Independent Auditors' Report To the Members of Rallis India Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Rallis India Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2021, and the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition (adjustment for sales return, rebates, discounts and incentives) (Refer note 3.16 and 44)

The Key Audit Matter	How the matter was addressed in our audit
As disclosed in Note 3.16 and 44 to the standalone financial statements, revenue is measured based on transaction price, which is the consideration, after deduction of estimated sales returns, rebates, discounts and incentives. Estimation of sales returns involves significant judgement. The estimation is dependent on various internal and external factors. These factors include, for example, climatic conditions, the length of time when a sale is made and when the sales return takes place, some of which are beyond the control of the Company. Recognition and measurement of rebates, discounts and incentives involves significant judgement, particularly the expected level of claims of each of the customers. Assumption of level of customer wise claims for rebates, discounts and incentives relates to estimating which of the Company's customers will ultimately be subject to a related rebate, discount and / or incentive.	Our audit procedures included following: – Understanding the process followed by the Company to determine the amount of accrual of sales returns, rebates, discounts and incentives; – Assessing the accounting policies of the Company regarding accounting for sales returns, rebates, discounts and incentives as against the criteria given in the accounting standards; – Testing the Company's key internal controls related to the development of assumption of expected returns based on experience, of level of customer wise claims for rebates, discounts, incentives and related accruals; – Testing the Company's process and key internal controls over the accrual of sales returns, rebates, discounts and incentives. Selecting samples of revenue transactions and marketing circulars. Rechecking accrual for rebates, discounts and incentives calculated in accordance with the eligibility criteria mentioned in the marketing circular;

The Key Audit Matter	How the matter was addressed in our audit
Evaluating the assumption of expected returns based on experience and level of customer wise claims for rebates, discounts and incentives underlying the estimate of accrual involves significant auditor judgment. We identified the evaluation of accrual for sales returns, rebates, discounts and incentives as a key audit matter.	– Checking completeness and accuracy of the data used by the Company for accrual of sales returns, rebates, discounts and incentives and also checking the accrual for a selected sample of sales; – Examining historical trend of claims to assess the assumptions and judgements used by the Company in accrual of sales returns, rebates, discounts and incentives. Evaluating the Company's ability to accurately estimate the accrual for sales returns, rebates, discounts and incentives. Comparing historically recorded accruals to the actual amount of sales returns, rebates, discounts and incentives.

Impairment testing of other intangible assets and intangible assets under development (Refer note 3.14 and 6(b))

The Key Audit Matter	How the matter was addressed in our audit
The carrying amount of the intangible assets and intangible assets under development represents 2.69% of the Company's total assets. **Other intangible assets and intangible assets under development** As disclosed in Note 3.14 and 6(b) to the standalone financial statements, the Company capitalizes costs incurred to apply for product registrations and cost incurred for developing hybrid seeds once technical feasibility is established. Impairment assessment is done for each product based on value in use. Measurement of value of intangible assets involves significant judgments and estimates in the Company's impairment assessment. The significance and magnitude is in relation to the costs capitalised and likelihood of obtaining product registration/ developing new hybrid seeds. We identified the measurement of value of intangible assets as a key audit matter.	Our audit procedures in respect of impairment testing of other intangible assets and intangible assets under development included the following: – Obtaining an understanding of the Company's process of determining likelihood of obtaining product registration and technical feasibility of hybrid seeds under development, future benefits expected from each product registration and hybrid seeds including intangibles under development using discounted future cash flows; – Comparing the Company's assessment with the past trends; – Assessing the discounted cash flow model; – Evaluating the assumptions and data used by the Company; and – Focusing on the adequacy of the Company's disclosures on key assumptions used for impairment testing of intangible assets and intangible assets under development.

Other Information

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

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

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

Management's and Board of Directors' Responsibility for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statements made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. (A) As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this report are in agreement with the books of account;

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act;

   e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act; and

   f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations as at 31 March 2021 on its financial position in its standalone financial statements - Refer Note 40 to the standalone financial statements;

   ii. The Company did not have any long-term contracts for which there were any material foreseeable losses. The Company has made provision for foreseeable losses on derivative contracts – Refer Note 22 to the standalone financial statements;

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and

   iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2021.

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

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Tarun Kinger
Partner
Membership No: 105003
UDIN : 21105003AAAABP3834

Mumbai
22 April, 2021

Annexure A to the Independent Auditors' Report – 31 March 2021

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2021, we report the following:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and investment properties.

(b) The Company has a regular programme of physical verification of its property, plant and equipment and investment properties by which the property, plant and equipment and investment properties are verified by the management according to a phased programme designed to cover all the items over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with the policy, the Company has physically verified certain property, plant and equipment during the year and we are informed that no material discrepancies were noticed on such verification and the same have been dealt with in the books of accounts.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than leasehold land) as disclosed in Note 4, Note 5 and Note 15 to the standalone financial statements, are held in the name of the Company and in respect of leasehold lands, we have verified the lease agreements duly registered with the appropriate authorities as disclosed in Note 4 to the standalone financial statements, except the following:

Land / Building	No of cases	Leasehold / Freehold	Gross block (₹ in lakhs)	Net block (₹ in lakhs)	Remarks
Building	12	Freehold	2.83	0.69	The agreements were not available for verification.
Building	2	Freehold	57.35	22.77	The Company has filed a suit with regards to the title and is awaiting a decree. The certificate for shares held in the Cooperative Housing Society have been verified.
Land	1	Leasehold	1	-	The agreement was not available for verification.
Land	1	Leasehold	1,623.05	1,417.85	The plot has been allotted and is in the possession of the Company. The lease deed has not yet been executed by lessor.

(ii) The inventory, except for goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. In respect of stocks lying with third parties at the year-end, written confirmations have been obtained. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been appropriately dealt with in books of account.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). Accordingly, paragraphs 3 (iii) (a), (b) and (c) of the Order are not applicable to the Company.

(iv) In our opinion and according to the information and explanation given to us, the Company has not granted any loans, or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act in respect of the investments made.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under Section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Income tax, Provident fund, Employees' State Insurance, Duty of customs, Goods and Services tax, Cess and other material statutory dues have been regularly deposited during the year with the appropriate authorities. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues of Profession tax have generally been regularly deposited during the year with the appropriate authorities, though there have been slight delays in few cases. As explained to us, the Company did not have any dues on account of sales-tax, service tax, duty of excise and value added tax.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Profession tax, Income-tax, Duty of customs, Goods and Services tax, Cess and other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Income-tax, Duty of customs, Duty of excise, Sales tax, Service tax, Value added tax and Goods and Services tax as at 31 March 2021, which have not been deposited with the appropriate authorities on account of any dispute, *except as stated below*:

(₹ in lakhs)

Name of Act	Nature of Dues	Amount Demanded	Amount not Deposited Under Dispute	Period to which amount relates	Forum where dispute is pending
Sales Tax and Value Added Tax	Tax, Penalty and Interest	546.76	486.88	2000-01, 2005-06 to 2010-11, 2012-13 to 2013-14	Joint Commissioner (Appeals)
		166.42	162.59	1996-97, 2006-07, 2007-08, 2009-10, 2010-11, 2012-13, 2014-15, 2015-16, 2016-17	Additional Commissioner
		552.85	274.81	1992-93, 1998-99, 2001-02, 2003-04, 2007-08 to 2017-18	Deputy Commissioner
		15.27	9.63	2003-04, 2014-15	Assistant Commissioner
		130.47	90.35	1992-93, 2001-02, 2010-11, 2011-12, 2012-13,	Tribunal
		20.77	18.79	2002-03, 2012-13	Commercial Tax Officer
The Central Excise Act, 1944	Tax, Penalty and Interest	29.61	29.61	1999-00, 2001-02,	Deputy Commissioner
		0.61	0.50	1996-97, 1998-99	Tribunal
The Finance Act, 1994	Tax, Penalty and Interest	6.74	6.74	2006-08, 2010-11	Assistant Commissioner
		3,236.97	3,236.97	2010,-11, 2012-13, 2011-14, 2013-14, 2014-15, 2015-2016 2016-17	Superintendent of Excise and Customs
		10.23	10.23	2005-06 to 2009-10	Joint Commissioner
Customs Act, 1962	Tax	144.10	144.10	1999-00	Tribunal
	Tax	655.61	655.91	2009-14	High court
Good and Service Tax	Tax, Penalty and Interest	27.87	27.87	2017-18, 2019-20	Superintendent of Excise and Customs

(₹ in lakhs)

Name of Act	Nature of Dues	Amount Demanded	Amount not Deposited Under Dispute	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	1,074.94	859.94	AY 2013-14	Commissioner of Income Tax (Appeal)
Income Tax Act, 1961	Income Tax	2,676.35	2,140.47	AY 2014-15	Commissioner of Income Tax (Appeal)
Income Tax Act, 1961	Income Tax	1,215.61	970.61	AY 2016-17	Commissioner of Income Tax (Appeal)
Income Tax Act, 1961	Income Tax	1,203.72	958.72	AY 2017-18	Commissioner of Income Tax (Appeal)
Income Tax Act, 1961	Income Tax	729.03	674.03	AY 2018-19	Commissioner of Income Tax (Appeal)

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans to banks and government. The Company did not have any outstanding debentures or any dues payable to financial institutions during the year.

(ix) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and has not obtained any term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable to the Company.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, paragraph 3 (xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3 (xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3 (xv) of the Order is not applicable to the Company.

(xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3 (xvi) of the Order is not applicable to the Company.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Tarun Kinger
Partner
Membership No: 105003
UDIN : 21105003AAAABP3834

Mumbai
22 April, 2021

Annexure B to the Independent Auditors' Report – 31 March 2021

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

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

Opinion

We have audited the internal financial controls with reference to standalone financial statements of Rallis India Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and whether such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Tarun Kinger
Partner
Membership No: 105003
UDIN : 21105003AAAABP3834

Mumbai
22 April, 2021

Standalone Balance Sheet as at March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
a) Property, plant and equipment	4 (a)	39,246.07	36,077.50
b) Capital work-in-progress	4 (a)	10,571.20	2,875.71
c) Investment property	5	12.40	12.82
d) Right-of-use asset	4 (b)	3,173.92	2,644.04
e) Goodwill on amalgamation	6 (a)	19,582.31	19,582.31
f) Other intangible assets	6 (b)	1,083.41	966.09
g) Intangible assets under development	6 (b)	5,877.18	4,694.65
h) Financial assets			
i) Investments	7	317.68	379.69
ii) Loans	8	1,008.44	907.06
iii) Other financial assets	9	80.77	76.51
i) Non current tax assets	10.1	8,803.51	11,002.26
j) Other non-current assets	14	3,564.53	4,205.12
Total non-current assets		**93,321.42**	**83,423.76**
Current assets			
a) Inventories	11	76,319.81	69,920.02
b) Financial assets			
i) Investments	7	28,029.67	29,867.42
ii) Trade receivables	12	40,628.49	45,001.83
iii) Cash and cash equivalents	13.1	904.93	4,585.56
iv) Bank balances other than (iii) above	13.2	4,485.73	213.34
v) Other financial assets	9	751.80	648.54
c) Other current assets	14	13,884.37	10,636.53
d) Assets classified as held for sale	15	413.82	426.78
Total current assets		**1,65,418.62**	**1,61,300.02**
Total assets		**2,58,740.04**	**2,44,723.78**
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	16	1,944.71	1,944.71
b) Other equity	17	1,57,192.54	1,39,055.31
Total equity		**1,59,137.25**	**1,41,000.02**
Liabilities			
Non-current liabilities			
a) Financial liabilities			
i) Borrowings	18.1	778.32	1,236.30
ii) Lease liabilities	18.2	2,155.34	1,438.70
b) Provisions	23	2,686.50	2,564.74
c) Deferred tax liabilities (Net)	20	2,528.83	2,740.16
d) Other non-current liabilities	24	8.30	9.82
Total non-current liabilities		**8,157.29**	**7,989.72**
Current liabilities			
a) Financial liabilities			
i) Borrowings	19	3,004.77	4,961.79
ii) Trade payables	21		
- total outstanding dues of micro enterprises and small enterprises		1,734.61	369.13
- total outstanding dues of creditors other than micro enterprises and small enterprises		57,870.88	63,364.06
iii) Other financial liabilities	22	14,479.17	9,576.81
iv) Lease liabilities	18.2	1,244.62	1,392.43
b) Other current liabilities	24	11,274.02	12,002.77
c) Provisions	23	1,426.16	1,705.08
d) Current tax liabilities	10.1	411.27	2,361.97
Total current liabilities		**91,445.50**	**95,734.04**
Total liabilities		**99,602.79**	**1,03,723.76**
Total equity and liabilities		**2,58,740.04**	**2,44,723.78**
See accompanying notes to the standalone financial statements	1 to 51		

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Tarun Kinger
Partner
Membership No. 105003

Mumbai, April 22, 2021

For and on behalf of the Board of Directors of Rallis India Limited

Sanjiv Lal — *Managing Director & CEO*
(DIN: 08376952)

R. Mukundan — *Director*
(DIN: 00778253)

Ashish Mehta — *Chief Financial Officer*
(M. No. 53039)

Yashaswin Sheth — *Company Secretary*
(M. No. A15388)

Mumbai, April 22, 2021

Standalone Statement of Profit and Loss for the year ended March 31, 2021

All amounts are in ₹ lakhs except for earning per equity share information

		Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
I	Revenue from operations	25	2,42,943.49	2,25,149.82
II	Other income	26	4,043.86	3,432.98
III	**Total Income (I+II)**		**2,46,987.35**	**2,28,582.80**
IV	**Expenses**			
	Cost of materials consumed	27	1,40,755.27	1,28,093.19
	Purchases of stock-in-trade	28	13,659.10	14,121.26
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	29	(6,892.79)	(3,330.40)
	Employee benefits expense	30	21,600.18	19,937.39
	Finance costs	31	520.76	611.21
	Depreciation and amortisation expense	32	6,406.77	6,150.58
	Other expenses	33	41,523.06	40,214.94
	Total expenses (IV)		**2,17,572.35**	**2,05,798.17**
V	**Profit before exceptional items and tax (III -IV)**		29,415.00	**22,784.63**
VI	**Exceptional items**	49	944.67	**1,142.33**
VII	**Profit before tax (V+VI)**		**30,359.67**	**23,926.96**
VIII	**Tax expense**			
	(1) Current tax	10.2	7,703.28	6,906.72
	(2) Deferred tax	10.2	(210.14)	(1,526.36)
	Total tax expense (VIII)		**7,493.14**	**5,380.36**
IX	**Profit for the year (VII-VIII)**		**22,866.53**	**18,546.60**
X	**Other comprehensive income**			
	Item that will not be reclassified to profit or loss :			
	a) Remeasurement of the employee defined benefit plans		174.73	(241.55)
	b) Equity instruments through other comprehensive income		1.08	0.85
	Income tax relating to items that will not be reclassified to profit or loss		(43.39)	56.31
	Total other comprehensive income (net of taxes)		**132.42**	**(184.39)**
XI	**Total comprehensive income for the year (IX+X)**		**22,998.95**	**18,362.21**
Earnings per equity share (of ₹ 1 each)		34		
	(1) Basic (In ₹)		11.76	9.54
	(2) Diluted (In ₹)		11.76	9.54
See accompanying notes to the standalone financial statements		1 to 51		

As per our report of even date attached
For B S R & Co. LLP
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Firm's Registration No. 101248W/W-100022

Tarun Kinger
Partner
Membership No. 105003

Mumbai, April 22, 2021

For and on behalf of the Board of Directors of Rallis India Limited

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R. Mukundan (DIN: 00778253) — *Director*

Ashish Mehta (M. No. 53039) — *Chief Financial Officer*

Yashaswin Sheth (M. No. A15388) — *Company Secretary*

Mumbai, April 22, 2021

Standalone Statement of Changes in Equity for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

A. Equity share capital

Balance as at April 1, 2019	**1,944.71**
Changes in Equity Share Capital during the year	-
Balance as at March 31, 2020	**1,944.71**
Changes in Equity Share Capital during the year	-
Balance as at March 31, 2021	**1,944.71**

B. Other equity

Particulars	Other equity						Total other equity
	Reserves & Surplus					Other Comprehensive Income	
	Securities premium reserve	Retained earnings	Capital reserve	Capital redemption reserve	General reserve	Equity instrument through OCI	
As at April 1, 2019	**17,295.93**	**82,296.44**	**1,243.10**	**8,151.77**	**17,649.93**	**0.20**	**1,26,637.37**
Others		27.65				-	27.65
Leases (IND AS 116) transition effect (net of taxes)		(110.86)				-	(110.86)
Profit for the year	-	18,546.60	-	-	-	-	18,546.60
Other Comprehensive Income (net of taxes)	-	(185.24)	-	-	-	0.85	(184.39)
Total Comprehensive Income	**-**	**18,361.36**	**-**	**-**	**-**	**0.85**	**18,362.21**
Payment of dividends	-	(4,861.72)	-	-	-	-	(4,861.72)
Payment of dividend distribution tax	-	(999.34)	-	-	-	-	(999.34)
At March 31, 2020	**17,295.93**	**94,713.53**	**1,243.10**	**8,151.77**	**17,649.93**	**1.05**	**1,39,055.31**
Profit for the year	**-**	**22,866.53**	**-**	**-**	**-**	**-**	**22,866.53**
Other Comprehensive Income (net of taxes)	**-**	**131.34**	**-**	**-**	**-**	**1.08**	**132.42**
Total Comprehensive Income	**-**	**22,997.87**	**-**	**-**	**-**	**1.08**	**22,998.95**
Payment of dividends	**-**	**(4,861.72)**	**-**	**-**	**-**	**-**	**(4,861.72)**
At March 31, 2021	**17,295.93**	**1,12,849.68**	**1,243.10**	**8,151.77**	**17,649.93**	**2.13**	**1,57,192.54**

As per our report of even date attached
For B S R & Co. LLP
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Firm's Registration No. 101248W/W-100022

Tarun Kinger
Partner
Membership No. 105003

Mumbai, April 22, 2021

For and on behalf of the Board of Directors of Rallis India Limited

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Ashish Mehta (M. No. 53039) — *Chief Financial Officer*

Yashaswin Sheth (M. No. A15388) — *Company Secretary*

Mumbai, April 22, 2021

Standalone Statement of Cash Flows for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

