : Nil, 31st March, 2019 : Nil) units.	2.42
24	PGIM India Emerging Markets Equity fund 1,28,462.231 (31st March, 2020 : Nil, 31st March, 2019 : Nil) units.	2.25
25	PGIM India Flexi Cap Fund 60,824.209 (31st March, 2020 : Nil, 31st March, 2019 : Nil) units.	1.24
26	PGIM India Midcap Opportunities Fund 40,754.402 (31st March, 2020 : Nil, 31st March, 2019 : Nil) units.	1.28
27	SBI Savings Fund 4,31,859.760 (31st March, 2020 : Nil, 31st March, 2019 : Nil) units.	14.16
28	PGIM India Arbitrage Fund 1,71,340.499 (31st March, 2020 : Nil, 31st March, 2019 : Nil) units.	2.50
	<b>TOTAL</b>	<b>72.94</b>
	<b>TOTAL NON CURRENT INVESTMENT</b>	<b>91.05</b>
<b>Aggregate book value of:</b>		
	Quoted investments	<b>74.98</b>
	Unquoted investments	<b>4.92</b>
<b>Aggregate market value of:</b>		
	Quoted investments	<b>83.85</b>
	Unquoted investments	<b>7.20</b>
	<b>Aggregate amount of impairment in value of Investments</b>	<b>0.89</b>

**INDIA PESTICIDES LIMITED****Notes to the Consolidated Financial Statements (Contd.)****5 Other Financial Assets (non-current)***(All amounts in Rupees Millions, unless otherwise stated)*

Particulars	As at 31st March, 2021
<b>Unsecured and Considered Good</b>	
Sundry Deposits	20.00
Term Deposits*	8.49
<b>Total</b>	<b>28.49</b>

\*on lien against margin money, against bank guarantee and other commitments

**6 Other Non-current Assets***(All amounts in Rupees Millions, unless otherwise stated)*

Particulars	As at 31st March, 2021
<b>Others</b>	
Advance to Gratuity Trust	2.07
Capital Advances	9.46
<b>Total</b>	<b>11.53</b>

Note: Capital expenditures contracted for but not recognised in the financial statements is Rs. 22.41 mn as at 31st March, 2021.

**7 Inventories***(All amounts in Rupees Millions, unless otherwise stated)*

Particulars	As at 31st March, 2021
Raw Materials	235.84
Work-in-Progress	14.04
Finished Goods	393.66
Packing Materials	44.79
Stores, Spares and Consumables	12.46
<b>Total</b>	<b>700.79</b>

Refer Note 19 for details of security charge on Inventories.

**8 Trade Receivables***(All amounts in Rupees Millions, unless otherwise stated)*

Particulars	As at 31st March, 2021
Unsecured, considered good	2,174.65
Credit Impaired	-
Less: Allowance for Expected Credit Loss	32.45
<b>Total</b>	<b>2,142.20</b>

i) No trade receivables are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

ii) Trade receivables are non interest bearing and generally on terms of 30 to 180 days.

iii) Refer Note 19 for details of security charge on Trade receivables.

## 9 Cash and Cash Equivalents

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	As at 31st March, 2021
<b>Cash and Cash Equivalents</b>	
Cash on hand	1.98
<b>Balances with Banks</b>	
In Current Accounts	24.88
In Cash Credit Accounts	-
<b>Total</b>	<b>26.86</b>

## 10 Other Balances with Banks

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	As at 31st March, 2021
<b>Balances with Banks</b>	
Term Deposits	410.55
<b>Total</b>	<b>410.55</b>

\*out of the above Term Deposit of Rs. 199.45 mn is on lien against margin money, against bank guarantee and other commitments as at March 2021

Bank deposits earns interest at fixed rates. Short-term deposits are generally made for varying periods between three months to twelve months, depending on the cash requirements of the Group, and earn interest at the respective deposit rates.

## 11 Other Financial Assets (current)

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	As at 31st March, 2021
<b>Unsecured and Considered Good</b>	
Other Receivables	0.88
Interest Subsidy Receivable	0.27
<b>Total</b>	<b>1.16</b>

## 12 Other Current Assets

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	As at 31st March, 2021
Balance with Government Authorities	185.69
Prepaid Expenses	2.77
<b>Others</b>	
Security Deposits	6.59
Advances to Employees	9.35
Advances to Suppliers*	190.03
<b>Total</b>	<b>394.43</b>

\*Includes related party balance of Rs.34 mn.

**INDIA PESTICIDES LIMITED**  
**Notes to the Consolidated Financial Statements (Contd.)**

**13 Equity Share Capital**

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	As at	
	31st March, 2021	
<b>Authorised :</b>		
150,000,000 Equity Shares of Rs. 1 each (Refer note 13(d)).		150.00
		<b>150.00</b>
<b>Issued, Subscribed and Paid up :</b>		
111,785,130 Equity Shares of Re. 1 (Refer note 13(d), 13(e) and 13(f)).		111.79
		<b>111.79</b>

**a) Reconciliation of number of shares**

Equity Shares	As at 31st March, 2021	
	Number	(Rs. in mn)
Shares outstanding at the beginning of the year	3,18,325	31.83
Add: Splitting of equity shares to Re.1 from Rs.100 (Face Value) (Refer note 13(d) below).	3,15,14,175	-
Add: Shares Issued during the year		
Bonus Shares (Refer note (e) below)	7,95,81,250	79.58
Preferential allotment of Shares (Refer note (f) below)	3,71,380	0.37
Shares bought back during the year	-	-
<b>Shares outstanding at the end of the year</b>	<b>11,17,85,130</b>	<b>111.79</b>

**b) Details of shareholders holding more than 5% of shares:**

Name of Shareholders	As at 31st March, 2021	
	% of Holding	No. of Shares held
Equity Shares of Re.1 each held by: (Refer note 13(d) and 13(e))		
1. Anand Swarup Agarwal	40.07%	4,47,89,850
2. Sudha Agarwal	-	-
3. Sneha Lata Agarwal	-	-
4. Mahendra Swarup Agarwal	9.90%	1,10,69,375
8. ASA Family Trust	6.90%	77,17,117
9. PSA Family Trust	11.11%	1,24,22,242
10. MSA Family Trust	5.10%	56,95,875

As per the records of the Company, including its registers of Shareholders/Members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of equity shares.

**c) Rights, preferences and restrictions :**

The company has only one class of equity shares having a par value of Re. 1 Per Share. Each holder of equity share is entitled to one vote per share.

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 no. of equity shares held by shareholder.

**d) Split shares**

(i) As per recommendation of the Board of Directors dated 21st December, 2020 and approval of the shareholders dated 28th December, 2020, the Company has increased its existing authorised share capital to Rs. 15,00,00,000 consisting of 15,00,000 equity shares of face value of Rs.100 each. Further, the existing equity shares were split into 15,00,00,000 equity shares of face value of Re.1 each.

(ii) Pursuant to the above resolution the existing issued, paid-up and subscribed paid up capital of the Company stands sub-divided to 31,832,500 equity shares of Re. 1 each.

**e) Bonus Shares**

As per recommendation of the Board of Directors dated 21st December, 2020 and approval of the shareholders dated 28th December, 2020, the Company has issued 7,95,81,250 bonus equity shares of face value of Rs. 1/- each in ratio of 2.5:1 (i.e. 5 (Five) Bonus Shares for every 2 (Two) Equity Shares).

**f) Preferential allotment**

As per recommendation of the Board of Directors dated 23rd January, 2021 and approval of the shareholders dated 25th January, 2021 in Extraordinary General Meeting, the Company has issued 371,380 equity shares of face value of Rs. 1/- each on preferential basis at an issue price of Rs. 33.70 (including a premium of Rs.32.70).

Consequent to the above and note (d), (e) and (f) the issued, subscribed and paid-up share capital has increased to Rs. 111.79 mn comprising of 111,785,130 equity shares of face value of Rs.1/- each.

g) No class of shares have been bought back by the Company during the period of five years immediately preceding the current period/year end.

h) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current period/ year end except as disclosed in Note (e) above.

**14 Other Equity**

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	As at 31st March, 2021
<b>Securities Premium</b>	
As per Opening Balance	8.58
Less: amounts utilized towards issue of fully paid up bonus shares to the extent available (Refer note 13(e))	8.58
Add: On Preferential Allotment (Refer note 13(f))	12.14
<b>Closing Balance</b>	<b>12.14</b>
<b>General Reserve</b>	
As per last Balance Sheet	589.37
Less : amounts utilized towards issue of fully paid up bonus shares (Refer note 13(e))	71.00
Add : Transferred from Surplus	-
<b>Closing Balance</b>	<b>518.37</b>
<b>Retained Earnings</b>	
As per last Balance Sheet	1,938.44
Add: Net Profit after Tax transferred from the Statement of Profit and Loss	1,345.27
Less: Other Comprehensive income (net of tax)	-3.78
Less : Appropriations	-
Transfer to General Reserve	-
Dividend distributed during the year (refer note below)	35.02
Corporate Dividend Tax on final dividend for previous year	-
<b>Closing Balance</b>	<b>3,252.47</b>
<b>Total</b>	<b>3,782.99</b>

**Nature and purpose of reserves**

**a) Securities premium** - Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

**b) General reserve** - General reserve was created through an annual transfer of net income in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year.

**Note**

(All amounts in Rupees Millions, unless otherwise stated)

Dividend on Equity shares paid during the year	Year ended 31st March 2021
Final Dividend Rs 110 (March 31, 2020 : Rs.20, March 31, 2020 : Rs.20) per equity share of Rs.100 each (Refer note below)	35.02
Dividend distribution tax on final dividend	-

**Note:**

(i) The Board of Directors at its meeting held on 11th November, 2020 have recommended a payment of final dividend of Rs.110 per equity share of face value of Rs.100 each for the financial year ended 31st March, 2020. The same amounts to Rs. 35.02 Mn. The above was approved at the Annual General Meeting of the Company held on 21st December, 2020.

(ii) The Board of Directors at its meeting held on 25th May, 2021 have recommended a payment of final dividend of Rs. 0.32 per equity share of face value of Re.1 each for the financial year ended 31st March, 2021. The above is subject to the approval of the shareholders in the Annual General Meeting of the Company and hence not been recognised as a liability.

INDIA PESTICIDES LIMITED  
Notes to the Consolidated Financial Statements (Contd.)

15 Borrowings (Non-Current)

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	As at 31st March, 2021
<b>Secured Term Loan:</b>	
From Banks	12.32
<b>Unsecured Term Loan:</b>	
From Others	65.55
Less: Current maturities of Long term Debt	3.38
<b>Total</b>	<b>74.49</b>

i) **Detail of Securities and Terms of repayment**

- a Secured Term Loan from Banks comprise of multiple Vehicle Loans which are each repayable in balance 12 to 60 monthly instalments from the date of balance sheet. Interest rate for these loans ranges between 7.95 % to 10.00%.
- b Loans from Others comprise of Inter corporate loans which are not due for repayment in the next 12 months from the date of the Balance Sheet. Interest on these loans are payable at rates ranging between 9% to 12% per annum.

ii) Refer Note 41 for maturity analysis.

16 Other Financial Liabilities

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	As at 31st March, 2021
<b>Unsecured</b>	
Lease Liability	1.13
<b>Total</b>	<b>1.13</b>

17 Provisions

Particulars	As at 31st March, 2021
<b>Provision for Employee Benefits</b>	
Provision for Compensated Absences	6.89
<b>Total</b>	<b>6.89</b>

18 Deferred Tax Liabilities (Net)

Particulars	As at 31st March, 2021
<b>Deferred Tax Liabilities</b>	
Arising on account of:	
Difference between written down value/capital work in progress of fixed assets as per the books of accounts and Income Tax Act, 1961	85.81
Increase in borrowing cost pursuant to application of effective interest rate method	0.06
Provision for Employee Defined Benefit obligations	0.49
Provision for Compensated Absences	0.10
<b>Deferred Tax Assets</b>	
Arising on account of:	
Lease liability amortisation	(0.06)
Allowances for Doubtful debt and Advances	(8.17)
Preliminary / Incorporation Expenses	(0.05)
Difference in carrying value and Tax base of investments measured at FVTPL and Amortised Cost	2.80
<b>Total</b>	<b>80.98</b>

**19 Borrowings (Current)**

Particulars	As at 31st March, 2021
<b>Secured</b>	
From Banks	225.08
<b>Total</b>	<b>225.08</b>

i) Working capital loans are secured by first charge by way of hypothecation on the current assets of the Company namely inventories of raw materials, finished and work in progress, stores spares and consumables and packing materials, book debts and all other movable assets both present and future, and additionally secured by way of second charge on :

- a. The immovable properties situated at Plot No. E-17 to E-23, UPSIDC, Deva Road, Lucknow.
- b. Land & building situated at Khasra No. 691, Village Uttar Dhauna, Tiwariganj, Chinhat, Faizabad Road, Lucknow owned by M/s Ram Swarup Cold Storage & Allied Ind. Lucknow.
- c. Hypothecation of Plant & Machinery at UPSIDC, Deva Road, Lucknow in favour of the banks.
- d. Leasehold Industrial plot at K4 & K5 at UPSIDC, Sandila, UP.

ii) Refer Note 41 for maturity analysis.