	For the year ended March 31, 2021	For the year ended March 31, 2020
A CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax	30,359.67	23,926.96
Adjustments for :		
Finance costs	520.76	611.21
Depreciation and amortisation expense	6,406.77	6,150.58
Interest income	(638.65)	(402.22)
Dividend income	(3.62)	(226.41)
Fair valuation gain on investment in Mutual fund	(295.87)	(381.45)
Gain on redemption of current investments	(1,217.81)	(156.30)
Credit balances written back	(494.15)	(430.25)
Allowance for doubtful debts (net)	538.26	696.36
Allowance for doubtful advances	-	2.40
Capital work-in-progress written off	-	26.94
Tangible assets written off	-	8.84
Impairment of Intangible assets and intangible assets under development	657.94	177.52
Bad debts	-	222.73
(Reversal) for indirect tax matters	-	(245.37)
Provision for Directors pension liability	65.50	27.87
Provision for supplemental pay	49.49	81.83
(Reversal) / Provision for gratuity	(398.09)	193.27
Provision for compensated absences	256.73	213.11
Mark-to-market loss on forward contract	72.48	3.97
Net unrealised foreign exchange loss	176.59	466.60
(Gain) on disposal of property, plant and equipment and investment property	(895.54)	(1,151.66)
Operating profit before working capital changes	**35,160.46**	**29,816.53**
Movements in working capital:		
Decrease / (Increase) in trade receivables	3,792.19	(854.43)
(Increase) in inventories	(6,399.30)	(2,382.97)
(Increase) in loans	(101.38)	(139.74)
Decrease / (Increase) in other financial assets	33.23	(184.34)
(Increase) / Decrease in other assets	(3,105.93)	2,728.59
(Decrease) / Increase in trade payables	(3,767.73)	9,763.03
Increase / (Decrease) in other financial liabilities	4,199.38	(1,403.45)
(Decrease) / Increase in other liabilities	(730.47)	2,092.41
Cash Generated from Operations	**29,080.45**	**39,435.63**
Income taxes paid (Net of refunds)	(7,456.42)	(5,636.10)
Net Cash Flows Generated from Operating Activities (A)	**21,624.03**	**33,799.53**
B CASH FLOW FROM INVESTING ACTIVITIES:		
Interest received	497.40	392.78
Dividend received	3.62	226.41
Purchase of current investments	(63,002.70)	(71,341.79)
Proceeds from sale of long term investments	63.08	-
Proceeds from sale of current investments	66,354.13	52,560.26
Payments for purchase of property , plant and equipment (including adjustments on account of capital work-in-progress, capital creditors and capital advances)	(14,277.39)	(6,197.21)
Payments for intangible assets	(2,571.70)	(1,662.93)
Proceeds from disposal of property , plant and equipment and investment property	1,065.45	1,297.00
Investments in bank deposits	(4,287.47)	133.10
Net Cash Flows (Used In) Investing Activities (B)	**(16,155.58)**	**(24,592.37)**

Standalone Statement of Cash Flows for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

	For the year ended March 31, 2021	For the year ended March 31, 2020
C CASH FLOW FROM FINANCING ACTIVITIES:		
Repayment of long-term borrowings (including current maturities)	(411.40)	(398.97)
Proceeds from short-term borrowings	6,833.64	28,900.00
Repayment of short-term borrowings	(6,383.64)	(28,050.00)
Repayment of finance lease obligations	(1,687.70)	(1,684.11)
Dividend paid on equity shares (including dividend distribution tax)	(4,878.13)	(5,873.47)
Interest paid	(230.41)	(347.16)
Bank balances in dividend account	15.58	12.41
Net Cash Flows (Used In) Financing Activities (C)	**(6,742.06)**	**(7,441.30)**
Net (Decrease) / Increase in Cash And Cash Equivalents (A) + (B) + (C)	**(1,273.61)**	**1,765.85**
Cash and Cash Equivalents at the Beginning of the Year		
Cash in hand	3.05	4.23
Balances with banks in current account and deposit account	4,582.51	3,999.55
Bank overdrafts and cash credit facility (secured)*	(2,411.79)	(3,595.86)
Cash and Cash Equivalents as Per Note 13.1	**2,173.77**	**407.92**
Net Cash and cash equivalents as per Cash flow statement	**900.16**	**2,173.77**
Cash and Cash Equivalents at the End of the Year		
Cash in hand	1.91	3.05
Balances with banks in current account and deposit account	903.02	4,582.51
Bank overdrafts and cash credit facility (secured)*	(4.77)	(2,411.79)
Cash and Cash Equivalents as per Note 13.1	**900.16**	**2,173.77**
Debt reconciliation statement in accordance with Ind AS 7		
Opening balances		
Long-term borrowings (including current maturities)	1,567.74	1,966.71
Short-term borrowings (excluding bank overdrafts and cash credit facility)	2,550.00	1,700.00
Movements		
Long-term borrowings (including current maturities)	(411.40)	(398.97)
Short-term borrowings (excluding bank overdrafts and cash credit facility)	450.00	850.00
Closing balances		
Long-term borrowings (including current maturities)	1,156.34	1,567.74
Short-term borrowings (excluding bank overdrafts and cash credit facility)	3,000.00	2,550.00

*Bank overdrafts and cash credit facility are part of cash management system of the Company. Hence, considered as part of cash and cash equivalents.

See accompanying notes to the standalone financial statements 1 to 51

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Tarun Kinger
Partner
Membership No. 105003

Mumbai, April 22, 2021

For and on behalf of the Board of Directors of Rallis India Limited

Sanjiv Lal (DIN: 08376952) — *Managing Director & CEO*

R. Mukundan (DIN: 00778253) — *Director*

Ashish Mehta (M. No. 53039) — *Chief Financial Officer*

Yashaswin Sheth (M. No. A15388) — *Company Secretary*

Mumbai, April 22, 2021

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

1. Corporate Information

Rallis India Limited (the "Company") is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Company's shares are listed on National Stock Exchange and Bombay Stock Exchange. It has been engaged primarily in the business of manufacture and marketing of Agri Inputs. The Company has its manufacturing facilities in India and sells both in India and across the globe. The Company's registered office is at 23rd Floor Lodha Excelus New Cuffe Parade Off Eastern Freeway Wadala Mumbai 400037.

Tata Chemicals Limited ("Tata Chemicals") owns 50.06% of the Company's equity share capital as at 31 March 2021.

The standalone financial statements for the year ended 31 March, 2021 were approved by the Board of Directors and authorised for issue on 22 April, 2021.

During the previous year, two subsidiaries of the Company (Metahelix Life Sciences Limited and Zero Waste Agro Organics Limited) were merged with the Company pursuant to respective Scheme of arrangements. Refer Note 45(a) and 45 (b) to the standalone financial statements.

During the year, subsidiary of the company (Rallis chemistry exports Ltd) received approval for removal of its name from the register of companies wef 29th March, 2021 and stands dissolved with effect from the said date.

During the year, another subsidiary (P T Metahelix Life Sciences Indonesia) got business cancellation approval on Dt. 19th March 2021.

2. Recent pronouncements

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the company will evaluate the same to give effect to them as required by law.

3. Significant accounting policies

3.1 Statement of compliance

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

3.2 Basis of preparation and measurement

The Standalone financial statements have been prepared on the historical cost basis, except for certain financial

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

instruments which are measured at fair values at the end of each reporting period. Historical cost is based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

3.3 Functional and presentation currency

The Standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest ₹ lakhs, unless otherwise indicated.

3.4 Foreign currency translation

On initial recognition, all foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the date of the transaction. As at the reporting date, foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and the exchange gains or losses are recognised in the Standalone Statement of Profit and Loss.

3.5 Property plant and equipment (PPE)

(a) Recognition and measurement

On adoption of Ind AS , the Company retained the carrying value for all of its property, plant and equipment as recognised in the standalone financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP and used that as its deemed cost as permitted by Ind AS 101 'First-time Adoption of Indian Accounting Standards'.

PPE are initially recognised at cost. The initial cost of PPE comprises its purchase price, including non-refundable duties and taxes net of any trade discounts and rebates. The cost of PPE includes interest on borrowings (borrowing cost) directly attributable to acquisition, construction or production of qualifying assets. Subsequent to initial recognition, PPE are stated at cost less accumulated depreciation (other than freehold land, which are stated at cost) and impairment losses, if any.

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

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognised in profit or loss. Fully depreciated assets still in use are retained in the Standalone financial statements.

(b) Depreciation

Depreciation is recognised so as to write off the cost of assets (other than freehold land and capital work in progress) less their residual values over the useful lives, using the straight-line method ("SLM"). Management believes based on a technical evaluation (which is based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.) that the useful lives of the assets reflect the periods over which these assets are expected to be used, which are as follows:

Type/Category of Asset	Useful Lives (in years)– as per Companies Act, 2013	Useful Lives (in years) –as estimated by the Company
Buildings including factory buildings	3-60	3-60
General Plant and Machinery	8	1-36
Electrical Installations and Equipments	10	2-32
Furniture and Fixtures	10	3-28
Office Equipments	5	2-13
Vehicles	8	8-13
Computer and Data Processing Units	3-6	1-10
Laboratory Equipments	10	1-19
Leasehold improvements	NA	shorter of lease period or above estimated useful life

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

(c) Gain or Loss on Disposal

Any gain or loss on disposal of property, plant and equipment is recognised in the Standalone Statement of Profit and Loss.

3.6 Investment Property

(a) Recognition and Measurement

Land or building held to earn rentals or for capital appreciation or both rather than for use in the production or supply of goods or services or for administrative purposes; or sale in the ordinary course of business is recognised as Investment Property. Land held for undetermined future use is also recognised as Investment Property.

An investment property is measured initially at its cost. The cost of an investment property comprises its purchase price and any directly attributable expenditure. After initial recognition, the Company carries the investment property at the cost less accumulated depreciation and accumulated impairment, if any.

The residual value and the useful life of an asset is reviewed at least at each financial year-end and, if expectations differ from previous estimates, the change(s) is accounted for as a change in an accounting estimate in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors.

(b) Depreciation

After initial recognition, the Company measures all of its investment property in accordance with Ind AS 16 – Property, Plant and Equipment requirements for cost model. The depreciable amount of an item of investment property is allocated on a systematic basis over its useful life. The Company provides depreciation on the straight line method. The Company believes that straight line method reflects the pattern in which the asset's future economic benefits are expected to be consumed by the Company. Based on internal technical evaluation, the management believes useful lives of the assets are appropriate. The depreciation method is reviewed at least at each

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

financial year-end and, if there has been a significant change in the expected pattern of consumption of the future economic benefits embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors.

The depreciation charge for each period is recognised in the Standalone Statement of Profit and Loss.

The estimated useful lives for the current and comparative periods are as follows:

Type/Category of Asset	Useful Lives (in years) – as per Companies Act, 2013	Useful Lives (in years) –as estimated by the Company
Buildings including factory buildings	60	60

(c) Fair Value

Fair value of investment property is based on a valuation by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued. The fair value of investment property is disclosed in the Note 5.

(d) Gain or Loss on Disposal

Any gain or loss on disposal of an Investment Property is recognised in the Standalone Statement of Profit and Loss.

3.7 Other intangible assets

Other intangible assets are measured on initial recognition at cost and subsequently are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses on derecognition are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

The Company amortises intangible assets with a finite useful life using the straight-line method over the following range of useful lives:

Type/Category of Asset	Useful Lives (in years) – as estimated by the Company
Product registrations	4
Technical Know how	3
Licenses and commercial rights	4
Computer software	2-9

The estimated useful life is reviewed annually by the management.

Goodwill

Goodwill arising on amalgamation of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any. For the purposes of impairment testing, goodwill is allocated to cash-generating units that are expected to benefit from the synergies of the combination. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods. On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

3.8 Leases

The Company has adopted Ind AS 116 effective from 1 April 2019 using modified retrospective approach. For the purpose of preparation of Standalone Financial Information, management has evaluated the impact of change in accounting policies required due to adoption of Ind AS 116 for year ended 31 March 2020.

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 for consideration. To assess whether a contract conveys the

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

right to control the use of an identified assets, the Company assesses whether: (i) the contact involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

As a lessee, the Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured 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 received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use 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 remeasurements 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's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including in-substance fixed payments.

The lease liability is measured at amortised cost using the effective interest method.

The Company has used number of practical expedients when applying Ind AS 116: - Short-term leases, leases of low-value assets and single discount rate.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. The Company applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

The Company's leases mainly comprise land and buildings and Plant and equipment. The Company leases land and buildings for warehouse facilities. The Company also has leases for equipment.

3.9 Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Company is committed to a sale plan involving disposal of an investment, the investment that will be disposed of is classified as held for sale when the criteria described above are met.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

3.10 Capital work-in-progress and intangible assets under development

Capital work-in-progress/intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost, less impairment losses if any.

3.11 Non-derivative financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly

Notes to the Standalone Financial Statements for the year ended March 31, 2021

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attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in Other Comprehensive Income.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments recognised by the Company are measured at the proceeds received net off direct issue cost.

Offsetting of financial instruments

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

3.12 Investments in subsidiaries

A subsidiary is an entity that is controlled by the Company.

The Company accounts for the investments in equity shares of subsidiaries at cost in accordance with Ind AS 27-Separate Financial Statements.

3.13 Derivative financial instruments

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in other gains/ (losses).

3.14 Impairment

Financial assets (other than at fair value)

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

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PPE and intangibles assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the Standalone Statement of Profit and Loss.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.15 Inventories

Inventories are valued at lower of cost (on weighted average basis) and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to their present location and condition, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads.

For seeds, remnant/substandard stocks are not valued and are accounted as revenue in the year of sale of such stock. Cost associated with hybrid seed production in leased land for which produce is yet to be received will be accounted as work-in-progress.

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

3.16 Revenue recognition

Revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods.

3.16.1 Sale of goods

Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer which is usually on dispatch / delivery.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/incentives and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers. Due to the short nature of credit period given to customers, there is no financing component in the contract.

The Company has adopted Ind AS 115 Revenue from contracts with customers, with effect from April 1, 2018. Ind AS 115 establishes principles for reporting information about the nature, amount, timing and uncertainty of revenues and cash flows arising from the contracts with its customers and replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts.

The Company had adopted Ind AS 115 using the cumulative effect method whereby the effect of applying this standard is recognised at the date of initial application (i.e. 1 April 2018). Impact on adoption of Ind AS 115 was not material.

3.16.2 Rendering of services

Income recognition for services takes place as and when the services are performed in accordance with IND AS 115.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

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3.16.3 Interest Income

Interest income from financial assets is recognised when it is probable that economic benefits will flow to the Company and the amount of income 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 through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

3.16.4 Dividend

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

3.16.5 Insurance claims

Insurance claims are accounted for on the basis of claims admitted and to the extent that there is no uncertainty in receiving the claims.

3.17 Government Grants

Government grants and subsidies are recognized when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidy will be received. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognized as income over the life of a depreciable asset by way of a reduced depreciation charge. Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Government grants in the nature of promoters' contribution like investment subsidy, where no repayment is ordinarily expected in respect thereof, are treated as capital reserve. Government grants in the form of non-monetary assets, given at a concessional rate, are recorded on the basis of their acquisition cost. In case the non-monetary asset is given free of cost, the grant is recorded at a nominal value.

Other government grants and subsidies are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis.

3.18 Research and development expenses

Research expenditure is charged to the Standalone Statement of Profit and Loss. Development costs of products are also charged to the Standalone Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalised. Tangible assets used in research and development are capitalised.

3.19 Employee benefit expenses

Employee benefits consist of contribution to provident fund, superannuation fund, gratuity fund, compensated absences, supplemental pay and director pension liability.

3.19.1 Post-employment benefit plans

Defined Contribution plans

Payments to defined contribution retirement benefit scheme for eligible employees in the form of superannuation fund are charged as an expense as they fall due. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made.

Defined benefit plans

The Company operates various defined benefit plans- gratuity fund, supplemental pay and director pension liability.

The Company also makes contribution towards provident fund, in substance a defined contribution retirement benefit plan. The provident fund is administered by the Trustees of the Rallis India Limited Provident Fund. The rules of the Company's provident fund administered by the Trust, require that if the Board of Trustees are unable to pay interest at the rate declared by the Employees' Provident Fund by the Government under para 60 of the Employees' Provident Fund Scheme, 1952 for the reason that the return on investment is less or for any other reason, then the deficiency shall

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be made good by the Company. Having regard to the assets of the fund and the return on the investments, the Company does not expect any deficiency as at the year end.

The liability or asset recognised in the balance sheet in respect of its defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the said obligation is determined by discounting the estimated future cash outflows, using market yields of government bonds that have tenure approximating the tenures of the related liability.

The interest income / (expense) are calculated by applying the discount rate to the net defined benefit liability or asset. The net interest income / (expense) on the net defined benefit liability or asset is recognised in the Standalone Statement of Profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Standalone Statement of Changes in Equity and in the Standalone Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

3.19.2 Short term employee benefit

Compensated absences which accrue to employees and which can be carried to future periods but are expected to be encashed or availed in twelve months immediately following the year end are reported as expenses during the year in which the employees perform the services that the benefit covers and the liabilities are reported at the undiscounted amount of the benefits after deducting amounts already paid. Where there are restrictions on availment of encashment of such accrued benefit or where the availment or encashment is otherwise not expected to wholly occur in the next twelve months, the liability on account of the benefit is actuarially determined using the projected unit credit method.

3.20 Borrowing cost

Borrowing costs are interest and ancillary costs incurred in connection with the arrangement of borrowings. General and specific borrowing costs attributable to acquisition and construction of any qualifying asset (one that takes a substantial period of time to get ready for its designated use or sale) are capitalised until such time as the assets are substantially ready for their intended use or sale, and included as part of the cost of that asset. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All the other borrowing costs are recognised in the Statement of Profit and Loss within Finance costs of the period in which they are incurred.

3.21 Segment reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Company's chief operating decision maker is the Managing Director & CEO of the Company.

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on a reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

3.22 Income tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during

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the year. Current and deferred taxes are recognised in the Standalone Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

On March 30, 2019, MCA has issued amendment regarding the income tax Uncertainty over Income Tax Treatments. The notification clarifies the recognition and measurement requirements when there is uncertainty over income tax treatments. In assessing the uncertainty, an entity shall consider whether it is probable that a taxation authority will accept the uncertain tax treatment. This notification is effective for annual reporting periods beginning on or after April 1, 2019. As per the Company's assessment, there are no material income tax uncertainties over income tax treatments.

Current tax

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax

Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised only to the extent that it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of a deferred tax asset shall be reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

3.23 Accounting of Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised, when there is a present legal or constructive obligation as a result of past events, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. Where the effect is material, the provision is discounted to net present value using an appropriate current market-based pre-tax discount rate and the unwinding of the discount is included in finance costs.

Contingent liabilities are recognised only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets are not disclosed in the standalone financial statements unless an inflow of economic benefits is probable.

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3.24 Dividend to Equity shareholders

Dividend to equity shareholders is recognised as a liability and deducted from shareholders' Equity, in the period in which the dividends are approved by the equity shareholders in the general meeting.

3.25 Earnings per share (EPS)

Basic EPS is computed by dividing the Profit or loss attributable to the equity shareholders of the Company by the weighted average number of Ordinary shares outstanding during the year. Diluted EPS is computed by adjusting the profit or loss attributable to the ordinary equity shareholders and the weighted average number of ordinary equity shares, for the effects of all dilutive potential Ordinary shares.

3.26 Business combinations

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

3 A. Critical accounting judgments and key sources of estimation uncertainty

The preparation of the standalone financial statements in conformity with the Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures as at date of the standalone financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(i) Critical Judgments

In the process of applying the Company`s accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognised in the standalone financial statements:

Discount rate used to determine the carrying amount of the Company`s employee defined benefit obligation

In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

Contingences and commitments

In the normal course of business, contingent liabilities may arise from litigations and other claims against the Company. Where the potential liabilities have a low probability of crystallising or are very difficult to quantify reliably, we treat them as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the standalone financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings, we do not expect them to have a materially adverse impact on our financial position or profitability.