**20 Trade Payables**

*(All amounts in Rupees Millions, unless otherwise stated)*

Particulars	As at 31st March, 2021
(a) Dues to MSME	47.17
(b) Dues to Other than MSME	693.35
<b>Total</b>	<b>740.52</b>

**Terms and conditions of the above financial liabilities:**

Trade payables are non-interest bearing and are normally settled on 30-120 days terms.

Disclosure relating to suppliers registered under MSMED Act based on the information available with the Group:

*(All amounts in Rupees Millions, unless otherwise stated)*

Particulars	As at 31st March, 2021
(a) Amount remaining unpaid to any supplier at the end of each accounting year:	
Principal	47.17
Interest	0.37
<b>Total</b>	<b>47.54</b>
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-
(c) 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.	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	0.37
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-



## 21 Other Financial Liabilities

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	As at 31st March, 2021
<b>Current maturities of Long-term debts / borrowings</b>	
<b>Term Loans</b>	
Secured	
From Banks (Refer note no 18)	3.38
Unsecured	
From Related Parties	-
Trade and Security Deposits from Customers	52.44
Lease Liability	0.03
<b>Total</b>	<b>55.85</b>

## 22 Other Current Liabilities

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	As at 31st March, 2021
<b>Other Advances</b>	
Advance from Customers	47.52
<b>Others</b>	
Statutory Liabilities	6.05
<b>Total</b>	<b>53.57</b>

## 23 Provisions

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	As at 31st March, 2021
<b>Provision for Employee Benefits</b>	
Provision for Compensated Absences	0.77
Provision for Corporate Social Responsibility*	31.04
<b>Total</b>	<b>31.81</b>

\* In accordance with Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 notified by Ministry of Corporate Affairs on January 22, 2021, the Company has created provision for the cumulative unspent amount as on March 31, 2021.

## 24 Current Tax Liabilities (Net)

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	As at 31st March, 2021
Tax Payable	5.48
(Net of Advance Tax & TDS 442.51 mn as at 31st March, 2021)	
<b>Total</b>	<b>5.48</b>

INDIA PESTICIDES LIMITED  
Notes to the Consolidated Financial Statements (Contd.)

25 Revenue from Operations

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	Year ended 31st March, 2021
<b>(i) Sales of products</b>	
Home Market (Net of Returns)	2,746.01
Exports	3,680.33
	<b>6,426.34</b>
<b>(ii) Other Operating Revenues</b>	
Export Incentives	63.20
<b>Total</b>	<b>6,489.54</b>

Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	Year ended 31st March, 2021
Revenue as per contracted price	6,426.34
Less: Discounts	-
Revenue from contract with customers	6,426.34

26 Other Income

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	Year ended 31st March, 2021
<b>Interest Income from financial assets at amortised cost</b>	
On bank deposits	19.65
Other Interest	2.82
Dividend Income	0.08
<b>Other non-operating Income (Net of expenses directly attributable to such income)</b>	
Fair value of Investment through Amortised cost	0.42
Fair value of Investments at fair value through profit and loss	18.52
Miscellaneous income	0.86
<b>Other gains and losses</b>	
Net Gain on foreign currency transactions & translation	20.61
Profit from Sale of Investments	1.24
Profit on Sale of Property, Plant & Equipment	0.03
<b>Total</b>	<b>64.23</b>

27 Cost of Materials Consumed

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	Year ended 31st March, 2021
<b>Raw materials</b>	
Opening stock	145.78
Add : Purchases of Raw Material	3,210.27
	-
Less: Closing stock	235.84
<b>TOTAL</b>	<b>3,120.21</b>
<b>Packing Materials Consumed</b>	
Opening Stock	23.47
Add:Purchases of Packing Material	202.01
	-
Less: Closing Stock	44.79
<b>TOTAL</b>	<b>180.69</b>
<b>Total</b>	<b>3,300.90</b>

28 Intentionally left blank

29 Changes in inventories of finished goods, Stock-in-trade and work-in-progress

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	Year ended 31st March, 2021
<b>Inventories at the beginning of the year</b>	
Finished Goods	182.85
Work in Progress	28.08
	<b>(a) 210.93</b>
<b>Inventories at the end of the year</b>	
Finished goods	393.66
Work in Progress	14.04
	<b>(b) 407.70</b>
<b>Net (Increase)/Decrease in Inventories</b>	<b>(a) - (b) (196.77)</b>

30 Employee Benefits Expense

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	Year ended 31st March, 2021
Salaries, wages and benefits	199.12
Contribution to provident and other funds	20.67
Staff welfare expenses	7.63
<b>Total</b>	<b>227.42</b>

**31 Finance Costs***(All amounts in Rupees Millions, unless otherwise stated)*

Particulars	Year ended 31st March, 2021
Interest expense	
- Cash credit facilities / buyers' credit	8.97
- Term Loans from Banks	1.38
- On Other Loans	8.51
- Others	6.06
Other Borrowing Costs	9.41
<b>Total</b>	<b>34.33</b>

**2 & 3 Depreciation and Amortisation Expense***(All amounts in Rupees Millions, unless otherwise stated)*

Particulars	Year ended 31st March, 2021
Depreciation on Property, Plant & equipment	60.89
Depreciation on Right of Use	0.02
Amortisation of Intangible Assets	0.44
<b>Total</b>	<b>61.35</b>

**32 Other Expenses***(All amounts in Rupees Millions, unless otherwise stated)*

Particulars	Year ended 31st March, 2021
Consumption of stores, spares and consumables	271.54
Power and Fuel	282.87
Labour Charges	180.24
Pollution Control Expenses	27.77
Freight and handling Charges	254.86
Advertisement and Sales Promotion Expenses	16.77
Legal and Professional expenses	84.13
Travelling & Conveyance	32.35
Rent Expenses	9.18
<b>Repairs &amp; Maintenance</b>	
- Building	5.81
- Others	9.20
- Machinery	31.60
Rates, Fees and Taxes	6.24
Testing and Sampling Charges	3.63
Insurance	7.90
Printing, Stationery and Communication Expenses	7.89
Corporate Social Responsibility Expenses and Other Donations*	39.82
<b>Payment to Auditors</b>	
- Statutory Audit Fees	2.04
- In other Capacity	
For Tax Audit	0.40
For Certifications of Draft Red Herring Prospectus	4.00
For other matters	-
Bad Debts	17.49
Provision for Doubtful Debts	20.46
Miscellaneous Expenses	10.96
<b>Total</b>	<b>1,327.15</b>

\*Note: **Corporate Social Responsibility Expenses**

A	Particulars	Year ended 31st March, 2021
	Gross Amount Required to be spent by the Group :	13.72

B	Amount spent during the year / period on:	Year ended 31st March, 2021
i	Construction / Acquisition of any assets	-
ii	Purpose other than above	8.73

C	Particulars	Year ended 31st March, 2021
	Related party transactions in relation to Corporate Social Responsibility:	-

D	Provision movement during the year/ Period:	Year ended 31st March, 2021
	Opening provision	-
	Addition during the year / Period	31.04
	Utilised during the year /Period	-
	Closing provision	31.04

### 33 Leases

Following are the changes in the carrying value of right of use assets (Land)

*(All amounts in Rupees Millions, unless otherwise stated)*

Particulars	As at 31st March, 2021
Opening Balance	42.57
Reclassified on account of adoption of Ind AS 116	-
Additions	0.99
Deletions	-
Depreciation	0.02
Closing Balance	43.54

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due. Rent expense recorded for short-term leases was Rs. 9.18 mn for the year ended March 31, 2021. The Group's lease asset classes primarily consist of leases for land. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange of consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all the economic benefits from the use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense in the statement of profit and loss.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include the options when it is reasonably certain that they will be exercised.

The lease liability is initially measure at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

b The Impact of adoption of Ind AS 116 on Statement of Profit and Loss for the year ended March 31, 2020 is not significant.

### 34 Contingent Liabilities

*(All amounts in Rupees Millions, unless otherwise stated)*

Claims against the Group not acknowledged as debts	As at 31st March, 2021
Tax matters in dispute under appeal	-

### 35 Assets and liabilities relating to Employee Benefits

See accounting policy in Note 1.(o)

For details about the related employee benefit expenses, refer Note 30

#### A. Defined Contribution Plan:

The Group's defined contribution plans are superannuation, employees state insurance scheme and provident fund administered by Government since the Group has no further obligation beyond making the contributions.

The expenses recognised during the year towards defined contribution plans are as detailed below:

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	Year ended
	31st March, 2021
Provident Fund and other Funds	13.73
<b>Total (included in Note 30 - 'Contribution to provident and other funds')</b>	<b>13.73</b>

#### B. Defined Benefit Obligation:

The Group provides for gratuity for employees as per the Payment of Gratuity Act, 1972/ Group policy. Employees who are in continuous service for a period of 5 years or more are eligible for gratuity.

The amount of gratuity payable on retirement/ termination is the employee's last drawn salary per month computed proportionately as per the Payment of Gratuity Act, 1972/ Group policy multiplied for the number of years of service.

The plan asset for the funded gratuity plan is invested in insurer managed fund administered by Life Insurance Corporation of India ('LIC'), independently as per the investment pattern stipulated for Pension and Group Schemes fund as per the regulations framed by Insurance and Regulatory and Development Authority of India i.e., 100% of plan assets are invested in insurer managed fund. Quoted price of the same is not available in active market.

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code and recognise the same when the Code becomes effective.

The results of the actuarial study for the obligation for employee benefits as computed by the actuary are shown below:

Actuarial Study analysis	Gratuity 31 March 2021	Leave Encashment 31 March 2021
<b>Principal actuarial assumptions</b>		
Discount rate	6.50%	6.50%
Range of compensation increase	7.00%	7.00%
Withdrawal Rate:		
- Younger ages	10.00%	10.00%
- Older ages	8.00%	8.00%
Expected rate of return on plan assets	-	-
Plan duration	-	-
	<i>(All amounts in Rupees Millions, unless otherwise stated)</i>	
Actuarial Study analysis	Gratuity 31 March 2021	Leave Encashment 31 March 2021
<b>Components of income statement charge</b>		
Current service cost	4.66	1.72
Interest cost	2.28	-
Recognition of past service cost	-	-
Immediate recognition of (gain)/losses	-	-
Settlement/curtailment/termination loss	-	-
<b>Total charged to statement of profit or loss</b>	<b>6.94</b>	<b>1.72</b>
<b>Total charged to Retained Earnings</b>	<b>-</b>	<b>-</b>
<b>Movements in net liability/(asset)</b>		
Net liability at the beginning of the year	36.06	5.92
Employer contributions	-	-
Total expense recognised in the statement of profit or loss	6.94	1.72
Total expense recognised in the Retained Earnings	-	-
Total amount recognised in OCI	(1.20)	-
<b>Net liability at the end of the year</b>	<b>41.80</b>	<b>7.64</b>
<b>Reconciliation of benefit obligations</b>		
Obligation at start of the year	15.79	5.92
Current service cost	4.66	1.72
Interest cost	2.28	-
Benefits paid directly by the Group	-	-
Extra payments or expenses/(income)	-	-
Obligation of past service cost	-	-
Actuarial gain/loss	(1.20)	-
<b>Defined benefits obligations at the end of the year</b>	<b>21.53</b>	<b>7.64</b>
<b>Re-measurements of defined benefit plans</b>		
Actuarial gain/(loss) due to changes in demographic assumptions	-	-
Actuarial gain/(loss) due to changes in financial assumptions	0.47	-
Actuarial gain/(loss) on account of experience adjustments	(1.66)	-
<b>Total actuarial gain/(loss) recognised in OCI</b>	<b>(1.19)</b>	<b>-</b>
<b>Total actuarial gain/(loss) recognised in Statement of profit or loss</b>	<b>(1.19)</b>	<b>-</b>