(ii) Key sources of estimation uncertainty

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

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Useful lives of property, plant and equipment

As described in Note 3.5, the Company reviews the estimated useful lives and residual values of property, plant and equipment at the end of each reporting period. During the current financial year, the management has reassessed the useful lives of certain property, plant and equipment and the impact of the change is not material for the year. There were no changes in residual values of the property, plant and equipment.

Allowances for doubtful debts

The Company makes allowances for doubtful debts based on an assessment of the recoverability of trade and other receivables. The identification of doubtful debts requires use of judgments and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.

Allowances for inventories

Management reviews the inventory age listing on a periodic basis. This review involves comparison of the carrying value of the aged inventory items with the respective net realizable value. The purpose is to ascertain whether an allowance is required to be made in the standalone financial statements for any obsolete and slow-moving items. Management is satisfied that adequate allowance for obsolete and slow-moving inventories has been made in the standalone financial statements.

Liability for sales return

In making judgment for liability for sales return, the management considered the detailed criteria for the recognition of revenue from the sale of goods set out in Ind AS 115 and in particular, whether the Company had transferred to the buyer the significant risk and rewards of ownership of the goods. Following the detailed quantification of the Company`s liability towards sales return, the management is satisfied that significant risk and rewards have been transferred and that recognition of the revenue in the current year is appropriate, in conjunction with the recognition of an appropriate liability for sales return.

Accruals for estimated product returns, which are based on historical experience of actual sales returns and adjustment on account of current market scenario is considered by Company to be reliable estimate of future sales returns.

Employee benefit obligations

Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments. These include the estimation of the appropriate discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, the employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Provisions and contingencies

From time to time, the Company is subject to legal proceedings, the ultimate outcome of each being subject to uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount can be reasonably estimated. Significant judgement is required when evaluating the provision including, the probability of an unfavorable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances. Contingent liabilities are disclosed in the notes forming part of the standalone financial statements. Contingent assets are not disclosed in the standalone financial statements unless an inflow of economic benefits is probable.

Impairment of investment in subsidiaries and goodwill

The Company reviews its carrying value of investment in subsidiaries and goodwill carried at cost (net of impairment, if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount,

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the impairment loss is accounted for in the standalone statement of profit and loss.

Deferred income tax assets and liabilities

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

The amount of total deferred tax assets could change if management estimates of projected future taxable income or if tax regulations undergo a change.

Impairment of Financial assets (other than at fair value)

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and debt instruments carried at FVTOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. In respect of trade receivables the Company applies the simplified approach permitted by Ind AS 109 - Financial Instruments, which requires expected lifetime losses to be recognised upon initial recognition of the receivables. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

The Company reviews its carrying value of investment in subsidiaries and goodwill carried at cost (net of impairment, if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the standalone statement of profit and loss.

Impairment of PPE, CWIP and intangible assets

The carrying values of assets / cash generating units ('CGU') at each balance sheet date are reviewed to determine whether there is any indication that an asset may be impaired. If any indication of such impairment exists, the recoverable amount of such assets / CGU is estimated and in case the carrying amount of these assets exceeds their recoverable amount, an impairment loss is recognised in the Standalone Statement of Profit and Loss. The recoverable amount is the higher of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. 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, consequent to which such reversal of impairment loss is recognised in the Standalone Statement of Profit and Loss.

Impairment of Inventories

Inventories are valued at lower of cost (on weighted average basis) and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to their present location and condition, including other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, taxes and duties. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Goodwill impairment

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount based on a number of factors including operating results, business plans, future cash flows and economic conditions. The recoverable amount of cash generating units is determined based on higher of value-in-use and fair value less cost to sell. The goodwill impairment test is performed at the level of the cash-generating unit or groups of cash-generating units which are benefitting from the synergies of the acquisition and which represent the lowest level at which goodwill is monitored for internal management purposes.

Market related information and estimates are used to determine the recoverable amount. Key assumptions

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on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments.

Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):

The COVID-19 pandemic is an evolving human tragedy declared a global pandemic by the World Health Organisation with adverse impact on economy and business. Supply Chain disruptions in India as a result of the outbreak started with restrictions on movement of goods, closure of borders etc. The Company manufactures agri-inputs, seeds etc amongst others and a large part of the Company's portfolio is considered essential to the agricultural communities requirements in these challenging times.

In light of these circumstances, the Company has considered the possible effects that may result from COVID-19 on the carrying amounts of financials assets, inventory, receivables, property plant and equipment, Intangibles etc., as well as liabilities accrued. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company has used internal and external information such as our current contract terms, financial strength of partners, investment profile, future volume estimates from the business etc.

Changes in significant accounting policies for FY 2019-20

The Company has applied Ind AS 116 Leases using the modified retrospective approach (for all leases other than short-term leases and leases of low-value assets) i.e. by recognising the cumulative effect of initially applying Ind AS 116 as an adjustment to the opening balance of equity as at 1 April, 2019.

Ind AS 116 introduces a single, on-balance sheet lease accounting model for leases. A lessee recognizes a right-of-use ("ROU") asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The nature of expenses related to those leases will change as Ind AS 116 replaces the operating lease expense (i.e. rent) with depreciation charge for ROU assets and interest expense on lease liabilities.

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4 (a): Property, plant and equipment and capital work-in-progress

	As at March 31, 2021	As at March 31, 2020
Carrying amounts of:		
Freehold land	1,751.58	187.01
Leasehold land	1,911.27	1,935.40
Leasehold improvements	367.28	114.62
Buildings	11,082.15	11,310.57
Plant and equipment	23,704.53	22,110.99
Furniture and fixtures	210.20	220.21
Vehicles	34.28	44.70
Office equipments	184.78	154.00
	39,246.07	**36,077.50**
Capital work-in-progress*	10,571.20	2,875.71
*7,695.25 Lacs has been capitalised and transferred to property, plant and equipment during the year ended March 31, 2021.		
	49,817.27	**38,953.21**

4 (b): Right-of-use asset

	As at March 31, 2021	As at March 31, 2020
Carrying amounts of:		
Vehicles	443.49	839.23
Plant and equipment	83.91	104.02
Buildings	2,338.91	1,464.68
Leasehold land	300.68	210.61
Office Equipments	6.93	25.50
	3,173.92	**2,644.04**

The aggregate depreciation expense on right-of-use asset is included under depreciation and amortisation expense in the Statement of Profit and Loss.

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4 (a) : Property, plant and equipment and capital work-in-progress (continued)

Description	Gross block						Accumulated depreciation						Carrying amount
	Balance as at April 1, 2020	Additions	Deductions/ Reclassification	Reclassfication from / (to) assets held for sale	Reclassification from investment property	Balance as at March 31, 2021	Balance as at April 1, 2020	Charge for the year	Deductions/ Reclassification	Reclassfication from / (to) assets held for sale	Reclassification from investment property	Balance as at March 31, 2021	Balance as at March 31, 2021
Freehold land	187.01	1,564.57	-	-	-	1,751.58	-	-	-	-	-	-	1,751.58
	187.01	*-*	*-*	*-*	*-*	*187.01*	*-*	*-*	*-*	*-*	*-*	*-*	*187.01*
Leasehold land	2,275.75	-	-	-	-	2,275.75	340.35	24.13	-	-	-	364.48	1,911.27
	2,275.75	*-*	*-*	*-*	*-*	*2,275.75*	*316.23*	*24.12*	*-*	*-*	*-*	*340.35*	*1,935.40*
Leasehold improvements	165.11	257.51	-	-	-	422.62	50.49	4.85	-	-	-	55.34	367.28
	165.11	*-*	*-*	*-*	*-*	*165.11*	*48.25*	*2.24*	*-*	*-*	*-*	*50.49*	*114.62*
Buildings	14,747.38	689.82	44.05	-	-	15,393.15	3,436.81	901.79	27.60	-	-	4,311.00	11,082.15
	14,621.07	*161.65*	*5.79*	*(45.15)*	*15.60*	*14,747.38*	*2,541.52*	*899.15*	*1.18*	*(4.72)*	*2.04*	*3,436.81*	*11,310.57*
Plant and equipment	36,239.20	5,028.29	1,140.78	-	-	40,126.71	14,128.21	3,315.77	1,021.80	-	-	16,422.18	23,704.53
	33,306.39	*3,042.03*	*109.22*	*-*	*-*	*36,239.20*	*11,075.09*	*3,145.49*	*92.37*	*-*	*-*	*14,128.21*	*22,110.99*
Furniture and fixtures	570.87	57.00	44.35	-	-	583.52	350.66	51.13	28.47	-	-	373.32	210.20
	526.82	*44.12*	*0.07*	*-*	*-*	*570.87*	*302.92*	*47.81*	*0.07*	*-*	*-*	*350.66*	*220.21*
Vehicles	56.57	-	1.20	-	-	55.37	11.87	10.42	1.20	-	-	21.09	34.28
	14.23	*42.34*	*-*	*-*	*-*	*56.57*	*2.71*	*9.16*	*-*	*-*	*-*	*11.87*	*44.70*
Office equipments	411.98	98.06	23.00	-	-	487.04	257.98	61.65	17.36	-	-	302.27	184.77
	359.70	*63.34*	*11.06*	*-*	*-*	*411.98*	*216.97*	*51.74*	*10.73*	*-*	*-*	*257.98*	*154.00*
Equipment under finance lease	-	-	-	-	-	-	-	-	-	-	-	-	-
	36.74	*-*	*36.74*	*-*	*-*	*-*	*13.27*	*-*	*13.27*	*-*	*-*	*-*	*-*
Total	54,653.87	7,695.25	1,253.38	-	-	61,095.74	18,576.37	4,369.74	1,096.43	-	-	21,849.68	39,246.06
	51,492.82	*3,353.48*	*162.88*	*(45.15)*	*15.60*	*54,653.87*	*14,516.96*	*4,179.71*	*117.62*	*(4.72)*	*2.04*	*18,576.37*	*36,077.50*

footnotes:

1. Cost of buildings includes cost of 10 shares (March 31, 2020 - 10 shares) of ₹ 50 each fully paid in respect of ownership flats in 2 (March 31, 2020- 2 flats) Co-operative Societies.
2. Buildings include assets carried at ₹ 0.69 lakhs (March 31, 2020 ₹ 0.76 lakhs) where the conveyance in favor of the Company has not been completed.
3. Plant and equipment includes general plant and machinery, electrical installations and equipments, laboratory equipments and computers and data processing units.
4. Leasehold land include assets carried at ₹ 1,417.85 lakhs (as at March 31, 2020 ₹ 1,434.56 lakhs) for which the Company is in process of obtaining an extension for the fulfilment of pre-conditions of lease upon expiry of timeline.
5. Plant and equipment includes a unit having carrying cost of ₹ 898.95 lakhs (March 31, 2020 ₹ 629.56 lakhs) and land and building with a carrying cost of ₹ 752.63 lakhs (March 31, 2020 ₹ 764.85 lakhs) are subject to first charge to secure two of the Company's bank loans and other corporate body.
6. The Company has not capitalised any borrowing cost during the current year (March 31, 2020 - Nil).
7. The Company has recognised an impairment loss of ₹ Nil during the current year (March 31, 2020 - ₹ 8.84 lakhs).
8. The figures in italics are for the previous year.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

4 (b): Right-of-use asset (continued)

Description	Gross block					Accumulated depreciation						Carrying amount
	As at April 1, 2020	Change in Accounting Policy	Additions	Deductions/ Reclassification	As at March 31, 2021	As at April 1, 2020	Change in Accounting Policy	Charge for the year	Deductions/ Reclassification	IND AS 38 capitalization	As at March 31, 2021	As at March 31, 2021
Vehicles	2,019.26	-	-	712.93	1,306.33	1,180.03	-	395.74	712.93	-	862.84	443.49
	-	*1,789.36*	*229.90*	*-*	*2,019.26*	*-*	*690.08*	*489.95*	*-*	*-*	*1,180.03*	*839.23*
Plant and Equipment	168.46	-	-	-	168.46	64.44	-	20.11	-	-	84.55	83.91
	-	*168.46*	*-*	*-*	*168.46*	*-*	*44.28*	*20.16*	*-*	*-*	*64.44*	*104.02*
Buildings	3,250.35	-	1,033.73	446.76	3,837.32	1,785.67	-	942.80	1,230.07	-	1,498.40	2,338.92
	-	*2,908.25*	*342.10*	*-*	*3,250.35*	*-*	*1,002.91*	*782.76*	*-*	*-*	*1,785.67*	*1,464.68*
Leasehold land	349.57	-	231.68	33.73	547.52	138.96	-	45.48	2.27	64.67	246.84	300.68
	-	*185.60*	*163.97*	*-*	*349.57*	*-*	*60.14*	*78.82*	*-*	*-*	*138.96*	*210.61*
Office Equipments	74.35	-	-	33.39	40.96	48.85	-	18.57	33.39	-	34.03	6.93
	-	*74.35*	*-*	*-*	*74.35*	*-*	*30.22*	*18.63*	*-*	*-*	*48.85*	*25.50*
Total	**5,861.99**	**-**	**1,265.41**	**1,226.81**	**5,900.59**	**3,217.95**	**-**	**1,422.70**	**1,978.66**	**64.67**	**2,726.66**	**3,173.93**
	-	*5,126.02*	*735.97*	*-*	*5,861.99*	*-*	*1,827.63*	*1,390.32*	*-*	*-*	*3,217.95*	*2,644.04*

footnotes:

1. The aggregate depreciation expense on right-of-use asset is included under depreciation and amortisation expense in the Statement of Profit and Loss Note 32.
2. The Company's obligations under finance leases are secured by the lessor's title to the leased assets.
3. Refer Note no. 36 "Leases" for Right-of-use Assets movement.
4. The figures in italics are for the previous year.

5: Investment property

	As at March 31, 2021	As at March 31, 2020
Carrying amounts of:		
Freehold land	-	-
Buildings	12.40	12.82
Total	**12.40**	**12.82**

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

5: Investment property (continued)

Description	Gross block						Accumulated depreciation						Carrying amount
	Balance as at April 1, 2020	Additions	Deductions	Transfer to Property, Plant and Equipment	Transfer to Assets held for sale	Balance as at March 31, 2021	Balance as at April 1, 2020	Charge for the year	Deductions	Transfer to Property, Plant and Equipment	Transfer to Assets held for sale	Balance as at March 31, 2021	Balance as at March 31, 2021
Freehold land	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	244.91	*-*	*-*	*-*	*244.91*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*
Buildings	**14.90**	**-**	**-**	**-**	**-**	**14.90**	**2.08**	**0.42**	**-**	**-**	**-**	**2.50**	**12.40**
	337.19	*-*	*149.90*	*15.60*	*156.79*	*14.90*	*32.24*	*4.65*	*17.42*	*2.04*	*15.35*	*2.08*	*12.82*
Total	**14.90**	**-**	**-**	**-**	**-**	**14.90**	**2.08**	**0.42**	**-**	**-**	**-**	**2.50**	**12.40**
	582.10	*-*	*149.90*	*15.60*	*401.70*	*14.90*	*32.24*	*4.65*	*17.42*	*2.04*	*15.35*	*2.08*	*12.82*

footnotes:

1. Buildings includes 2 flats (March 31, 2020 - 2 flats) which are classified as Investment property by the Company in accordance with IND AS-40 "Investment Property".
2. Cost of buildings includes cost of 2 shares (March 31, 2020- 2 shares) of ₹ 100 each fully paid in respect of ownership flats in 2 (March 31, 2020- 2 flats) Co-operative Societies.
3. The Company has not capitalised any borrowing cost during the current year (March 31, 2020 - Nil).
4. The Company has not recognised any impairment loss during the current year (March 31, 2020 - Nil).
5. Total fair value of Investment Property is ₹ 635.22 lakhs (March 31, 2020 ₹ 553.85 lakhs). Refer footnote (a) and (b).
6. The figures in italics are for the previous year.

(a) Fair Value Heirarchy

The fair value of investment property has been determined by external independent property valuers, having appropriate recognised professional qualification and recent experience in the location and category of the property being valued.

The fair value measurement for all of the investment property has been categoried as a level 3 fair value based on the inputs to the valuation techniques used.

(b) Description of Valuation Technique used:

The Company obtains Independent Valuations of its investment property as per requirement of Ind AS 40. The fair value of the investment property have been derived using the Direct Comparison Method.The direct comparison approach involves a comparison of the investment property to similar properties that have actually been sold in arms-length distance from investment property or are offered for sale in the same region. This approach demonstrates what buyers have historically been willing to pay (and sellers willing to accept) for similar properties in an open and competitive market, and is particularly useful in estimating the value of the land and properties that are typically traded on a unit basis. This approach leads to a reasonable estimation of the prevailing price. Given that the comparable instances are located in close proximity to the investment property; these instances have been assessed for their locational comparative advantages and disadvantages while arriving at the indicative price assessment for investment property. The Company has not earned any material rental income on the above properties.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

6 (a): Intangible assets

	As at March 31, 2021	As at March 31, 2020
Carrying amount of:		
Goodwill on Amalgamation	19,582.31	19,582.31
	19,582.31	**19,582.31**

Goodwill includes amount of ₹ 16,522.26 lakhs (March 31, 2020 ₹ 16,522.26 lakhs) allocated to Seeds division of Rallis India Limited (earlier named as Metahelix Life Sciences Ltd). The estimated value-in-use of this Cash Generating Unit "CGU" is based on the future cash flows using a 5.00 % (March 31, 2020 5.00%) annual growth rate for periods subsequent to the forecast period of 4 years and discount rate of 14.64 % (March 31, 2020 11.33%).

Goodwill of ₹ 3,060.05 lakhs (March 31, 2020 ₹ 3,060.05 lakhs) has been allocated to Geogreen division of Rallis India Limited (earlier named as Zero Waste Agro Organics Ltd).The estimated value-in-use of this Cash Generating Unit "CGU" is based on the future cash flows using a 5.00 % (March 31, 2020 5.00%) annual growth rate for periods subsequent to the forecast period of 4 years and discount rate of 14.64 % (March 31, 2020 11.33%).

An analysis of the sensitivity of the computation to a combined change in key parameters (operating margin, discount rates and long term average growth rate), based on reasonably probable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount.