**Sensitivity analysis of significant assumptions**

C. 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.

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Sensitivity of DBO, Service Cost, and P&L Account	Gratuity	
	% increase in DBO	Liability
<b>Discount rate</b>		
+ 0.5% discount rate	-3.64%	40.28
- 0.5% discount rate	3.89%	43.42
<b>Salary Increase</b>		
+ 0.5% salary growth	3.77%	43.37
+ 0.5% salary growth	-3.60%	40.29
<b>Withdrawal rate</b>		
+ 0.5% salary growth	-0.23%	41.70
- 0.5% salary growth	0.24%	41.90

Sensitivity of DBO, Service Cost, and P&L Account	Leave Encashment
Sensitivity of DBO, Service Cost, and P&L Account	Year ended 31st March, 2021
<b>Discount rate</b>	
+ 0.5% discount rate	7.31
- 0.5% discount rate	7.99
<b>Salary Increase</b>	
+ 0.5% salary growth	7.99
+ 0.5% salary growth	7.31
<b>Withdrawal rate</b>	
+ 1.1 % salary growth	7.63
- 1.1 % salary growth	7.65

**Note:**

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors as supply and demand in the employment market.

**INDIA PESTICIDES LIMITED**
**Notes to the Consolidated Financial Statements (Contd.)**
**36 Related party disclosures as per Ind AS 24**
**1) Related parties with whom transactions have taken place during the year and its relationship:**

Name of the related parties	Designation / Relationship
Anand Swarup Agarwal (w.e.f 6th October, 2020)	Chairman and Non Executive Director
Satya Prakash Gupta (w.e.f 1st November 2020)	Chief Financial Officer
Dheeraj Kumar Jain (w.e.f 23rd January 2021)	Chief Executive Officer
Ajeet Pandey (w.e.f 1st October 2020)	Company Secretary
Ajai Kumar Sinha (w.e.f 1st February 2021)	General Manager
B.T. Hanumantha Reddy	General Manager
Rajendra Singh Sharma	Whole-time Director
Rahul Arun Bagaria (w.e.f 23rd January 2021)	Non Executive Director
Adesh Kumar Gupta (w.e.f 23rd January 2021)	Independent Director
Mohan Vasant Tanksale (w.e.f 21st December 2020)	Independent Director
Madhu Dikshit (w.e.f 21st December 2020)	Independent Director
Swarup Publications Pvt Limited (w.e.f 6th October, 2020)	Entity in which a director or manager or his relative is a member or director
Swarup chemicals Pvt Limited (w.e.f 6th October, 2020)	Entity in which a director or manager or his relative is a member or director
Sanju Agarwal	Relative of director
Vishwas Swarup Agarwal	Relative of director
Komal Swarup Agarwal	Relative of director
Vishal Swarup Agarwal	Relative of director
Kajaree Swarup Agarwal	Relative of director
Mahendra Swarup Agarwal	Relative of director
Sudha Agarwal	Relative of director
Pramod Swarup Agarwal	Relative of director
Virendra Swarup Agarwal	Relative of director
Madhu Arun Bagaria (w.e.f 23rd January 2021)	Relative of director
Arun Kishanlal Bagaria (w.e.f 23rd January 2021)	Relative of director
Ashok Kumar Gupta (Resigned w.e.f 10th December 2020)	Whole-time Director
Pranav Agarwal (Resigned w.e.f 29th September 2020)	Independent Director
Shweta Agarwal (Resigned w.e.f 21st December 2020)	Independent Director
G S Mehta (Resigned w.e.f 10th December 2020)	Non Executive Director
Sanjay Khatau Asher (21st December 2020 - 8th February 2021)	Independent Director
Kuruba Adeppa (10th December 2020 - 8th February 2021)	Whole-time Director

**2 Transactions during the year**
*(All amounts in Rupees Millions, unless otherwise stated)*

Particulars	Year ended 31st March, 2021
<b>Remuneration</b>	
Rajendra Singh Sharma	0.64
Ashok Kumar Gupta	1.19
Ajeet Pandey	0.34
Satya Prakash Gupta	0.72
Dheeraj Kumar Jain	1.53
Ajai Kumar Sinha	0.16
Kuruba Adeppa	0.30
B.T. Hanumantha Reddy	1.82
<b>Director Sitting fees</b>	
G S Mehta	0.04
Pranav Agarwal	0.06
Shweta Agarwal	0.24
Anand Swarup Agarwal	0.72
Adesh Kumar Gupta	0.30
Mohan Vasant Tanksale	0.25
Rahul Arun Bagaria	0.30
Madhu Dikshit	0.40
Sanjay Khatau Asher	0.15
<b>Professional Fees</b>	
Sanju Agarwal	0.90
Vishal Swarup Agarwal	12.00
Vishwas Swarup Agarwal	12.00
Anand Swarup Agarwal	6.00
Mahendra Swarup Agarwal	0.60
Virendra Swarup Agarwal	0.60
Pramod Swarup Agarwal	0.60
Sudha Agarwal	0.30
Komal Swarup Agarwal	0.90
Kajaree Swarup Agarwal	0.90

<b>Interest Income</b>	
Swarup Chemicals Pvt Limited	1.01
<b>Expenses (net)</b>	
Swarup Chemicals Pvt Limited	8.68
Swarup Publications Pvt Limited	1.75
Vishal Swarup Agarwal	0.54
<b>Reimbursement of Expenses made on behalf of the Group</b>	
Vishal Swarup Agarwal	1.20
<b>Interest Expense on Unsecured Loan</b>	
Mahendra Swarup Agarwal	0.42
Pramod Swarup Agarwal	0.28
Sudha Agarwal	0.20
<b>Issue of shares</b>	
Madhu Arun Bagaria (w.e.f 23rd January 2021)	6.26
Arun Kishanlal Bagaria (w.e.f 23rd January 2021)	6.26
<b>TOTAL</b>	<b>70.56</b>

### 3 Outstanding balances as at the year end

Particulars	As at 31st March, 2021
<b>Advances</b>	
Swarup Chemicals Pvt Limited	34.00

### 4 Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. There have been no guarantees provided or received for any related party receivables or payables. No balances in respect of the related parties has been provided for written off / written back.

### 5 Related party relationship is as identified by the management and relied upon by the auditors.



**INDIA PESTICIDES LIMITED**
**Notes to the Consolidated Financial Statements (Contd.)**
**37 Financial instruments**

The details of significant accounting policies, including criteria for recognition, the basis of measurement and the basis on which income and expenditure are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed below and Note 1.