6 (b) : Other Intangible assets

	As at March 31, 2021	As at March 31, 2020
Carrying amount of:		
Product registrations	508.17	377.99
Computer software	278.62	80.90
Technical Knowhow	296.62	507.20
	1,083.41	**966.09**
Intangible assets under development (Net of impairment)*	5,877.18	4,694.65
*731.23 Lacs has been capitalised and transferred to Other Intangible assets during the year ended March 31, 2021.		
	6,960.59	**5,660.74**

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

6 (b) : Other Intangible assets (continued)

Description	Gross block				Accumulated amortisation				Carrying amount
	Balance as at April 1, 2020	Additions	Deductions	Balance as at March 31, 2021	Balance as at April 1, 2020	Charge for the year	Deductions	Balance as at March 31, 2021	Balance as at March 31, 2021
Product registrations	**1,259.33**	**294.80**	**-**	**1,554.13**	**881.34**	**164.62**	**-**	**1,045.96**	**508.17**
	1,016.63	*242.70*	*-*	*1,259.33*	*782.20*	*99.14*	*-*	*881.34*	*377.99*
Licences and commercial rights	**609.70**	**-**	**-**	**609.70**	**609.70**	**-**	**-**	**609.70**	**-**
	609.70	*-*	*-*	*609.70*	*609.70*	*-*	*-*	*609.70*	*-*
Computer software	**243.45**	**230.58**	**-**	**474.03**	**162.55**	**32.86**	**-**	**195.41**	**278.62**
	210.53	*32.92*	*-*	*243.45*	*136.66*	*25.89*	*-*	*162.55*	*80.90*
Technical Knowhow	**2,384.11**	**205.85**	**-**	**2,589.96**	**1,876.91**	**416.43**	**-**	**2,293.34**	**296.62**
	2,086.09	*298.02*	*-*	*2,384.11*	*1,426.04*	*450.87*	*-*	*1,876.91*	*507.20*
Total	**4,496.59**	**731.23**	**-**	**5,227.82**	**3,530.50**	**613.91**	**-**	**4,144.41**	**1,083.41**
	3,922.95	*573.64*	*-*	*4,496.59*	*2,954.60*	*575.90*	*-*	*3,530.50*	*966.09*

footnotes:

1. The Company has not capitalised any borrowing cost during the current year (March 31, 2020- Nil).
2. The Company has recognised impairment loss during the current year ₹ 52.30 lakhs (March 31, 2020 - ₹ Nil).
3. The Company has internally developed Seed development technology for producing hybrid seeds, which is Technical Knowhow. The Carrying amount of Seed development technology of ₹ 296.62 lakhs (March 31, 2020 ₹ 507.20 lakhs) will be fully amortized in next 3 years.
4. The figures in italics are for the previous year.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

7: Investments

	Nominal value (in ₹)	No. of shares	As at March 31, 2021	No. of shares	As at March 31, 2020
Non-current					
Quoted equity instruments (all fully paid)					
Investments carried at fair value through other comprehensive income (FVTOCI)					
Spartek Ceramics India Ltd.#	10	7,226	-	7,226	-
Nagarjuna Finance Ltd.#	10	400	-	400	-
Pharmaceuticals Products of India Limited#	10	10,000	-	10,000	-
Balasore Alloys Ltd.	5	504	0.05	504	0.04
J.K. Cement Ltd.	10	44	0.84	44	0.41
Total aggregate quoted investments		A	0.89	A	0.45
A) Investments carried at fair value through other comprehensive income (FVTOCI)					
Gk Chemicals and Fertilizers Limited (formerly known as Aich Aar Chemicals Pvt. Ltd.)#	10	1,24,002	-	1,24,002	-
Biotech Consortium India Ltd.	10	50,000	5.00	50,000	5.00
Indian Potash Ltd.	10	1,08,000	1.80	1,08,000	1.80
Bharuch Enviro Infrastructure Ltd.	10	36,750	3.68	36,750	3.68
Narmada Clean Tech Ltd. (formerly known as Bharuch Eco-Aqua Infrastructure Ltd.)	10	3,00,364	30.04	3,00,364	30.04
Cuddalore SIPCOT Industries Common Utilities Ltd.#	100	113	-	113	-
Patancheru Enviro-Tech Ltd.	10	10,822	1.08	10,822	1.08
Impetis Biosciences Ltd	10	4,63,271	275.19	5,68,414	337.64
Amba Trading & Manufacturing Company Private Ltd.	10	1,30,000	-	1,30,000	-
Associated Inds. (Assam) Ltd.#	10	30,000	-	30,000	-
Uniscans & Sonics Ltd.#	10	96	-	96	-
Caps Rallis (Private) Ltd. (Nominal value of Zim. $ 2 each)#		21,00,000	-	21,00,000	-
Total aggregate unquoted investments		B	316.79	B	379.24
Total non-current investments		(A+B)	317.68	(A+B)	379.69

footnote:

Amount is less than ₹ 0.01 lakh.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

Current	Units	As at March 31, 2021	Units	As at March 31, 2020
Investment in mutual funds - unquoted				
Investments carried at fair value through profit and loss (FVTPL)				
ICICI Prudential Liquid Fund - Regular Plan - Growth	1,460.12	**4.42**	14,29,432.34	4,181.09
TATA Liquid Fund - Direct Plan - Growth	4,841.08	**157.22**	-	-
ICICI Overnight Fund - Direct Plan - Growth	11,75,064.24	**1,304.10**	-	-
Kotak Saving Fund - Regular Plan - Growth	88,15,376.19	**2,973.48**	1,38,99,158.75	4,460.73
SBI Low Duration Fund - Regular Plan - Growth	1,06,759.80	**2,936.31**	-	-
TATA Treasury Adv. Fund - Regular Plan - Growth	1,33,305.39	**4,098.50**	-	-
Nippon Money Market Fund - Direct Plan - Growth	1,16,822.59	**3,762.56**	-	-
Kotak Saving Fund - Regular Plan - Growth	3,14,624.70	**106.12**	-	-
HDFC Money Market Fund - Zwl - Regular Plan - Growth	41,301.57	**1,824.96**	41,301.57	1,723.94
TATA Money Market Fund - Regular Plan - Growth	68,717.94	**2,501.32**	-	-
ICICI Money Market Fund - Regular Plan - Growth	3,07,143.81	**900.15**	-	-
UTI Treasury Adv Fund - Regular Plan - Growth	1,65,818.22	**4,337.22**	-	-
DSP Low Duration Fund - Regular Plan - Growth	2,01,17,991.39	**3,123.31**	-	-
HDFC Liquid Fund - Regular Plan - Growth	-	**-**	92,594.37	3,596.01
SBI Liquid Fund Regular Growth	-	**-**	90,003.35	2,784.35
Adity Birla Sunlife Liquid Plan - Growth - Regular Plan	-	**-**	10,27,551.62	3,265.00
Kotak Liquid Regular Plan - Growth	-	**-**	31,502.27	1,260.24
Tata Liquid Fund - Regular Plan - Growth	-	**-**	1,31,049.78	4,080.28
LIC MF Liquid Fund - Regular Plan-Growth	-	**-**	16,924.91	605.24
Nippon India Liquid Fund-Growth Plan - Growth	-	**-**	18,718.28	902.69
ICICI Prudential Saving Fund - Growth	-	**-**	7,76,524.45	3,007.85
Total current investments	**C**	**28,029.67**	**C**	**29,867.42**
Aggregate book value of quoted investments		**0.89**		**0.45**
Aggregate market value of quoted investments		**0.89**		**0.45**
Aggregate carrying value of unquoted investments	**(B+C)**	**28,346.46**	**(B+C)**	**30,246.66**
Aggregate amount of impairment in value of investments		**-**		-

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

8: Loans*

(Unsecured, considered good)

	As at March 31, 2021	As at March 31, 2020
Non-current		
Security deposits	1,008.44	907.06
Total	**1,008.44**	**907.06**

*There is no amount due from director, other officer of the Company or firms in which any director is a partner or private companies in which any director is a director or member at anytime during the reporting period.

9: Other financial assets (at amortised cost)*

(Unsecured)

	As at March 31, 2021	As at March 31, 2020
(i) Non-current		
In other deposit accounts - original maturity more than 12 months	70.45	70.95
Interest accrued on fixed deposits with bank	10.32	5.56
Total	**80.77**	**76.51**
(ii) Current		
a) Unbilled revenue	85.11	50.23
b) Advances/deposits considered doubtful of recovery	3,949.00	3,949.00
Less: Provision for doubtful loans and advances	(3,949.00)	(3,949.00)
c) Interest accrued on fixed deposits with bank	159.14	22.65
d) Others (Facilitation fees and solar power income receivable)	507.55	575.66
Total	**751.80**	**648.54**

*There is no amount due from director, other officer of the Company or firms in which any director is a partner or private companies in which any director is a director or member at anytime during the reporting period.

10: Income Taxes

	As at March 31, 2021	As at March 31, 2020
10.1: Income-tax assets and liabilities		
Income-tax assets		
Advance tax (Net of provisions for tax ₹ 8,820.76 lakhs (March 31, 2020 ₹ 8,753.27 lakhs)	8,803.51	11,002.26
	8,803.51	**11,002.26**
Income-tax liabilities		
Provision for current tax (Net of advance tax ₹ 366.67 lakhs (March 31, 2020 ₹ 151.38 lakhs)	411.27	2,361.97
	411.27	**2,361.97**

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

	For the year ended March 31, 2021	For the year ended March 31, 2020
10.2: Income tax recognised in profit or loss		
Current tax:		
Current income tax charge	7,703.28	7,106.72
Adjustments in respect of current income tax of prior years	-	(200.00)
Total (A)	**7,703.28**	**6,906.72**
Deferred tax:		
In respect of current year	(210.14)	(1,526.36)
Total (B)	**(210.14)**	**(1,526.36)**
Income tax expense recognised in the Statement of Profit and Loss (A+B)	**7,493.14**	**5,380.36**
Income tax recognised in Other Comprehensive Income		
Income tax expenses on remeasurements of employee defined benefit plans	(42.17)	71.79
Deferred tax expense on remeasurements of employee defined benefit plans	(1.22)	(15.48)
Total tax expense recognised in Other Comprehensive Income	**(43.39)**	**56.31**

Reconciliation of the tax expense and the accounting profit for the year is as follows:-

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit before tax	30,359.67	23,926.96
Income tax expense calculated @25.17% (PY @ 34.944%)	7,641.53	8,361.04
Effect of income that is exempt fom taxation	(450.21)	(531.84)
Effect of expenses that are not deductible in determining taxable profit	110.62	297.10
Effect of expenses that are deductible in determining taxable profit	(4.17)	(79.95)
Effect of concessions (research & developments and others allowances)	(498.43)	(1,132.06)
Effect of Intangible asset writeoff	165.60	-
Effect of unused tax losses and tax offsets not recognised as deferred tax assets	0.00	(209.28)
Effect of lower tax rates for the long term capital gain	(8.25)	(6.67)
Impact of changes in tax rate	-	(1,327.03)
Others	536.51	209.05
	7,493.20	**5,580.36**
Adjustments recognised in the current year in relation to the current tax of prior years	**-**	**(200.00)**
Income tax expense recognised in the Standalone Statement of Profit and Loss	**7,493.20**	**5,380.36**

Income tax expense recognised in Other Comprehensive Income

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Remeasurement of employee defined benefit liability/(asset)		
Before tax amount	174.73	(241.55)
Tax (expense) benefit	(43.39)	56.31
Net of tax	**131.34**	**(185.24)**
Fair value of equity instruments through other comprehensive income	1.08	0.85
Net of tax	**1.08**	**0.85**
Total other comprehensive income (net of taxes)	**132.42**	**(184.39)**

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

11: Inventories (at lower of cost and net realisable value)

		As at March 31, 2021	As at March 31, 2020
a.	Raw materials (Including goods-in-transit of ₹ 2,125.69 lakhs; (March 31, 2020 ₹ 6,347.38 lakhs)	17,868.58	18,374.78
b.	Work-in-progress (including intermediate goods)	5,102.10	2,818.79
c.	Finished goods	46,218.35	42,250.86
d.	Stock in trade (in respect of goods acquired for trading)	4,350.91	4,545.48
e.	Stores and spares	961.64	596.75
f.	Packing materials	1,818.23	1,333.36
Total		**76,319.81**	**69,920.02**

footnotes:

(i) The cost of inventories recognised as an expense during the year was ₹ 1,48,770.88 lakhs (March 31, 2020 ₹ 1,39,513.41 lakhs).

(ii) The cost of inventories recognised as an expense includes ₹ 1,259.81 lakhs (March 31, 2020 ₹ 876.73 lakhs) in respect of adjustment of inventories to net realisable value/slow moving, and has been reduced by ₹ 248.17 lakhs (March 31, 2020 ₹ 365.64 lakhs) in respect of reversal of such write-downs.

(iii) The products of the Company are essential products for agriculture and possibility of contraction in demand is remote. During the previous year, on account of prolonged lock down, the Company had assessed liquidation plan of near expiry products and provision of ₹ 106 lakhs has been accounted which is included in point (ii) above. The Company does not foresee any further diminution in the net realizable value of inventories carried as at March 31, 2021 due to COVID-19.

(iv) The mode of valuation of inventories has been stated in note 3.15

(v) Bank overdrafts, cash credit facility and short-term loan from bank are secured by first paripassu charge on inventories (including raw material, finished goods and work-in-progress) and book debts (refer note 12 and 19).

12: Trade receivables

	As at March 31, 2021	As at March 31, 2020
Current		
Secured, considered good	682.09	863.12
Unsecured, considered good	39,946.40	44,138.71
Credit impaired	3,082.92	2,544.66
Loss allowance	(3,082.92)	(2,544.66)
Total	**40,628.49**	**45,001.83**

footnotes:

(i) The credit period ranges from 15 days to 180 days.

(ii) Before accepting any new customer, the Company assesses the potential customer's credit quality and defines credit limits by customer. Limits attributed to customers are reviewed annually. Of the trade receivable balance as at March 31, 2021, receivables amounting to ₹ 8,810.62 lakhs are due from three customers (as at March 31, 2020 ₹ Nil is due from one customer) for which the credit risk is mitigated by export credit guarantee. There are no other customer who represent more than 5% of the total balance of trade receivable.

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

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

(iv) Movement in the expected credit loss allowance

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	2,544.66	1,848.30
Less: balances written off during the year	-	222.73
Add: provision made during the year	538.26	919.09
Balance at the end of the year	**3,082.92**	**2,544.66**

(v) Bank overdrafts, cash credit facility and short-term loan from bank are secured by first paripassu charge on inventories (including raw material, finished goods and work-in-progress) and book debts (refer note 11 and 19).

13: Cash and bank balances

	As at March 31, 2021	As at March 31, 2020
13.1: Cash and cash equivalents		
a. Balances with banks in current accounts	903.02	630.34
b. Cash on hand	1.91	3.05
c. Term deposits with original maturity of less than 3 months	-	3,952.17
Total cash and cash equivalents as per Balance Sheet	**904.93**	**4,585.56**
Bank overdrafts and cash credit facility (secured)	(4.77)	(2,411.79)
Total cash and cash equivalents as per Standalone Statement of Cash Flows	**900.16**	**2,173.77**
13.2: Other bank balances		
a. In other deposit accounts - original maturity more than 3 months and less than 12 months	4,003.61	3.61
b. In earmarked accounts:		
i. Balances held for unpaid / unclaimed dividend accounts	146.12	162.53
ii. Bank deposits as margin money against bank guarantees - original maturity more than 3 months and less than 12 months	336.00	47.20
Total other bank balances	**4,485.73**	**213.34**

footnote:

The Company has not entered into non cash investing and financing activities.

14: Other assets

(Unsecured, considered good)

	As at March 31, 2021	As at March 31, 2020
Non-current		
Capital advances	700.79	1,199.47
Deposit with public bodies	210.15	233.28
Claims receivable from public bodies	537.42	547.93
Prepaid lease rental	1,967.11	2,056.85
Prepaid expenses	149.06	167.59
Total	**3,564.53**	**4,205.12**

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

	As at March 31, 2021	As at March 31, 2020
Current		
Statutory dues receivable from government authorities		
Goods and Services Tax receivable	4,299.62	3,364.13
Export benefit receivable	702.99	1,143.16
Inventory recoverable	3,997.04	3,160.48
Advances recoverable		
Advances to suppliers	2,546.15	986.89
Less: Provision for doubtful advances	-	(2.40)
Advances to employees	275.94	571.62
Others (Receivable from Govt and gas distribution company etc.)	526.83	413.78
Prepaid lease rental	89.74	89.74
Prepaid expenses	1,446.06	909.13
Total	**13,884.37**	**10,636.53**

footnote:

Loans to employees includes ₹ Nil (2020: ₹ Nil) due from officer of the Group. Maximum balance outstanding during the year is ₹ Nil (2020 : ₹ Nil).

15: Assets classified as held for sale

	As at March 31, 2021	As at March 31, 2020
Freehold land	244.91	244.91
Buildings	168.91	181.87
Total	**413.82**	**426.78**

footnote:

During the previous year, the Company has reclassified certain Freehold Land (carrying amount of ₹ 244.91 lakhs) and Buildings (carrying amount ₹ 141.44 lakhs) to Assets Held for Sale, from Investment Property and Buildings (carrying amount ₹ 40.43 lakhs) from Property, plant and equipment. The Company intends to dispose off freehold land and buildings which it no longer utilises in the next 12 months. The Company is currently in negotiation with some potential buyers. No impairment loss was recognised on reclassification of the assets as held for sale nor as at reporting date as the management of the Company expect that the fair value (estimated based on the recent market prices of similar assets in similar locations) less costs to sell is higher than the carrying amount.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

16: Share capital

	As at March 31, 2021	As at March 31, 2020
Authorised share capital :		
500,000,000 (March 31, 2020 500,000,000) equity shares of ₹ 1 each with voting rights	5,000.00	5,000.00
150,000,000 (March 31, 2020 150,000,000) preference shares of ₹ 10 each	15,000.00	15,000.00
28,887,800 (March 31, 2020 Nil) equity shares of ₹ 10 each with voting rights	2,888.78	-
Issued, subscribed and paid up capital comprises:		
Issued shares		
194,470,890 (March 31, 2020 194,470,890) equity shares of ₹ 1 each	1,944.71	1,944.71
Subscribed and fully paid up		
194,468,890 (March 31, 2020 194,468,890) equity shares of ₹ 1 each	1,944.69	1,944.69
Forfeited shares		
2,000 (March 31, 2020 2,000) equity shares of ₹ 1 each	0.02	0.02
	1,944.71	**1,944.71**

footnotes:

a. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Fully paid equity shares	Number of shares	Amount of share capital
Balance at March 31, 2020	19,44,68,890	1,944.69
Movements during the year	-	-
Balance at March 31, 2021	**19,44,68,890**	**1,944.69**

b. The Company has issued one class of equity shares having a par value of `1 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c. Details of shares held by the Holding Company

	Number of fully paid equity shares	Amount of share capital
Tata Chemicals Limited		
As at March 31, 2020	9,73,41,610	973.42
As at March 31, 2021	**9,73,41,610**	**973.42**

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

d. Details of shares held by each shareholder holding more than 5% shares in the Company:

	Number of fully paid equity shares	% holding of equity shares
Tata Chemicals Limited		
As at March 31, 2020	9,73,41,610	50.06%
As at March 31, 2021	**9,73,41,610**	**50.06%**
Rakesh Jhunjhunwala		
As at March 31, 2020	1,93,05,820	9.93%
As at March 31, 2021	**2,00,55,820**	**10.31%**

e. As per records of the Company as at March 31, 2021, no calls remain unpaid by the directors and officers of the Company.

17: Other equity

	As at March 31, 2021	As at March 31, 2020
General reserve	17,649.93	17,649.93
Securities premium	17,295.93	17,295.93
Retained earnings	1,12,849.68	94,713.53
Capital redemption reserve	8,151.77	8,151.77
Capital reserve	1,243.10	1,243.10
Reserve for equity instruments through Other Comprehensive Income	2.13	1.05
	1,57,192.54	**1,39,055.31**

17.1: General reserve

	As at March 31, 2021	As at March 31, 2020
Balance at beginning of year	17,649.93	17,649.93
Balance at the end of year	**17,649.93**	**17,649.93**

General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income , items included in the general reserve will not be reclassified subsequently to profit or loss.