**A Calculation of fair values**

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values of financial instruments:

- i The fair value of the long-term borrowings carrying floating-rate of interest is not impacted due to interest rate changes and will not be significantly different from their carrying amounts as there is no significant change in the under-lying credit risk of the Group (since the date of inception of the loans).
- ii Cash and cash equivalents, trade receivables, investments in term deposits, other financial assets, trade payables, and other financial liabilities have fair values that approximate to their carrying amounts due to their short-term nature.

**Financial Assets and Liabilities**

The accounting classification of each category of financial instruments, and their carrying amounts are set out as below:

**a. Financial Assets**

Particulars	Instruments carried at fair value			<i>(All amounts in Rupees Millions, unless otherwise stated)</i>		
	FVOCI (Equity instruments)	FVOCI (Other instruments)	FVTPL	Instruments carried at amortized cost	Total Fair Value	Total Carrying Value
<b>As at 31st March, 2021</b>						
(i) Investments	2.30	-	83.84	4.90	91.05	91.05
(ii) Other financial assets	-	-	-	29.65	29.65	29.65
(iii) Trade receivables	-	-	-	2,142.20	2,142.20	2,142.20
(iv) Cash and cash equivalents	-	-	-	26.86	26.86	26.86
(v) Other Balances with Banks	-	-	-	410.55	410.55	410.55
<b>Total</b>	<b>2.30</b>	<b>-</b>	<b>83.84</b>	<b>2,614.16</b>	<b>2,700.31</b>	<b>2,700.31</b>

**b. Financial Liabilities**

*(All amounts in Rupees Millions, unless otherwise stated)*

Particulars	Fair value through profit & loss	At amortized cost*	Total carrying amount	Total Fair Value
<b>As at 31st March, 2021</b>				
(i) Borrowings	-	299.57	299.57	299.57
(ii) Other financial liabilities	-	56.98	56.98	56.98
(ii) Trade payables	-	740.52	740.52	740.52
<b>Total</b>	<b>-</b>	<b>1,097.07</b>	<b>1,097.07</b>	<b>1,097.07</b>

\*The carrying value and fair value approximation, if any.

**c. Fair value hierarchy**

The Group uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

The categories used are as follows:

- Level 1: It includes financial instruments measured using quoted prices and the mutual funds are measured using the closing Net Asset Value (NAV).
- Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The below table summarises the categories of financial assets and liabilities measured at fair value:

*(All amounts in Rupees Millions, unless otherwise stated)*

As at 31st March, 2021	Level 1	Level 2	Level 3	Total
<b>Financial Assets at Fair Value</b>				
Investments in Equity Shares	10.92	-	2.30	13.22
Investment in Mutual Funds	72.93	-	-	72.93

**INDIA PESTICIDES LIMITED****Notes to the Consolidated Financial Statements (Contd.)****38 Segment Reporting**

The Board of Directors are identified as Chief Operating Decision Maker of the Group. They are responsible for allocating resources and assessing the performance of the operating segments. Accordingly, they have determined "Agro Chemicals" as its only operating Segment.

Thus the segment revenue, interest revenue, interest expense, depreciation and amortisation, segment assets and segment liabilities are all as reflected in the Financial Statements.

**Geographical Information**

*(All amounts in Rupees Millions, unless otherwise stated)*

a. Revenue from external customers	Year ended 31st March, 2021
attributed to the Group's country of domicile, India	2,746.01
attributed to all foreign countries	3,680.33
<b>Total</b>	<b>6,426.34</b>

b. Revenues from transactions with customers (including customers of the same group) exceeding 10% of the Group's sales in current as well as previous year.	2,830.50
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c. Non-current assets (excluding Deferred/ Current Tax and Financial Assets)	As at 31st March, 2021
located in the Group's country of domicile, India	1,363.54
located in all foreign countries	-
<b>Total</b>	<b>1,363.54</b>

## 39 Income tax

This note provides an analysis of the Group's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Group's tax positions.

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	Year ended 31st March, 2021
<b>(i) Tax expense recognised in the consolidated statement of profit and loss</b>	
Current Tax on profits for the year	447.99
Adjustments for current tax of prior periods	2.09
<b>Total Current Tax Expense</b>	<b>450.08</b>
Deferred Tax charge/ (credit) P&L	8.22
(Decrease) increase in deferred tax liabilities	-
<b>Total Deferred Tax Expense</b>	<b>8.22</b>
<b>Income tax expense recognised in the consolidated statement of profit and loss</b>	<b>458.30</b>
<b>(ii) Tax expense recognised in OCI</b>	
<b>Deferred Tax:</b>	
Deferred Tax expense on Remeasurement of defined benefit plans	0.28
<b>Income tax expense recognised in the consolidated statement of profit and loss</b>	<b>0.28</b>

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	Year ended 31st March, 2021
<b>(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:</b>	
Enacted income tax rate in India applicable to the Group (in %)	25.17
Profit/ (Loss) before income tax expense	<b>1,799.39</b>
<b>Current tax expense on Profit/ (loss) before tax expenses at enacted income tax rate in India</b>	<b>452.87</b>
<b>Tax effects of :</b>	
Tax effect on non-deductible expenses	10.02
Effect of Income which is taxed at special rates	(5.66)
Effect of Income that is exempted from tax	-
Effect of Government grants offered to income tax on receipt basis	(1.55)
Effects of Adjustments for current tax of prior periods	2.09
Effect of change in tax rate	-
Other items	0.53
<b>Total Income tax expense</b>	<b>458.30</b>

The Group elected to exercise the option of lower tax rate permitted under section 115BAA of the Income-tax Act, 1961 inserted vide Taxation Laws (Amendment) Act, 2019. The Group, accordingly has recognized Provision for Income Tax.

The details of Income tax Assets / Liabilities are as follows:-

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	Year ended 31st March, 2021
Income Tax Assets	-
Current Income Tax Liabilities	5.48
<b>Net Current Income Tax Assets at the end of the year</b>	<b>5.48</b>

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

As at 31st March, 2021

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	Balance sheet	Profit and loss	OCI	Balance sheet
	01st April 2020	For the Year	For the Year	31st March, 2021
<b>Deferred Tax Liabilities</b>				
Arising on account of:				
Difference between written down value/capital work in progress of fixed assets as per the books of accounts and Income Tax Act, 1961	73.28	12.53	-	85.81
Increase in borrowing cost pursuant to application of effective interest rate method	2.56	(2.50)	-	0.06
Provision for Employee Defined Benefit obligations	2.49	(2.27)	0.28	0.49
Provision for Compensated Absences	0.01	0.09	-	0.10
<b>Deferred Tax Assets</b>				
Arising on account of:				
Lease liability amortisation	(0.03)	(0.03)	-	(0.06)
Allowances for Doubtful debt and Advances	(3.70)	(4.46)	-	(8.17)
Preliminary / Incorporation Expenses	-	(0.05)	-	(0.05)
Difference in carrying value and Tax base of investments measured at FVTPL	(1.56)	4.36	-	2.80
<b>Total</b>	<b>73.05</b>	<b>7.68</b>	<b>0.28</b>	<b>80.98</b>

#### 40 Earnings per share (EPS)

(a) Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Group by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Group by the weighted average number of Equity shares outstanding during the year.

##### i Profit attributable to Equity holders of Group

*(All amounts in Rupees Millions, unless otherwise stated)*

Particulars	Year ended 31st March, 2021
Profit attributable to equity share holders of the Group for basic and diluted earnings per share	1,345.27

##### ii Weighted average number of ordinary shares

Particulars	As at 31st March, 2021
Equity shares outstanding as at year end	11,17,85,130
<b>Equity shares post split and bonus (Refer note 13(d), 13(e) and 13(f))</b>	
Weighted average number of shares as at year end for basic earnings per shares	11,14,76,834
Weighted average number of shares as at year end for diluted earnings per shares	11,14,76,834
<b>Basic earnings per share (in Rs)</b>	<b>12.07</b>
<b>Diluted earnings per share (in Rs)</b>	<b>12.07</b>

**41 Financial risk management**

The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Board has been monitoring the risks that the Group is exposed to due to outbreak of COVID 19 closely. The Board has taken all necessary actions to mitigate the risks identified basis the information and situation present.

The Group has exposure to the following risks arising

- a. Credit risk;
- b. Liquidity risk;
- c. Market risk; and
- d. Interest rate risk

**(A) Credit risk**

Credit risk arises from the possibility that the value of receivables or other financial assets of the Group may be impaired because counterparties cannot meet their payment or other performance obligations. To manage credit risks from trade receivables other than Related Party, the credit managers from Order to Cash department of the Group regularly analyse customer's receivables, overdue and payment behaviours. Some of these receivables are collateralised and the same is used according to conditions. These could include advance payments, security deposits, post-dated cheques etc. Credit limits for this trade receivables are evaluated and set in line with Group's internal guidelines. There is no significant concentration of default risk.

Credit risks from financial transactions are managed independently by Finance department. For banks and financial institutions, the Group has policies and operating guidelines in place to ensure that financial instrument transactions are only entered into with high quality banks and financial institutions. The Group had no other financial instrument that represents a significant concentration of credit risk.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through out each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forward-looking information such as:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- iv) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery. Where loans or receivables have been written off, the Group continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in statement of profit & loss.

Credit risk is managed at Group level.

For other financial assets, the Group assesses and manages credit risk based on internal control and credit management system. The finance function consists of a separate team who assess and maintain an internal credit management system. Internal credit control and management is performed on the Group basis for each class of financial instruments with different characteristics.

The Group considers whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. It considers available reasonable and supportive forward-looking information.

Macroeconomic information (such as regulatory changes, market interest rate or growth rates) are also considered as part of the internal credit management system.

**INDIA PESTICIDES LIMITED****Notes to the Consolidated Financial Statements (Contd.)**

A default on a financial asset is when the counterparty fails to make payments as per contract. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

The Group measures the expected credit loss of trade receivables from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, no additional provision has been considered necessary in respect of trade receivables more than 3 months, since the management has taken suitable measures to recover the said dues and is hopeful of recovery in due course of time.

**Ageing of account receivables :***(All amounts in Rupees Millions, unless otherwise stated)*

	As at 31st March, 2021
0-3 months	1,197.17
More than 3 months	977.48
<b>Total</b>	<b>2,174.65</b>

**Reconciliation of loss allowance - Trade Receivables***(All amounts in Rupees Millions, unless otherwise stated)*

	As at 31st March, 2021
Opening balance	11.99
Allowance made during the year	20.46
<b>Closing balance</b>	<b>32.45</b>

The Group maintains exposure in cash and cash equivalents, deposits with banks, investments, and other financial assets. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Management of the Group. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

Additionally, considering the COVID 19 situation, the Group has also assessed the performance and recoverability of trade receivables. The Group believes that the current value of trade receivables reflects the fair value/ recoverable values.

**(B) Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Due to the dynamic nature of underlying businesses, the Group maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecast of Group's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. In addition, the group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

**Maturities of financial liabilities**

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for:

all non-derivative financial liabilities, and the amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

## Maturity analysis of significant financial liabilities

*(All amounts in Rupees Millions, unless otherwise stated)*

	As at 31st March, 2021		
	Carrying amount	Upto 1 year	More than 1 year
<b>Non-derivative financial liabilities</b>			
Term Loans	77.87	3.38	74.49
Short Term Borrowings	225.08	225.08	-
Trade and Other Payables	740.52	740.52	-
Other Financial Liabilities	53.60	0.03	53.57
Other Current Liabilities	53.57	53.57	-

**INDIA PESTICIDES LIMITED**  
**Notes to the Consolidated Financial Statements (Contd.)**

**(C) Market risk**

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices - will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return. The Group is exposed to market risk primarily related to foreign exchange rate risk (currency risk), interest rate risk and market value of its investments. Thus the Group's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

**Foreign Currency Risk**

Foreign currency opportunities and risks for the Group result from changes in exchange rates and the related changes in the value of financial instruments (including receivables and payables) in the functional currency (INR).

The Group is exposed to foreign exchange risk arising from foreign currency transactions primarily with respect to US Dollar(USD).

The USD exchange rate has changed substantially in recent periods and may continue to fluctuate substantially in the future. The Group has put in place a Financial Risk Management Policy to Identify the most effective and efficient ways of managing the currency risks.