17.2: Securities premium

	As at March 31, 2021	As at March 31, 2020
Balance at beginning of year	17,295.93	17,295.93
Balance at the end of year	**17,295.93**	**17,295.93**

Amount received on issue of shares in excess of the par value has been classified as security share premium.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

17.3: Retained earnings

	As at March 31, 2021	As at March 31, 2020
Balance at beginning of year	94,713.53	82,296.44
Other Comprehensive Income arising from remeasurement of employee defined benefit obligation (Net of taxes)	131.34	(185.24)
Profit for the year	22,866.53	18,546.60
Others	-	27.65
Leases (IND AS 116) transition effect	-	(110.86)
Payment of dividend on equity shares- Final	(4,861.72)	(4,861.72)
Payment of dividend distribution tax on equity shares-Final	-	(999.34)
Balance at the end of year	**1,12,849.68**	**94,713.53**

17.4: Capital redemption reserve

	As at March 31, 2021	As at March 31, 2020
Balance at beginning of year	8,151.77	8,151.77
Balance at the end of year	**8,151.77**	**8,151.77**

Capital redemption reserve is created out of profits on redemption of capital.

17.5: Capital reserve

	As at March 31, 2021	As at March 31, 2020
Balance at beginning of year	1,243.10	1,243.10
Balance at the end of year	**1,243.10**	**1,243.10**

Capital reserve includes profit on amalgamation of entities.

17.6: Reserve for equity instruments through Other Comprehensive Income

	As at March 31, 2021	As at March 31, 2020
Balance at beginning of year	1.05	0.20
Additions during the year	1.08	0.85
Balance at the end of year	**2.13**	**1.05**

The Company has elected to recognise changes in the fair value of investments in equity instruments in other comprehensive income. These changes are accumulated within the FVTOCI equity investments within equity. The balance in Other Comprehensive Income is transferred to retained earnings on disposal of the investment.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

18.1: Non-current borrowings

	As at March 31, 2021	As at March 31, 2020
Secured - at amortised cost		
Secured loan from banks (refer note (ii))	-	50.00
Secured loan from other corporate bodies (refer note (ii))	9.98	47.01
Unsecured - at amortised cost		
Term loan from bank (refer note (ii))	300.00	600.00
Loan from the Council of Scientific and Industrial Research (refer note(ii))	-	16.65
Sales tax deferral under a state government scheme (refer note(i))	468.34	522.64
Total	**778.32**	**1,236.30**

Summary of borrowing arrangements

(i) Sales tax deferral scheme:

The loan is repayable in annual installments which ranges from a maximum of ₹ 113.11 lakhs to a minimum of ₹ 24.12 lakhs over the period stretching from April 1, 2022 to March 31, 2027. The amount outstanding is free of interest.

The balance outstanding as at March 31, 2021 is ₹ 522.64 lakhs (March 31, 2020 ₹ 554.08 lakhs) of which ₹ 54.30 lakhs (March 31, 2020 ₹ 31.44 lakhs) has been grouped under note 22 other current financial liabilities which are payable in next 12 months.

(ii) The terms of repayment of term loans and other loans are stated below

As at March 31, 2021

Particulars	Amount outstanding	Terms of Repayment	Rate of interest
Secured loan from other corporate bodies	25.38	Term loan from Biotechnology Industry Partnership Project is secured by hypothecation of all equipment, apparatus machineries, machineries spares, tools and other accessories, goods and/or the other movable property, present and future to a value equivalent to the amount of loan and interest thereon and the royalty payable on grant-in-aid till the full and final settlement of all dues. The Balance outstanding as at March 31, 2021 is ₹ 25.38 lakhs which is repayable along with interest in remaining 4 equal half yearly installments for project ended on July 2017 (Maize) of which ₹ 15.40 lakhs has been grouped under note 22 other current financial liabilities, which are payable in next 12 months.	2.00%
Unsecured term loan from bank	600.00	The loan is repayable in 20 quarterly installments. The repayment begins after a moratorium of 24 months from February 2018. The first repayment of ₹ 75.00 lakhs falls due in May 2018. The balance outstanding as at March 31, 2021 is ₹ 600 lakhs of which ₹ 300 lakhs has been grouped under note 22 Other current financial liabilities, which are payable in next 12 months.	7.35% to 8.35%
Loan from the Council of Scientific and Industrial Research	8.32	Term loan from Council of Scientific and Industrial Research: The balance payable as on March 31, 2021 is ₹ 8.32 lakhs. The same is repayable along with interest in 1 annual installment and has been grouped under note 22 other current financial liabilities, which are payable in next 12 months.	3.00%

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

As at March 31, 2020

Particulars	Amount outstanding	Terms of Repayment	Rate of interest
Secured loan from banks	50.00	Term loan from ICICI Bank - is secured by hypothecation of movable assets, both present and future including its movable plant and equipment, machinery spares, tools and accessories and other movables, both present and future and all piece and parcel of the Immovable Agricultural property situated at Kokkanda Village, Mulugu Mandal, Medak District. The balance outstanding as at March 31, 2020 is ₹ 50 lakhs which is repayable in 4 equated quarterly installments of ₹ 12.50 lakhs each.Out of the balance outstanding as at March 31, 2020 ₹ 50.00 lakhs has been grouped under other current financial liabilities which are payable in next 12 months.	7.50%
Secured loan from other corporate bodies	47.01	Term loan from Biotechnology Industry Partnership Project is secured by hypothecation of all equipment, apparatus machineries, machineries spares, tools and other accessories, goods and/or the other movable property, present and future to a value equivalent to the amount of loan and interest thereon and the royalty payable on grant-in-aid till the full and final settlement of all dues. The Balance outstanding as at March 31, 2020 is ₹ 47.01 lakhs which is repayable along with interest in remaining 6 equal half yearly installments for project ended on July 2017 (Maize) and remaining 1 equal half yearly installment for project ended December 2014 (Rice). Out of the balance outstanding as at March 31, 2020 ₹ 21.63 lakhs has been grouped under other current financial liabilities which are payable in next 12 months.	2.00%
Unsecured term loan from bank	900.00	The loan is repayable in 20 quarterly installments. The repayment begins after a moratorium of 24 months from February 2018. The first repayment of ₹ 75.00 lakhs falls due in May 2018. The balance outstanding as at March 31, 2020 is ₹ 900 lakhs of which ₹ 300 lakhs has been grouped under note 22 Other current financial liabilities, which are payable in next 12 months.	8.35% to 8.85%
Loan from the Council of Scientific and Industrial Research	16.65	Term loan from Council of Scientific and Industrial Research: The balance payable as on March 31, 2020 is ₹ 16.65 lakhs. The same is repayable along with interest in 2 annual installments.Out of the balance outstanding as at March 31, 2020 ₹ 8.32 lakhs has been grouped under other current financial liabilities which are payable in next 12 months.	3.00%

18.2: Lease liabilities

	As at March 31, 2021	As at March 31, 2020
Non-current		
Lease liabilities (refer note 36)	2,155.34	1,438.70
Total	**2,155.34**	**1,438.70**
Current		
Lease liabilities (refer note 36)	1,244.62	1,392.43
Total	**1,244.62**	**1,392.43**

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

19: Current borrowings

	As at March 31, 2021	As at March 31, 2020
Secured		
Loans repayable on demand from banks		
Bank overdrafts and cash credit facility (refer note (i) and (ii)	4.77	2,411.79
Short-term loan from bank (refer note (iii))	3,000.00	2,550.00
Total	**3,004.77**	**4,961.79**

footnotes:

(i) These bank overdrafts and cash credit facility are secured by first paripassu charge on inventories (including raw material, finished goods and work-in-progress) and book debts (refer note 11 and 12).

(ii) The weighted average effective interest rate on the bank loans is 7.12% p.a.(for March 31, 2020 8.50 % p.a.).

(iii) The terms of short-term loan is stated below

As at March 31, 2021

Particulars	Amount outstanding	Terms of Repayment	Rate of interest
Secured short-term loan from bank is secured by first paripassu charge on inventories (including raw material, finished goods and work-in-progress) and book debts (refer note 11 and 12)	3,000.00	The loan is repayable in 270 days from the date of availment	4.23%

As at March 31, 2020

Particulars	Amount outstanding	Terms of Repayment	Rate of interest
Secured short-term loan from bank is secured by first paripassu charge on inventories (including raw material, finished goods and work-in-progress) and book debts (refer note 11 and 12)	2,550.00	The loan is repayable in 90 days from the date of availment	8.20%

20: Deferred tax balances

The following is the analysis of deferred tax liabilities/(assets) presented in the Balance sheet

	As at March 31, 2021	As at March 31, 2020
Deferred tax liabilities	4,952.02	4,473.63
Deferred tax assets	(2,423.19)	(1,733.47)
Total	**2,528.83**	**2,740.16**

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

2020-21-Deferred tax liabilities/(assets) in relation to:	Opening balance	Adjustments due to transition impact of Ind AS 116	Recognised in Statement of Profit and Loss	Recognised in Statement of OCI	Other Adjustments	Closing Balance
Allowance for doubtful debts and advances	(1,035.03)	-	(133.14)	-		(1,168.17)
Creation of Deferred tax assets on account of IND AS 116 "Leases"	(45.73)	-	7.73	-	-	(38.00)
Impact of 43B Disallowances	(6.68)	-	(95.02)	-	0.02	(101.68)
Defined benefit obligation	(362.46)	-	(13.06)	(1.22)	(0.12)	(376.86)
On unused tax losses	(0.16)	-	-	-	0.16	(0.00)
Impairment of subsidiary	(97.46)	-	24.50	-	(0.01)	(72.97)
Tax adjustment on account of indexation of land	(105.91)	-	(8.10)	-	(0.01)	(114.02)
Long-term capital loss on sale of equity instrument	(543.46)	-	-	-	(0.01)	(543.47)
Impact of Disallowance u/s.40(a)(i)	(0.06)	-	0.06	-	-	-
Difference between WDV as per books and income tax	3,945.85	-	6.89	-	-	3,952.74
On intangible assets	991.26	-	-	-	-	991.26
Total	**2,740.16**	**-**	**(210.14)**	**(1.22)**	**0.03**	**2,528.83**

2019-20-Deferred tax liabilities/(assets) in relation to:	Opening balance	Adjustments due to transition impact of Ind AS 116	Recognised in Statement of Profit and Loss	Recognised in Statement of OCI	Other Adjustments	Closing Balance
Allowance for doubtful debts and advances	(1,192.80)	-	157.77	-	-	(1,035.03)
Creation of Deferred tax assets on account of IND AS 116 "Leases"	-	(56.65)	10.92	-	-	(45.73)
Impact of 43B Disallowances	(9.27)	-	2.59	-	-	(6.68)
Defined benefit obligation	(364.58)		(14.33)	15.48	0.97	(362.46)
On unused tax losses	(181.79)	-	209.28	-	(27.65)	(0.16)
Impairment of subsidiary	(109.22)	-	11.76	-	-	(97.46)
Tax adjustment on account of indexation of land	(102.69)	-	(3.22)	-	-	(105.91)
Long-term capital loss on sale of equity instrument	(553.35)	-	9.89	-	-	(543.46)
Impact of Disallowance u/s.40(a)(i)	(0.08)	-	0.02	-	-	(0.06)
Difference between WDV as per books and income tax	5,681.41	-	(1,735.56)	-	-	3,945.85
On intangible assets	1,138.63	-	(147.37)	-	-	991.26
Unused tax credit*	(2,799.83)	-	-	-	2,799.83	-
Others	28.86	-	(28.11)	-	(0.75)	(0.00)
Total	**1,535.29**	**(56.65)**	**(1,526.36)**	**15.48**	**2,772.40**	**2,740.16**

* includes utilization of MAT credit.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

21: Trade payables

		As at March 31, 2021	As at March 31, 2020
Trade payables			
(i)	Total outstanding dues of micro enterprises and small enterprises (refer note 46)	1,734.61	369.13
(ii)	Total outstanding dues of creditors other than micro enterprises and small enterprises	46,225.32	46,771.79
(iii)	Other payables	11,645.56	16,592.27
Total		**59,605.49**	**63,733.19**

22: Other financial liabilities

		As at March 31, 2021	As at March 31, 2020
Current			
(a)	Current maturity of long-term borrowings (refer note 18.1)		
	Term loan from bank	300.00	300.00
	Others	78.02	31.44
(b)	Interest accrued but not due on non-current borrowings	8.96	23.31
(c)	Unclaimed dividends (refer footnote)	146.44	162.85
d)	Derivative liabilities		
	Forward exchange contracts for hedging	72.48	3.97
(e)	Others		
	Creditors for capital purchases	863.54	248.86
	Customer deposits	2,275.95	2,149.17
	Amounts due to customers	10,733.78	6,657.21
Total		**14,479.17**	**9,576.81**

footnote:

All amounts required to be transferred to the Investor Education and Protection Fund by the Company have been transferred within the time prescribed for the same, except in cases of disputes relating to the ownership of the underlying shares that have remained unresolved amounting to ₹ 0.26 lakhs (as at March 31, 2020 ₹ 0.26 lakhs).

23: Provisions

	As at March 31, 2021	As at March 31, 2020
Non-current		
Supplemental pay (refer note 2)	1,568.69	1,515.97
Directors pension liability (refer note 2)	756.53	691.03
Gratuity (refer note 2)	-	187.83
Compensated absences (refer note 2)	361.28	169.91
Total	**2,686.50**	**2,564.74**
Current		
Supplemental pay (refer note 2)	148.45	151.68
Directors pension liability (refer note 2)	59.76	59.76
Gratuity (refer note 2)	26.22	367.27
Compensated absences (refer note 2)	1,149.78	1,084.42
Provisions for indirect taxes (refer note 1)	41.95	41.95
Total	**1,426.16**	**1,705.08**

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

Note 1: Provision held in respect of indirect tax matters in dispute

On an evaluation of each of its disputed claims, the Company holds an overall provision in respect of certain indirect tax matters in dispute which, as at the year-end, aggregates ₹ 41.95 lakhs (as at March 31, 2020 ₹ 41.95 lakhs). The movement during the year is as under:

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance as at April 1	41.95	237.32
Additional provisions made during the year	-	29.95
Total	**41.95**	**267.27**
Utilization during the year	-	225.32
Closing Balance as at March 31	**41.95**	**41.95**

Due to the numerous uncertainties and variables associated with certain assumptions and judgments, and the effects of changes in the regulatory and legal environment, both the precision and reliability of the resulting estimates of the related contingencies are subject to substantial uncertainties. The Company regularly monitors its estimated exposure to such loss contingencies and, as additional information becomes known, may change its estimates significantly. However, no estimate of the range of any such change can be made at this time.

Note 2:

The provision for employee benefits includes gratuity, supplemental pay on retirement, director pension liability and compensated absences. The increase/decrease in the carrying amount of the provision for the current year is mainly on account of net impact of incremental charge for current year and benefits paid in the current year due to retirement and resignation of employees . For other disclosures, refer note 37.

24: Other current liabilities

	As at March 31, 2021	As at March 31, 2020
Non-current		
Deferred revenue	8.30	9.82
Total	**8.30**	**9.82**
Provident fund and other employee deductions	260.26	259.74
Goods and Services Tax payable	36.69	55.97
Other taxes (other than income tax payable)	8.80	91.28
Tax deducted at source	218.88	243.25
Advance received from customers	10,486.01	10,518.79
Payable to employees	130.36	650.72
Other liabilities (payable towards past acquisition etc.)	133.02	183.02
Total	**11,274.02**	**12,002.77**

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

25: Revenue from operations

	For the year ended March 31, 2021	For the year ended March 31, 2020
Sale of products (refer note 35 and 44)	2,41,845.65	2,23,773.60
Sale of services	57.50	51.44
Other operating income	1,040.34	1,324.78
Total	**2,42,943.49**	**2,25,149.82**

26: Other income

		For the year ended March 31, 2021	For the year ended March 31, 2020
a)	**Interest income**		
	Interest Income on bank deposits carried at amortised cost	286.83	73.20
	Interest income on security deposits carried at amortised cost	351.82	345.11
	Interest income on income tax refund received	8.84	39.62
b)	**Dividend income**		
	Dividend on current investment in mutual fund carried at FVTPL	0.00	224.79
	Dividend from equity instruments measured at FVTOCI	3.62	1.62
c)	**Fair value of investment**		
	Fair value of investment - realized	1,217.81	353.61
	Fair value of investment - unrealized	295.87	381.45
d)	**Other non-operating income**		
	Insurance claim	651.77	9.85
	Rental income	28.60	55.76
	Export benefits	798.32	1,412.27
	Miscellaneous income	400.38	526.37
e)	**Other gains and losses**		
	Profit on disposal of property, plant and equipment (Net)	-	9.33
Total		**4,043.86**	**3,432.98**

27: Cost of materials consumed

	For the year ended March 31, 2021	For the year ended March 31, 2020
Inventories at the beginning of the year	18,374.78	18,506.44
Add: Purchases	1,32,347.30	1,21,448.36
	1,50,722.08	**1,39,954.80**
Less: Inventories at end of year	17,868.58	18,374.78
Cost of raw materials and components consumed	**1,32,853.50**	**1,21,580.02**
Packing materials consumed	7,901.77	6,513.17
Total	**1,40,755.27**	**1,28,093.19**

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

28: Purchases of stock-in-trade

	For the year ended March 31, 2021	For the year ended March 31, 2020
Agri Inputs	13,659.10	14,121.26
Total	**13,659.10**	**14,121.26**

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

	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening stock		
Finished goods - own manufactured	42,250.86	39,586.95
Stock-in-trade	4,545.48	4,649.47
Work in-progress (including intermediate goods)	2,818.79	2,677.67
	49,615.13	**46,914.09**
Closing stock		
Finished goods - own manufactured	46,218.35	42,250.86
Stock-in-trade	4,350.91	4,545.48
Work in-progress (including intermediate goods)	5,102.10	2,818.79
	55,671.36	**49,615.13**
Movement in inventory recoverable	(836.56)	(629.36)
Net (Increase)/decrease	**(6,892.79)**	**(3,330.40)**

30: Employee benefits expense

	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries, wages and bonus		
Wages and salaries	15,669.09	14,898.79
Allowances	3,536.96	2,674.83
Compensated absences	370.63	308.27
Contribution to provident and other funds (refer note 37)	885.75	831.42
Staff welfare expenses	1,137.75	1,224.08
Total	**21,600.18**	**19,937.39**

31: Finance costs

	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest on long-term loan from bank	59.22	91.09
Interest on bank overdrafts, cash credit facility and short-term loan from bank	156.84	248.39
Interest on lease liabilities	304.70	271.73
Total	**520.76**	**611.21**

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

32: Depreciation and amortisation expense

	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation of property, plant and equipment (refer note 4 (a))	4,369.74	4,179.71
Depreciation of right-of-use asset (refer note 4 (b))	1,422.70	1,390.32
Depreciation of investment property (refer note 5)	0.42	4.65
Amortisation of intangible assets (refer note 6 (b))	613.91	575.90
Total	**6,406.77**	**6,150.58**

33: Other expenses

	For the year ended March 31, 2021	For the year ended March 31, 2020
Freight, handling and packing	8,612.32	7,829.34
Travelling and conveyance	1,445.58	2,275.94
Power and fuel	5,613.04	5,936.19
Brand equity contribution	338.71	314.86
Repairs and maintenance		
Plant and equipment	1,111.38	1,141.10
Property	172.66	223.30
Others	722.70	556.08
Stores and spares consumed	855.37	792.09
Rates and taxes	633.93	225.44
Commission	39.90	39.55
Insurance charges	904.52	643.68
Rent (refer note 36)	1,278.33	1,334.35
Bank charges	156.31	365.48
Director fees and commission	366.44	292.79
Bad debts	-	222.73
Allowance for doubtful debts (Net)	538.26	696.36
Allowance for doubtful advances	-	2.40
Tangible assets written off	-	8.84
Impairment of Intangible assets and intangible assets under development	657.94	204.46
Loss on sale of property, plant and equipment (Net)	49.13	-
Selling expenses	5,825.97	4,521.52
Legal and professional fees	2,131.80	1,456.69
Net loss on foreign currency transactions and translation	289.48	1,440.19
Other expenses (refer note 43 and 47)	9,779.29	9,691.56
Total	**41,523.06**	**40,214.94**

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

34: Earnings per share

	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit for the year	22,866.53	18,546.60
Weighted average number of equity shares	19,44,68,890	19,44,68,890
Basic and diluted earnings per share	11.76	9.54

35: Segment information

Products and services from which reportable segments derive their revenues

Information reported to the chief operating decision maker (CODM) for the purpose of resources allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. No operating segments have been aggregated in arriving at the reportable segments of the Company.

The Company has determined its business segment as "Agri -Inputs" comprising of Pesticides, Plant Growth Nutrients, Organic Compost and Seeds .The other segment includes "Polymer" and other non reportable elements.

Segment revenue and results

The following is an analysis of the Company's revenue and results from operations by reportable segment

Segment	Segment revenue		Segment results	
	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
Agri Inputs	2,42,699.46	2,22,446.52	27,366.77	20,811.79
Others	244.03	2,703.30	1.69	763.34
Total	**2,42,943.49**	**2,25,149.82**	**27,368.46**	**21,575.13**
Other income			4,043.86	3,432.98
Central administration cost, director fees and commission			(531.89)	(469.94)
Finance costs			(520.76)	(611.21)
Profit before tax			**30,359.67**	**23,926.96**

Notes:

(i) Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in the current year (March 31, 2020 ₹ Nil). The accounting policies of the reportable segments are the same as described in note 3.21.

(ii) Segment profit represents the profit before tax earned by each segment without allocation of central administration cost and director fees and commission, other income, as well as finance costs. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

Segment assets and liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Segment assets		
Agri Inputs	2,13,997.08	1,95,897.71
Others	1,431.80	1,965.37
Total segment assets	**2,15,428.88**	**1,97,863.08**
Assets classified as held for sale	413.82	426.78
Unallocated	42,897.34	46,433.92
Total assets	**2,58,740.04**	**2,44,723.78**

Particulars	As at March 31, 2021	As at March 31, 2020
Segment liabilities		
Agri Inputs	89,812.75	89,172.69
Others	-	314.81
Total segment liabilities	**89,812.75**	**89,487.50**
Unallocated	9,790.04	14,236.26
Total liabilities	**99,602.79**	**1,03,723.76**

Details of capital expenditure incurred

Particulars	As at March 31, 2021	As at March 31, 2020
Agri Inputs	8,329.09	3,905.62
Others	97.39	21.50
Unallocated	-	-
Total	**8,426.48**	**3,927.12**

For the purpose of monitoring segment performance and allocation resources between segments:

- All assets are allocated to reportable segments other than investments, other financial assets, non current tax assets, fixed deposits and interest accrued thereon.
- All liabilities are allocated to reportable segments other than borrowings, other financial liabilities, interest accrued on loans, provision for supplemental pay, Director pension scheme, unpaid dividend, current and deferred tax liabilities.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

Geographical information

The Company operates in two principal geographical areas - India and outside India

The Company's revenue from continuing operations from external customers by location of operations and information about its non-current assets* by location of assets are detailed below:

Particulars	Revenue from external customers		Non-current assets*	
	For the year ended March 31, 2021	For the year ended March 31, 2020	As at March 31, 2021	As at March 31, 2020
India	1,71,397.38	1,57,156.29	92,328.35	82,487.28
Asia (Other than India)	24,674.41	36,209.65	-	-
North America	26,225.32	18,055.49	-	-
South America	13,729.51	9,048.87	-	-
Africa	1,350.78	2,929.57	-	-
Europe	5,293.39	1,673.52	-	-
Australia	272.69	76.43	-	-
	2,42,943.48	2,25,149.82	92,328.35	82,487.28

* Non-current assets exclude those relating to financial assets and deferred tax assets.

Information about major customers

No single customer contributed more than 10% to the Company's revenue in 2020-21 and 2019-20.

36: Leases

The Company incurred ₹ 867.09 lakhs for the year ended March 31, 2021 (March 31, 2020 ₹ 1,223.31 lakhs) towards expenses relating to short-term leases. Lease rent incurred and recoverable from employees and not falling under the scope of IND AS 116 amounted to ₹ 79.05 lakhs (March 31, 2020 ₹ 111.04 lakhs), refer Note 32. The total cash outflow for leases is ₹ 2,243.03 lakhs for the year ended March 31, 2021 (March 31, 2020 ₹ 3,018.46 lakhs), including cash outflow of short-term leases and lease rent recoverable from employees.

Maturity analysis

Particulars	Total	Less than 1 year	Between 1 and 2 years	2 and 5 years	Over 5 years	Weighted average effective interest rate %
March 31, 2021						
Lease liabilities	3,399.96	1,244.62	1,032.85	1,002.87	119.62	8.35%
	3,399.96	1,244.62	1,032.85	1,002.87	119.62	8.35%
March 31, 2020						
Lease liabilities	2,831.13	1,392.43	670.42	652.22	116.06	8.65%
	2,831.13	1,392.43	670.42	652.22	116.06	8.65%

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

Impact of changes in accounting policies

The following table provides the extract of impacts of adopting Ind AS 116 on the financial statements for previous year 2019-20

i. Statement of financial position

April 1, 2019	Impact of changes in accounting policies		
	As previously reported	Adjustments	Restated Balance
Right-of-use assets	-	3,298.39	3,298.39
Total assets	-	**3,298.39**	**3,298.39**
Lease liabilities	-	3,465.90	3,465.90
Total liabilities	-	**3,465.90**	**3,465.90**
Retained earnings	-	(167.51)	(167.51)
Deferred tax assets	-	56.65	56.65
Total equity	**-**	**(110.86)**	**(110.86)**

The following table provides extract of effect on both basic and diluted earnings per share

For the year ended March 31, 2020	Increase/ (decrease) in profit for the year attributable to owners of the Company	Increase/ (decrease) in basic earnings per share	Increase/ (decrease) in diluted earnings per share
	Amount	₹ per share	₹ per share
Changes in accounting policies relating to:			
- adoption of Ind AS 116	(19.58)	(0.01)	(0.01)

Future lease commitments

All leases other than included above are of either low value or cancellable at the option of lessee.

37: Employee benefit plans

Defined contribution plans

Contribution to provident fund and ESIC

The Company makes provident fund contributions to defined contribution retirement benefit plans for eligible employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions as specified under the law are paid to government authorities (PF commissioner) at factories.

Amount recognised as expense and included in the Note 30 — in the head "Contribution to Provident and other funds" for March 31, 2021 ₹ 535.77 lakhs (March 31, 2020 ₹ 483.32 lakhs).

Defined benefit plans

The Company offers its employees defined-benefit plans in the form of a gratuity scheme (a lump sum amount), a supplemental pay scheme (a life long pension) and Director pension liability. The gratuity scheme covers substantially all regular employees, Director pension liability covers Managing Director and supplemental pay plan covers certain former executives. In the case of the gratuity scheme, the Company contributes funds to Gratuity Trust, which is irrevocable, director pension liability and supplemental pay scheme are not funded. Commitments are actuarially determined at year-end. The actuarial valuation is done based on "Projected Unit Credit" method.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

The Company makes provident fund contributions to defined contribution retirement benefit plans for eligible employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions as specified under the law are paid to the provident fund set up as a trust by the Company in case of certain locations. The Company is liable for contributions and any deficiency compared to interest computed based on the rate of interest declared by the Central Government under the Employees' Provident Fund Scheme, 1952 and recognises, if any, as an expense in the year it is determined.

These plans typically expose the Company to actuarial risk such as: investment risk, interest rate risk, longevity risk and salary risk

Investment risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create plan deficit.

Interest risk:

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the plan assets.

Longevity risk:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The principal assumptions used for the purpose of actuarial valuation were as follows.

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Discount rates	6.06 % to 6.85% p.a.	5.70% to 6.83% p.a.
Expected rate of salary increase	8.00%	8.00% p.a.
Average longevity at retirement age for current beneficiaries of the plan (years)*	12 Years	8.05 Years
Average longevity at retirement age for current employees (future beneficiaries of the plan) (years)	12 Years	3.5 Years to 12 Years

*Based on Indian standard mortality table with modification to reflect expected changes in mortality.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

Amount recognised in the Standalone Statement of Profit and Loss in respect of these defined benefit plans are as follows

Particulars	Gratuity		Supplemental pay	
	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
Service cost:				
Current service cost	383.60	331.02	-	-
Past service cost and loss from settlements	-	119.60	-	-
Net interest expense	35.79	15.42	165.18	177.54
Components of defined benefit costs recognised in profit or loss	**419.39**	**466.04**	**165.18**	**177.54**
Remeasurement on the net defined benefit liability:				
Return on plan assets (excluding amounts included in net interest expense)	34.93	(84.15)	-	-
Actuarial (gain)/loss arising from changes in demographic assumptions	279.94	(44.58)	170.38	-
Actuarial (gain)/loss arising from changes in financial assumptions	(276.74)	251.74	(3.88)	140.51
Actuarial (gain)/loss arising from experience adjustments	(370.87)	(26.15)	(8.49)	4.18
Components of defined benefit costs recognised in Other Comprehensive Income	**(332.74)**	**96.86**	**158.01**	**144.69**
Total	**86.65**	**562.90**	**323.19**	**322.23**

The current service cost and the net interest expenses for the year are included in the Employee benefits expense line item in the Standalone Statement of Profit and Loss. The remeasurement of the net defined benefit liability/asset is included in Other Comprehensive Income.

The amount included in the Balance Sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

Particulars	Gratuity		Supplemental pay	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Present value of funded defined benefit obligations	3,836.24	3,814.99	1,717.14	1,667.65
Fair value of plan assets	3,810.01	3,259.89	-	-
Funded Status [Deficit/(Surplus)]	**26.23**	**555.10**	**1,717.14**	**1,667.65**
Additional provision created	-	-	-	-
Net liability arising from defined benefit obligation	**26.23**	**555.10**	**1,717.14**	**1,667.65**

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

Movements in the present value of the defined benefit obligation are as follows

Particulars	Gratuity		Supplemental pay	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Opening defined benefit obligation	3,814.99	3,167.12	1,667.65	1,585.82
Current service cost	383.60	331.02	-	-
Past service cost	-	119.60	-	-
Interest cost	253.50	237.52	113.90	121.95
Liability Transferred In/ Acquisitions	5.69	81.86	-	-
Remeasurement (gain)/loss:				
Actuarial (gain)/loss arising from changes in demographic assumptions	279.94	(44.58)	105.45	-
Actuarial (gain)/loss arising from changes in financial assumptions	(276.74)	251.74	(2.20)	85.46
Actuarial (gain)/loss arising from experience adjustments	(370.87)	(25.00)	(19.22)	27.19
Benefits paid	(253.87)	(265.58)	(148.44)	(152.77)
Others	-	(38.71)	-	-
Closing defined benefit obligation	**3,836.24**	**3,814.99**	**1,717.14**	**1,667.65**

Movements in the fair value of the plan assets are as follows

Particulars	Gratuity		Supplemental pay	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Opening fair value of the plan assets	3,259.89	2,999.48	-	-
Interest income	217.71	222.10	-	-
Remeasurement gain/(loss):				
Return on plan assets (excluding amounts included in net interest expense)	(34.93)	84.15	-	-
Assets Transferred In/Acquisitions	5.69	43.14	-	
Contributions from the employer	615.52	176.60	-	-
Benefits paid	(253.87)	(265.58)	-	-
Closing fair value of plan assets	**3,810.01**	**3,259.89**	**-**	**-**

The plan assets are managed by the Gratuity Trust formed by the Company. The management of funds is entrusted with the Life Insurance Corporation of India ("LIC") and Kotak Life Insurance.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

Directors pension liability

Particulars	As at March 31, 2021	As at March 31, 2020
Opening defined benefit obligation	750.79	722.92
Current service cost	51.28	55.59
Remeasurement (gain)/loss:		
Actuarial (gain)/loss arising from changes in demographic assumptions	64.93	
Actuarial (gain)/loss arising from changes in financial assumptions	(1.68)	55.05
Actuarial (gain)/loss arising from experience adjustments	10.72	(23.00)
Benefits paid	(59.75)	(59.77)
Closing defined benefit obligation	**816.29**	**750.79**

The fair value of the plan assets at the end of the reporting period for each category, are as follow:

Particulars	Gratuity		Supplemental pay	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Cash and cash equivalents	12.77	13.26	-	-
Investment funds with insurance Group				
Traditional / unit linked	708.53	437.23	-	-
Others - LIC managed fund	3,088.72	2,809.40	-	-
Total	**3,810.02**	**3,259.89**	**-**	**-**

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

1. If the discounting rate is 100 basis point higher (lower), the defined benefit obligation would decrease by ₹ 462.16 lakhs (increase by ₹ 388.80 lakhs) (as at March 31, 2020: decrease by ₹ 532.02 lakhs (increase by ₹ 492.55 lakhs)).

2. If the expected salary growth increases (decreases) by 1%, the defined benefit obligation would increase by ₹ 313.88 lakhs (decrease by ₹ 278.35 lakhs) (as at March 31, 2020: increase by ₹ 279.04 lakhs (decrease by ₹ 250.35 lakhs).

3. If the life expectancy increases (decreases) by 1 year, the defined benefit obligation would increase by ₹ 48.26 lakhs (decrease by ₹ 39.55 lakhs) (as at March 31, 2020: increase by ₹ 48.94 lakhs (decrease by ₹ 40.05 lakhs).

The sensitivity analysis presented above may not representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using "Projected Unit Credit" method at the end of the reporting period which is the same as that applied in calculating the defined benefit obligation liability recognised in Balance Sheet.

There were no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

The Company expects to make a contribution of ₹ 33.26 lakhs (as at March 31, 2020 ₹ 367.27 lakhs) to the defined benefit plans during the next financial year.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

The defined benefit obligations shall mature after year ended March 31, 2021 as follows:

Particulars	Defined benefit obligation
As at March 31,	
2022	553.30
2023	461.02
2024	549.87
2025	521.27
2026	578.95
Thereafter	2,823.15

The Company operates Provident Fund Scheme and the contributions are made to recognised fund. The Company is required to offer a defined benefit interest rate guarantee on provident fund balances of employees. The interest rate guarantee is payable to the employees for the year when the exempted fund declares a return on provident fund investments which is less than the rate declared by the Regional Provident Fund Commissioner (RPFC) on the provident fund corpus for their own subscribers. The Actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the below provided assumptions there is no shortfall as on March 31, 2021 and March 31, 2020.

Amount recognised as expense and included in the Note 30 - in the head "Contribution to Provident and other funds" for March 31, 2021 ₹ 244.82 lakhs (for March 31, 2020 ₹ 254.25 lakhs).

The details of provident fund and plan asset position are given below:

Particulars	As at March 31, 2021	As at March 31, 2020
Plan assets as period end	10,406.67	9,198.72
Present value of funded obligation	10,215.35	8,925.52
Amount recognised in the Balance Sheet	-	-

Assumptions used in determining present value of obligation of interest rate guarantee under a deterministic approach:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Guaranteed rate of return	8.50%	8.50%
Discount rate for remaining term to maturity of investments	6.41%	6.83%
Expected rate of return on investments	6.41%	7.69%

As at March 31, 2021, the fair value of the assets of the fund and the accumulated members' corpus is ₹ 10,406.67 lakhs and ₹ 10,215.35 lakhs respectively. In accordance with an assets and liability study, there is no deficiency as the present value of the expected future earnings on the fund is greater than the expected amount to be credited to the individual members based on the expected guaranteed rate of interest.

Compensatory absences

The Company provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment. The liability is provided based on the number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation. Amount of ₹ 370.63 lakhs (March 31, 2020 ₹ 308.27 lakhs) has been recognised in the Standalone Statement of profit and loss on account of provision for long-term employment benefit.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

38: Financial instruments

Capital management

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to stakeholders through optimisation of debt and equity balance.

The capital structure of the Company consists of net debt (borrowings as detailed in notes 18.1,19 and 22, lease liabilities as per note 18.2, offset by cash and bank balances) and total equity of the Company.

The Company is not subject to any externally imposed capital requirements.

Gearing Ratio

The gearing ratio at the end of the reporting period was as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Debt (i)	4,161.11	6,529.53
Lease liabilities (non-current and current)	3,399.96	2,831.13
Cash and bank balances	(5,390.66)	(4,798.90)
Net debt	**2,170.41**	**4,561.76**
Total equity	**1,59,137.25**	**1,41,000.02**
Net debt to equity ratio	1.36%	3.24%

(i) Debt is defined as long-term borrowings, short-term borrowings and current maturities of long term borrowings (excluding financial guarantee contracts), as described in notes 18.1 ,19 and 22.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

Fair value hierarchy

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

As at March 31, 2021

Particulars	Carrying amount				Fair value measurement using			
	Total	FVTPL	FVTOCI	Amortised cost	Total	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets								
Cash and cash equivalents	904.93	-	-	904.93	-	-	-	-
Other bank balances	4,485.73	-	-	4,485.73	-	-	-	-
Non-current investments (excluding investment in subsidiaries)	317.68	-	317.68	-	317.68	0.89	-	316.79
Current investments	28,029.67	28,029.67	-	-	28,029.67	-	28,029.67	-
Loans (non-current)	1,008.44	-	-	1,008.44	1,008.44	-	-	1,008.44
Other non current financial assets	80.77	-	-	80.77	80.77	-	-	80.77
Trade receivables	40,628.49	-	-	40,628.49	-	-	-	-
Other current financial assets	751.80	-	-	751.80	-	-	-	-
Financial liabilities								
Non-current borrowings (excluding current portion)	778.32	-	-	778.32	778.32	-	-	778.32
Lease liabilities (current and non-current portion)	3,399.96	-	-	3,399.96	3,399.96	-	-	3,399.96
Current borrowings	3,004.77	-	-	3,004.77	-	-	-	-
Trade payables	59,605.49	-	-	59,605.49	-	-	-	-
Other financial liabilities (current and non-current)	14,479.17	72.48	-	14,406.69	72.48	-	72.48	-

There have been no transfers among Level 1, Level 2 and Level 3 during the year.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

As at March 31, 2020

Particulars	Carrying amount				Fair value measurement using			
	Total	FVTPL	FVTOCI	Amortised cost	Total	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets								
Cash and cash equivalents	4,585.56	-	-	4,585.56	-	-	-	-
Other bank balances	213.34	-	-	213.34	-	-	-	-
Non-current investments (excluding investment in subsidiaries)	379.69	-	379.69	-	379.69	0.45	-	379.24
Current investments	29,867.42	29,867.42	-	-	29,867.42	-	29,867.42	-
Loans (non-current)	907.06	-	-	907.06	907.06	-	-	907.06
Other non current financial assets	76.51	-	-	76.51	76.51	-	-	76.51
Trade receivables	45,001.83	-	-	45,001.83	-	-	-	-
Other current financial assets	648.54	-	-	648.54	-	-	-	-
Financial liabilities								
Non-current borrowings (excluding current portion)	1,236.30	-	-	1,236.30	1,236.30	-	-	1,236.30
Lease liabilities (current and non-current portion)	2,831.13	-	-	2,831.13	2,831.13	-	-	2,831.13
Current borrowings	4,961.79	-	-	4,961.79	-	-	-	-
Trade payables	63,733.19	-	-	63,733.19	-	-	-	-
Other financial liabilities (current and non-current)	9,576.81	3.97	-	9,572.84	3.97	-	3.97	-

There have been no transfers among Level 1, Level 2 and Level 3 during the previous year.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

Measurement of fair values

Valuation techniques and significant unobservable inputs

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

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Non current financial assets and liabilities measured at amortised cost	Discounted cash flows: The valuation model considers the present value of expected receipt/ payment discounted using appropriate discounting rates.	Not applicable	Not applicable
Forward contracts for foreign exchange contracts	Forward pricing: The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currency.	Not applicable	Not applicable
Current investments -in mutual funds	The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors	Not applicable	Not applicable

Reconciliation of fair value measurement of investment in unquoted equity instrument classified as FVTOCI (Level 3):

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	379.24	378.34
Remeasurement recognised in OCI	-	-
Add: Bonus shares issued on investment	-	0.90
Less: Buy back of shares	62.45	
Closing balance	**316.79**	**379.24**

Financial risk management objectives

The Company's corporate treasury function provides services to the business, co-ordinates access to domestic financial markets, monitors and manages the financial risk relating to the operation of the Company through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The use of financial derivatives is governed by the Company's policies approved by the board of directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivatives financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. The Company does not enter into or trade financial instrument, including derivative financial instruments, for speculative purposes.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

The corporate treasury function reports quarterly to the Company's risk management committee, an independent body that monitors risks and policies implemented to mitigate risk exposures.

Market risk

The Company's activities expose it primarily to the financial risk of changes in foreign currency exchange rates. The Company enters into a variety of derivative financial instruments to manage its exposure to foreign currency risk including:

Forward foreign exchange contracts to hedge the exchange rate risk arising on imports and exports.

Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts.

The carrying amounts of the Company's foreign currency dominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars	Liabilities (Foreign currency)		Assets (Foreign currency)	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
In US Dollars (USD)	221.74	207.88	191.37	94.35
In Australian Dollars (AUD)	0.01	0.01		-
In Euro (EUR)*	-	-	0.38	-
In Japanese Yen (JPY)	995.80	676.60	-	-
In Great Britain Pound (GBP)	-	0.01	0.15	-

Particulars	Liabilities (INR)		Assets (INR)	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
In US Dollars (USD)	16,211.27	15,728.91	13,991.33	7,139.19
In Australian Dollars (AUD)	0.38	0.31		-
In Euro (EUR)	-	0.22	32.70	-
In Japanese Yen (JPY)	658.37	471.13	-	-
In Great Britain Pound (GBP)	-	1.19	15.28	-

* Amount is less than ₹ 0.01 lakh.

Foreign currency sensitivity analysis

The Company is mainly exposed to the currency : USD, EUR, JPY and GBP.

The following table details the Company's sensitivity to a 5% increase and decrease in the ₹ against the relevant foreign currencies. 5% 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 exposure outstanding on receivables and 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 5% charge in foreign currency rate. A positive number below indicates an increase in the profit or equity where the ₹ strengthens 5% against the relevant currency. For a 5% weakening of the ₹ against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

Impact on profit / (loss) and total equity

Particulars	USD impact	
	As at March 31, 2021	As at March 31, 2020
Increase in exchange rate by 5%	(111.00)	(429.49)
Decrease in exchange rate by 5%	111.00	429.49

Particulars	AUD impact	
	As at March 31, 2021	As at March 31, 2020
Increase in exchange rate by 5%	0.02	(0.02)
Decrease in exchange rate by 5%	(0.02)	0.02

Particulars	EUR impact	
	As at March 31, 2021	As at March 31, 2020
Increase in exchange rate by 5%	1.64	(0.01)
Decrease in exchange rate by 5%	(1.64)	0.01

Particulars	JPY impact	
	As at March 31, 2021	As at March 31, 2020
Increase in exchange rate by 5%	(32.92)	(23.56)
Decrease in exchange rate by 5%	32.92	23.56

Particulars	GBP impact	
	As at March 31, 2021	As at March 31, 2020
Increase in exchange rate by 5%	0.76	(0.06)
Decrease in exchange rate by 5%	(0.76)	0.06

The Company, in accordance with its risk management policies and procedures, enters into foreign currency forward contracts to manage its exposure in foreign exchange rate variations. The counter party is generally a bank. These contracts are for a period between one day and one year. The above sensitivity does not include the impact of foreign currency forward contracts which largly mitigate the risk.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

Derivative instruments:

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to accounts receivable and accounts payable. The use of foreign currency forward contracts is governed by the Company's strategy approved by the Board of Directors, which provide principles on the use of such forward contracts consistent with the Company's Risk Management Policy. The Company does not use forward contracts for speculative purposes.

The Company, basis their assessment, believes that the probability of the occurrence of their forecasted transactions is not impacted by COVID-19 pandemic.

The following forward exchange contracts are outstanding as at balance sheet date:

Particulars	As at March 31, 2021			As at March 31, 2020		
	Number of contracts	₹ lakhs	Foreign currency in lakhs	Number of contracts	₹ lakhs	Foreign currency in lakhs
Payable	2	610.11	JPY 922.80	2	471.13	JPY 676.60
Payable	15	6,027.44	USD 82.44	-	-	-

Note: USD= US Dollar; JPY = Japanese Yen.

The line item in the Balance Sheet that includes the above hedging instruments are "other financial assets and other financial liabilities".

Equity risk

There is no material equity risk relating to the Company's equity investments which are detailed in note 7 "Other investments". The Company's equity investments majorly comprises of strategic investments rather than trading purposes.

Interest risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument that 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 non-current debt obligation with floating interest rates. The Company's policy is generally to undertake non-current borrowing using facilities that carry floating interest rate. 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.

At the end of reporting period, the Company had the following variable interest rate borrowings and fixed interest rate financial assets:

Particulars	As at March 31, 2021	As at March 31, 2020
Non-current variable interest rate borrowings	600.00	900.00
Non-current fixed interest rate borrowings including current maturities of non-current borrowings	9.98	113.66
Lease Liabilities (Current and Non Current)	3,399.96	2,831.13
Current variable interest rate borrowings	3,004.77	4,961.79
Fixed interest rate financial assets	4,410.06	4,073.93

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

Cash flow sensitivity analysis for variable rate instrument

Non-current variable interest rate borrowings

If the interest rate is 100 basis point higher (lower), the impact on profit or loss would be decreased by ₹ 5.96 lakhs (increased by ₹ 12.04 lakhs) (as at March 31, 2020: decrease by ₹ 5.96 lakhs (increase by ₹ 12.04 lakhs).

Current fixed interest rate borrowings

If the interest rate is 100 basis point higher (lower), the impact on profit or loss would be decreased by ₹ 14.55 lakhs (increased by ₹ 5.10 lakhs) (as at March 31, 2020: decrease by ₹ 14.55 lakhs (increase by ₹ 5.10 lakhs).

Credit risk management

Credit risk refers to the risk that a counter party will default on its contractual obligation resulting in financial loss to the Company. The Company uses its own trading records to evaluate the credit worthiness of its customers. The Company's exposure are continuously monitored and the aggregate value of transactions concluded, are spread amongst approved counter parties (refer note 12- Trade receivable).

The credit risk on investment in mutual funds and derivative financial instruments is limited because the counter parties are reputed banks or funds sponsored by reputed bank.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

All current financial liabilities are repayable within one year. The contractual maturities of non-current liabilities are disclosed in note no. 18.1.

Liquidity risk table

The following table detail the Company's remaining contractual maturity for its non-derivative and derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

Particulars	Less than 1 year	1-5 years	More than 5 years	Total	Carrying amount
As at March 31, 2021					
Non-Derivative financial liabilities					
Borrowings including future interest payable	3,510.50	453.90	-	3,964.40	4,161.11
Lease liabilities	1,244.62	2,035.73	119.62	3,399.97	3,399.96
Trade payables	59,605.49	-	-	59,605.49	59,605.49
Other financial liabilities	14,028.67	-	-	14,028.67	14,028.67
Derivative financial liabilities					
Forward exchange contracts used for hedging :					
- Outflow	6,637.55	-	-	6,637.55	72.48
- Inflow	(6,565.07)	-	-	(6,565.07)	-
	78,461.76	**2,489.63**	**119.62**	**81,071.01**	**81,267.71**
As at March 31, 2020					
Non-Derivative financial liabilities					
Borrowings including future interest payable	5,474.30	1,030.82	164.91	6,670.03	6,529.53
Lease liabilities	1,527.37	1,459.39	181.63	3,168.39	2,831.13
Trade payables	63,733.19	-	-	63,733.19	63,733.19
Other financial liabilities	9241.40	-	-	9241.40	9241.40
Derivative financial liabilities					
Forward exchange contracts used for hedging :					
- Outflow	471.13	-	-	471.13	3.97
- Inflow	(467.16)	-	-	(467.16)	-
	79,980.23	**2,490.21**	**346.54**	**82,816.98**	**82,339.22**

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity.

Other risk – Impact of COVID-19

Financial assets carried at fair values as at March 31, 2021 is ₹ 28,347.35 lakhs (as at March 31, 2020 ₹ 30,247.11 lakhs) and financial assets carried at amortised cost as at March 31, 2021 is ₹ 47,860.16 lakhs (as at March 31, 2020 ₹ 51,432.84 lakhs). Financial assets classified as Level 1 and Level 2 are having fair value of ₹ 28,029.67 lakhs as at March 31,2021 (as at March 31, 2020 ₹ 29,867.87 lakhs). The fair value of these assets is marked to an active market which factors the uncertainties arising out of COVID-19. The financial assets carried at fair value by the Company are mainly investments in mutual funds and accordingly, any material volatility is not expected.

Financial assets of ₹ 5,390.66 lakhs as at March 31, 2021 (as at March 31, 2020 ₹ 4,798.90 lakhs) carried at amortised cost is in the form of cash and cash equivalents, bank deposits and earmarked balances with banks where the Company has assessed the counterparty credit risk. Trade receivables of ₹ 40,628.52 lakhs as at March 31, 2021 (as at March 31, 2020 ₹ 45,001.83 lakhs) forms a significant part of the financial assets carried at amortised cost which is valued considering provision for allowance using expected credit loss method. In addition to the historical pattern of credit loss, we have considered the likelihood of increased credit risk and consequential default considering emerging situations due to COVID-19. This assessment is not based on any mathematical model but an assessment considering the financial strength of the customers in respect of whom amounts are receivable. The Company has evaluated the potential impact with respect to customers in domestic segment which could have an immediate impact. The Company closely monitors its customers who are going through financial stress and assesses actions such as change in payment terms, recognition of revenue on collection basis etc., depending on severity of each case. Basis this assessment, the allowance for doubtful trade receivables of ₹ 3,082.92 lakhs as at March 31, 2021 (as at March 31, 2020 ₹ 2,544.66 lakhs) is considered adequate.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

39: Related party transactions

Details of transactions between the Company and other related party are disclosed below.

1. Holding Company

Name of holding	Country	Holding	
		As at March 31, 2021	As at March 31, 2020
Tata Chemicals Ltd.	India	50.06%	50.06%

2. List of Subsidiaries

Name of subsidiaries	Country	Holding	
		As at March 31, 2021	As at March 31, 2020
Direct			
Rallis Chemistry Exports Ltd. (Refer Note 1)	India	-	-
PT. Metahelix Lifesciences Indonesia (Refer Note 2)	Indonesia	65.77%	65.77%

Footnote :

1. Consequent to making an application to the Registrar of Companies, Maharashtra by Rallis Chemistry Exports Limited, a wholly-owned subsidiary of the Company (RCEL) for removal of its name from the register of companies, MCA has issued a certificate for striking off its name from the register of companies w.e.f March 29, 2021. Accordingly, RCEL has ceased to be a subsidiary of the Company effective the said date.
2. During the year, PT Metahelix Life Sciences Indonesia, a subsidiary of the Company, received approval for the cancellation of its Company Registration Number and revocation of its business license w.e.f March 19, 2021. Further, an application for cancellation of its Tax Identification Number has been made and the approval for the same is awaited.

3. Other related parties

Rallis India Limited Provident Fund

Rallis India Limited Management Staff Gratuity Fund

Rallis India Limited Senior Assistants Super Annuation Scheme

Rallis Executive Staff Super Annuation Fund

Rallis India Limited Non-Management Staff Gratuity Fund

4. Key Management Personnel

Mr. Sanjiv Lal, Managing Director and CEO

5. Promoter Group

Tata Sons Private Limited

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

6. List of subsidiaries of Tata Sons Private Limited

Infiniti Retail Ltd.
Tata AIG General Insurance Co. Ltd.
Tata Consultancy Services Ltd.
Tata Teleservices Ltd.
Tata Strategic Management Group (Division of Tata Industries Limited)
Ewart Investments Ltd.
Tata Consulting Engineers Ltd.

6a. List of subsidiaries of Tata Chemicals Limited

Tata Chemicals International Pte Ltd
Tata Chemicals Magadi Limited

7. Trading transactions

During the year, Company entered into following trading transactions with related parties:

Particulars	Sales of goods		Purchases of goods	
	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
Holding Company				
Tata Chemicals Ltd.	-	-	1,246.79	1,117.43
Subsidiary of Holding Company				
Tata Chemicals International Pte Ltd	14,815.98	17,765.22	-	-
Subsidiary of Tata Sons Private Limited				
Infiniti Retail Ltd.	-	-	5.02	1.25

Sale of goods to related parties were made at the Company's usual list prices, less average discounts. Purchases were made at market price discounted to reflect the quantity of goods purchased and the relationship between the parties.

8. Service transactions

Particulars	Services rendered		Services received	
	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
Holding Company				
Tata Chemicals Ltd.	-	-	285.41	137.31
Subsidiary of Holding Company				
Tata Chemicals Magadi Limited	-	-	-	1.65
Promoter Group				
Tata Sons Private Limited	-	-	341.41	307.80
Subsidiaries of Tata Sons Private Limited				
Tata AIG General Insurance Co. Ltd.	-	-	22.36	21.38
Tata Consultancy Services Ltd.	-	-	271.43	294.88
Tata Teleservices Ltd.	-	-	7.65	10.53
Tata Consulting Engineers Limited	-	-	-	68.09
Tata Strategic Management Group (Division of Tata Industries Limited)	-	-	35.00	-

Services were received at market price and any discount to reflect the relationship between the parties.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

9. Other -Dividend payments

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Holding Company		
Tata Chemicals Ltd.	2,433.54	2,433.54
Subsidiaries of Tata Sons Private Limited		
Ewart Investments Ltd.	1.88	1.88

10. Contributions to employee benefit trusts

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Other Related Parties		
Contributions to employee benefit trusts	1,508.82	1,257.69

The following balances were outstanding at the end of the reporting period:-

Particulars	Amounts owed by related parties		Amounts owed to related parties	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Holding Company				
Tata Chemicals Ltd.	-	-	87.04	83.95
Subsidiary of Holding Company				
Tata Chemicals International Pte Ltd	334.43	934.66	-	-
Tata Chemicals Magadi Limited	-	-	-	1.65
Subsidiaries of Tata Sons Private Limited				
Tata AIG General Insurance Co. Ltd.	-	-	0.02	0.41
Tata Consultancy Services Ltd.	-	-	10.80	-
Tata Teleservices (Maharashtra) Ltd.	-	-	0.04	-
Infiniti Retail Ltd.	-	-	-	0.68

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or taken during the year. No expense has been recognised in the current or prior years for bad & doubtful debts in respect of the amounts owed by related parties.

11. Compensation to key management personnel

The remuneration of key management personnel during the year was as follows:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Short term benefits	324.74	270.24
Post-Employment benefits (PF + Superannuation)	14.58	14.58

The remuneration of key management personnel is determined by the remuneration committee having regard to the performance of individuals and market trends. It is exclusive of gratuity and compensated absences.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

40: Contingent liabilities

The Company is involved in a number of appellate, judicial and arbitration proceedings (including those described below) concerning matters arising in the course of conduct of the Company's businesses. Some of these proceedings in respect of matters under litigation are in early stages, and in some other cases, the claims are indeterminate. A summary of claims asserted on the Company in respect of these cases have been summarised below.

a. Guarantees

Guarantees issued by bank on behalf of the Company as on March 31, 2021 is ₹ 142.96 lakhs (March 31, 2020 ₹ 142.96 lakhs) these are covered by the charge created in favour of the said Company's bankers by way of hypothication of stock and debtors.

b. Tax contingencies

Amounts in respect of claims asserted by various revenue authorities on the Company, in respect of taxes, which are in dispute, have been tabulated below:

Nature of tax	As at March 31, 2021	As at March 31, 2020
Sales tax	1,204.57	1,039.38
Excise duty	30.11	30.11
Customs duty	799.71	144.10
Income tax*	15,051.88	13,301.11
Service tax	3,138.41	36.42
Goods and Service tax	27.87	13.01

* Excludes ₹ 1,408.70 lakhs (March 31, 2020 ₹ 1,295.88 lakhs) deposits paid under protest.

The management believes that the claims made are untenable and is contesting them. As of the reporting date, the management is unable to determine the ultimate outcome of above matters. However, in the event the revenue authorities succeed with enforcement of their assessments, the Company may be required to pay some or all of the asserted claims and the consequential interest and penalties, which would reduce net income and could have a material adverse effect on net income in the respective reported period. Various claims pending before Industrial Tribunals and Labour Courts of which amounts are indeterminate.

c. Amount in respect of other claims

Nature of claim	As at March 31, 2021	As at March 31, 2020
Matters relating to employee benefits	103.11	103.11
Others (claims related to contractual disputes)	502.32	569.36

Management is generally unable to reasonably estimate a range of possible loss for proceedings or disputes other than those included in the estimate above, including where:

(i) plaintiffs / parties have not claimed an amount of money damages, unless management can otherwise determine an appropriate amount;

(ii) the proceedings are in early stages;

(iii) there is uncertainty as to the outcome of pending appeals or motions or negotiations;

(iv) there are significant factual issues to be resolved; and/or

(v) there are novel legal issues presented.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

However, in respect of the above matters, management does not believe, based on currently available information, that the outcomes of the litigation, will have a material adverse effect on the Company's financial condition, though the outcomes could be material to the Company's operating results for any particular period, depending, in part, upon the operating results for such period.

41: Commitments

(i) Estimated amount of contract with minimum commitment for plant activity ₹ 1,184.50 lakhs (March 31, 2020 ₹ 1,184.50 lakhs).

(ii) Estimated amount of contracts remaining to be executed on capital account of property, plant and equipment is ₹ 9,178.70 lakhs as at March 31, 2021 (March 31, 2020 ₹ 7,441.03 lakhs) and Intangible assets is ₹ 890.84 lakhs as at March 31, 2021 (March 31, 2020 ₹ 787.55 lakhs) against which advances paid aggregate ₹ 781.37 lakhs as at March 31, 2021 (March 31, 2020 : ₹ 1,182.51 lakhs).

42: Research and development expenditure

The Company has incurred the following expenses on research and development activity:

Particulars (Refer footnote)	For the year ended March 31, 2021	For the year ended March 31, 2020
On property, plant and equipment	401.95	130.35
On items which have been expensed during the year		
- Materials	339.67	165.06
- Employee benefits expense	1,905.77	1,813.81
- Breeding expense	352.45	299.32
- Professional fees	40.73	37.10
- Consumables	284.82	120.05
- Finance costs	1.71	0.22
- Travelling expenses	13.94	142.00
- Rent	42.25	39.74
- Depreciation and amortisation expense	283.43	195.42
- Others	475.89	447.63
Expenses - External agency	-	9.63
Total	**4,142.61**	**3,400.33**

During the year, the Company has also incurred ₹ 207.91 lakhs (March 31, 2020 ₹ 1.87 lakhs) towards capital research and development expenditure which is included under capital work-in-progress.

The total amount included in intangible assets under development as at March 31, 2021 is ₹ 5,877.38 lakhs (as at March 31, 2020 ₹ 4,694.65 lakhs).

footnote:

The above figures include the amounts based on separate accounts for the Research and Developments ("R&D") Centre recognised by the Department of Scientific & Industrial Research ("DSIR"), Ministry of Science and Technology for in-house research (consonance with the DSIR guidelines for in-house R & D Centre will be evaluated at the time of filing the return with DSIR).

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

43: Other expenses include Auditors' Remuneration as under:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) To statutory auditors		
For audit	57.67	74.57
For limited review of quarterly results	23.10	15.00
For taxation matters	10.60	6.00
For other services	2.75	7.27
Reimbursement of expenses	3.46	8.47

Recoverable taxes which is being claimed for set-off as input credit has not been included in the expenditure above.

44: Dislosure under Ind AS 115 - Revenue from contracts with customers

The Company is engaged into manufacturing of agri inputs.There is no impact on the Company's revenue on applying Ind AS 115 from the contract with customers.

Disaggregation of revenue from contracts with customers

Particulars	2020-21			2019-20		
	Agri Inputs	Others	Total	Agri Inputs	Others	Total
1) Revenue from contracts with customers:						
Sale of products (Transferred at point in time)						
Manufacturing						
India	1,45,296.94	-	1,45,296.94	1,32,282.04	-	1,32,282.04
Asia (Other than India)	24,584.82	-	24,584.82	36,117.15	-	36,117.15
North America	25,981.29	244.03	26,225.32	15,352.19	2,703.30	18,055.49
South America	13,729.51	-	13,729.51	9,048.87	-	9,048.87
Africa	1,132.37	-	1,132.37	2,486.15	-	2,486.15
Europe	5,293.39	-	5,293.39	1,673.52	-	1,673.52
Australia	272.69	-	272.69	76.43	-	76.43
Total (A)	**2,16,291.01**	**244.03**	**2,16,535.04**	**1,97,036.35**	**2,703.30**	**1,99,739.65**
Trading						
India	25,002.61	-	25,002.61	23,498.03	-	23,498.03
Asia (Other than India)	89.59	-	89.59	92.50	-	92.50
Africa	218.41	-	218.41	443.42	-	443.42
Total (B)	**25,310.61**	**-**	**25,310.61**	**24,033.95**	**-**	**24,033.95**
Total (A) + (B)	**2,41,601.62**	**244.03**	**2,41,845.65**	**2,21,070.30**	**2,703.30**	**2,23,773.60**
2) Sale of services	57.50	-	57.50	51.44	-	51.44
3) Other operating revenue						
Sale of scrap	546.19	-	546.19	829.12	-	829.12
Liabilities written back	494.15	-	494.15	430.25	-	430.25
Royalty Income	-	-	-	65.41	-	65.41
	1,040.34	**-**	**1,040.34**	**1,324.78**	**-**	**1,324.78**
Total Revenue	**2,42,699.46**	**244.03**	**2,42,943.49**	**2,22,446.52**	**2,703.30**	**2,25,149.82**

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

Major segment

Particulars	2020-21			2019-20		
	Agri Inputs	Others	Total	Agri Inputs	Others	Total
Crop Protection*	1,88,090.76	-	1,88,090.76	1,71,943.73	-	1,71,943.73
Crop Nutrition	12,888.07	-	12,888.07	9,991.55	-	9,991.55
Polymer	-	244.03	244.03	-	2,703.30	2,703.30
Seeds	39,890.24	-	39,890.24	35,724.56	-	35,724.56
Others	732.55	-	732.55	3,410.46	-	3,410.46
Total	**2,41,601.62**	**244.03**	**2,41,845.65**	**2,21,070.30**	**2,703.30**	**2,23,773.60**

*Crop Protection includes Fungicide, Herbicides and Insecticides.

Sales by performance obligations

Particulars	2020-21			2019-20		
	Agri Inputs	Others	Total	Agri Inputs	Others	Total
Upon shipment	71,302.08	244.03	71,546.11	65,290.23	2,703.30	67,993.53
Upon delivery	1,70,299.54	-	1,70,299.54	1,55,780.07	-	1,55,780.07
Total	**2,41,601.62**	**244.03**	**2,41,845.65**	**2,21,070.30**	**2,703.30**	**2,23,773.60**

Reconciliation of revenue from contract with customer

Particulars	2020-21	2019-20
Revenue from contract with customer as per the contract price	3,07,586.60	2,87,302.49
Adjustments made to contract price on account of :-		
a) Discounts / Rebates / Incentives	19,659.84	14,858.56
b) Sales Returns / Credits / Reversals	46,081.11	48,670.33
Revenue from contract with customer	2,41,845.65	2,23,773.60
Sale of services	57.50	51.44
Other operating revenue	1,040.34	1,324.78
Revenue from operations	**2,42,943.49**	**2,25,149.82**

45: Scheme of arrangement ('the Scheme')

45 (a) : Merger of Metahelix Life Sciences Limited with Rallis India Limited

i) During the previous year, pursuant to the scheme of Arrangement ('the Scheme') approved by the National Company Law Tribunal ('the NCLT'), Bengaluru Bench and the NCLT, Mumbai Bench vide its order dated November 11, 2019 and December 20, 2019 respectively, Metahelix Life Sciences Limited (the Merged Undertaking) wholly owned subsidiary of the Company, merged with the Company with effect from April 1, 2019 ('the appointed date'). As per Appendix C of Ind AS 103 - Business Combinations, the financial information in the standalone financial statements in respect of prior periods is restated as if the business combination had occured from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. Accordingly, business combination is accounted with effect from April 1, 2018.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

ii) The Merged Undertaking is engaged in the business of agricultural operations focusing on developing traits and technologies for crop protection & improved productivity and cultivation, production, processing and manufacturing, marketing and sales of Seeds. The acquisition is in-line with the Company's strategy to grow the business and saving in costs of operations.

iii) Accounting treatment of the arrangement

Business combination is accounted for using the 'pooling of interests' method as per Appendix C of Ind AS 103 - Business Combinations as notified under Section 230 to 232 of the Companies Act, 2013 which involves the following:

a) The financial information in the financial statements in respect of prior periods is restated as if the business combination had occured from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. Accordingly, business combinations is accounted with effect from April 1, 2018.

b) The Company has recorded the asset and liabilities of the Merged Undertaking vested in it pursuant to this Scheme at the respective book values appearing in the books of the Merged Undertaking.

c) The value of investment in the Merged Undertaking in the books of the Company shall be cancelled.

d) No adjustments are made to reflect fair values, or recognise any new assets or liabilities

e) As per clarification in Ind AS Transition Facilitation Group (ITFG) Clarification Bulletin 9, goodwill has been recognised in the books of the Company

f) The difference between the net assets of the Merged Undertaking transferred to Company, after making adjustment specified in (c) and (d) shall be adjusted in 'Other Equity' of the Company.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

Accordingly, the merger has resulted in transfer of assets and liabilities in accordance with the terms of the Scheme at the following summarised values:

Particulars	31-Mar-19	1-Apr-18
ASSETS		
Non-current assets		
a) Property, plant and equipment	2,034.68	2,105.80
b) Capital work-in-progress	9.20	27.94
c) Other intangible assets	674.98	569.78
d) Intangible assets under development	2,598.39	2,235.94
e) Financial assets		
i) Investments	-	204.23
ii) Loans	189.48	444.84
iii) Other financial assets	20.75	-
f) Income-tax assets (Net)	1,279.75	906.06
g) Deferred tax assets (Net)	2,280.92	2,078.14
Total non-current assets	**9,088.15**	**8,572.73**
Current assets		
a) Inventories	24,419.87	19,854.84
b) Financial assets		
i) Investments	3,077.13	-
ii) Loans	93.33	111.61
iii) Trade receivables	3,332.22	3,603.27
iv) Cash and cash equivalents	491.74	2,425.42
v) Bank balances other than (iii) above	132.42	149.99
vi) Other financial assets	1.69	10.56
c) Other current assets	1,667.87	1,780.80
Total current assets	**33,216.27**	**27,936.49**
Total assets (A)	**42,304.42**	**36,509.22**
EQUITY AND LIABILITIES		
Liabilities		
Non-current liabilities		
a) Financial liabilities		
Borrowings	113.66	197.22
Other financial liabilities	640.50	606.56
b) Provisions	160.39	156.87
c) Deferred tax liabilities (Net)	-	-
d) Other non-current liabilities	9.81	11.32
Total non-current liabilities	**924.36**	**971.97**
Current liabilities		
a) Financial liabilities		
i) Trade payables	17,704.35	16,530.39
ii) Other financial liabilities	1,891.34	1,272.11
b) Other current liabilities	8,479.13	6,614.23
c) Provisions	75.22	71.01
d) Income-tax liabilities (Net)	65.70	92.24
Total current liabilities	**28,215.74**	**24,579.98**
Total equity and liabilities (B)	**29,140.10**	**25,551.95**
Total net identifiable assets acquired C = (A-B)	**13,164.32**	**10,957.27**
Recognition of goodwill (D)	**16,522.26**	**16,522.26**
Cost of investment in the Merged Undertaking (E)	**24,436.62**	**24,436.62**
Elimination of inter-company transactions (F)	**121.51**	**149.71**
Net impact transferred to other equity G= C+D-E-F	**5,128.45**	**2,893.20**
Balance in securities premium reserve		6,704.32
Net impact after considering balances in securities premium reserve		(3,811.12)
Total		**2,893.20**

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

iv) Other adjustments/matters arising out of merger

As per Appendix C of Ind AS 103 'Business Combination' for all the business combinations under common controls the financial information in the financial statements in respect of prior period should be restated as if the business combination had occurred from the beginning of Ihe preceding period in the financial statements, irrespective of acrual date of the combination. Hence financial statements of the Merged Undertaking are merged with effect from April 1, 2018. Accordingly figures for the year ended March 31, 2019 reinstated are after giving effect to the merger.

45 (b) : Merger of Zero Waste Agro Organics Limited with Rallis India Limited

i) During the previous year, pursuant to the scheme of Arrangement ('the Scheme') approved by the National Company Law Tribunal ('the NCLT'), Mumbai Bench vide its order dated February 22, 2020, Zero Waste Agro Organics Limited (the Merged Undertaking), wholly owned subsidiary of the Company, merged with the Company with effect from April 1, 2017 ('the appointed date'). As per Appendix C of Ind AS 103 - Business Combinations, the financial information in the standalone financial statements in respect of prior periods is restated as if the business combination had occured from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. Accordingly, business combination is accounted with effect from April 1, 2018.

ii) The Merged Undertaking is engaged in the business of agricultural operations focusing on soil nutrition & improved productivity and production, processing and manufacturing, marketing of soil nutrition. The acquisition is in-line with the Company's strategy to grow the business and saving in costs of operations.

iii) Accounting treatment of the arrangement

Business combination is accounted for using the 'pooling of interests' method as per Appendix C of Ind AS 103 - Business Combinations as notified under Section 230 to 232 of the Companies Act, 2013 which involves the following:

a) The financial information in the financial statements in respect of prior periods is restated as if the business combination had occured from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. Accordingly, business combinations is accounted with effect from April 1, 2018.

b) The Company has recorded the asset and liabilities of the Merged Undertaking vested in it pursuant to this Scheme at the respective book values appearing in the books of the Merged Undertaking.

c) The value of investment in the Merged Undertaking in the books of the Company shall be cancelled.

d) No adjustments are made to reflect fair values, or recognise any new assets or liabilities

e) As per clarification in Ind AS Transition Facilitation Group (ITFG) Clarification Bulletin 9, goodwill has been recognised in the books of the Company

f) The difference between the net assets of the Merged Undertaking transferred to Company, after making adjustment specified in (c) and (d) shall be adjusted in 'Other Equity' of the Company.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

Accordingly, the merger has resulted in transfer of assets and liabilities in accordance with the terms of the Scheme at the following summarised values:

Particulars	31-Mar-19	1-Apr-18	1-Apr-17
ASSETS			
Non-current assets			
a) Property, plant and equipment	10.79	20.91	65.08
b) Financial assets			
i) Loans	0.83	0.83	-
c) Deferred tax assets (Net)	30.00	84.73	145.70
d) Income-tax assets (Net)	63.28	45.28	11.90
e) Other non-current assets	20.01	22.72	18.62
Total non-current assets	**124.91**	**174.47**	**241.30**
Current assets			
a) Inventories	109.30	89.51	149.64
b) Financial assets			
i) Investments	1,521.67	1,166.26	1,094.90
ii) Trade receivables	160.57	256.73	51.92
iii) Cash and cash equivalents	21.11	39.14	18.49
c) Other current assets	31.74	32.07	14.95
Total current assets	**1,844.39**	**1,583.71**	**1,329.90**
Total assets (A)	**1,969.30**	**1,758.18**	**1,571.20**
EQUITY AND LIABILITIES			
Liabilities			
Current liabilities			
a) Financial liabilities			
i) Trade payables	181.86	133.43	140.84
ii) Other financial liabilities	-	2.00	2.00
b) Other current liabilities	1.80	3.13	2.85
Total current liabilities	**183.66**	**138.56**	**145.69**
Total equity and liabilities (B)	**183.66**	**138.56**	**145.69**
Total net identifiable assets acquired C = (A-B)	**1,785.64**	**1,619.62**	**1,425.51**
Recognition of goodwill (D)	**3,060.05**	**3,060.05**	**3,060.05**
Cost of investment in the Merged Undertaking (E)	**6,134.39**	**6,134.39**	**6,134.39**
Elimination of inter-company transactions (F)	**48.42**	**153.34**	**59.39**
Net impact transferred to other equity G= C+D-E-F	**(1,337.12)**	**(1,608.06)**	**(1,708.22)**
Balance in securities premium reserve		1,797.73	
Net impact after considering balances in securities premium reserve		(3,405.79)	
Total		**(1,608.06)**	

iv) Other adjustments/matters arising out of merger

As per Appendix C of Ind AS 103 'Business Combination' for all the business combinations under common controls the financial information in the financial statements in respect of prior period should be restated as if the business combination had occurred from the beginning of Ihe preceding period in the financial statements, irrespective of acrual date of the combination. Hence financial statements of the Merged Undertaking are merged with effect from April 1, 2018. Accordingly figures for the year ended March 31, 2019 reinstated are after giving effect to the merger.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

46: Trade payable includes amount payable to Micro, Small and Medium Enterprises as follows

Particulars	As at March 31, 2021	As at March 31, 2020
(i) Principal amount remaining unpaid to any supplier at the end of the accounting year*	1,734.61	369.13
(ii) Interest due thereon remaining unpaid to any supplier at the end of the accounting year		0.33
(iii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year		0.98
(iv) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2000	-	-
(v) the amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(vi) 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 Micro, Small and Medium Enterprises Development Act, 2006.	-	-

* out of above, amount overdue is ₹ Nil (March 31, 2020 ₹ Nil)

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

47: The gross amount required to be spent by the Company during the year towards Corporate Social Responsibility (CSR) as per the provision of section 135 of the Companies Act, 2013 amounts to ₹ 470.92 lakhs (March 31, 2019 ₹ 463.06 lakhs). Amount spent during the year on CSR activities (included in Note 30 and Note 33 of the Standalone Statement of Profit and Loss) as under

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Amount spent for the year		
Employee benefits expense	23.54	20.04
Expenses yet to be incurred		27.01
Other expenses (for healthcare, education, women empowerment, skill development , disaster relief , etc.)	459.72	417.41
	483.26	**464.46**
In cash	483.26	437.45
Yet to be paid in cash	-	-
	483.26	**437.45**

Notes to the Standalone Financial Statements for the year ended March 31, 2021

All amounts are in ₹ lakhs unless otherwise stated

48: During the previous year, The Ministry of Home Affairs vide order No.40-3/2020 dated 24 March, 2020 notified the first ever nationwide lockdown in India to contain the outbreak of COVID 19. The operations were disrupted at certain manufacturing facilities and depots of the Company, as a result of which goods worth ₹ 1,604.70 lakhs could not be dispatched to the domestic market. Further, international shipments were also disrupted due to absence of transportation facilities in the last week of March 2020 resulting in lower shipment of ₹ 5,318.66 lakhs.

49: Exceptional item comprises profit on sale of flats (net of costs) which was grouped under Assets held for sale.

50: Subsequent event

The Board of Directors at its meeting held on April 22, 2021 has recommended a dividend of ₹ 3 per equity share (March 31, 2020 ₹ 2.50 per equity share), subject to shareholders approval at annual general meeting.

51: The MCA wide notification dated October 11, 2018 has amended Schedule III to the Companies Act, 2013 in respect of certain disclosures. The Company has incorporated appropriate changes in the above results.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Tarun Kinger
Partner
Membership No. 105003

Mumbai, April 22, 2021

For and on behalf of the Board of Directors of Rallis India Limited

Sanjiv Lal — *Managing Director & CEO*
(DIN: 08376952)

R. Mukundan — *Director*
(DIN: 00778253)

Ashish Mehta — *Chief Financial Officer*
(M. No. 53039)

Yashaswin Sheth — *Company Secretary*
(M. No. A15388)

Mumbai, April 22, 2021