**Exposure to currency risk**

The currency profile of financial assets and financial liabilities are as below:

	As at 31st March, 2021			
	INR Rs in mn	EURO Rs in mn	USD RS in mn	AUD RS in mn
<b>Financial Assets</b>				
Trade Receivables	1,481.55	154.93	467.32	38.41
<b>Total</b>	<b>1,481.55</b>	<b>154.93</b>	<b>467.32</b>	<b>38.41</b>
<b>Financial Liabilities</b>				
Trade payables	604.66	-	135.86	-
<b>Total</b>	<b>604.66</b>	<b>-</b>	<b>135.86</b>	<b>-</b>

The following significant exchange rates have been applied during the year.

Currency	31st March, 2021
USD	73.50
EURO	86.10
AUD	55.57

**Sensitivity analysis**

The following table details the Group's sensitivity to a 25 basis points increase and decrease in the Rupee against the relevant foreign currencies is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. This is mainly attributable to the net exposure outstanding on receivables or payables in the Group at the end of the reporting period. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 0.25% change in foreign currency rate. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. In cases where the related foreign exchange fluctuation is capitalised to fixed assets or recognised directly in reserves, the impact indicated below may affect the Group's income statement over the remaining life of the related fixed assets or the remaining tenure of the borrowing respectively.

*(All amounts in Rupees Millions, unless otherwise stated)*

	Year ended 31st March, 2021	
	0.25% increase	0.25% decrease
USD	0.83	(0.83)
EURO	0.39	(0.39)
AUD	0.10	(0.10)

**(D) Cash flow and fair value interest rate risk**

**- Interest rate risk management:**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates. The Group's exposure to the risk of changes in market rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group's approach to managing interest rate risk is to have a judicious mix of borrowed funds with fixed and floating interest rate obligation. Moreover, the short-term borrowings of the Group do not have a significant fair value or cash flow interest rate risk due to their short tenure.

The Group is also exposed to interest rate risk on its financial assets that includes fixed deposits, since the same are generally for short duration, the Group believes it has manageable risk and achieving satisfactory returns. The Group also has long - term fixed interest bearing assets. However the Group has in place an effective system to manage risk and maximise return.

**- Interest rate risk exposure:**

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

*(All amounts in Rupees Millions, unless otherwise stated)*

	As at 31st March, 2021
<b>Fixed-rate instruments</b>	
Financial assets	-
Financial liabilities	<b>77.87</b>
<b>Variable-rate instruments</b>	
Financial assets	-
Financial liabilities	<b>225.08</b>
<b>Total</b>	<b>302.95</b>



**INDIA PESTICIDES LIMITED****Notes to the Consolidated Financial Statements (Contd.)****- Interest rate sensitivity****Interest rate sensitivity**

A reasonably possible change of 25 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant. In cases where the related interest rate risk is capitalised to fixed assets, the impact indicated below may affect the Group's income statement over the remaining life of the related fixed assets.

**Price Risk**

The Group's exposure to price risk arises from investment in mutual funds and classified in the balance sheet as fair value through profit and loss. Mutual fund investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments. However, due to very short tenor of the underlying portfolio in the liquid schemes, these do not pose any significant price risk.

**(E) Risk due to outbreak of COVID 19 pandemic**

The outbreak of COVID 19 pandemic globally and in India has severely impacted businesses and economies. There has been disruption to regular business operations due to the measures taken to curb the impact of the pandemic. The Group's plants, warehouses and offices were shut post announcement of nationwide lockdown. However, since manufacturing of pesticides was determined to be an essential industry, we were allowed to resume operations in a phased manner after second week of April 2020 and both of our facilities restarted operations, subject to certain adjustments in working patterns, social distancing measures and additional safety measures. The Group has considered external and internal information in assessing the impact of COVID 19 on various elements of its financial statements, including recoverability of its assets as at the Balance Sheet date.

**42 Capital management****(a) Risk management**

The Group's objectives when managing capital are to:

1. safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
2. Maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, reduce debt or sell assets.

The gearing ratios were as follows:

*(All amounts in Rupees Millions, unless otherwise stated)*

	As at 31st March, 2021
Net debt ( Total Debt - Cash & cash equivalent - Other Bank Balances other than on lien)	65.00
Total equity	3,894.78
<b>Net debt to equity ratio</b>	<b>0.02</b>

**INDIA PESTICIDES LIMITED**

**Notes to the Consolidated Financial Statements (Contd.)**

**Note 43**

Statement containing specific disclosure of the entities which are included in consolidated financial statements:

(All amounts in Rupees Millions, unless otherwise stated)

Name of the entity in the group	Relationship	% of holding	Net Assets i.e. total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
			As % of Consolidated Net Assets	Amount	As % of Consolidated Profit & Loss	Amount	As % of Consolidated Other Comprehensive	Amount	As % of Consolidated Total Comprehensive	Amount
India Pesticides Limited	Parent		100.00%	3,894.95	100.01%	1,345.44	100.00%	3.78	100.01%	1,349.22
Shalvis Specialities Limited	Subsidiary	100%	0.20%	7.78	-0.01%	-0.17	0.00%	-	-0.01%	-0.17
<b>Total</b>			<b>100.20%</b>	<b>3,902.73</b>	<b>100.00%</b>	<b>1,345.27</b>	<b>100.00%</b>	<b>3.78</b>	<b>100.00%</b>	<b>1,349.05</b>
Consolidation adjustments/eliminations			-0.20%	-7.95	0.00%	-	0.00%	-	0.00%	-
<b>Total</b>			<b>100.00%</b>	<b>3,894.78</b>	<b>100.00%</b>	<b>1,345.27</b>	<b>100.00%</b>	<b>3.78</b>	<b>100.00%</b>	<b>1,349.05</b>

**Note 44**

**Part A : Consolidated Financial statements**

There are no restatement adjustments made in the restated consolidated financial statements

**Part B: Material Regrouping**

No regroupings are required in the Consolidated Financial Statements, Consolidated Statement of Profit and Loss and Consolidated Statement of Cash Flows as these are the subsidiary has been incorporated in the current year and comparative figures are not presented.

For and on behalf of Board of Directors of  
**India Pesticides Limited**

**A. S .Agarwal**  
Director  
DIN: 00777581

**R. S. Sharma**  
Director  
DIN: 02487797

**D. K. Jain**  
Chief Executive Officer

**S. P. Gupta**  
Chief Financial Officer

**Ajeet Pandey**  
Company Secretary

Place : Lucknow  
Dated: