SUMITOMO CHEMICAL INDIA LTD.

A YEAR OF RESILIENCE

ANNUAL REPORT 2023-24

ACROSS THE PAGES

Investor Information

Market Capitalisation as on 31 March 2024	₹ 1,73,403 Million
CIN	L24110MH2000PLC124224
BSE Code	542920
NSE Symbol	SUMICHEM
Bloomberg Code	SUMICHEM:IN
Final Dividend Declared	₹ 0.90 per equity share
AGM Date	Tuesday, 30 July 2024
AGM Venue	Video Conferencing (VC) and Other Audio-Visual Means (OAVM)

Or, Simply Scan below

An electronic version of this report is available online at:

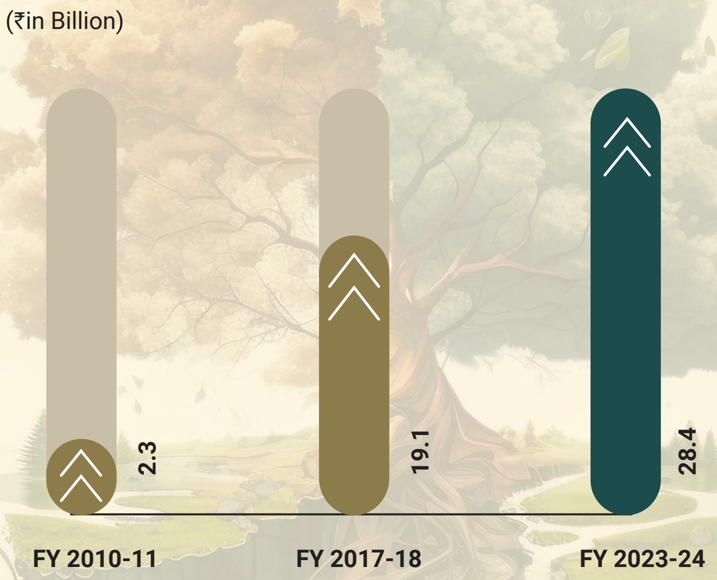
https://sumichem.co.in/investors-relations.php#Reports

ABOUT
COVER PAGE THEME

Our research driven innovative solutions and a resilient business model help create happy, smiling farmers, end users and global customers, paving the way for responsible and sustainable prosperity for all stakeholders. With a strong focus on our operations, lies our determination on evolving responsibly, providing holistic solutions that adapt to the ever-evolving demands of the industry. Guided by our ethos of compassion, we actively drive positive transformation by supporting local growers and advocating responsible practices.

We are evolving responsibly by creating a long-term value creation; prioritizing long-term value creation over short-term profits. Considering the impacts of business decisions on future generations and taking a sustainable approach to growth and development.

Our strategic investments for capacity building have reaped rewards and empowered us to resiliently march ahead in the path of prosperity.



Year 2023-24 witnessed one of the most challenging years of the agrochemical industry with challenges from multiple areas such as geo-political situation, erratic monsoons, lower demand, high cost inventory, and declining prices. In the face of such adversity, we have recorded a dip in sales from Rs. 35.1 Bn in 2022-23 to Rs. 28.4 Bn in FY 2023-24.

We invite you to become a part of our journey, as we reflect on our solid position as a reliable solution provider to the agrochemical industry.

SUMITOMO AT A GLANCE

Sumitomo Chemical India Limited (hereon referred to as 'SCIL' or 'Sumitomo' or 'The Company') is a listed (on NSE & BSE) subsidiary of one of the renowned global chemical companies, Sumitomo Chemical Company, Japan (SCC). SCIL is committed to enhancing India's food production, while improving livelihoods.

SCIL proudly serves as the flagship entity of the SCC group, representing its enduring legacy and embodying the innovation and excellence that SCC stands for. SCIL upholds the highest standards and values, taking the legacy of SCC group to greater heights. SCIL is a leading manufacturer and distributor of diverse Agro-Solutions, Environmental Health Division and Animal Nutrition products. The Company has achieved remarkable growth over the years through it's strategic and operational endeavours. Designed to meet the agricultural needs of farmers and communities worldwide, it's offerings span across crop protection, storage pest control, rodent control, bio pesticides, plant growth regulators and more. With state-of-the-art manufacturing facilities and robust R&D capabilities, SCIL is committed to producing high-quality agro-chemical and nutrition solutions. Its extensive product portfolio includes herbicides, insecticides, fungicides, fumigants, and plant growth regulators. With a focus on innovation and sustainability, SCIL stays strong to fulfil it's objective of being a highly respected and trusted industry player, contributing to the sustainable agriculture practices globally.

4.4 Million+
Field Connect

1,200+
Frontline Field Team

900+
SKUs

200+
Brands

~70,000+
Dealers

~600+
Sales Team

~50+
Countries Presence

55
Depots

Vision

01
To be a trusted market leader in Indian crop protection sector.

02
To develop a vibrant corporate culture.

03
Endeavour to achieve success and sustainability through innovation & excellence.

Core Values

- Excellence
- Innovation
- Integrity
- Respect & value all stakeholders
- Customer focus
- People focus
- Sustainability

Mission

Marketing and Sales:

- Further penetration into the Indian market & take leadership; expand exports
- Strengthen sales force, distribution, and product portfolio

Manufacturing:

- Supply the most competitive products with safe and stable operation and meet demand
- Strengthen procurement power
- Expand manufacturing functions

Management & Support:

- Establish the most efficient organisation to support business growth and alignment with SCC
- Develop administrative efficiency while ensuring internal controls
- Full & strict compliances
- Create value for all stakeholders

GROWING
GLOBAL FOOTPRINTS

5 Manufacturing Facilities

55 Depots Pan-India

23 India States Presence

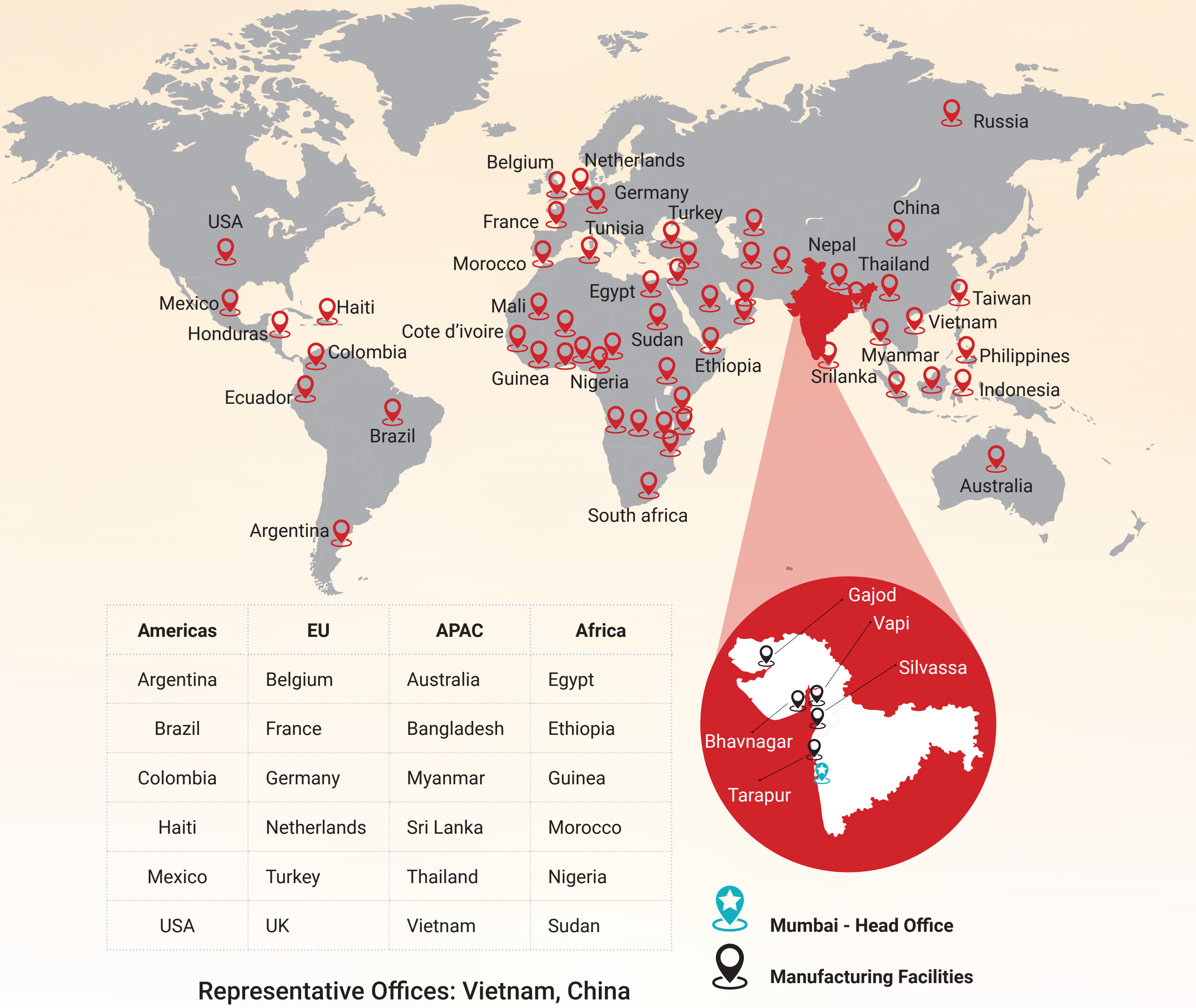
15,000+ Direct Distributors

1,600+ Employees

04 Branches

100+ International Customers

50 Countries Presence



Americas	EU	APAC	Africa
Argentina	Belgium	Australia	Egypt
Brazil	France	Bangladesh	Ethiopia
Colombia	Germany	Myanmar	Guinea
Haiti	Netherlands	Sri Lanka	Morocco
Mexico	Turkey	Thailand	Nigeria
USA	UK	Vietnam	Sudan

Representative Offices: Vietnam, China

Disclaimer : This map is a generalised illustration only for the ease of the reader to understand the locations, and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of it's directors, officers or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind in connection to it's accuracy or completeness.

EMBRACING
CHANGE WITH CORE STRENGTHS

SCIL solidifies its position in the industry with its exceptional crop protection solutions. The Company's efficient distribution, robust management, diverse and newly launched products, cutting-edge manufacturing, and strong farmer connect converge to fuel its remarkable success.

Strong Brand Value and Distribution Network

SCIL delivers timely solutions to remote areas, leveraging the powerful network of 15,000+ distributors, spanning 23 states. The Company's lasting relationships and market leadership in crop protection are further strengthened by 600+ sales officers and 1,200 field staff, tracking evolving customer needs.

Experienced Management Team and Board of Directors

SCIL thrives on the extensive experience and expertise of the SSC's prudent leadership and esteemed Board of Directors. With a focus on sales, marketing, manufacturing, R&D and Environmental Health and Safety, they provide invaluable guidance to the Company. This amalgamation of expertise drives growth and success of SCIL in the Indian agrochemical space.

Diversified & De-risked Portfolio

With a diversified product range across all its business verticals, The Company is looking forward to launch new products regularly to bring innovative technology to the farmer's doorstep. The company's market boasts of over 900 SKUs, offering agro-solutions and exporting to over 50 countries. This enables the Company to tap into multiple segments, ensuring a steady revenue stream, while building relationships with customers worldwide.

State-of-the-Art Manufacturing and R&D Facilities

SCIL boasts a host of robust manufacturing facilities and committed to enhancing operational efficiency, safety, and product quality in its manufacturing processes, ensuring sustainable operations.

Safety, Health and Environment (SHE)

SCIL prioritizes SHE and quality certifications for consistent product delivery and safe environment. It believes in innovation and optimizes its costs through efficient effluent management. The Company fulfils ~38% of its energy needs through renewable energy sources, thus conserving resources. Moreover, it undertakes safety audits and training to ensure operational excellence.

Farmer Connects

SCIL gains a significant competitive edge with its skilled field team and sales executives. By offering specialised education, targeted campaigns, and farmer-centric programmes, the Company builds strong bonds with the farmers, understands their needs, provides training, and effectively showcases the usage of its products.

PROGRESSING WITH SIGNIFICANT MILESTONES

2000-2009 (Began the exploration phase)

2000
Incorporated in India as EHD (HHI) distribution company

2001
Entered into manufacturing JV with New Chemi industries

2002
Started Agro-Solutions Division (ASD) Business

2003
Established EHD (Public Health) Business

2005
Acquired EHD (HHI) unit

2009
Initiated the animal nutrition segment

2010-2024 (Recorded aggressive growth phase)

2011
Acquired New Chemi and integrated it with SCIL. SCIL registered revenue of ₹ 2.3 Billion

2012-15
Set-up new organisation, control system, PCO function and innovative sales team and field promotion activities

2016-19
Acquired majority stake in Excel Crop Care (ECC) and integrated with ECC

2020
Commenced SCIL 2.0-First full year of integrated operations. Recorded revenue of ₹ 24.2 Billion

2023
Acquired majority stake in Barrix Agro Sciences Pvt Ltd, engaged in R&D, innovation, manufacturing and marketing pheromones and other IPM and IPNM products.

UNLOCKING OPPORTUNITIES WITH
UNIQUE PRODUCTS

Agro-Solutions Division (ASD)

Crop Protection

SCIL boasts a wide range of insecticides, fungicides, miticides, and herbicides that are highly effective against specific pests and crop diseases.

The products are powerful and safe, with sustainable crop protection technology. They enhance agricultural productivity through high efficacy, low toxicity and reduced environmental impact.

Biologicals

SCIL leverages its R&D expertise to create effective alternatives to agrochemicals, utilising natural substances for environmentally friendly pest control, thus protecting crops, and preserving the ecosystem.

Plant Nutrition & Plant Growth Regulators

SCIL offers a range of plant growth regulators and nutrition products, which empowers farmers with effective solutions for improved crop yields and optimal outcomes.

Fumigants and Rodenticides

SCIL manufactures efficient fumigants and rodenticides which combat post-harvest losses, ensuring every grain is saved. They protect harvest and maximise yields with its effective solutions.

Environment Health Division (EHD)

Household Pesticides

Professional Pest Control

Being one of the pioneers in the Pest Control pesticides market with innovative products and modern age formulations, SCIL focuses on intensive research activities to find specific solutions for safe and effective control of Pest Control problems arising because of disease transmitting vectors and nuisance created by different pests.

The company is constantly looking for more suitable products to selectively control such problems in ways best suited to the public and the environment. We, in India, have an exclusive division dealing in Pest Control products for control of disease transmitting vectors and other nuisance pests. The products are effective against mosquitoes, flies, cockroaches, black flies, nuisance flies, and flying insects, among others. The products are registered with the Central Insecticide Board of the Government of India.

Custom Solutions

Sumitomo Chemical's Custom Solutions Division is a key player in the development and supply of active ingredients. Our dedication extends to ensuring product effectiveness, minimizing toxicity, and excelling in formulation technology. Our efforts collectively establish us as industry leaders, marked by our excellence in technology and technical services.

Animal Nutrition Division (AND)

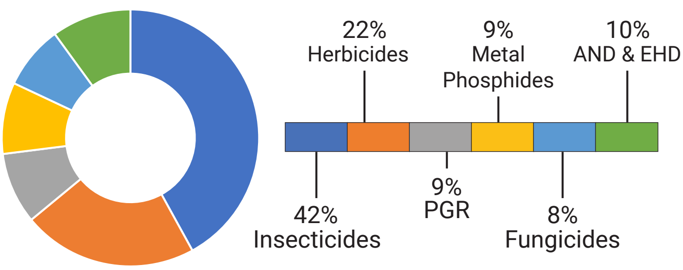
Animal Nutrition

SCIL distributes methionine based products that is used as feed additives.

International Business/Exports

SCIL supplies technical grade & formulation products to its distribution partners in different regions like Latin America, North America, Asia Pacific, Africa, Middle East & Europe spanning over more than 50 countries across the world. Synergies with Sumitomo Chemicals Latin America (SCLA) unlock new possibilities in this direction. SCC's proprietary molecules manufactured in India fuel its International Business. It offers different technicals and formulations leveraging synergies within SCC. Thus, SCIL has been able to cultivate trust to bolster international success and seamless global partnerships to propel the business forward.

Diversified Portfolio across Segments



For more information on SCIL's products, please scan the QR code

CREATING VALUE WITH
RESPONSIBLE INNOVATION

Introduced *Nine* Products in last 18 months

SCIL stands for responsible innovation and effective solutions. The Company's in-depth market understanding and research is evident in the successful launch of nine new products in the last 18 months. These new offerings demonstrate the Company's ability to bring new technologies to the grower to enhance his efforts towards a sustainable and secure future. SCIL takes pride in its agile and responsive approach to meet the ever-evolving needs of its customers. With a focus on creating value for all stakeholders, SCIL is determined to build upon its success and drive continued growth. The company has launched 3 fungicides, 4 insecticides, and 2 plant growth regulators.

PYCLOME®
Insecticide

CUFLOW™
Fungicide

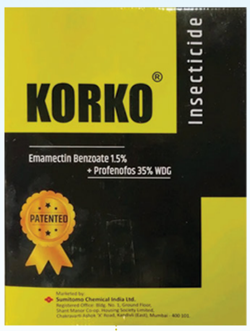
SANTANA®
Insecticide

DANITOL® NXT
Insecticide

RUMPUS®
Fungicide

SUMI BLUE DIAMOND™
Plant Growth Regulator

PROMALIN®
Plant Growth Regulator



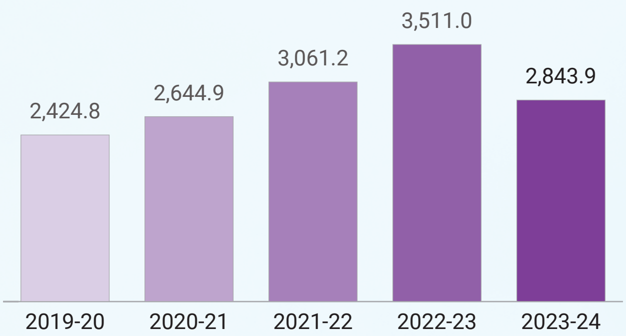
KORKO®
Insecticide

DERECHO®
Fungicide

EMPOWERING SUCCESS WITH STRONG FINANCIALS

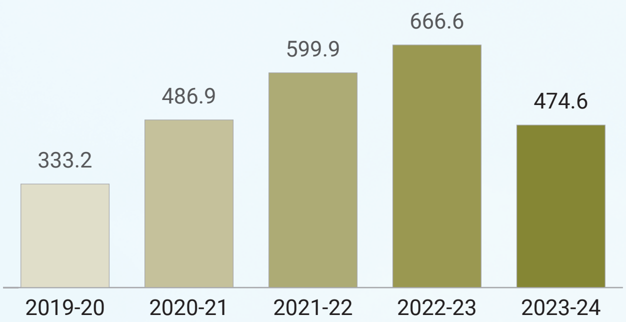
Revenue from Operations

(in Crores)



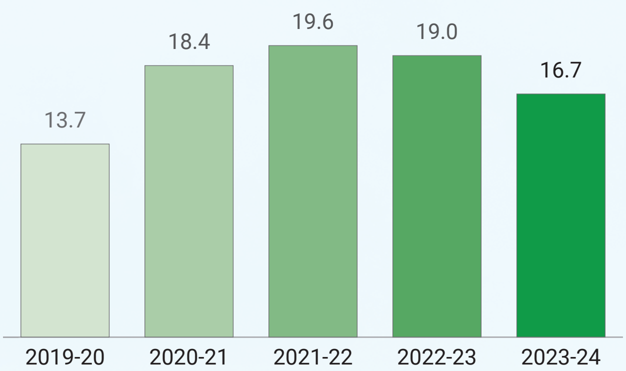
EBITDA

(in Lacs)



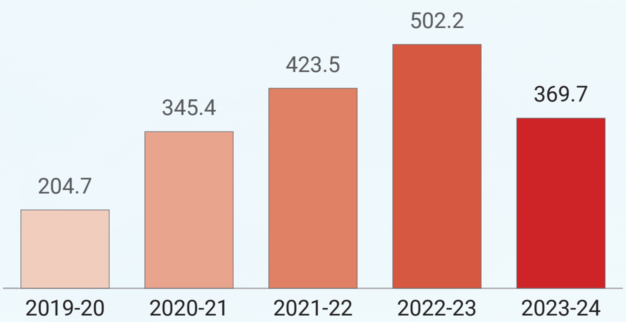
EBITDA Margins

(%)



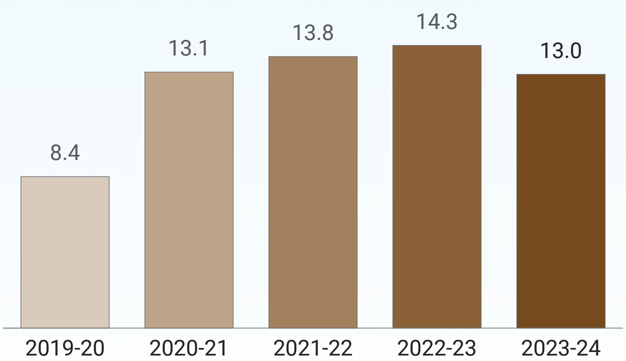
PAT

(in Crores)



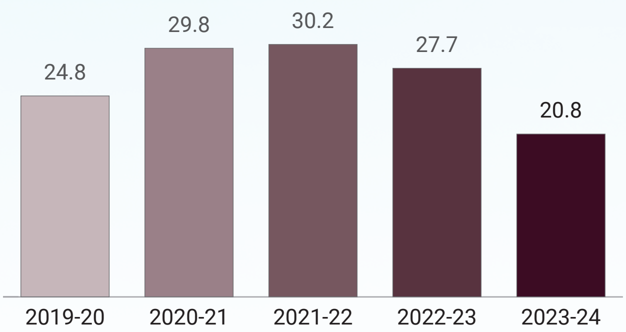
PAT Margins

(%)



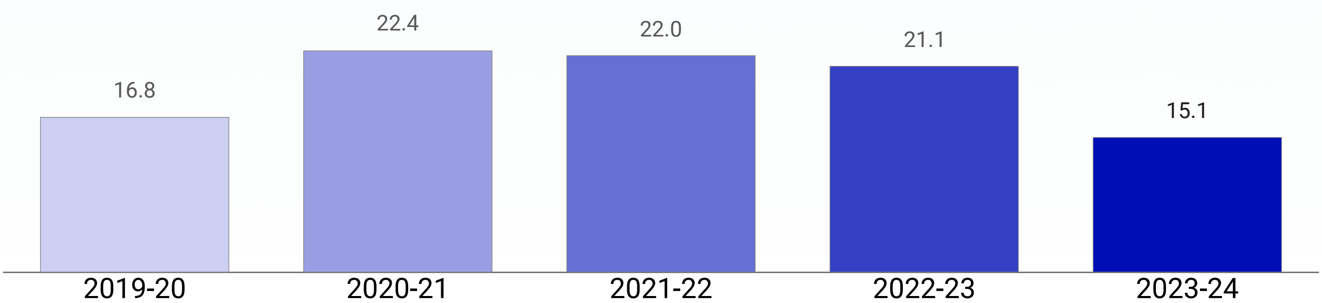
ROCE

(%)



Return on Equity

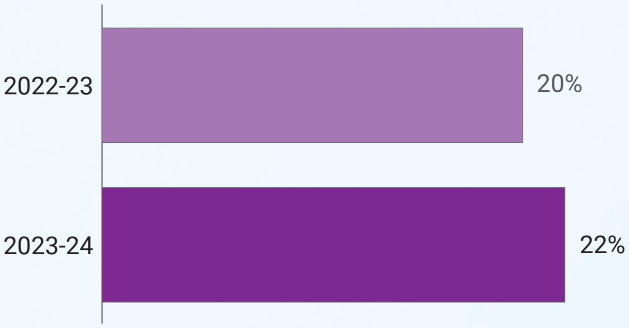
(%)



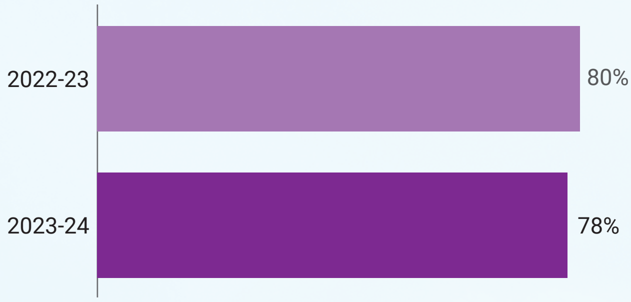
Revenue Breakup

Bulk & Branded Revenue

Domestic (Bulk)



Domestic (Branded)



Export (Bulk)

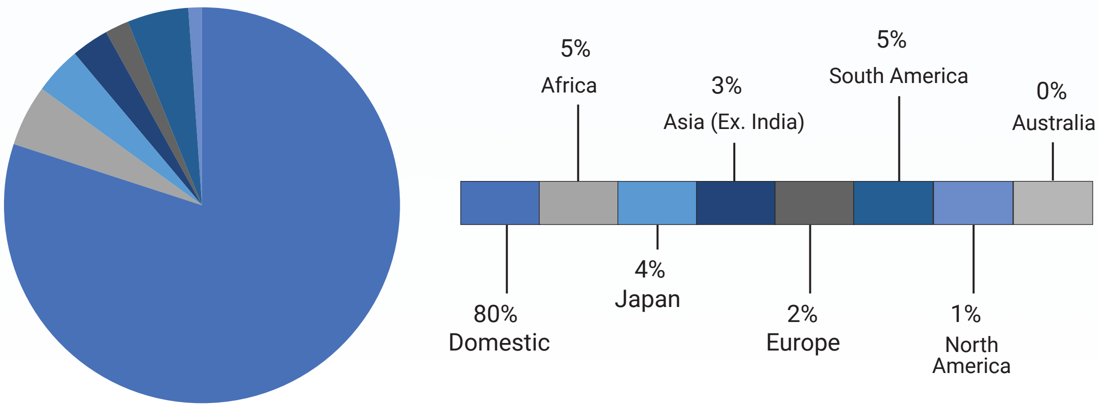
Export (Branded)

Segment Revenue

Generic

Speciality

Geographic Revenue



CHAIRMAN'S COMMUNIQUE

Dear Stakeholders

I thank you all for your persistent faith in Sumitomo Chemicals India Limited (SCIL) over the last many years. As an integral part of the Sumitomo Chemical Company (SCC) group, SCIL upholds Sumitomo's legacy of excellence. We endeavour to achieve success and sustainability through innovation and outcome-orientation.

I am pleased to share that our vision aligns well with our operations which is crucial for driving meaningful change and achieving long-term success. By integrating sustainability, innovation, and customer-centricity into our operations, SCIL is not just delivering value to its stakeholders but also contributes positively to the global community.

FY 2023-24 was the year of surprises and challenges. The business environment has been challenging on several fronts and navigating the geopolitical, economic, and strategic landscape has become increasingly complex for both India, as a nation, and for companies like ours, who are present in both domestic and international markets. Increasing costs, regulatory uncertainty, and volatile international trade environment contributed to this complexity.

As a company, we aim to be in conformity with our nation's international and domestic goals, and accordingly effectively navigate the complexities of the global market. This approach involves aligning business strategies considering government regulations, trade policies, and economic and fiscal incentives that can impact our operations. Understanding diplomatic relations, trade agreements, financial and capital markets, and geopolitical dynamics is crucial for mitigating risks and capitalizing on global business opportunities.

We are making focused efforts to utilize the following three areas for generating accelerated growth:

- **Global Markets -** Innovative and dynamic well-diversified policies enabling your company to generate higher value-addition from the global markets.
- **Research and Innovation -** Poised to play a big role accelerating future growth by maintaining balance between proprietary and generic products and between organic –inorganic growth.
- **Digital Economy -** Your company is creating capabilities to leverage disruptive technologies such as Artificial Intelligence for technology-enabled growth.

As we stay focussed and committed, we do anticipate harnessing relevant technology and innovations to expand our product range; and sustain our position as among the leading companies in the agrochemical space. With our robust R&D capabilities, we will be introducing new products with novel formulations. *For more information please refer to page 8 of this document.*

Our commitment to creating a better future is signified by embedding sustainability into every aspect of our operations. By judicious balancing of environmental, social, and economic considerations, we ensure that the outcomes contribute positively to the well-being of current and future generations. Listening to stakeholders, especially farmers, and incorporating their expectations into decision-making processes underscores our customer-centric approach and commitment to meeting their needs. By embracing innovation and responsible practices, we not only stay competitive but also generate positive societal impact.

We remain grateful for the immense trust and support from all our stakeholders as we continue to work towards a brighter, more sustainable future for our company and our country.

Regards,

Dr Mukul Govindji Asher

Chairman

FROM THE
MANAGING DIRECTOR'S DESK

Dear Stakeholders

It gives me great pleasure to share that our Company entered its twenty-fifth year of incorporation on February 15, 2024. To commemorate the occasion of the Company entering its silver jubilee year in February, 2024, the Board declared an Interim Dividend in the form of one-time Special Dividend of ₹250 crores. SCIL is proud to be one of the most diversified leaders in the Indian agrochemical space for Crop Protection, Grain Fumigation, Rodent Control, Bio Pesticides, Environmental Health, Professional Pest control and Feed Additives for use in India and globally. Our evolution has always kept pace with the fast changing world.

Year 2023-24 witnessed one of the most challenging years of the agrochemical industry with challenges from multiple areas such as geo-political situation, erratic monsoon, lower demand, high cost inventory, and declining prices. Even in the face of such adversity, our team has shown remarkable strength, adaptability, and perseverance. This gives me immense motivation and confidence that we are set to scale newer heights. I am continually humbled by the resilience displayed by each member of SCIL family.

A special mention goes out to our exceptional Sales & Marketing teams, who have faced these challenges for both Kharif and Rabi seasons, head-on with creativity, and an unwavering commitment to our vision. Their ability to adapt strategies, liquidate high cost inventory, forge new partnerships, and maintain customer relationships in the face of adversity has been truly remarkable.

Despite these hurdles, our focus remains unwaveringly forward-looking. As we turn our gaze to the future, our emphasis lies in meticulous planning for the upcoming year. We're preparing ourselves with the best options, leveraging the lessons learnt from the past year's challenges to implement our strategies and decisions.

The Indian government's support and policy reforms play a crucial role in shaping the India agrochemical market outlook. Initiatives like the Make in India Mission and Atmanirbhar Abhiyan aim to boost domestic manufacturing, reduce import dependency, and promote self-sufficiency in agrochemical production.

In addition to traditional applications, the farming community are actively adopting alternative pest control methods, including biological solutions. In our continued quest to serve the farming community holistically, including with better eco-friendly solutions, we are delighted to share that SCIL acquired majority stake in Barrix Agro Sciences Pvt Ltd, a Bengaluru based company engaged in R&D, innovation, manufacturing and marketing pheromones and other IPM (Integrated Pest management) and IPNM (Integrated Plant Nutrition Management) products with dispersion technologies that are used to monitor and trap agricultural pests.

We remain committed to the Green Transformation (GX) through renewable energy and sustainable practices. We have robust plans to invest in GX initiatives to pump our infrastructure for SCIL to harnesses wind and solar power such that in near future, most of our energy consumption is met by renewable energy sources, significantly reducing carbon footprint and environmental impact. This clearly demonstrates SCIL's commitment to environmental sustainability, positioning it as an industry leader in adopting clean energy solutions.

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As you are aware, we have completed a capex cycle by setting-up 2 new plants for global requirements and initiated commercial sales of products produced at these newly built plants. Our immediate focus would be to ramp up volumes from these newly built plants. In parallel, we are working on medium to long term expansion of our manufacturing capabilities. We have acquired a 50 acre freehold land parcel at Dahej and already applied for environmental clearance for the upcoming Dahej site with comprehensive long term view-point.

Technology plays a crucial role in modern agriculture, transforming traditional farming practices and enabling more efficient, sustainable, and productive food production. For instance, precision farming involves the use of technology to optimize field-level management with regard to crop farming. This includes the use of GPS, sensors, drones, and satellite imagery to collect data on soil conditions, moisture levels, temperature, and crop health. Farmers can then use this data to tailor their farming practices, such as adjusting irrigation rates, planting and harvesting at optimal times, and minimizing waste.

Our exploration of Digital Transformation (DX) optimises operational processes, integrating SAP, ERP, and training portals, thus driving efficiency in many of our departments and functions to stay ahead of the curve. Through digital and marketing campaigns, we've reached approximately 22 million farmers in India, witnessing effective lead conversions. The digital campaigns are meticulously targeted towards specific rural demographics within delineated geographical regions, with conversions meticulously monitored through advanced analytics tools. Our innovative Phygital format for New Product Launches and Field Days is highly interactive, ensuring substantial consumer engagement.

As we conduct business, we always value trust and integrity and closely watch the changing of the times, carefully weigh opportunities and risks, and seek long-term sustainable growth rather than chasing short-term gains. At Sumitomo Chemical India Limited, we adhere to the principle that our business must not only benefit our own interests but also society at large.

We remain steadfast in our commitment to deliver value to each one of our stakeholders, whether it is a farmer, distributor, supplier, investor, or member of our community. Looking ahead, our vision is clear - to attain market leadership in the agro-solution sector in India. This goal is not merely aspirational but a testament to our unwavering dedication and determination. We are fully committed to achieving this objective by staying focussed even in times of resilience with our strategic priorities.

In closing, I want to express my heartfelt appreciation for your continued support and trust. Thank you for being an integral part of our journey.

Regards,

Chetan Shah

Managing Director

DRIVING SUCCESS THROUGH UNMATCHED CAPABILITIES

SCIL operates state-of-the-art manufacturing facilities in Gujarat and Maharashtra, accompanied by three DSIR-approved R&D labs situated in Mumbai, Bhavnagar, and Gajod. The Company leverages its robust R&D capabilities to drive innovation in developing new products, processes, and technologies. This equips the Company with a competitive edge, while ensuring responsible evolution. By consistently enhancing its R&D capabilities, SCIL is committed to addressing the ever-evolving market needs effectively.

Plant Location	Land Areas (acres)	Segment Served
Bhavnagar	~58	Manufacturing of technical grade pesticides and formulations
Gajod	~120	Manufacturing of metal phosphide and formulation
Tarapur	~5	Manufacturing of technical grade pesticides
Vapi	~6	Formulation & packaging
Silvassa	~3	Formulation & packaging

Prompt Response

SCIL believes that constant innovation is key to business sustenance. Hence, the Company's R&D team is focussed on producing off-patent products for domestic use and global export. It also keeps up with the constantly changing regulations, industry standards and requirements in different countries. SCIL recognises that constant innovation is essential to stay ahead of the competition and maintain a strong position in the market. To achieve this, the Company has capex plans to support the R&D team in their efforts to produce high-quality products that meet the needs of it's customers in various regions around the world.

200+ Registrations

05 Manufacturing Facilities

05 Applications Filed

25+ Patents Granted across Various Geographies

~190 Acres of Land, Dedicated to Manufacturing

75+ Qualified & Dedicated Engineers & Scientists

30+ PhDs

03 Fully Equipped, DSIR Approved R&D Labs

Investment and Future Expansion Plans

SCIL is resolute in its determination to foster growth and deliver exceptional value to its stakeholders. A tangible demonstration of this dedication is reflected in the Company's significant capital expenditure plans. SCIL has completed a capex cycle by setting-up 2 new plants for global requirements and initiated commercial sales of products produced at these newly built plants. The Company is actively developing new products, improving its infrastructure, and promoting sustainability through various environmental and renewable energy projects.

Our immediate focus would be to ramp up volumes from these newly built plants. In parallel, we are working on medium to long term expansion of our manufacturing capabilities for example we have acquired a 50 acre freehold land parcel at Dahej and already applied for environmental clearance for upcoming Dahej site with comprehensive long term view-point.

SCIL has plans to strategically invest in augmenting its R&D facilities, with a key focus on leveraging SCC Japan's cutting-edge chemistries to create novel processes and combinations. This is set to enable the Company expand its capabilities and explore innovative solutions, thus significantly improving production efficiency.

TAKING RESPONSIBLE STEPS
TOWARDS SUSTAINABILITY

SCIL recognizes its responsibility in promoting sustainable development and places a strong emphasis on minimizing its environmental impact. Embracing a resilient sustainability model, the Company diminishes greenhouse gas emissions by focusing on renewable energy generation, use of bio mass energy, and waste recycle. Thereby, paving the way towards a more environmentally conscious and sustainable future. This steadfast dedication to environmental stewardship not only aligns with SCIL's core values but also underscores its long-term vision of fostering a harmonious coexistence between industrial growth and ecological preservation.

Green Transformation (GX)

Renewable Energy

SCIL harnesses wind and solar power with a combined capacity of 6.1 MW and 2.5 MW respectively. Renewable power constitutes around 38% of SCIL's energy consumption, significantly reducing its carbon footprint and environmental impact. This tangible progress demonstrates SCIL's commitment to environmental sustainability, positioning it as an industry leader in adopting clean energy solutions.

Fuel Revolution

SCIL has reduced CO_2 emissions by a remarkable 4,250 MT in 2023-24, by replacing fossil fuels with biofuels. This significant achievement was realized through a proactive step towards embracing cleaner and more sustainable energy source.

Plastic Waste Solution

During the year, Company continued with the sustainable approach through plastic waste management and recycled 2823 MT plastic waste, affirming dedication to sustainability.

Water Innovation

SCIL's commitment of waste water processing and recycling resulted in meeting ~50 to 55 % of industrial water requirement and thereby contributing to conservation of natural water resources.

People First, Culture Always: Crafting the Perfect Work Story

People hold a major significance at SCIL.

- **Robust HR system:** Fosters high-performing, inclusive culture
- **Employee-friendly policies:** Enhances transparency, teamwork, and trust
- **Equal opportunities:** Promotes recruitment, and development, regardless of background
- **Skills development:** Strengthens human capital for shared objectives
- **Diversity and inclusion:** Encourage varied expertise, grooming women leaders
- **Open communication:** Supports active dialogue, collective bargaining for peace
- **Employee strength:** 1649 permanent employees as of 31 March 2024

FOSTERING WELL-BEING THROUGH MINDFUL ACTION

SCIL acknowledges its role as a responsible corporate citizen, understanding the importance of sustainable business practices and their impact on society. The Company is committed to 'Making a Positive Impact' on the society with a focus on conserving natural resources, promoting rural development, fostering community education, and enhancing healthcare initiatives.

₹ 11.6 Crores
Spent on CSR

₹ 1.10 Lakh+
Community Members Benefitted

Empowering Education: Transforming Lives & Learning

SCIL's comprehensive initiatives in Bhavnagar, Gajod, Palghar, Vapi, Valsad, and Boiser ensure access to quality education through innovative programmes, teacher training, and infrastructure support. Classrooms are equipped with smart technology, computers, TVs, and essential resources. They promote enhanced educational standards and child-friendly environments through the 'Building as Learning Aid' concept, nurturing a brighter future for students.

38,000+
Students Benefitted

Promoting Health & Well-being: Empowering Communities

SCIL's unwavering commitment to healthcare is shown through innovative programmes, health camps, and financial aid for surgeries, animal health support, diagnostic centres, kidney disease treatment, paediatric heart surgeries, and autism care. The Company is involved in fostering healthier communities in Mumbai, Bhavnagar, Gajod, Bhuj, and beyond.

47,000+
Health Care Beneficiaries (Community and Animals)

Enhancing Rural Development

SCIL prioritises sustainable infrastructure and economic growth in Bhavnagar, Gajod, Tarapur, Vapi, and Palghar. Initiatives included water purification, community centres, micro-irrigation, public garden maintenance, and e-libraries. In Kambhare Village, SCIL supported integrated development with solar-powered drinking water systems, school infrastructure, and women empowerment programmes. Widows affected by Covid-19 also received support.

4,000+
Villagers Benefitted

Preserving Earth's Natural Resources

SCIL supports environment conservation efforts in Bhavnagar, Gajod, and Tarapur through a host of initiatives. These include improving drinking water, green belt development, tree planting, garden development, rainwater harvesting, and renewable energy use.

11,000+
Villagers Benefitted

Women Empowerment & Gender Equality

SCIL is committed to promote gender equality and empowering women through projects at Bhavnagar, Gajod and Tarapur. These programs include various vocational training programs, income generation skill development programs, supporting the widow pension scheme. These initiatives impart economic independence and create an inclusive environment for women to improve their quality of life. The company also supported old age homes & hostels for women.

500+
Women Benefitted

SCIL 2.0: HARNESSING PHYGITAL TRANSFORMATION

Adopting a decentralized strategy, every department executed digital initiatives within the DX (Digital Transformation) framework, fostering collaboration and achievement. Internally, the company incorporated SAP solutions, QR codes, and compliance portals, among other tools.

Leveraging digital marketing to engage rural audiences in India presents a significant opportunity for businesses and organizations. With internet penetration at 442 million and smartphone usage at 425 million in rural areas, platforms like social media, search engines, and mobile apps offer cost-effective ways to connect. At SCIL, we effectively utilize digital marketing by crafting tailored content in local languages and culturally resonant messaging. Our partnerships with local influencers and community leaders enhance credibility and outreach. We've developed 546 landing pages in multiple languages, optimized for voice search, to ensure accessibility for rural users.

Through digital campaigns, we have reached approximately 22 million farmers in India, witnessing effective lead conversions. The digital campaigns are meticulously targeted towards specific rural demographics within delineated geographical regions, with conversions meticulously monitored through advanced analytics tools.

SCIL's innovative Phygital format for New Product Launches and Field Days is highly interactive, ensuring substantial consumer engagement.

Our Sumitomo Connect app revolutionizes field activity tracking, with plans for further empowering our teams with real-time information on local market information. Embracing the concept of "***Phygital***", our inclusive digital strategy is embraced by stakeholders. Moving forward, we remain committed to exploring digital marketing for enhanced outreach and conversion.

20+
Million Consumers Engaged

500+
Landing Pages

10
Websites

09
Languages

Corporate INFORMATION

Board of Directors

Dr Mukul G Asher
Chairman

Mr Chetan Shah
Managing Director

Mr Sushil Marfatia
Executive Director

Dr Suresh Ramachandran
Whole-time Director & Chief Commercial Officer

Mr B V Bhargava
Independent Director

Mr Ninad D Gupte
Non-Independent, Non-Executive Director

Mr Tadashi Katayama
Non-Independent, Non-Executive Director

Mrs Preeti Mehta
Independent Director

Mr Masanori Uzawa
Non-Independent, Non-Executive Director

Company Secretary & Compliance Officer

Ms Deepika Trivedi

Chief Financial Officer

Mr Anil Nawal

Statutory Auditors

S R B C & CO LLP
Chartered Accountants

Bankers

Citibank N.A.
HDFC Bank Ltd
Sumitomo Mitsui Banking Corporation
Kotak Mahindra Bank Ltd
Mizuho Bank, Ltd
MUFG, Mumbai Branch
Axis Bank Ltd

Corporate Identity Number

L24110MH2000PLC124224

Registered Office

Building No. 1, Ground Floor,
Shant Manor Co-op. Housing Society Ltd.,
Chakravarti Ashok 'X' Road, Kandivli (East)
Mumbai - 400 101

Corporate Office

13 & 14, Aradhana Industrial Development Corporation,
Near Virwani Industrial Estate, Goregaon (East)
Mumbai - 400 063
Tel.: +91 22 4252 2200

Registrars and Transfer Agents

M/s. Link Intime India Pvt. Ltd.
Unit: Sumitomo Chemical India Ltd.
C-101, Embassy 247, L B S Marg,
Vikhroli (West), Mumbai – 400 083
Tel: +91 22 4918 6000
Email id: rnt.helpdesk@linkintime.co.in

MANAGEMENT DISCUSSION AND ANALYSIS

1. ECONOMY AND CROP PROTECTION INDUSTRY STRUCTURE & DEVELOPMENTS:

Global economy is struggling with inflationary pressure. US Federal Reserve's policy of heightened interest rate for curbing inflation – emulated by central banks of almost all other countries – has led to slowdown of global economic growth. Indian economy has shown remarkable resilience in the face of global economic slowdown and has emerged as the fastest-growing major economy in the world.

Agriculture is of immense importance for India and is a major pillar of its economy. This sector provides employment to about 50% of its workforce and accounts for about 15% of the GDP. Food security adds to importance of the sector for the country with the largest and still growing population. Fortunes of agrochemical industry, including the crop protection industry, are closely knit and interwoven with the agriculture sector.

The Indian crop protection industry (hereinafter referred to as "**the agrochemical industry / industry**") is highly diverse. It has players who are small and medium in size dealing in generic off-patent molecules. It has players who are large multinationals with high-priced new generation and patented molecules. The industry has players who manufacture only technical grade pesticides. A large number of small players is pure formulator. The industry also has some players who produce both – technical grade pesticides and formulations. There is an ancillary segment which manufactures intermediates for technical grade pesticides.

India is the fourth largest producer of agrochemicals in the world -after USA, Japan and China. The Indian agrochemicals industry was valued at around USD 5.72 billion in the financial year 2020-21, almost equally accounted for by domestic consumption (approximately USD 2.72 billion) and exports (approximately USD 3.00 billion). It is expected to grow at a CAGR of 8–10% till 2025. The Indian industry has two major advantages - relatively low manufacturing costs and the ability and expertise in efficient handling of hazardous products and processes. India has emerged as a large exporter of crop protection products. Availability of technically trained manpower, seasonal domestic demand and production capacities for generics built to cater to overseas markets are the other reasons for strong exports. India has been attracting multinationals due to good domestic growth opportunities. Domestic segment has been witnessing a steady increase in acceptance of new generation molecules.

The Indian agrochemicals market is driven by the country's rising population. The demand for food is increasing whereas the landmass available for farming is gradually decreasing due to increasing urbanization. This provides impetus for the farmers to use efficient and safe agrochemicals to increase crop productivity and to protect soil health. Increasing demand for more nutritious food and for fruits and vegetables is giving rise to demand of better and different crop protection solutions.

As per a Government of India publication, the total area under cultivation in India in 2020-21 was 188.595 million hectares out of which 147.349 million hectares was covered by chemical and bio-pesticides. However, a large part of the cultivated land area is un-irrigated and entirely monsoon dependent. Additionally, small land holdings and continued fragmentation of land holdings affect economies of scale and come in the way of adoption of farm mechanization and advanced cultivation techniques.

R&D for developing new molecules requires high investments in terms of capital, efforts and time. Active ingredients, that are scheduled to lose global patent protection in the near future, offer good growth and expansion opportunity for the domestic industry.

New product launches, mergers and acquisitions, partnerships and collaborations and manufacturing expansion are the major strategies adopted by the leading industry players. They also focus on investment in innovations to increase market share. With new product launches, the industry's growth is expected to continue in the coming years. Of late, there has been focus on 'Natural Farming' with a view to minimize the use of synthetic chemicals in farming. This, however, is unlikely to have significant impact on the agrochemicals industry in the near future.

Government has been taking several initiatives for boosting farm sector growth. Some of the ambitious steps taken by the Indian Government to revive the role of agriculture in the growth of the Indian economy, including increasing minimum support price ("**MSP**"), launch of eNAM portal and direct benefit transfer via PM Kisan Samman Nidhi, have created a robust foundation to enhance farmers' income and encourage wider adoption of high quality agri-inputs. The government has also taken steps in the areas of soil health and crop insurance. In the recent budgets, large fund-allocation has been made for this sector. Decent MSPs for major agriculture produces also aims at improving farmers' economic conditions. All these auger well for farming sector and all agri-input businesses.

Food security concern, public policy for maintaining buffer food-grain stock to alleviate food shortage and food inflation situations also give boost to agriculture. Supply of free ration to a large section of population, which began during Covid pandemic period, has since been further extended, also calls for maintaining and increasing food-grain production.

Lately, the industry is moving towards safe and environment-friendly products promoting sustainable agricultural practices.

The Company is one of the leading players which has a balanced portfolio of technical as well as formulation products along with backward integration for some molecules. The Company has strong portfolio of generics as well as specialty products and a strong marketing network and counts as a leading Indian crop protection company. The Company is one of the few entities who have both chemical and biological products in its portfolio. The Company also has plant and crop growth regulators and nutrients in its product basket.

The Company has presence in all the product segments - insecticides, weedicides, fungicides, fumigants and rodenticides, plant growth nutrition products, bio-rationals and plant growth regulators.

The Company is engaged in domestic marketing of proprietary products of its Japanese parent – Sumitomo Chemical Company, Limited - in agrochemicals, animal nutrition and environment health business segments. The Company also distributes products manufactured by Valent Bio-Sciences, an USA based affiliate, in the domestic market.

The Company continues to identify and introduce environment- friendly products which support farm eco-systems, enhance yield and improve quality of farm produce and at the same time maintain soil fertility in a sustainable manner. The Company undertakes extensive work at the grassroots level to showcase long term benefits of these products and sustainable cultivation practices in order to encourage the farmers to adopt new concepts.

The Company is also into public health and animal nutrition businesses – currently these are comparatively small businesses. The Company's business engaged in catering to household insecticides players in the country is expected to grow at over 10% in the coming years. The growth of household insecticides market is driven by increasing awareness about health and hygiene, growing incidences of insect-borne diseases like malaria and dengue, growing demand for professional pest control and 'Swatch Bharat' initiative of the Government of India. The animal nutrition business, which caters to the country's animal feed market, also has good growth potential.

2. RISKS, THREATS AND CONCERNS:

With increasing fragmentation of farmland holdings, there is a need to improve productivity of small and marginal farmers through education, training, skill development and technology. There is need to focus on crop diversification - the existing cropping pattern is skewed towards cultivation of sugarcane, paddy and wheat, which has led to depletion of fresh groundwater resources at an alarming rate in many parts of the country. Crop diversification will promote sustainable agriculture and higher income for the farmers. Cultivation of oilseeds, pulses and horticulture needs to be given priority by addressing the core issues of irrigation, investment, credit and markets. MSP for crops like wheat, rice, soybean and cotton distort cropping pattern. Farmers tend to play safe by cultivating these products and completely ignoring market demand for other produces including vegetables and pulses. While the Central Government and few state governments are systematically encouraging crop diversification, there is also a need for coordinated simultaneous action from the state governments to facilitate the shift to high value and low water-consuming crops, especially fruits and vegetables, which are gaining market share. This will go a long way in realising the objective of doubling farmers' income in a sustainable manner.

Increasing cost of agri-inputs and farm labour and low awareness and adoption of technology pose crucial challenges to the Indian farmers, apart from inevitable seasonal threats like pest attack and uncertain monsoon and unstable climatic conditions.

Inadequate irrigation facilities, slow technology adoption, complexity of agri-produce marketing and low spending power are the key challenges. Farmer continues to bear the entire risk in the marketing cycle of farm produce. High volatility in produce price, rising costs of production and resource crunch affect his income. This also impacts his ability and willingness to adopt better agri-inputs, practices and technologies creating a ripple effect on the industry as a whole. The risks and the problems faced by the farming community rub on the agrochemicals industry as well.

While the union and state governments have launched several initiatives aimed at improving farmers' well-being, it will take time for the benefits to become visible at the ground level. Till then, the inherent problems of Indian farming –

seasonal production glut, non-remunerative produce prices, slow adoption of advanced technology and practices and skewed benefits of policy framework will continue to adversely affect the industry's growth.

Global warming and climate change is leading to erratic rain patterns and extreme weather conditions like abrupt escalation of temperatures, unseasonal rains and weather instability. These impact yields and quality of crops in a big way and have ripple effect on the industry.

China, a major supplier of raw materials and intermediates to the industry, is also the largest producer of technical grade and formulated pesticides. It continues to pose potential threat to the industry with its opaque policies on production, pricing, exports, legislative and environmental policies and forex moves. Indian industry's dependence on China for sourcing critical raw materials and intermediates is an area of concern. The 'Make in India' and 'Vocal for Local' initiatives of the Government of India are prompting and helping indigenous manufactures to come forward and increase domestic production as also initiate process for setting up facilities for producing these raw materials and intermediates in India. The Agrochemicals industry is considered as a champion sector under 'Make in India'. However, the Government is yet to extend 'Production Linked Incentive (PLI) Scheme' to the pesticides industry though there is strong case for the same.

Counterfeit, spurious, fake and illegally imported pesticides sold cheap in domestic market pose a threat for the industry. They account for a significant market value and harm not only the domestic industry but also cause immense crop losses to farmers. Recently mandated requirement for printing 'QR Codes' on pesticides packages can be expected to mitigate this threat to a significant extent over a period of time.

Continued emphasis on organic / natural farming in Government policies and by a section of policy influencers is a cause of concern. Organically-produced food and crops do have a niche market. It can, however, not cater to the demand of the masses that need reasonably-priced food in larger quantities. India used to produce about 51 million tons of food in 1950 on about 131 million hectare land – largely through organic farming. Presently it produces over six times as much using more or less same landmass – thanks to seed technology, improved irrigation, chemical fertilisers, pesticides and progressive farm practices and technology. One cannot feed massively increased population through organic farming. Sri Lanka's recent experiment with chemical-free agriculture is a lesson for all.

Regulatory risk remains high for this industry. Product registration process is complex, expensive and time-consuming. This, however, also shields against potential competition and acts as entry-barrier for new players. Regulatory overenthusiasm, at times prompted by vested interests, is capable of destabilising the industry.

The Government move on Glyphosate use is a case in point. The Central Government's notification issued in 2022, mandating use of Glyphosate only through registered pest control operators, is a looming threat for the industry. Glyphosate, a broad spectrum weedicide, is being safely used by farmers for decades. The industry associations have filed petitions against this government move before the Hon'ble Delhi High Court and its implementation is kept in abeyance till the final disposal of the petitions.

Government move to phase out / restrict use of several old generic pesticides is likely to deprive marginal farmers of the cost-effective crop protection products. As per an industry source, these products also account for a large share in the country's pesticides export and this move will likely hit exports significantly. Fortunately, though the Company deals in these products, their value is insignificant.

Over the years, genetically modified (GM) crops have gained acceptance across the world. The Indian regulators have restricted these crops in India citing need for additional review and studies on the suitability of these varieties in the Indian context. However, on the whole, GM crops present challenge and threat to the industry in the long run.

The industry is working-capital intensive in nature. The Indian industry has large imports as well as exports. Drastic movement in foreign exchange market affects the business dynamics of the industry and need to be managed efficiently.

3. OPPORTUNITIES AND INDUSTRY OUTLOOK:

Agriculture and the allied sectors continue to remain central to Indian economy owing to its share in the country's GDP and more importantly, because it is a source of livelihood for almost 50% of the country's workforce. In the recent years, farm production gained new highs though agriculture sector's growth rate remains sluggish. The agrochemical industry continues to meet growing farming needs.

India's agriculture productivity is way below the global standards and needs big ramp-up. With increasing phenomena of urbanisation and industrialization, arable land availability has been reducing over the years. This is encouraging farmers to use more pesticides in order to improve crop yields.

India is uniquely placed in terms of proportion of area under agriculture to overall geographical area. Almost half of its geographical area is under cultivation unlike 10-25% in case of most other countries. If its agriculture productivity levels are lifted, it can become major food supplier to the world – against its current share of 2-2.5% in agri-exports.

Indian farmer loses around 20-25% of the production to pests and diseases. The 37th Standing Committee of the Ministry of Chemicals and Fertilizers estimated that every year, Indian farmers lose nearly ₹ 900 million to pests and diseases. This is where pesticides play a vital role in a farmer's life.

As per the available FAO data, consumption of agrochemicals in India is very low (0.6 kg/ha) as compared to agriculturally advanced countries like China (13.1 kg/ha), Japan (11.8 kg/ha), Brazil (6kg/ha) and USA (2.5 kg/ha). This points to enormous growth opportunities available to the industry in the domestic farming.

With rising income levels, Indian spends on fruits and vegetables are increasing. Consumer is willing to pay for high dietary and nutrition products. The value of horticulture production in the country now exceeds that of cereals produced. Increasing demand for better quality and nutritious food has opened opportunity for different category of products like fungicides, plant growth promoters / regulators and nutrients. These product segments are witnessing steady rise. These are high priced and more profitable in comparison to traditional crop protection products like insecticides.

The 'China + one' procurement model has been a key tailwind for the Indian industry as several large overseas customers are diversifying their supplier base. This is expected to lead to exports growing at about 15% in the near future. The share of exports in overall domestic industry's revenue is expected to rise further. Introduction of 'Production-linked Incentive (PLI) Scheme', for the industry can further promote exports. In the export market, demand remains robust, given the need for food security. Given the cost advantage, the domestic agrochemicals industry has good opportunity to gain considerable share in global markets and more so as the customers are looking to diversify their supplies away from China. The industry is also trying to engage in backward integration for manufacturing technical grade products as it would like to shift its reliance away from China and become self-sufficient in the coming years.

Drone technology for application of agrochemicals for precise dosage of chemicals on crops opens up new opportunity for the crop protection industry. This can optimize consumption, reduce cost for farmers and address human health and safety challenges. The Government has approved drone pesticides application policy and has laid down standard operating practice for the same. The 'Drone Didi project', a joint initiative by three ministries of the union government which focuses on engaging pesticide manufacturers to empower women self-help groups ("**SHG**") with business opportunities, appears promising. The Company has always emphasized the integral role of SHGs in providing comprehensive support to farmers. The Company has obtained drone application registrations for some products and endeavors to add more products for drone application. Digital technology is also coming to the industry's help - it is increasingly being put to use for marketing as also for product demonstration and training and education of farmers in product use.

Outlook for the Indian crop protection industry continues to remain positive. Year-to-year performance may fluctuate depending upon rainfall and other weather conditions, both within the country and globally. The agrochemical sector is likely to continue with double-digit growth in revenue due to strong exports even if the domestic demand suffers owing to unfavourable monsoon and climatic conditions.

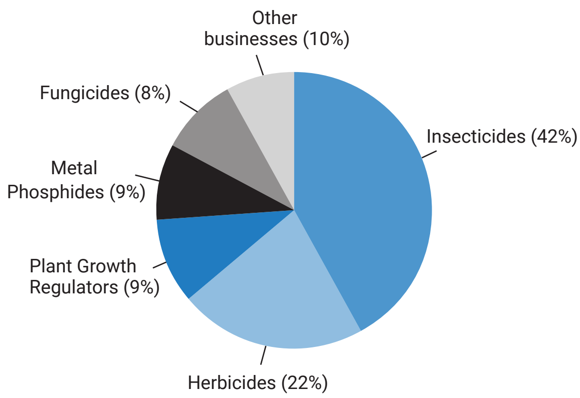
In December 2023, the Company acquired controlling stake in Barrix Agro Sciences Private Limited, a green-chemistry solution provider for pest management. This company offers environment-friendly innovative pheromone traps, chromatic sheets, bio-stimulants and plant nutrients suited for multiple crops. This portfolio along with the Company's portfolio of products fits well with the Company's philosophy of promoting more sustainable eco-friendly green products in the pest management business.

The Company has lined up plans for launch of several new products for domestic as well as export markets. It has chalked out robust capex plan for capacity expansion and new launches in the coming years. The Company has advantage of its parentage – its Japanese parent has several new and proprietary products which the Company can look forward to launch in the coming years. The parent company has strong presence in major markets like central and south Americas and Europe. The Company has been leveraging this strength to increase its exports.

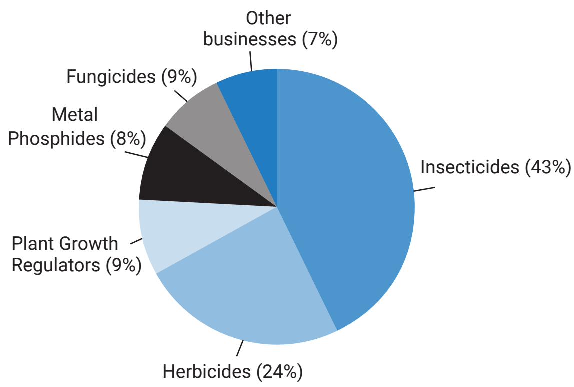
4. SEGMENT-WISE PERFORMANCE:

The Company's domestic sale decreased from ₹ 26,068.92 million in 2022-23 to ₹ 22,509.79 million in 2023-24. Exports also decreased from ₹ 8,663.65 million in 2022-23 to ₹ 5,553.02 million in 2023-24.

The Company continues to focus on promoting the branded business in order to increase the customer interface.



2023-24 (%)



2022-23 (%)

5. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has proper and adequate system of internal audit and controls which ensure that all the assets are safeguarded against loss from unauthorised use or disposition and that all transactions are authorised, recorded and reported correctly.

The Company continuously strives to improve upon/evolve and implement best practices with a view to strengthen the internal control systems.

The Company has assigned internal audit function to a leading firm of Chartered Accountants. Regular internal audit and checks are carried out to ensure that the responsibilities are discharged effectively. All major findings and suggestions arising out of internal audit are reported and reviewed by the Audit Committee. The Management ensures implementation of these suggestions and reviews them periodically.

6. FINANCIAL PERFORMANCE & ANALYSIS AND MAJOR CHANGES IN RATIOS:

The sales for the year under review decreased to ₹ 28,062.81 million as compared to ₹ 34,732.57 million in the previous year. The profit before tax for the year under review is ₹ 5,033.47 million as compared to ₹ 6,554.04 million in the previous year. The profit after tax is ₹ 3,696.74 million in the current year as against ₹ 5,034.37 million in the previous year. Reasons for downturn in financial performance are explained in the Report of the Board of Directors.

The Return on net worth decreased from 23.39% in 2022-23 to 15.34% in 2023-24 – because of the reduced profits on reduced sales turnover and the increased 'net-worth base' owing to ploughing back of profits.

7. HUMAN RESOURCE DEVELOPMENT/INDUSTRIAL RELATIONS:

The Company considers human capital as a key pillar for its sustainable growth. The Company endeavors to make available a conducive workplace environment and people-oriented policies with focus on health, safety and responsible care. Core values, high performance, collaboration and continuous improvement guide its human resource policies. It focuses on talent acquisition, retention and on improving employee skills and competencies in line with business needs. The Company has well-documented employee-friendly policies to enhance transparency and to create a sense of teamwork, oneness and mutual trust. These policies assist in providing a positive workplace environment and play a key role in the right talent onboarding and talent retention. The Company is focused on investing in the welfare, safety and well-being of its people.

The Company has generally enjoyed cordial relations with its employees and unions at its factories and offices and has received support in implementation of reforms that lead to safety, quality, cost and productivity improvements. The Company believes that with diversity and inclusion at the workplace, it can leverage the multiplicity of skillsets in all its operations and business.

Employee strength of the Company stood at 1649 as on 31 March 2024.

8. CAUTIONARY STATEMENT:

Statements in this report on Management Discussion and Analysis relating to the Company's objectives, projections, estimates, expectations or prediction may be forward looking within the meaning of applicable securities laws and regulations. These statements are based on certain assumptions and expectations of future events. Actual results might differ materially from those expressed or implied depending upon factors such as climatic conditions, global and domestic demand-supply conditions, raw materials cost, availability and prices of finished goods, foreign exchange market movements, changes in government regulations, tax structure, economic and political developments within India and the countries where the Company conducts its business and other factors such as litigation and industrial relations.

The Company assumes no responsibility in respect of forward looking statements herein which may undergo changes in future on the basis of subsequent developments, information or events.

NOTICE

NOTICE is hereby given that the TWENTY-FOURTH ANNUAL GENERAL MEETING of the Members of SUMITOMO CHEMICAL INDIA LIMITED will be held through Video Conferencing ("**VC**") / Other Audio- Visual Means ("**OAVM**") on **Tuesday, the 30 July 2024 at 2.30 p.m.** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31 March 2024 together with the Reports of the Board of Directors and Auditors thereon.
2. To declare final dividend on equity shares.
3. To appoint a director in place of **Mr Tadashi Katayama** (DIN: 07628973), who retires by rotation and, being eligible, offers himself for reappointment.
4. To appoint **auditors** of the Company and in this regard to consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT, pursuant to the provisions of Sections 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013, and the rules made thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], and pursuant to the recommendations of the Board of Directors, Messrs BSR & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 101248W/W-100022), be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this annual general meeting, until the conclusion of the twenty ninth annual general meeting of the Company, on a remuneration of ₹ 3,500,000 (Rupees three million five hundred thousand) for the financial year 2024-25 and that the Board of Directors be and is hereby authorised to fix remuneration of the Auditors for the other financial years during their tenure.

   RESOLVED FURTHER THAT, the Board be and is hereby authorised to do all such acts and take all such steps, as it may, in its absolute discretion, deem necessary, proper, expedient or desirable for the purpose of giving effect to this resolution, and to settle any questions, difficulties and/or doubts that may arise in this regard in order to implement and give effect to this resolution."

SPECIAL BUSINESS:

5. To reappoint **Dr Mukul G Asher** as an Independent Director and in this regard to consider, and if thought fit, to pass the following resolution as a **Special Resolution**:

   "RESOLVED THAT, pursuant to the provisions of Sections 149, 150, 152 and all other applicable provisions of the Companies Act, 2013 ("**the Act**") and the Companies (Appointment and Qualification of Directors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] read with Schedule IV to the Act, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**LODR**"), Dr Mukul G Asher (DIN: 00047673), who was appointed as an Independent Director of the Company by the members with effect from 27 August 2019 for a period of 5 (five) consecutive years and whose first term as Independent Director expires on 26 August 2024, and who is eligible for reappointment as Independent Director as per the provisions of the Act and Rules framed thereunder and LODR and who has attained the age of 75 (seventy five) years and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby reappointed as an Independent Director of the Company for the second term to hold office for a period from 27 August 2024 up to 31 August 2026.

   RESOLVED FURTHER THAT, the Board be and is hereby authorised to do all such acts and take all such steps, as it may, in its absolute discretion, deem necessary, proper, expedient or desirable for the purpose of giving effect to this resolution, and to settle any questions, difficulties and/or doubts that may arise in this regard in order to implement and give effect to this resolution."

6. To reappoint **Mrs Preeti Mehta** as an Independent Director and in this regard to consider, and if thought fit, to pass the following resolution as a **Special Resolution**:

   "RESOLVED THAT, pursuant to the provisions of Sections 149, 150, 152 and all other applicable provisions of the Companies Act, 2013 ("**the Act**") and the Companies (Appointment and Qualification of Directors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] read with Schedule IV to the Act, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**LODR**"), Mrs Preeti Mehta (DIN: 00727923), who was appointed as an Independent Director of the Company by the members with effect from 31 August 2019 for a period of 5 (five) consecutive years and whose first term as Independent Director expires on 30 August 2024, and who is eligible for reappointment as Independent Director as per the provisions of the Act and Rules framed thereunder and LODR and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act proposing her candidature for the office of Director of the Company, be and is hereby reappointed as an Independent Director of the Company for the second term to hold office for 5 (five) consecutive years for a period from 31 August 2024 up to 30 August 2029.

RESOLVED FURTHER THAT, the Board be and is hereby authorised to do all such acts and take all such steps, as it may, in its absolute discretion, deem necessary, proper, expedient or desirable for the purpose of giving effect to this resolution, and to settle any questions, difficulties and/or doubts that may arise in this regard in order to implement and give effect to this resolution."

7. To appoint **Mr N Sivaraman** as an Independent Director and in this regard to consider, and if thought fit, to pass the following resolution as a **Special Resolution**:

   "RESOLVED THAT, pursuant to the provisions of Sections 149, 150, 152 and all other applicable provisions of the Companies Act, 2013 ("**the Act**") and the Companies (Appointment and Qualification of Directors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] read with Schedule IV to the Act, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**LODR**"), Mr N Sivaraman (DIN: 00001747), who is eligible for appointment as Independent Director as per the provisions of the Act and Rules framed thereunder and LODR and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for 2 (two) consecutive years effective from 01 September 2024 up to 31 August 2026.

   RESOLVED FURTHER THAT, the Board be and is hereby authorised to do all such acts and take all such steps, as it may, in its absolute discretion, deem necessary, proper, expedient or desirable for the purpose of giving effect to this resolution, and to settle any questions, difficulties and/or doubts that may arise in this regard in order to implement and give effect to this resolution."

8. To promote **Dr Suresh Ramachandran**, Whole-time Director, to the position of Deputy Managing Director and in this regard to consider, and if thought fit, to pass the following resolution as a **Special Resolution**:

   "RESOLVED THAT, pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 ("**the Act**") and the Rules made thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and pursuant to the resolution passed by the Board of Directors of the Company ("**Board**") and subject to all such consents, sanctions, approvals and permissions as may be required and further subject to such conditions and modifications as may be imposed or prescribed by any authority while granting such consents, sanctions, approvals and permissions, and as are agreed to by the Board, which term shall, unless repugnant to the context or meaning thereof, be deemed to include any committee thereof and any person authorised by the Board in this behalf the members, in partial modification of their earlier special resolution passed at the annual general meeting held on 28 July 2023 to approve appointment of Dr Suresh Ramachandran as Whole-time Director for the period from 01 June 2023 up to 31 May 2028, hereby accord their approval to promote Dr Suresh Ramachandran (DIN: 03110244) to the position of Deputy Managing Director of the Company with effect from 01 September 2024 for the remainder period of his existing tenure i.e. up to 31 May 2028 on the existing terms and conditions of his appointment.

   RESOLVED FURTHER THAT, the Board be and is hereby authorised to do all such acts and take all such steps, as it may, in its absolute discretion, deem necessary, proper, expedient or desirable for the purpose of giving effect to this resolution, and to settle any questions, difficulties and/or doubts that may arise in this regard in order to implement and give effect to this resolution."

9. To approve **transactions** entered into / proposed to be entered into with **Sumitomo Chemical Company, Limited**, a related party, during the Financial Year 2024-25 and in this regard to consider, and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT, approval of the members of the Company be and is hereby accorded pursuant to the provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to all the material related party transactions entered into / proposed to be entered into ("**the transactions**") and material modifications, if any, thereto between the Company and Sumitomo Chemical Company, Limited, Japan, the Holding Company and a related party of the Company, during the financial year 2024-25, including for purchase, sale and supply of goods (including raw materials, intermediates, finished products, capital goods and other items), for providing and availing services and other transactions in the ordinary course of business and on arm's length basis, provided that the total amount of the transactions shall not exceed ₹ 9,500 million (Rupees nine thousand five hundred million) plus applicable taxes and duties.

   RESOLVED FURTHER THAT, the Board be and is hereby authorised to do all such acts, deeds, matters and things and to take all such steps, as it may, in its absolute discretion, deem necessary, proper, expedient or desirable for the purpose of giving effect to this resolution, and to settle any questions, difficulties and/or doubts that may arise in this regard in order to implement and give effect to this resolution."

10. To ratify the remuneration of the **Cost Auditors** and in this regard to consider, and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT, pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], the remuneration of ₹ 550,000 (Rupees five hundred fifty thousand only) plus applicable taxes and duties and reimbursement of actual out-of-pocket expenses fixed by the Board of Directors of the Company payable to Messrs GMVP & Associates LLP, Cost Accountants (Registration Number: 000910), in respect of the cost audit for the financial year 2024-25, be and is hereby approved and ratified.

RESOLVED FURTHER THAT, the Board be and is hereby authorised to do all such acts and take all such steps, as it may, in its absolute discretion, deem necessary, proper, expedient or desirable for the purpose of giving effect to this resolution, and to settle any questions, difficulties and/or doubts that may arise in this regard in order to implement and give effect to this resolution."

By Order of the Board of Directors
For **Sumitomo Chemical India Limited**

DEEPIKA TRIVEDI
Company Secretary

Registered Office:
Building No.1, Ground Floor, Shant Manor Co-op. Housing Society Ltd.
Chakravarti Ashok 'X' Road, Kandivli (East),
Mumbai – 400 101.
Mumbai, 27 May 2024

NOTES:

1. The Ministry of Corporate Affairs ("**MCA**") has, vide its General Circular No. 14/2020 dated 8 April 2020, General Circular No. 17/2020 dated 13 April 2020, General Circular No. 20/2020 dated 5 May 2020, General Circular No. 02/2021 dated 13 January 2021, General Circular No. 19/2021 dated 8 December 2021, General Circular No. 21/2021 dated 14 December 2021, General Circular No. 02/2022 dated 5 May 2022, Circular No. 10/2022 dated 28 December 2022 and General Circular No. 09/2023 dated 25 September 2023 (hereinafter collectively referred to as "**MCA Circulars**"), permitted holding of annual general meetings through VC or OAVM without the physical presence of members at a common venue. In compliance with these MCA Circulars and the relevant provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the annual general meeting of the members of the Company is being held through VC/OAVM. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.
2. Pursuant to the provisions of the Companies Act, 2013, a member entitled to attend and vote at the annual general meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since this annual general meeting is being held pursuant to the **MCA Circulars** through VC/OAVM, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the annual general meeting and hence the Proxy Form and Attendance Slip are not annexed to the Notice.
3. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPEG Format) of their Board Resolution or governing body Resolution/Authorisation etc., authorising their representative to attend the annual general meeting through VC/OAVM on their behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through their registered email address to scrutinizer@sarafand associates.com with copies marked to the Company at investor.relations@sumichem.co.in and to its RTA at instameet@linkintime.co.in
4. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available on the Company's website for inspection by members during the annual general meeting. All documents referred to in the Notice will also be available on the Company's website for inspection by members from the date of circulation of the Notice up to the date of the annual general meeting.

5. **Registration of email ID and Bank Account details:**

   In case the shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agents ("RTA") / Depositories, log in details for e-voting are being sent to the registered email address.

   In case the shareholder has not registered his/her/its email address with the Company/ M/s Link Intime India Private Ltd. – the Company's RTA/Depositories and / or not updated the Bank Account mandate for receipt of dividend; the following instructions should be followed:

   (i) Kindly log in to the website of the RTA, www.linkintime.co.in under Investor Services > Email/Bank detail Registration - fill in the details and upload the required documents and submit.

   OR

   In the case of Shares held in Demat mode:

   (ii) The shareholder may contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.

6. In compliance with the aforementioned MCA Circulars and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12 May 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15 January 2021, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13 May 2022, Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5 January 2023 and Circular No. SEBI/HO/DDHS/P/CIR/2023/0164 dated 6 October 2023 issued by Securities and Exchange Board of India ("**SEBI**"), the Notice of the annual general meeting along with the Annual Report for the financial year 2023-24 is being sent only by electronic mode to those members whose email addresses are registered with the Company/Depositories unless any member has requested for a hard copy of the same. Members may note that the Notice of annual general meeting and Annual Report for the financial year 2023-24 will also be available on the Company's website http://www.sumichem.co.in and the websites of the Stock Exchanges i.e. National Stock Exchange of India Ltd and BSE Limited.

   Members can attend and participate in the annual general meeting through VC/OAVM facility only.

7. Members attending the meeting through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

8. A Statement pursuant to Section 102 of the Companies Act, 2013, setting out details relating to the businesses under Items No. 4 to 10 is annexed hereto.

9. The Company has fixed **Friday, the 19 July 2024** as the '**Record Date**' for determining members entitled to receive final dividend for the financial year 2023-24. Payment of final dividend is subject to approval by the members in the annual general meeting.

10. **Payment of Final Dividend:**

    Payment of final dividend as recommended by the Board of Directors, if declared at the meeting, will be made on or after **Monday, the 05 August 2024** to the Members whose names stand on the Company's Register of Members and to the Beneficial Owner(s) as per the Beneficiary List provided by the National Securities and Depository Limited and Central Depository Services (India) Limited at the close of business hours on **Friday, the 19 July 2024 (Record Date)**.

11. Payment of Dividend is subject to deduction of income-tax at source in accordance with the provisions of Income Tax Act, 1961 and rules made thereunder.

    The members are requested to update their PAN details with the Company's Registrars & Transfer Agents (in case of shares held in physical mode) and depository participants (in case of shares held in demat mode).

    No tax will be deducted on dividend payable to a resident individual shareholder if the amount of dividend received during a particular financial year does not exceed ₹ 5000. In case PAN is not registered, tax will be deducted at a higher rate of 20%.

    A resident individual shareholder with PAN can submit declaration in Form 15G / 15H to avail the benefit of non-deduction of income tax at source to the Company's R&T Agents latest by **Friday, the 19 July 2024 (up to 6.00 PM)** through their url as under:

    https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html

    As per the provisions of the Income tax Act, 1961, a non-resident shareholder may have an option to be governed by the provisions of the Double Tax Avoidance Treaty (DTAA) between India and the country of tax residence of the shareholder, if such DTAA provisions are more beneficial to him / her / it. The non-resident shareholder can avail beneficial rate(s) by furnishing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the DTAA benefits by updating details at the above url not later than **Friday, the 19 July 2024 (up to 6.00 PM)** in order to enable the Company to determine and deduct appropriate TDS / Withholding Tax.

On the said link, the user shall be prompted to select / share the following information to register their request.

1. Select the company (Dropdown)
2. Folio / DP-Client ID
3. PAN
4. Financial year (Dropdown)
5. Form selection
6. Document attachment – 1 (PAN)
7. Document attachment – 2 (Forms)
8. Document attachment – 3 (Any other supporting document)

Please note that incomplete and/or unsigned forms and declarations will not be considered by the Company. All communications/ queries in this respect should be addressed to the RTA, M/s Link Intime India Private Limited to its email address: Sumitomodivtax@linkintime.co.in

12. Payment of dividend will be made through National Electronic Clearing Service (NECS) at the RBI Centers by crediting the dividend amount to the Bank Accounts of the shareholders wherever relevant information is made available to the Company. Members holding shares in physical form and covered under the RBI Centers who have not furnished the requisite information should furnish the information to M/s Link Intime India Private Limited, the Registrars and Transfer Agents (RTA). Members holding shares in electronic form should furnish the information to their Depository Participants (DPs) in order to receive dividend through the NECS mechanism.
13. Members holding shares in electronic form are requested to notify change in their addresses to their DPs. Members holding shares in physical form are requested to notify change in their addresses to the RTA.
14. The amounts of dividend remaining unclaimed for a period of seven years are to be transferred to the Investor Education and Protection Fund.

    Details of dividend declared by the Company and remaining unclaimed are given below:

Date of Declaration	**Dividend for the year**	**Dividend ₹ per Share**	**Due date for transfer to the Investor Education and Protection Fund**
16.10.2018	2018-19 (Interim)	1.87	22.11.2025
01.08.2019	2018-19 (Interim)	0.22	07.09.2026
27.12.2019	2018-19 (Final)	0.20	02.02.2027
10.09.2020	2019-20	0.55	17.10.2027
30.07.2021	2020-21	0.80	05.09.2028
29.07.2022	2021-22	1.00	04.09.2029
28.07.2023	2022-23	1.20	03.09.2030
01.02.2024	2023-24 (Interim)	5.00	09.03.2031

    Details of dividend declared by Excel Crop Care Limited (which amalgamated with the Company) and remaining unclaimed are given below:

Date of Declaration	**Dividend for the year**	**Dividend ₹ per Share**	**Due date for transfer to the Investor Education and Protection Fund**
02.08.2018	2017-18	8.75	08.09.2025
29.05.2019	2018-19 (Interim)	6.25	05.07.2026

    Members who have not encashed their dividend warrants for the above dividend are requested to write to the RTA for claiming the dividend before the due dates mentioned above.

15. Pursuant to the provisions of Section 124 of the Companies Act, 2013 and the rules made thereunder, the shares, in respect of which dividend has not been paid or claimed for seven consecutive years or more, are liable to be transferred to Investor Education and Protection Fund.
16. Since the annual general meeting is to be held through VC / OAVM, the route map for the venue of the meeting is not provided.

17. Remote e-voting through electronic means:

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), and the MCA Circulars, the Company is providing facility of remote e-voting to its members in respect of the business to be transacted at the annual general meeting. The instructions for e-voting are given below.

Pursuant to SEBI circular dated 9 December 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL:	**METHOD 1 - If registered with NSDL IDeAS facility** **Users who have registered for NSDL IDeAS facility:** a) Visit URL: https://eservices.nsdl.com and click on "Beneficial Owner" icon under "Login". b) Enter user id and password. Post successful authentication, click on "Access to e-voting". c) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period. **OR** **User not registered for IDeAS facility:** a) To register, visit URL: https://eservices.nsdl.com and select "Register Online for IDeAS Portal" or click on https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp" b) Proceed with updating the required fields. c) Post registration, user will be provided with Login ID and password. d) After successful login, click on "Access to e-voting". e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period. **METHOD 2 - By directly visiting the e-voting website of NSDL:** a) Visit URL: https://www.evoting.nsdl.com/ b) Click on the "Login" tab available under 'Shareholder/Member' section. c) Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. d) Post successful authentication, you will be re-directed to NSDL depository website wherein you can see "Access to e-voting". e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL:	**METHOD 1 – From Easi/Easiest** **Users who have registered/ opted for Easi/Easiest** a) Visit URL: https://web.cdslindia.com/myeasitoken/Home/Login or www.cdslindia.com. b) Click on New System Myeasi c) Login with user id and password d) After successful login, user will be able to see e-voting menu. The menu will have links of e-voting service providers i.e., LINKINTIME, for voting during the remote e-voting period. e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period. **OR** **Users not registered for Easi/Easiest** a) To register, visit URL: https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration / https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration b) Proceed with updating the required fields. c) Post registration, user will be provided Login ID and password. d) After successful login, user able to see e-voting menu. e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period. **METHOD 2 - By directly visiting the e-voting website of CDSL.** a) Visit URL: https://www.cdslindia.com/ b) Go to e-voting tab. c) Enter Demat Account Number (BO ID) and PAN No. and click on "Submit". d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account e) After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.
Individual Shareholders holding securities in demat mode with Depository Participant:	Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL/CDSL for e-voting facility. a) Login to DP website b) After Successful login, members shall navigate through "e-voting" tab under Stocks option. c) Click on e-voting option, members will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting menu. d) After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:

Individual Shareholders of the Company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Visit URL: https://instavote.linkintime.co.in
2. Click on **"Sign Up"** under **'SHARE HOLDER'** tab and register with your following details: -
   A. **User ID:** Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/ Company.

** Shareholders holding shares in **physical form** but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above*

** Shareholders holding shares in **NSDL form**, shall provide 'D' above*

- Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter).
- Click "confirm" (Your password is now generated).

3. Click on 'Login' under **'SHARE HOLDER'** tab.
4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on **'Submit'.**

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select **'View'** icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option **'Favour / Against'** (If you wish to view the entire Resolution details, click on the **'View Resolution'** file link).
4. After selecting the desired option i.e. Favour / Against, click on **'Submit'.** A confirmation box will be displayed. If you wish to confirm your vote, click on **'Yes',** else to change your vote, click on 'No' and accordingly modify your vote.

Guidelines for Institutional shareholders ("Corporate Body/ Custodian/Mutual Fund"):

STEP 1 – Registration

a) Visit URL: https://instavote.linkintime.co.in

b) Click on Sign up under "Corporate Body/ Custodian/Mutual Fund"

c) Fill up your entity details and submit the form.

d) A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.

e) Thereafter, Login credentials (User ID; Organisation ID; Password) will be sent to Primary contact person's email ID.

f) While first login, entity will be directed to change the password and login process is completed.

STEP 2 – Investor Mapping

a) Visit URL: https://instavote.linkintime.co.in and login with credentials as received in Step 1 above.

b) Click on "Investor Mapping" tab under the Menu Section

c) Map the Investor with the following details:

a. 'Investor ID' -

i. Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678

ii. Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

b. 'Investor's Name - Enter full name of the entity.

c. 'Investor PAN' - Enter your 10-digit PAN issued by Income Tax Department.

d. 'Power of Attorney' - Attach Board resolution or Power of Attorney. File Name for the Board resolution/Power of Attorney shall be – DP ID and Client ID. Further, Custodians and Mutual Funds shall also upload specimen signature card.

d) Click on Submit button and investor will be mapped now.

e) The same can be viewed under the "Report Section".

STEP 3 – Voting through remote e-voting.

The corporate shareholder can vote by two methods, once remote e-voting is activated:

METHOD 1 - VOTES ENTRY

a) Visit URL: https://instavote.linkintime.co.in and login with credentials as received in Step 1 above.

b) Click on 'Votes Entry' tab under the Menu section.

c) Enter Event No. for which you want to cast vote. Event No. will be available on the home page of Instavote before the start of remote evoting.

d) Enter '16-digit Demat Account No.' for which you want to cast vote.

e) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).

f) After selecting the desired option i.e., Favour / Against, click on 'Submit'.

g) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

OR

VOTES UPLOAD:

a) Visit URL: https://instavote.linkintime.co.in and login with credentials as received in Step 1 above.

b) You will be able to see the notification for e-voting in inbox.

c) Select '**View**' icon for '**Company's Name / Event number**'. E-voting page will appear.

d) Download sample vote file from 'Download Sample Vote File' option.

e) Cast your vote by selecting your desired option 'Favour / Against' in excel and upload the same under 'Upload Vote File' option.

f) Click on 'Submit'. 'Data uploaded successfully' message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Helpdesk:

Helpdesk for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Forgot Password:

Individual shareholders holding securities in physical form has forgotten the password:

If an Individual shareholders holding securities in physical form has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: https://instavote.linkintime.co.in

o Click on **'Login'** under **'SHARE HOLDER'** tab and further Click **'forgot password?'**

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

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#$&), at least one numeral, at least one alphabet and at least one capital letter.*

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

User ID for Shareholders holding shares in NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID

User ID for Shareholders holding shares in CDSL demat account is 16 Digit Beneficiary ID.

Institutional shareholders ("Corporate Body/ Custodian/Mutual Fund") has forgotten the password:

If a Non-Individual Shareholders holding securities in demat mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: https://instavote.linkintime.co.in

- o Click on **'Login'** under **'Corporate Body/ Custodian/Mutual Fund'** tab and further Click **'forgot password?'**
- o Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#$&), at least one numeral, at least one alphabet and at least one capital letter.*

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- ➢ It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ➢ For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- ➢ During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

18. **Instructions for shareholders/members to attend the annual general meeting through InstaMeet:**

Shareholders/members are entitled to attend the annual general meeting through VC/OAVM facility provided by Link Intime India Private Limited by following the below mentioned process. Facility for joining the annual general meeting through VC/OAVM shall open 30 (thirty) minutes before the time scheduled for the annual general meeting and will be available to the members on first come first serve basis.

Shareholders/members are requested to participate on first come first serve basis as participation through VC/OAVM is limited and will close on expiry of 30 (thirty) minutes from the scheduled time of the annual general meeting. Shareholders/members with over 2% shareholding, promoters, institutional investors, directors, KMPs, chairpersons of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Auditors etc. may be allowed to the meeting without restrictions of first-come-first serve basis. Members can log in and join 30 (thirty) minutes prior to the scheduled time of the meeting and the window for joining shall be kept open till the expiry of 30 (thirty) minutes after the scheduled time. Participation is restricted up to 1000 members.

Shareholders/ members will be provided with InstaMeet facility wherein shareholders/ members shall register their details and attend the annual general meeting as under:

1. Open the internet browser and launch the URL for InstaMeet <<https://instameet.linkintime.co.in>> and register with your following details:
    a. DP ID / Client ID or Beneficiary ID or Folio No.: Enter your 16 digit DP ID / Client ID or Beneficiary ID or Folio Number registered with the Company
    b. PAN: Enter your 10 digit Permanent Account Number (PAN)
    c. Mobile No.
    d. Email ID
2. Click "Go to Meeting"

Note:

Shareholders/ members are encouraged to join the meeting through tablets/ laptops connected through broadband for better experience.

Shareholders/members are required to use internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that the shareholders/members connecting from mobile devices or tablets or through laptops connecting via mobile hotspot may experience audio/visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-FI or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/members have queries or issues regarding e-voting, they can send an email to instameet@linkintime.co.in or Call on: - Tel: 022-49186175

19. **Instructions for shareholders/members to register themselves as speakers at the annual general meeting:**

Shareholders/members, who would like to express their views/ask questions during the annual general meeting, may register themselves as speaker by sending their request mentioning their name, Demat account number/folio number, email id and mobile number to investor.relations@sumichem.co.in on or before **Thursday, the 25 July 2024 (5.00 p.m.).**

Only those shareholders/members, who have registered themselves as speakers, will be allowed to express their views/ask questions during the meeting. The speakers will be registered on first-come-first-serve basis. The Company reserves the right to restrict the number of speakers depending on availability of time in the annual general meeting.

Shareholders/members, who would like to ask questions, may send their questions in advance mentioning name, Demat account number/folio number, email id and mobile number to investor.relations@sumichem.co.in. The same will be replied by the Company suitably.

Shareholders/members should allow use of camera and are required to use internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during their participating in the meeting.

20. **Instructions for members to vote during the annual general meeting through InstaMeet:**

Once the electronic voting is activated by the scrutiniser during the meeting, members, who have not exercised their vote through remote e-voting, can cast their vote. Process for the same is as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote".
2. Enter Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMeet and click on **'Submit'**.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired.

   Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Members, who are present in the annual general meeting through InstaMeet facility and who have not cast their vote on the Resolutions through remote e-Voting and who are not barred from voting, shall be eligible to vote through e-Voting facility during the meeting.

Members, who have voted through Remote e-Voting prior to the annual general meeting, will be eligible to attend/ participate in the meeting through InstaMeet. They will, however, not be eligible to vote again during the meeting.

In case members have queries or issues regarding e-voting, they can write an email to instameet@linkintime.co.in or Call on: - Tel: 022-49186175.

21. The remote e-voting period begins on **Friday, the 26 July 2024 (09.00 a.m.)** and ends on **Monday, the 29 July 2024 (5.00 p.m.)**. During this period, members of the Company, holding shares either in physical form or in dematerialised form as on the cut-off date, which shall be the close of business hours on **Tuesday, the 23 July 2024**, may cast their votes electronically. At the end of the remote e-voting period, the said facility shall be blocked and the e-voting module shall be disabled thereafter.

A person, who receives this notice and who is not a member as on the cut-off date, should treat this Notice for information purposes only.

Any person, who acquires shares of the Company and becomes a member of the Company after despatch of the Notice and who holds shares as of the cut-off date, may obtain the login ID and password by sending a request to (instameet@linkintime.co.in). However, if he/she is already registered with LIIPL for remote e-voting then he/she can use the existing User ID and password for casting vote.

22. Mr K G Saraf, proprietor of M/s Saraf & Associates, Practising Company Secretaries, has been appointed as the Scrutinizer to scrutinize the voting process in a fair and transparent manner.

    The Scrutinizer shall unblock the votes in the presence of at least 2 (two) witnesses not in the employment of the Company and make a Consolidated Scrutinizer's Report of the total votes cast in favour or against to the Chairman of the Company or a person authorised by him in writing who shall countersign the same.

    The results declared along with the Scrutinizer's Report will be placed on the Company's website www.sumichem.co.in and on the website of RTA at www.linkintime.co.in and communicated to the BSE Limited and National Stock Exchange of India Limited.

By Order of the Board of Directors
For **Sumitomo Chemical India Limited**

DEEPIKA TRIVEDI
Company Secretary

Registered Office:
Building No.1, Ground Floor, Shant Manor Co-op. Housing Society Ltd.,
Chakravarti Ashok 'X' Road, Kandivli (East),
Mumbai – 400 101.
Mumbai, 27 May 2024

STATEMENT IN RESPECT OF THE BUSINESSES PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

Though strictly not required by Section 102 of the Companies Act, 2013, this explanatory statement for Item No. 4 is being provided with a view to make available relevant information to the members in relation to this item of business.

At the nineteenth annual general meeting of the Company, the members had approved appointment of Messrs SRBC & CO LLP, Chartered Accountants, as the Auditors of the Company to hold office from the conclusion of the nineteenth annual general meeting until the conclusion of the twenty fourth annual general meeting. Accordingly, the term of Messrs SRBC & CO LLP as Auditors ends on the conclusion of this meeting in terms of the said approval.

The Board of Directors of the Company, based on the recommendation of the Audit Committee, recommend for the approval of the members, the appointment of Messrs BSR & Co. LLP, Chartered Accountants, as the Auditors of the Company for a period from the conclusion of this meeting till the conclusion of the 29th annual general meeting.

It is proposed that the remuneration of M/s. BSR & Co. LLP for conducting audit for the financial year 2024-25 will be ₹ 3,500,000 (Rupees three million five hundred thousand). It is also proposed to authorise the Board of Directors to fix remuneration of the Auditors for audit for the other financial years during their tenure.

The Audit Committee considered various parameters like capability to serve a diverse and complex business landscape, audit experience including experience of audit of listed entities, market standing of the firm, clientele served, technical knowledge etc., and found Messrs BSR & Co. LLP suitable for appointment as the Company's Auditors.

Messrs BSR & Co. LLP is a member of the BSR & Affiliates, a network of firms registered with the Institute of Chartered Accountants of India. Messrs BSR & Co. LLP comprises of over 140 partners, more than 4000 professionals and has fourteen offices in India.

Messrs BSR & Co. LLP have given their consent to act as the Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act.

The proposed Audit fee of ₹ 3,500,000 for the first financial year is determined in consultation with Messrs BSR & Co. LLP.

None of the Directors and key managerial personnel of the Company, or their relatives, is in any way concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4 of the Notice.

The Board recommends this Resolution for the approval of the members.

Item No.5

At the nineteenth annual general meeting the members of the Company had approved appointment of Dr Mukul G Asher as an Independent Director of the Company for a term of five consecutive years commencing on 27 August 2019 till 26 August 2024.

Dr Mukul G Asher, who has attained the age of 75 years, is eligible to be reappointed as Independent Director for a second term subject to the approval by the members through a Special Resolution.

The Company has received a notice from a member under Section 160 of the Companies Act, 2013, signifying his intention to propose the candidature of Dr Mukul G Asher (DIN: 00047673) for the office of Independent Director of the Company.

The Company has received from Dr Mukul G Asher consent in writing to act as a Director, an intimation to the effect that he is not disqualified under Section 164(2) of the Companies Act, 2013 and a declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dr Mukul G Asher has expertise in the areas of geo-economics, public financial management and pension reforms, which due to global aging of population, is affecting not just public policies but business operations as well. He teaches these subjects to university students and delivers lectures on the subjects to government and public sector executives across countries. He also serves on Indian government committees and consults multilateral organisations in these areas. His knowledge in these areas helps the Company in strategic thinking and business planning. The Company has identified strategic thinking and planning as key skill and capability areas for board members.

The Nomination and Remuneration Committee of the Company has recommended the reappointment of Dr Mukul G Asher as Independent Director for the second term to hold office for a period from 27 August 2024 up to 31 August 2026.

In the opinion of the Board of Directors, Dr Mukul G Asher is a person of integrity, possesses relevant expertise and experience, fulfills the conditions specified for appointment in the Companies Act, 2013, including in Schedule IV thereto, and the Companies (Appointment & Qualification of Directors) Rules, 2014 and is independent of the management of the Company. In the opinion of the Board, Dr Asher's contribution to Board and Committee deliberations, business planning and strategies justifies the recommendation for his reappointment as Independent Director. The Nomination and Remuneration

Committee and the Board of Directors also considered reports of the annual performance evaluation of Dr Mukul G Asher, which included the following criteria and factors, and in which the score of Dr Asher was good:

- integrity and level of independence; professional qualifications, experience, expertise, knowledge, skill and competence in his areas of specialisation
- understanding and having knowledge about the Company and its business segments and willingness to devote time and efforts to understand the same as also emerging industry trends and developments, market conditions, major business risks and regulatory framework involved
- preparedness for deliberations at Board / Committee meetings and willingness to devote efforts and time for the meetings and his ability to bring his knowledge and experience to bear on the Company's corporate strategies and risk management
- quality of contributions to Board / Committee deliberations; judgmental abilities; ability to express his opinion freely in deliberations at meetings
- communication skills; ability to take views of others on the board; ability to function as an effective team-member and maintain an effective relationship with fellow Board members and the senior management cadre

Reports of Dr Mukul G Asher's performance assessment as the Chairman of the Board as evaluated by the directors on the following criteria and factors, in which he scored well, also were considered by the Nomination and Remuneration Committee and the Board:

- effective leadership quality; ability to ensure a conducive environment in meetings for free, fair, balanced and meaningful discussions; seeking of views and dealing with dissent
- ability to coordinate discussions in meetings and the commitment to conduct Board meetings in a cordial manner
- keeping and protecting shareholder and investor interests in mind during Board deliberations and decisions

The Board considers that the reappointment of Dr Mukul G Asher as Independent Director would be of immense benefit to the Company. Accordingly, the Board recommends his reappointment as Independent Director of the Company for a period from 27 August 2024 up to 31 August 2026.

The Special Resolution at Item No. 5 seeks approval of the members for reappointment of Dr Mukul G Asher as an Independent Director of the Company for a term from 27 August 2024 up to 31 August 2026. He will not be liable to retire by rotation.

Upon approval by the members of the reappointment of Dr Mukul G Asher as an Independent Director, the appointment will be formalised by issue of a letter of appointment. A copy of the draft letter for appointment of Independent Directors setting out the terms and conditions is available for inspection by the members at the Company's Registered Office and Corporate Office on all working days (Monday to Friday) between 2.00 p.m. and 4.00 p.m. up to the date of the meeting. It is also accessible on the Company's website www.sumichem.co.in

Except Dr Mukul G Asher, none of the directors, key managerial personnel of the Company or their relatives, is in any way concerned or interested, financially or otherwise, in the Resolution set out at Item No. 5 of the Notice.

Following are the particulars of Dr Mukul G Asher:

Name of the Director	Dr Mukul G Asher
Date of Birth	17.12.1943
Date of First Appointment	27.08.2019
Date of the proposed Reappointment	27.08.2024
Qualifications	B.A. (Hons.) M.A., Ph.D.
Expertise in specific functional areas	Economics, Public Finance and Social Security
Experience	Over 55 years
Other Indian companies in which directorship held	Nil
Other companies in which committee membership/ chairmanship held	Nil
No. of shares held in the Company as on 31 March 2024	Nil
Relationship with other Directors and KMPs	None
Number of Board Meetings attended during the year 2023-24	5
Remuneration drawn in 2023-24	₹ 3.38 million
Remuneration and other terms and conditions of appointment	Remuneration: Entitled to receive sitting fees for attending meetings of the Board / Committees and commission – as approved by the members and the Board of Directors. Other terms and conditions as specified in the draft letter of appointment of Independent Director.

Dr Mukul G Asher has not resigned as a director of any listed entity in the past 3 (three) years.

Item No. 6

At the nineteenth annual general meeting the members of the Company had approved appointment of Mrs Preeti Mehta as an Independent Director of the Company for a term of five consecutive years commencing on 31 August 2019 till 30 August 2024.

Mrs Preeti Mehta is eligible to be reappointed as Independent Director for a second term subject to the approval by the members through a Special Resolution.

The Company has received a notice from a member under Section 160 of the Companies Act, 2013, signifying his intention to propose the candidature of Mrs Preeti Mehta (DIN: 00727923) for the office of Independent Director of the Company.

The Company has received from Mrs Preeti Mehta consent in writing to act as a Director, an intimation to the effect that she is not disqualified under Section 164(2) of the Companies Act, 2013 and a declaration to the effect that she meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Mrs Preeti Mehta is qualified advocate and solicitor. She is partner of a leading law firm and has several years' regulatory and legal expertise, knowledge and experience to her credit. Mrs Preeti Mehta has specialised in corporate laws, foreign investment and collaboration, mergers and acquisition and private equity investments. The Company has identified legal and regulatory experience and knowledge as key skill and capability areas for board members. She is on board of a number of companies including listed companies.

The Nomination and Remuneration Committee of the Company has recommended the reappointment of Mrs Preeti Mehta as Independent Director for the second term to hold office for 5 (five) consecutive years for a period from 31 August 2024 up to 30 August 2029.

In the opinion of the Board of Directors, Mrs Preeti Mehta is a person of integrity, possesses relevant expertise and experience, fulfills the conditions specified for reappointment in the Companies Act, 2013, including in Schedule IV thereto, and the Companies (Appointment & Qualification of Directors) Rules, 2014 and is independent of the management of the Company. In the opinion of the Board, Mrs Preeti Mehta's contribution to Board and Committee deliberations and in relation to the Company's legal and regulatory matters justifies the recommendation for her reappointment as Independent Director.

The Nomination and Remuneration Committee and the Board of Directors also considered reports of the annual performance evaluation of Mrs Preeti Mehta, which included the following criteria and factors, and in which the score of Mrs Mehta was good:

- integrity and level of independence; professional qualifications, experience, expertise, knowledge, skill and competence in her areas of specialisation
- understanding and having knowledge about the Company and its business segments, and willingness to devote time and efforts to understand the same as also emerging industry trends and developments, market conditions, major business risks and regulatory framework involved
- preparedness for deliberations at Board / Committee meetings and willingness to devote efforts and time for the meetings and the ability to bring her knowledge and experience to bear on the Company's corporate strategies and risk management
- quality of contributions to Board / Committee deliberations; judgmental abilities; ability to express her opinion freely in deliberations at meetings
- communication skills; ability to take views of others on the board; ability to function as an effective team-member and maintain an effective relationship with fellow Board members and the senior management cadre.

The Board considers that the reappointment of Mrs Preeti Mehta as Independent Director would be of immense benefit to the Company. Accordingly, the Board recommends her reappointment as Independent Director of the Company for 5 (five) consecutive years for a period from 31 August 2024 up to 30 August 2029.

The Special Resolution at Item No. 6 seeks approval of the members for reappointment of Mrs Preeti Mehta as an Independent Director of the Company for a term of 5 (five) consecutive years up to 30 August 2029. She will not be liable to retire by rotation.

Upon approval by the members of the reappointment of Mrs Preeti Mehta as an Independent Director, the appointment will be formalised by issue of a letter of appointment. A copy of the draft letter for appointment of Independent Directors setting out the terms and conditions is available for inspection by the members at the Company's Registered Office and Corporate Office on all working days (Monday to Friday) between 2.00 p.m. and 4.00 p.m. up to the date of the meeting. It is also accessible on the Company's website www.sumichem.co.in

Except Mrs Preeti Mehta, none of the directors, key managerial personnel of the Company or their relatives, is in any way concerned or interested, financially or otherwise, in the Resolution set out at Item No. 6 of the Notice.

Following are the particulars of Mrs Preeti Mehta:

Name of the Director	Mrs Preeti Mehta
Date of Birth	01.10.1959
Date of First Appointment	31.08.2019
Date of the proposed Reappointment	31.08.2024
Qualifications	B.A., Mumbai University LLB, Mumbai University Advocate, High Court, Bombay Solicitor, Bombay & England Intensive Course in Franchising, Middlesex University, U.K.
Expertise in specific functional areas	Lawyer specialising in corporate laws, foreign investment and collaboration, mergers and acquisitions and private equity investment
Experience	Over 34 years
Other Indian companies in which directorship held	1. AMJ Land Holdings Limited (Listed) 2. Blue Jet Healthcare Limited (Listed) 3. Protean eGov Technologies Limited (Listed) 4. Bagalkot Cement & Industries Limited 5. JCB India Limited
Other companies in which committee membership/ chairmanship held	Member of Audit Committee: 1. AMJ Land Holdings Limited 2. Blue Jet Healthcare Limited 3. Bagalkot Cement & Industries Limited 4. JCB India Limited (Chairperson) Member of Nomination and Remuneration Committee: 1. AMJ Land Holdings Limited 2. Blue Jet Healthcare Limited 3. JCB India Limited (Chairperson) 4. Bagalkot Cement & Industries Limited Member of Corporate Social Responsibility Committee: 1. AMJ Land Holdings Limited (Chairperson) 2. Blue Jet Healthcare Limited (Chairperson) 3. Protean eGov Technologies Limited (Chairperson) 4. JCB India Limited (Chairperson) Member of Stakeholders Relationship Committee and Risk Management Committee of Protean eGov Technologies Limited
No. of shares held in the Company as on 31 March 2024	Nil
Relationship with other Directors and KMPs	None
Number of Board Meeting(s) attended during the year 2023-24	5
Remuneration drawn in 2023-24	₹ 3.35 million
Remuneration and other terms and conditions of appointment	Remuneration: Entitled to receive sitting fees for attending meetings of the Board/Committees and commission as approved by the members and the Board of Directors. Other terms and conditions as specified in the draft letter of appointment referred to above

Mrs Preeti Mehta has not resigned as a director of any listed entity in the past 3 (three) years.

Item No. 7

The Company has received a notice from a member under Section 160 of the Companies Act, 2013, signifying his intention to propose the candidature of Mr N Sivaraman (DIN: 00001747) for the office of Independent Director of the Company.

The Nomination and Remuneration Committee of the Company has recommended appointment of Mr N Sivaraman as Independent Director of the Company. Based on the same, the Board of Directors, at their Meeting held on 27 May 2024, has recommended to the members appointment of Mr N Sivaraman as an Independent Director to hold office for 2 (two) consecutive years from 01 September 2024 up to 31 August 2026.

The Company has received from Mr N Sivaraman consent in writing to act as a Director, an intimation to the effect that he is not disqualified under Section 164(2) of the Companies Act, 2013 and a declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Mr N Sivaraman is qualified Chartered Accountant with close to 40 years of experience as finance and accounts professional and business and organizational leader. Mr N Sivaraman has qualifications, knowledge and experience in the areas of finance and accounting. He had over 34 years of successful career with Larsen & Toubro Group which included holding position of President and Whole-time Director of L&T Finance Holdings Limited and board membership of L&T Infrastructure Finance Limited where he played pivotal role. Subsequently, he held the position of Managing Director and Group CEO at ICRA Limited and COO of IL&FS Limited. In his career spanning over 40 years, Mr Sivaraman has played role of successful business leader and organization transformer and has handled mergers and acquisition and industrial relations as well. He is on the boards of directors in several companies.

In the opinion of the Board of Directors, Mr N Sivaraman is a person of integrity, possesses relevant expertise and experience, fulfills the conditions specified for appointment in the Companies Act, 2013, including in Schedule IV thereto, and the Companies (Appointment & Qualification of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and is independent of the management of the Company.

The Board considers that the appointment of Mr N Sivaraman as Independent Director would be of immense benefit to the Company. Accordingly, the Board recommends his appointment as Independent Director of the Company for 2 (two) consecutive years for a period from 01 September 2024 up to 31 August 2026.

The Special Resolution at Item No. 7 seeks approval of the members for appointment of Mr N Sivaraman as an Independent Director of the Company for a term of 2 (two) consecutive years up to 31 August 2026. He will not be liable to retire by rotation.

Upon approval by the members of the appointment of Mr N Sivaraman as an Independent Director, the appointment will be formalised by issue of a letter of appointment. A copy of the draft letter for appointment of Independent Directors setting out the terms and conditions is available for inspection by the members at the Company's Registered Office and Corporate Office on all working days (Monday to Friday) between 2.00 p.m. and 4.00 p.m. up to the date of the meeting. It is also accessible on the Company's website www.sumichem.co.in

Except Mr N Sivaraman, none of the directors, key managerial personnel of the Company or their relatives, is in any way concerned or interested, financially or otherwise, in the Resolution set out at Item No. 7 of the Notice.

Following are the particulars of Mr N Sivaraman:

Name of the Director	Mr N Sivaraman
Date of Birth	12.04.1958
Date of Appointment	01.09.2024
Qualifications	B. Com; Chartered Accountant
Expertise in specific functional areas	A corporate and business leader and accomplished finance professional
Experience	Over 40 years

Other Indian companies in which directorship held	1. Consolidated Construction Consortium Limited (Listed) 2. All Cargo Logistics Limited (Listed) 3. Shiva Pharmachem Limited 4. Srei Infrastructure Finance Limited 5. Srei Equipment Finance Limited 6. PGIM India Trustees Private Limited 7. Equirus Capital Private Limited 8. Athaang Infrastructure Private Limited 9. Athaang Infrastructure Investment Manager Private Limited
Other companies in which committee membership/ chairmanship held	Member of Audit Committee 1. Consolidated Construction Consortium Limited (Chairman) 2. All Cargo Logistics Limited 3. Srei Infrastructure Finance Limited (Chairman) 4. Shiva Pharmachem Limited (Chairman) Member of Nomination and Remuneration Committee: 1. Consolidated Construction Consortium Limited 2. Srei Infrastructure Finance Limited 3. Srei Equipment Finance Limited 4. Shiva Pharmachem Limited (Chairman) 5. Equirus Capital Private Limited Member of Stakeholders Relationship Committee: 1. Consolidated Construction Consortium Limited 2. Shiva Pharmachem Limited Member of Corporate Social Responsibility Committee of Shiva Pharmachem Limited Member of Risk Management Committee: 1. Consolidated Construction Consortium Limited (Chairman) 2. PGIM India Trustees Private Limited
No. of shares held in the Company as on 31 March 2024	Nil
Relationship with other Directors and KMPs	None
Number of Board Meeting(s) attended during the year 2023-24	Did not hold position of director in 2023-24
Remuneration drawn in 2023-24	None
Remuneration and other terms and conditions of appointment	Remuneration: Entitled to receive sitting fees for attending meetings of the Board/Committees and commission as approved by the members and the Board of Directors. Other terms and conditions as specified in the draft letter of appointment referred to above

Mr N Sivaraman has not resigned as a director of any listed entity in the past 3 (three) years.

Item No. 8

At the previous annual general meeting of the Company held on 28 July 2023, the members had passed a Special Resolution to accord approval for appointment of Dr Suresh Ramachandran as Whole-time Director of the Company for a period of five years with effect from 01 June 2023. The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, has approved, subject to the approval of the of the Company through a special resolution by the members and in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013, promotion of Dr Suresh Ramachandran to the position of Deputy Managing Director of the Company with effect from 01 September 2024 for the remainder period of his current tenure up to 31 May 2028 on the existing terms and conditions (including remuneration) of his appointment.

The Special Resolution at Item No. 8 seeks approval and consent of the members for promotion of Dr Suresh Ramachandran to the position of Deputy Managing Director of the Company with effect from 01 September 2024. In the opinion of the Board the promotion of Dr Suresh Ramachandran as Deputy Managing Director would be of immense benefit to the Company. The Board, therefore, recommends for the approval of the members the special resolution for promoting Dr Suresh Ramachandran to the position of Deputy Managing Director.

Except Dr Suresh Ramachandran, none of the Directors, key managerial personnel of the Company or their relatives, is in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

Following are the particulars of Dr Suresh Ramachandran:

Name of the Director	Dr Suresh Ramachandran
Date of Birth	12.06.1969
Date of appointment as Whole-time Director	01.06.2023
Date of the promotion to the position of Deputy Managing Director	01.09.2024
Qualifications	M.Sc. (Agriculture) from Tamil Nadu Agricultural University and Ph.D. in entomology from University of Georgia, USA
Expertise in specific functional areas	Research & development and launch of new technologies in crop protection products and leading business teams
Experience	Over 26 years
Other Indian companies in which directorship held	Barrix Agro Sciences Private Limited
Other companies in which committee membership/ chairmanship held	None
No. of shares held in the Company	None
Relationship with other Directors and KMPs	None
Number of Board Meetings attended during the year 2023-24	4
Remuneration drawn in 2023-24 as Whole-time Director	₹ 16.79 million
Remuneration and other terms and conditions of appointment	As specified in the Contract executed on 23.08.2023

Dr Suresh Ramachandran has not resigned as a director of any listed entity in the past 3 (three) years.

Item No. 9

Pursuant to the provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("**LODR**") all related party transactions require prior approval of the Audit Committee and all material related party transactions and material modifications thereto require prior approval of the members through a resolution. LODR define the term 'material transaction' to mean a transaction with a related party which individually or taken together with previous transactions during a financial year exceeds rupees one thousand crore or ten percent of the annual consolidated turnover of the company as per the last audited financial statements of the company, whichever is lower.

Sumitomo Chemical Company, Limited, Japan ("**SCC**"), a leading crop protection company globally, is the Company's Holding Company and hence a related party. SCC and the Company are in similar line of business i.e. agri-input business / other businesses. As a part of its regular business, the Company has business transactions with SCC which comprise purchase, sale and supply of goods (including raw materials, intermediates, finished products, capital goods and other items), providing and availing services, reimbursement of expenses, transfer of resources / services and other transactions in the ordinary course of business. The transactions with SCC are at arm's length. All the related party transactions are approved by the Company's Audit Committee pursuant to the provisions of the Companies Act, 2013 and rules made thereunder and LODR.

The transactions for sale to SCC comprise of the products, originally innovated by SCC, which are manufactured by the Company in India. The Company does not pay royalty or other fees for manufacture of such products. Similarly, the purchase transactions with SCC involve products, originally innovated by SCC, which the Company distributes in India. The Company also has transactions for services and reimbursement of expenses with SCC. The services include IT-related services, services in connection with market research, market development and assistance for procurement and sale of materials and products. These business transactions help smoothen the Company's business operations ensuring consistence flow of required quality and quantity of materials and in growing its business in domestic and export markets. The transactions proposed to be entered into with SCC do not relate to loans, inter-corporate deposits, advances or investments.

The maximum aggregate amount of transactions entered into and proposed to be entered into with SCC during the financial year 2024-25 is estimated at ₹ 9,500 million which works out to 33.72% of the consolidated sales turnover of the Company for the financial year 2023-24.

The Ordinary Resolution at Item No. 9 seeks approval of the members in terms of Regulation 23 of LODR for material related party transactions entered into / proposed to be entered into with SCC during the financial year 2024-25 and material modifications, if any, thereto provided that the total amount of the transactions shall not exceed ₹ 9,500 million (Rupees nine thousand five hundred million) plus applicable taxes and duties.

In the opinion of the Board, the business transactions with SCC are in the overall interest of the Company and its business. The Board, therefore, recommends the ordinary resolution for the approval of the members.

None of the Directors, key managerial personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution.

No related party of the Company is eligible to vote in favour of the resolution set out at Item No. 9 pursuant to the provisions of LODR.

Item No. 10

In accordance with the provisions of Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a cost auditor to audit its cost records.

The Board has appointed M/s GMVP & Associates LLP, Cost Accountants (Registration Number: 000910) as the Cost Auditors of the Company for the financial year 2024-25 on the recommendation of the Audit Committee.

The Board has fixed the remuneration of the Cost Auditors at ₹ 550,000 plus applicable taxes and duties and reimbursement of actual out-of-pocket expenses. The remuneration of the Cost Auditors is required to be considered and ratified by the members of the Company pursuant to the Act and the Rules.

The Resolution at Item No. 10 of the Notice is set out as an Ordinary Resolution seeking ratification by the members of the remuneration of the Cost Auditors in terms of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014.

The Board recommends the ordinary resolution for approval by the members.

None of the Directors, key managerial personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 10.

By Order of the Board of Directors
For **Sumitomo Chemical India Limited**

DEEPIKA TRIVEDI
Company Secretary

Registered Office:
Building No.1, Ground Floor, Shant Manor Co-op. Housing Society Ltd.
Chakravarti Ashok 'X' Road, Kandivli (East),
Mumbai – 400 101.
Mumbai, 27 May 2024

REPORT OF THE BOARD OF DIRECTORS

TO THE MEMBERS

Your Directors have pleasure in presenting the Twenty-Fourth Annual Report and the Audited Financial Statements, including Consolidated Financial Statements, of the Company for the year ended 31 March 2024.

1. FINANCIAL RESULTS

The salient features of the Company's working are:

(₹ in Million)

	2023-24	2022-23
Gross Profit for the year	**5,648.39**	7,072.66
Less: Depreciation and amortization expense	**614.92**	518.62
Profit before tax	**5,033.47**	6,554.04
Less: Tax expense (current and deferred tax)	**1,336.73**	1,519.67
Profit after tax	**3,696.74**	5,034.37
Add: Balance of Retained earnings brought forward from the previous year	**1,689.22**	1,633.67
Available retained earnings	**5,385.96**	6,668.04
Other Comprehensive Income	**1.36**	20.33
	5,387.32	6,688.37
Final Dividend relating to previous financial year paid during the year	**598.97**	499.15
Interim Dividend (2023-24) paid during the year	**2,495.73**	–
Transfer to General Reserve	**–**	4,500.00
Retained earnings carried forward to the next year	**2,292.62**	1,689.22

2. DIVIDEND

In February, 2024, the Board declared and paid a Special Interim Dividend of ₹ 5 per equity share of ₹ 10 each aggregating ₹ 2,495.73 million to commemorate the occasion of the Company entering its silver jubilee year.

Your Directors have recommended a final dividend of ₹ 0.90 (previous year ₹ 1.20) per equity share on 499,145,736 shares of ₹ 10 each aggregating ₹ 449.23 million (previous year ₹ 598.97 million). The Directors consider this appropriate in view of having paid Special Interim Dividend of ₹ 5 per equity share in February, 2024 and further having regard to the requirements for funds for business and future growth of the Company.

3. OPERATIONS

During the year under review, the sales decreased from ₹ 34,732.57 million in the previous year to ₹ 28,062.81 million. Domestic sales turnover decreased from ₹ 26,068.92 million to ₹ 22,509.79 million and the export turnover also decreased from ₹ 8,663.65 million to ₹ 5,553.02 million. After making provision for depreciation, interest and Tax, the Net profit during the year under report stands at ₹ 3,696.74 million as against ₹ 5,034.37 million in the previous year.

In FY 2023-24, monsoon was deficient and erratic and its time-spread was not conducive for agricultural operations. High cost raw material opening inventory, wide fluctuations in raw material costs and its sharp decrease in the middle of the season impacted generic- products pricing and led to slow liquidation of high cost inventory. Unfavourable weather conditions resulted inventory pile-up with channel partners. Similar unfavourable market conditions prevailed in international agrochemicals markets as well impacting exports. Geopolitical situations like continued Russia-Ukraine conflict and Red sea situation leading to high logistics costs impacted the business. Uncertainties continued for major part of the financial year due to erratic monsoon and volatile pricing. Low demand, high costs and pressure of high working capital threw up unprecedented challenges to the agrochemicals industry.

4. REGULATORY ORDER FOR GLYPHOSATE USE

In October 2022, the Central Government issued a Notification mandating that Glyphosate, a broad spectrum weedicide and an important product for the Company, will be used only through Pest Control Operators. Several industry players and associations filed petitions before the Hon'ble Delhi High Court (**"Hon'ble Court"**) challenging the Notification. The petitions are under hearing. The Central Government has undertaken before the Hon'ble Court not to implement the Notification till disposal of the said petitions.

REPORT OF THE BOARD OF DIRECTORS (Contd.)

5. NEW PRODUCTS/IMPROVEMENTS/EXPANSIONS

The Company continues to maintain ISO 9001, ISO 14001 and ISO 45001 certifications for the manufacturing sites. The Company has also initiated implementation of 5S Workplace Management System and Total Productive Maintenance (TPM) System with a view to achieve higher efficiency and productivity. The quality of products is maintained and upgraded to the applicable national and international standards through rigorous pursuit of the quality management systems. The Company continues to enjoy the reputation of a consistent and reliable quality supplier.

In the year under review, your Company continued to pursue initiatives to optimise utilisation of its manufacturing facilities, launch new products and install manufacturing capacities to supply new products in domestic and international markets. The Company continues to take initiatives for introducing new technical grade products and for expanding production capacities.

During the year under review, the Company introduced breakthrough technology for oomycetes disease control - Derecho® which is a proprietary active ingredient of the parent company and an innovative advance liquid formulation of Copper.

The Company has plans to introduce three new patented products during the financial year 2024-25. The Company would continue to focus on ramping up recently launched products and on introduction of new products which is core to sustainable future growth.

6. OUTLOOK

Agriculture sector is one of the important segments of Indian economy. It contributes about 15% to country's GDP and provides source of livelihood to about 50% of the population. Share of agriculture in the country's GDP has declined over the decades as manufacturing and service sectors have grown faster.

The domestic agrochemicals market is driven by rising population, which spells the need for increasing food production. Increasing focus on quality produce continues to boost consumption of agrochemicals.

Government of India has taken a number of initiatives to protect interest of farmers and improve their profitability. Providing minimum support prices for several agriculture produce, Kisan Samman Nidhi, large budgetary allocation for farming sector are some such initiatives. The Government has also extended the period for free supply of ration for the poor. These initiatives are expected to improve rural economy which in turn will help in the growth of agro-chemical industry. The commodity prices are robust and farmers are expected to continue to invest in agrochemicals to safeguard the harvest.

The India Meteorological Department ("IMD") has predicted above-average monsoon rainfall in 2024 and hence, the industry outlook for FY 2024-25 appears reasonably good. Market prospects appear positive in the international markets as well in 2024-25. Product prices are stable and are expected to remain stable throughout the year which augurs well for the industry.

7. SAFETY, HEALTH AND ENVIRONMENT

The Company continues to work on reducing environmental load, enhance safety, improve quality and reduce cost. The Company continues to play the role of a responsible corporate citizen in the fulfillment of its objectives of protecting and enriching the environment and human health and safety. The Company has also adopted Responsible Care Policy and its initiatives demonstrate its commitment towards comprehensive approach for safeguarding environment, health and safety of all stakeholders and aims at achieving and sustaining high standards of performance. The Company also reviews and monitors these Quality, Environment, Health & Safety policies and sustainability activities to ensure continual improvement.

The Company's commitment to its safety management programs follows a top-down approach towards establishing, demonstrating, sustaining and improving the safety culture and incorporating the Company's core value of safety in their daily responsibilities. Safety audit, training programs and other safety management processes are carried out at regular intervals.

The Company has adopted plastic waste management process to minimize the amount of 'post-use plastic waste' in the environment through a plastic credit platform dedicated to collection, segregation and recycling of such waste.

The green initiatives of the Company in the form of harvesting wind and solar energy and treatment of sewage water contribute to improving environment. The Company continues to work towards reduction of greenhouse gases for sustainable economic and social values. These initiatives are implemented through 'Science Based Targets'.

8. EDUCATION, LEARNING AND HUMAN RESOURCES

Building a strong workforce through learning, development, goal setting and performance management

The Company invests in attracting right talent and skill-sets to drive its sustainability-led business strategy. Its human resource framework is built around a model designed to create a skilled and productive structure. The focus is on addressing the existing skill-gaps and attracting new and industry-relevant skills which include functional/technical and on-the-job training programs. During the year under review, as a part of the leadership training initiative, the Company undertook strength-based intervention through Gallup International for seniors and a few second line managers from sales and marketing functions to enrich their competencies.

The Company has identified development of managerial capability as a key focus area for steering its growth plans. The Company has a robust goal- setting and performance-management process in place for aligning individual interests, goals, targets and achievements with the functional goals and finally with the corporate strategic goals, targets and achievements.

The employees receive real time feedback on their performance and improvement areas through a structured review process which is designed to evaluate and identify development opportunities. The Company focuses on empowering employees with skills in critical development areas identified pursuant to training-needs analysis, feedback and discussions. The Company aims at building a pool of leaders and ensuring succession planning across the organisation for critical and leadership positions.

9. INSURANCE

The Company continues to carry adequate insurance cover for all its assets against foreseeable perils like fire, flood, earthquake, etc. and continues to maintain the Liability Policy as per the provisions of the Public Liability Insurance Act.

10. SUBSIDIARY COMPANIES

On 15 December 2023, the Company acquired 85% equity shares (on fully diluted basis) and controlling stake in Barrix Agro Sciences Private Limited, a Bangaluru based company engaged in R&D innovation, manufacturing and marketing of Integrated Pest Management ("**IPM**") and Integrated Plant Nutrition Management ("**IPNM**") products especially pheromone traps and chromatic sheets for agricultural pest management. This acquisition is in alignment of the Company's strategy to build a more sustainable portfolio of green chemistries and offer IPM and IPNM products and solutions to farmers. Thus, Barrix Agro Sciences Private Limited has become the Company's subsidiary with effect from 15 December 2023.

Highlights of the financial performance of Barrix Agro Sciences Private Limited are as follows:

	2023-24 (₹ in Million)	2022-23 (₹ in Million)
Revenue from operations	**320.42**	363.15
Profit/(Loss)	**(85.69)**	36.68
Profit/(Loss) after Tax	**(80.95)**	38.85

In February 2024, the shareholders of Excel Crop Care (Africa) Limited, the Company's Tanzania based subsidiary, have passed a resolution approving its voluntary winding up with effect from 31 March 2024. The winding up process for the subsidiary is underway and is subject to legal, regulatory and other processes and procedures under the laws in Tanzania. Your Company holds 99.9% of the equity shares of Excel Crop Care (Africa) Limited. This subsidiary is an unlisted 'non-material' subsidiary which was not having any significant business or commercial activities and had been incurring losses for the past three years. It has no material financial liability on its balance sheet and has a positive net worth as on 31 March 2024. Its winding up is not likely to materially impact business, commercial activities or financial position of the Company.

REPORT OF THE BOARD OF DIRECTORS (Contd.)

Highlights of the financial performance of Excel Crop Care (Africa) Limited, Tanzania are as follows:

(Tanzania Schillings in Million)

	2023-24	2022-23
Revenue	**275**	198
Loss	**144**	310
Loss after Tax	**96**	230

The Financial Statements and the Reports of the Board of Directors and the Auditors of Barrix Agro Sciences Private Limited and Excel Crop Care (Africa) Limited are posted on the Company's website: www.sumichem.co.in.

11. DISCLOSURE UNDER THE COMPANIES ACT, 2013

Information is given below pursuant to various disclosure requirements prescribed under the Companies Act, 2013 and rules thereunder, to the extent applicable to the Company. Some of the disclosures have been included in appropriate places in the Corporate Governance Report which is part of the Board's Report.

a) **Energy Conservation, Technology Absorption and Foreign Exchange earnings and outgo:**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is given in **Annexure I.**

b) **Annual Return:**

Annual return as on 31 March 2023 in form MGT-7 filed with the Ministry of Corporate Affairs is available on the Company's website https://sumichem.co.in/pdf/22-23/Annual%20Return.pdf.

Annual return as on 31 March 2024 in form MGT-7 will also be posted on the Company's website after the same is filed with the Ministry of Corporate Affairs.

c) **Policy on Directors' appointment, Remuneration Policy and information regarding remuneration:**

Particulars of the Company's Policy on Directors' appointment, Remuneration Policy and information pursuant to Rule 5(1) of the Companies (Appointment & Remuneration) Rules, 2014 are given in **Annexure II.**

d) **Particulars of Loans, Guarantees and Investments:**

The details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

e) **Related Party Transactions:**

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were on an arm's length basis.

All related party transactions are placed before the Audit Committee for their approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a repetitive nature. The transactions entered into pursuant to the omnibus and specific approvals are reviewed periodically by the Audit Committee.

Pursuant to the provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the said Regulations"), all material related party transactions require approval of the members through a resolution. The said Regulations define the term 'material' to mean a transaction with a related party which individually or taken together with previous transactions during a financial year exceeds ten percent of the annual consolidated turnover of the Company as per the last audited financial statement of the Company.

During the year, the Company entered into transactions with Sumitomo Chemical Company, Limited, Japan, the holding company, which are considered 'material transactions' in terms of the said Regulations. These transactions were approved by the shareholders by an ordinary resolution passed at the previous annual general meeting held on 28 July 2023.

The Company is seeking approval of the shareholders, through an ordinary resolution at the ensuing annual general meeting, for the transactions entered into / proposed to be entered into with the holding company during the Financial Year 2024-25 up to an amount not exceeding ₹ 9,500 million.

The Company had no transactions during F. Y. 2023-24 requiring disclosure in the Form AOC-2 under the Companies Act, 2013.

The Policy on related party transactions as approved by the Board may be accessed on the Company's website https://sumichem.co.in/pdf/20220603121214.pdf?v=1.0.

f) **Business Risk Management:**

The Board has formed Risk Management Committee pursuant to the provisions of Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to identify and monitor risks faced by the Company.

The Committee deliberates on the major enterprise and business risks identified by the management, analysis of their impact and mitigation measures for addressing the risks. The major risk areas relate to risks associated with material procurement and manufacturing operations, regulatory risks, cyber security / IT related risks, human resources related risks, currency risks, credit risks mainly relating to exports and insurance adequacy risks.

g) **Evaluation of the performance of the Board, Committees of Directors and Individual Directors:**

The Board has adopted a formal mechanism for evaluating its performance as well as that of its Committees and individual Directors, including performance of the Chairman of the Board. As a part of this mechanism, a structured questionnaire, approved by the Company's Nomination and Remuneration Committee, is used to carry out evaluation of performance of the Board, Committees of Directors and individual Directors. The questionnaires take into consideration various criteria and factors.

h) **Material orders passed by the regulatory authorities or courts/material changes or commitments:**

There are no significant material orders passed by regulators or courts which can impact the going concern status of the Company and its future operations. There are no material changes or commitments occurring after 31 March 2024 which may affect the financial position of the Company.

i) **Internal Financial Controls and their adequacy:**

The Company has adequate system of internal controls to safeguard and protect from loss, unauthorised use or disposition of its assets. All the transactions are properly authorised, recorded and reported to the management. The Company is following all the applicable Accounting Standards for proper maintenance of books of accounts and for financial reporting.

j) **Performance of subsidiary companies:**

Details of performance and financial position of the subsidiary companies, are given in Form AOC-1 in **Annexure III.**

The Company has no associate company.

k) **Corporate Social Responsibility (CSR) initiatives:**

The Company has formulated its Corporate Social Responsibility Policy which has been posted on its website https://sumichem.co.in/pdf/Corporate%20Social%20Responsibility%20Policy.pdf

A brief outline of the Policy and the Annual Report on CSR Activities is given in **Annexure IV.**

l) **Particulars of Employees:**

The information required under Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in **Annexure V.**

m) **Secretarial Auditor and Secretarial Audit Report:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rules made thereunder, M/s Saraf & Associates, Practicing Company Secretaries, Mumbai (FCS:1596; CP NO.642), were appointed Secretarial Auditors to conduct secretarial audit for the year ended 31 March 2024. The Report of the Secretarial Auditors is attached as **Annexure VI.**

n) **Secretarial Standards:**

The Company has complied with the applicable 'Secretarial Standards on Meetings of the Board of Directors - SS 1' and 'Secretarial Standards on General Meetings - SS 2'.

REPORT OF THE BOARD OF DIRECTORS (Contd.)

12. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr Tadashi Katayama, Director, retires by rotation and being eligible, offers himself for reappointment.

The first five-year term of Dr Mukul G Asher, Mr B V Bhargava and Mrs Preeti Mehta, Independent Directors, expires in August 2024. Special resolutions proposing reappointment of Dr Mukul G Asher and Mrs Preeti Mehta for the second term as Independent Directors are included in the notice of the ensuing annual general meeting.

It is proposed to promote Dr Suresh Ramachandran, Whole-time Director, to the position of Deputy Managing Director with effect from 01 September 2024.

A special resolution proposing appointment of Mr N Sivaraman as Independent Director with effect from 01 September 2024 is part of the notice of the ensuing annual general meeting.

Mrs Deepika Trivedi was appointed Company Secretary and Compliance Officer with effect from 01 April 2023 in place of Mr Pravin D Desai who retired.

13. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Directors confirm that:

(a) in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;

(b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

(c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) they have prepared the annual accounts on a going concern basis;

(e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

(f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively.

14. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Business Responsibility and Sustainability Report prepared in the prescribed form pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in relation to initiatives taken from environmental, social and governance perspective, forms part of the Annual Report.

15. CORPORATE GOVERNANCE

Your Company is committed to the principles of good corporate governance and the Board of Directors lays strong emphasis on transparency, accountability and integrity. Your Company has complied with all the requirements of the Code of Corporate Governance contained in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and, pursuant thereto, Management Discussion and Analysis and the Corporate Governance Report are annexed and form part of the Annual Report.

16. AUDITORS AND AUDITORS' REPORTS

The Independent Auditors' Reports on Financial Statements, including Consolidated Financial Statements, of the Company for the year ended 31 March 2024, issued by M/s SRBC & CO LLP, the Auditors, are enclosed with the Financial Statements in this Annual Report.

The Independent Auditors' Reports are unmodified and do not contain any qualification, reservation or adverse remark. With respect to the observations in the Independent Auditors Report relating to audit trail feature of the Company's accounting software, the same has been explained in Note 51 to the Standalone Financial Statements.

The term of appointment of Messrs SRBC & CO LLP as Auditors ends on the conclusion of the ensuing annual general meeting. It is proposed to appoint Messrs BSR & Co. LLP, Chartered Accountants, as the Auditors of the Company for a period from the conclusion of this meeting till the conclusion of the 29th annual general meeting. A resolution proposing their appointment is included in the notice of the ensuing annual general meeting.

17. COST RECORDS AND COST AUDIT REPORT

The Company prepares and maintains cost records as specified by the Central Government under Section 148(1) and rules made thereunder. The cost records for the year 2022-23 were subjected to cost audit by M/s GMVP & Associates LLP, Cost Auditors. The Cost Audit Report for the financial year 2022-23 issued by the Cost Auditors was filed with the Ministry of Corporate Affairs on 28 September 2023 vide SRN: F63581011.

18. ACKNOWLEDGEMENTS

Your Directors wish to place on record their sincere appreciation of the wholehearted co-operation received from the Company's Shareholders, Bankers, various authorities of the Governments and business associates.

For and on behalf of the Board of Directors

CHETAN SHAH
Managing Director
DIN: 00488127

SUSHIL MARFATIA
Executive Director
DIN: 07618601

Mumbai, 27 May 2024

ANNEXURE - I TO THE REPORT OF THE BOARD OF DIRECTORS

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo under Section 134 of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014.

(A) CONSERVATION OF ENERGY

(i) *Steps taken for conservation of energy and impact:*

During the year, the Company continued its effort towards conservation of energy and took the following steps for the said purpose:

- Replacement of low efficiency equipment, pumps and motors with energy efficient equipment, pumps, motors and compressors
- Use of LED lights

The measures undertaken for conservation of energy resulted in savings of power and fuel cost.

(ii) *Steps taken by the Company for utilizing alternative sources of energy:*

As a part of its long-term sustainability plan, the Company has taken several initiatives for utilising alternate fuel sources and renewable sources of energy. Under these key initiatives, the Company has installed windmills and solar power generation units over the years. The power generated by the windmills and solar power plants is captively consumed for the Company's industrial operations. The Company has also taken new initiative for purchasing electricity from a hybrid power producer. During the year under review, the Company commissioned a new bio-fuel boiler to replace crude-oil boiler.

(B) TECHNOLOGY ABSORPTION

a) *Major efforts made towards technology absorption:*

- Backward integration for some of the existing molecules/intermediates to attain self-sufficiency and remain competitive
- In-house process development for reducing environmental load, enhance safety, improve quality and reduce cost
- Pilot level scale-up of processes to generate technical and safety related data
- To generate in-house non-GLP chemistry data for registration of products for domestic and international markets
- To develop new formulations and scale-up technologies for commercial production and to enhance production capacity of liquid and solid formulations
- To upgrade synthetic and analytical laboratories with modern scientific tools in order to cater to newer chemistries
- Purity and impurity profiling of molecules for registration of products for domestic and international markets
- Introduction of new hardware/technologies for improving packaging and packing productivity

b) *Benefits derived as a result of the above efforts:*

The above efforts enable the Company to develop and commercialise newer generic technical, formulations and combi-formulations using greener and efficient chemistries and enhance product competitiveness

c) *Information regarding imported technology (imported during last three years):*

The Company has not imported any technology.

d) *Expenditure incurred on research and development:*

(₹ Million)

(a)	Capital	7.15
(b)	Recurring	111.17
(c)	Total	118.32
(d)	Total R & D expenditure as a percentage of total turnover	0.42%

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company's total foreign exchange earnings in 2023-24 amounted to ₹ 5,528.09 million. The amount of foreign exchange used was ₹ 4,837.64 million

ANNEXURE - II TO THE REPORT OF THE BOARD OF DIRECTORS

Policy on Directors' appointment and remuneration, Remuneration Policy and information regarding remuneration:

(a) Policy on Directors' appointment and remuneration:

i. The Policy lays down criteria for determining qualifications, skills, experience, expertise, competencies, integrity, positive attributes and independence for appointment of Executive and Non-Executive Directors and to determine their remuneration.

ii. The Policy also endeavours to ensure Board diversity in terms of gender, thought process, experience, knowledge and perspective and strives to evolve succession plans for the Board.

iii. The Policy strives to devise remuneration levels for the Directors taking into account individual performance and strives to attract and retain talent relevant to the Company.

iv. The Policy also lays down criteria for evaluation of performance of Directors.

v. A Whole-Time Director shall not hold office as Whole-Time Director in any other Company except in the Company's subsidiary. However, Managing Director may hold office of Managing Director in one more Company with specific approval of the Nomination and Remuneration Committee and the Board, subject to the provisions of the Companies Act, 2013 and rules made thereunder.

vi. A Managing Director/Whole-Time Director shall be appointed for tenure of up to five years.

vii. An Independent Director shall be appointed for a term not exceeding five years and may be reappointed for the second term of up to five years, subject to the provisions of the Companies Act, 2013 and rules made thereunder.

viii. The remuneration, including annual performance bonus of the Managing Director and Whole-Time Directors shall be determined and recommended by the Nomination and Remuneration Committee to the Board and shall be subject to the approval of the Board within the overall remuneration approved by a resolution of the members.

ix. The minimum remuneration of Managing Director/Whole-Time Director in case of loss or inadequacy of profit in a particular year shall be in accordance with the provisions of the Companies Act, 2013 and rules made thereunder. The Company shall, however in such a case, undertake reasonable efforts and follow the process to obtain suitable approval as may be required for payment of such higher remuneration to the Director as has been agreed to with the Director.

x. The Non-Executive Directors shall be paid sitting fees for attending meetings of the Board and Committees of Directors. The amount of sitting fees shall be determined by the Board from time-to-time within and subject to the limits stipulated by the Companies Act, 2013 and rules made thereunder.

xi. The Non-Executive Directors shall be paid commission, not exceeding in the aggregate 1% of the net profits of the Company, computed in the manner laid down in the Companies Act, 2013 and rules thereunder. Individual Director shall be paid commission within the overall limit of 1% of net profits as the Board may determine taking into account the number of Meetings attended, contribution in deliberations in meetings and such other criteria and factors as the Board may deem fit.

xii. A Non-Executive Director may be appointed Advisor, Consultant or in any other capacity on a fees/remuneration as may be determined by the Board of Directors subject to approval of the members as required under the Companies Act, 2013 and rules made thereunder and/or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

xiii. The Company shall bear costs and expenses incurred by the Directors for attending meetings of the Board/ Committees of Directors / members and for attending to the Company's official business.

(b) Remuneration Policy for the Management Employees:

(I) In determining the remuneration of the Senior Management Employees (i.e. KMPs, HODs and Management cadre employees) the Company ensures/considers the following:

(i) The relationship of remuneration and performance benchmark is clear.

(ii) The balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals.

(iii) The remuneration is divided into two components viz. fixed component comprising of salaries, perquisites and retirement benefits and variable component comprising of performance bonus/incentive etc.

(iv) The remuneration including annual increment and performance incentive is based on the criticality of the roles and responsibilities, the Company's performance, individuals' performance vis-a-vis KRAs, industry benchmark and current compensation trends in the market.

(II) The Company carries out individual performance review based on the Standard Appraisal Matrix and takes into account the Appraisal Score Card and other factors mentioned herein-above while fixing the annual increment and performance incentives.

(c) Remuneration of employees in staff/worker categories is based on periodical agreements/understandings reached through negotiations with Trade Union/Employees' Representatives. The increase in their remuneration depends upon such agreements/understandings.

(d) The Company follows its Remuneration Policy in determining employee remuneration.

(e) This Policy is also available on the Company's website https://sumichem.co.in/investors-relations.php#Governance

DISCLOSURE PURSUANT TO RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1. Remuneration of Directors, Company Secretary and Chief Financial Officer in 2023-24:

Sr. No.	Director(s)/KMP(s)	Remuneration (₹ Million)	Ratio to Median Remuneration of employees	% increase/ (decrease) in remuneration in 2023-24 over 2022-23
1	Dr Mukul G Asher, Non-Executive Director	3.38	4.97	(14.45)
2	Mr Chetan Shah, Managing Director	83.29	122.62	4.06
3	Mr Sushil Marfatia, Executive Director	27.34	40.25	2.63
4	Dr Suresh Ramachandran, Whole-time Director (with effect from 01 June 2023) (see Note i below)	16.79	24.72	Not applicable
5	Mr B V Bhargava, Non-Executive Director	3.33	4.90	(14.62)
6	Mr Ninad D Gupte, Non-Executive Director (see Note ii below)	3.17	4.66	2244.44
7	Mr Tadashi Katayama, Non-Executive Director	Nil	Not applicable	Not applicable
8	Mrs Preeti Mehta, Non-Executive Director	3.35	4.92	(14.56)
9	Mr Masanori Uzawa, Non-Executive Director	Nil	Not applicable	Not applicable
10	Ms Deepika Trivedi, Company Secretary & Compliance Officer (with effect from 01 April 2023) (see Note i below)	1.87	Not Applicable	Not applicable
11	Mr Anil Nawal, Chief Financial Officer	13.33	Not Applicable	12.09

Notes:

i) Dr Suresh Ramachandran, Whole-time Director and Ms Deepika Trivedi, Company Secretary & Compliance Officer, were not holding KMP position in FY 2022-23 and hence the information regarding % increase in remuneration is not applicable.

ii) Mr Ninad D Gupte's remuneration in FY 2023-24 includes commission of Non-Executive Directors ₹ 3.00 million – he was not paid commission of Non-Executive Directors in FY 2022-23.

2. The median remuneration of employees increased by 6.25% in 2023-24 over 2022-23.
3. The average remuneration of employees (other than Managing Director, Executive Director and Whole-time Director) increased by 4.63% in 2023-24 over 2022-23. Overall remuneration of managerial personnel increased by 5.14% in 2023-24 over 2022-23. The main reason for the difference in increase is that managerial remuneration is based on industry standards whereas remuneration increase given to a large section of employees is based on periodical agreements/understandings reached through negotiations with their Trade Union/Employees' Representatives.
4. The performance bonus for Mr Chetan Shah, Managing Director and annual performance bonus for Mr Sushil Marfatia, Executive Director and Dr Suresh Ramachandran is paid in accordance with the terms of their appointment. The annual performance bonus is based on the specified criteria and is determined by the Board pursuant to the recommendation of the Nomination and Remuneration Committee on the basis of the results of the performance goals of the preceding fiscal year determined under the evaluation system which is in line with Sumitomo Chemical global performance evaluation standard.
5. Non-Executive Directors are paid commission not exceeding 1% of the net profits of the Company computed under Section 198 of the Companies Act, 2013 and the same is paid to individual Directors as determined by the Board.
6. The total number of employees on the Company's rolls as on 31 March 2024 is 1,649.

ANNEXURE - III TO THE REPORT OF THE BOARD OF DIRECTORS

FORM AOC- 1

Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures

PART A - SUBSIDIARIES

(₹ Million)

Sr. No.	Name of the Company	Reporting Currency	Exchange Rate	Capital	Reserves	Total Assets	Total Liabilities	Investment Other than Investment in Subsidiary Companies	Turnover	Profit/ (Loss) Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	% of Holding
1	Barrix Agro Sciences Private Limited	INR	-	0.41	198.37	416.20	217.42	-	320.42	-85.69	4.74	-80.95	-	85.00%
			-	(0.11)	(80.11)	(234.79)	(154.57)	-	(363.15)	(36.68)	(2.17)	(38.85)	-	-
2	Excel Crop Care (Africa) Limited	TZS	0.0326	5.54	8.30	14.28	0.44	-	9.37	-4.92	1.61	-3.31	-	99.94%
			(0.0356)	(6.05)	(21.56)	(30.86)	(3.25)	-	(6.96)	(-10.62)	(-2.74)	(-7.88)	(1.21)	(99.94%)

(Figures in brackets relate to the Previous Year)

Notes:

1. (a) Shares in Excel Crop Care (Africa) Limited, Tanzania, acquired on 15 June 2010.
   (b) Shares in Barrix Agro Sciences Private Limited, Bengaluru, acquired on 15 December 2023.
2. Excel Crop Care (Africa) Limited, Tanzania, an unlisted subsidiary of the Company has applied for voluntarily winding up effective from 31 March 2024 since it was not having significant business / commercial activities / sales.
3. As required by the notification issued by MCA, Indian Rupees equivalent of the figures given in foreign currencies in the accounts of the foreign subsidiary have been given based on exchange rate as on 31 March 2024 for Balance Sheet items and at average exchange rate for Revenue items.
4. The Company does not have Associate and Joint Ventures as on 31 March 2024, hence Part B is not applicable.

	CHETAN SHAH	**SUSHIL MARFATIA**	**ANIL NAWAL**	**DEEPIKA TRIVEDI**
Mumbai, 27 May 2024	Managing Director	Executive Director	Chief Financial Officer	Company Secretary

ANNEXURE - IV TO THE REPORT OF THE BOARD OF DIRECTORS

1. Brief outline on CSR Policy of the Company:

The Company's CSR Policy, which is available on the website of the Company https://sumichem.co.in/investors-relations.php#Governance, encompasses the Company's philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare and sustainable development of the community at large.

CSR initiatives of the Company aim towards inclusive development of communities through a range of social interventions, enhancing skills and building social infrastructure to improve their livelihood. Our CSR approach focuses on development of communities around the vicinity of our plants and other offices for the benefit of different segments of the society, specifically the deprived, underprivileged and differently abled persons.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
i.	Mr Chetan Shah, Chairman of CSR Committee	Managing Director	1	1
ii.	Mr Sushil Marfatia	Executive Director	1	1
iii.	Mr Ninad D Gupte	Non-Executive Director	1	1
iv.	Mrs Preeti Mehta	Independent Director	1	1

3.	The web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the Company		:	https://sumichem.co.in/investors-relations.php#Governance
4.	The executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable		:	No impact assessment carried out
5.	a)	Average net profit of the Company as per sub-section (5) of section 135	:	₹ 5,787.39 million
	b)	Two percent of average net profit of the Company as per sub-section (5) of section 135	:	₹ 115.76 million
	c)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years	:	Nil
	d)	Amount required to be set-off for the financial year, if any	:	Nil
	e)	Total CSR obligation for the financial year [(b)+(c)-(d)]	:	₹ 115.76 million
6.	a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	:	₹ 116.00 million
	b)	Amount spent in Administrative Overheads	:	Nil
	c)	Amount spent on Impact Assessment, if applicable	:	Nil
	d)	Total amount spent for the Financial Year [(a)+(b)+(c)]	:	₹ 116.00 million
	e)	CSR amount spent or unspent for the Financial Year:	:	N.A.

f)	Excess amount for set-off, if any	:	see table below

Sr. No.	Particulars	Amount (₹ in Million)
(1)	(2)	(3)
i.	Two percent of average net profit of the company as per sub-section (5) of section 135	115.76
ii.	Total amount spent for the Financial Year	116.00
iii.	Excess amount spent for the Financial Year [(ii)-(i)]	0.24
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
v.	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	0.24

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

(₹ in Million)

1	2	3	4	5	6		7	8
Sr. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under subsection (6) of section 135	Balance Amount in Unspent CSR Account under subsection (6) of Section 135	Amount Spent in the Financial Year	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, If any
					Amount	Date of Transfer		
1.	2020-21	Nil	Nil	7.08	7.08	3.54 on 04.08.2021 and 3.54 on 06.08.2021	Nil	NA

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

○ Yes ✓ No

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135: Not Applicable

For and on behalf of the Board of Directors

CHETAN SHAH
(Chairman of CSR Committee)

SUSHIL MARFATIA
Executive Director

Place: Mumbai
Date: 27 May 2024

ANNEXURE - V TO THE REPORT OF THE BOARD OF DIRECTORS

PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 134(3)(q) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Sr. No.	Name of the Employee	Designation/ Nature of Duties	Remuneration (₹ in Million)	Qualification	Experience	Date of Commencement of employment	Age (Years)	Particulars of last employment Employer, last post and period for which post held
1	Chetan Shah	Managing Director	83.29	B.Com., Master of Business Administration	48 Years	01 September 2019	69	Excel Crop Care Limited Managing Director (3 years)
2	Sushil Marfatia	Executive Director	27.34	B.Com., Chartered Accountant	46 Years	07 November 1996	73	New Chemi Industries Pvt. Ltd. C.E.O. (15 years)
3	Suresh Ramachandran (*)	Whole-time Director and Chief Commercial Officer	26.25	M.Sc. (Agri.), Ph.D.	25 Years	03 March 2021	54	Indofil Business Head – India Agro (2 years)
4	Kunal Suresh Mittal	Senior Vice President – Planning and Coordination Office	26.21	B.Com, Chartered Accountant	22 Years	15 January 2020	41	KPMG India Director (12 years)
5	Kalpesh Patel	Vice President – Sales & Marketing	22.41	B.Sc. (Agri.)	35 Years	18 February 2013	56	FMC India Marketing Manager (7 years)
6	Fumio Suzuki	Vice President – Planning and Coordination Office	20.43	Bachelor of Law, University of Tokyo	33 Years	25 November 2022	55	Sumitomo Chemical Company Ltd. Planning and Co-ordination Office (4 Years)
7	Pankaj Garara	Vice President – Sales & Marketing	17.16	B.Sc. (Agri.)	32 Years	02 May 2011	55	Monsanto India Regional Sales Manager (13 years)
8	Gaganpreet Singh	Vice President – Sales & Marketing	15.67	M.Sc. (Agri.), MBA	28 Years	11 May 2011	50	Sinochem National Sales Manager (1 year)
9	Maddika Nagarjuna Reddy	Vice President – Sales & Marketing	13.95	B.Sc. (Agri.)	32 Years	02 May 2016	56	Adama India General Manager (2 Years)
10	Anil Nawal	Chief Financial Officer	13.33	B.Com, Chartered Accountant and Company Secretary	36 Years	01 September 2019	58	Excel Crop Care Limited Chief Financial Officer (3.5 years)

Sr. No.	Name of the Employee	Designation/ Nature of Duties	Remuneration (₹ in Million)	Qualification	Experience	Date of Commencement of employment	Age (Years)	Particulars of last employment
								Employer, last post and period for which post held
11	Gopalkrishnan Venkataraman	Vice President – Procurement	12.73	B. Tech., P.G. Diploma and IE	38 Years	01 September 2019	64	Excel Crop Care Limited Vice President – Procurement (31 years)
12	Anil Kakkar	Vice President	11.22	M.Sc. and MBA	43 Years	01 September 2019	66	Excel Crop Care Limited Vice President – Marketing (31 years)
13	Sunil Bapurao Jagtap	Vice President – Human Resources	11.00	B.Sc.-Chemistry, MBA, MLS	35 Years	01 September 2019	61	Excel Crop Care Limited Vice President – Human Resources (8 years)
14	Amit Kumar	Associate Vice President – Marketing	10.60	B.Sc. (Agri.)	18 Years	20 August 2021	44	FMC India Pvt. Ltd. Marketing Head (15 years)
15	Yoshihisa Inoue	Senior Vice President – Manufacturing	14.09	Master Grade Engineering	30 Years	10 July 2023	54	Sumitomo Chemical Company Ltd. Deputy General Manager (1.2 years)
16	Viren Kirti Shah	General Manager – Site Incharge	9.94	Diploma in Chemical Engineering	37 Years	01 September 2019	57	Excel Crop Care Limited GM – Site Head (28 years)
17	Prasad B. Kushalkar	Associate General Manager – Packaging Development	4.36	B.Sc.-Chemistry	30 Years	01 September 2019	57	Excel Crop Care Limited Deputy General Manager – Packaging Development (30 years)
18	Narender Sharma	Deputy General Manager	4.06	MBA – Marketing	34 Years	18 March 2013	59	Godfrey Phillips India Limited Sales Manager (14 years)
19	Ravindra Vitthal Datar	Head – Research & Process Development	2.82	B.Sc., B.Sc. (Tech), M.Sc. (Tech), Ph.D.	31 Years	01 September 2019	61	Excel Crop Care Limited Head – Research & Process Development (2 Years)
20	Prakashraj Ratilal Nimavat	Senior Staff/ Supervisor – Engineering	1.87	Diploma in Instrumentation	36 Years	01 September 2019	60	Excel Crop Care Limited Staff Supervisor (30 Years)

*includes remuneration paid / payable for the period when not occupying the position of Whole-time Director

Notes:

1. Remuneration includes salary, performance bonus, commission, allowances, value of perquisites, Company's contribution to Provident Fund, Superannuation Fund and National Pension Fund and gratuity paid, if any.
2. The nature of employment is contractual in all the above cases.
3. The employees are not relatives of any Director of the Company.
4. Employees at Sr. No. 15 to 20 have been in service only for a part of the year.

ANNEXURE - VI TO THE REPORT OF THE BOARD OF DIRECTORS

Form No. MR-3
Secretarial Audit Report
For the Financial Year Ended 31st March 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

Sumitomo Chemical India Limited

CIN: L24110MH2000PLC124224

Bldg No.1, GF, Shant Manor Co-op Housing Society Ltd

Chakravarti Ashok 'X' Road, Kandivli (E)

Mumbai 400101.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Sumitomo Chemical India Limited (L24110MH2000PLC124224)** (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on 31st March, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2024 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment (ODI); The Company has not accepted any External Commercial Borrowings (ECB), and hence ECB Guidelines are not applicable to the Company during the financial year under review.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');

   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

   e) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

(vi) The Company has further complied with below mentioned laws, which are specifically applicable to the Company as it is in the business of Pesticides & Agrochemicals:

   i. The Insecticides Act, 1968 and rules made thereunder

   ii. The Fertilizers (Control) Order, 1985

As per the representations made by the management and relied upon by me, during the period under review, provisions of the following regulations were not applicable to the Company:

i. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

ii. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

iii. Securities and Exchange Board of India (Issue and Listing of Non-Convertible securities) Regulations, 2021

iv. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021

v. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018

I have also examined compliance with the applicable clauses of the following

(i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India

(ii) The Listing Agreements entered into by the Company with Stock Exchange read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, etc as mentioned above.

I further report that:

- The Board of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the Composition of the Board of Directors that took place during the period under review were carried out in compliance with provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All decisions were carried through unanimously as recorded in the minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

For Saraf & Associates
Practising Company Secretaries
K.G. SARAF
Proprietor
FCS: 1596 | CP: 642

FRN. S1988MH004800
PR. 1003/2020
UDIN: F001596F000461231

Place: Mumbai
Date: 27 May 2024

Note : This report is to be read with my letter of even date which is annexed as 'ANNEXURE 1' and forms an integral part of this report.

‘ANNEXURE 1’

To,

The Members,

Sumitomo Chemical India Limited

CIN: L24110MH2000PLC124224

Bldg No.1, GF, Shant Manor Co-op Housing Society Ltd

Chakravarti Ashok ‘X’ Road, Kandivli (E)

Mumbai 400101

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

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

For Saraf & Associates

Practising Company Secretaries

K.G. SARAF

Proprietor

FCS: 1596 | CP: 642

FRN. S1988MH004800

PR. 1003/2020

UDIN: F001596F000461231

Place: Mumbai

Date: 27 May 2024

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON THE CODE OF CORPORATE GOVERNANCE

Corporate Governance primarily involves transparency, full disclosure, independent monitoring of the state of affairs and being fair to all stakeholders. The Corporate Governance Code has also been incorporated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company endeavours not only to meet the statutory requirements in this regard but also to go well beyond them by instituting such systems and procedures as are in accordance with the contemporary trend of making management completely transparent and institutionally sound.

The Company believes in the concept of good Corporate Governance involving transparency, empowerment, accountability and integrity with a view to enhance stakeholders' value. The Company has professionals on its Board of Directors who are actively involved in the deliberations of the Board on all important policy matters.

2. BOARD OF DIRECTORS

As on 31 March 2024, the strength of the Board was nine Directors. The Board comprised of Managing Director, Executive Director, Whole-time Director and six Non-Executive Directors.

The Company has obtained the requisite disclosures from the Directors in respect of their directorship in other companies and membership/chairmanship in committees of other companies.

Particulars of composition of the Board of Directors as on 31 March 2024 and their attendance at the Board Meetings during the year and at the last Annual General Meeting and also the number of directorships/memberships of committees of other companies are as under:

NAME	CATEGORY	NO. OF BOARD MEETINGS ATTENDED DURING 2023-24	ATTENDANCE AT LAST AGM	NO. OF OTHER DIRECTORSHIP IN COMPANIES INCORPORATED IN INDIA (see Note below)	NO. OF OTHER BOARD COMMITTEE(S) OF COMPANIES OF WHICH HE/ SHE IS MEMBER/ CHAIRPERSON*
Dr Mukul G Asher Chairman	Independent Non-Executive	5	Yes	--	--
Mr Chetan Shah Managing Director	Non-Independent Executive	5	Yes	2	--
Mr Sushil Marfatia Executive Director	Non-Independent Executive	5	Yes	--	--
Dr Suresh Ramachandran (with effect from 01 June 2023)	Non-Independent Non-Executive	4	Yes	1	--
Mr B V Bhargava	Independent Non-Executive	5	No	1	1
Mr Ninad D Gupte	Non-Independent Non-Executive	5	Yes	1	2
Mr Tadashi Katayama	Non-Independent Non-Executive	5	Yes	--	--
Mrs Preeti Mehta	Independent Non-Executive	5	Yes	5	13
Mr Masanori Uzawa	Non-Independent Non-Executive	5	Yes	--	--

* Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee of companies incorporated in India.

CORPORATE GOVERNANCE REPORT (Contd.)

Note: Directorship in other companies includes following Listed Companies:

Name of Director	**Name of Listed Company in which directorship held**
Mr Ninad D Gupte	Transpek Industry Limited (Independent Director)
Mrs Preeti Mehta	• AMJ Holdings Limited (Independent Director) • Blue Jet Healthcare Limited (Independent Director) • Protean eGov Technologies Limited (Formerly known as NSDL e-Governance Infrastructure Limited) (Independent Director)

The Company held 5 meetings of its Board of Directors during the year on the following dates:

18/05/2023	31/07/2023	01/09/2023	27/10/2023	01/02/2024

In the opinion of the Board of Directors, Dr Mukul G Asher, Mr B V Bhargava and Mrs Preeti Mehta, the Independent Directors of the Company, are independent of the Company's management and fulfill the conditions laid down for independence by the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. None of the Directors of the Company is related to any other Director.

Shareholding of Non-Executive Directors in the Company as on 31 March 2024 is as follows:

Mr B V Bhargava – 5,000 shares

Mr Ninad D Gupte – 3,060 shares

Particulars of Mr Tadashi Katayama, Non-Executive Director, who retires by rotation and being eligible for re-appointment, are as follows:

Name of the Director	Mr Tadashi Katayama
Date of Birth	*23.10.1966*
Date of Appointment	*31.08.2019*
Qualifications	MBA degree from Vanderbilt University, USA and Master's Degree from Kyoto University, Japan
Expertise in specific functional areas	Strategy, planning, business development and marketing for crop protection business
Experience	*Over 31 years*
Other Indian companies in which directorship held	*Nil*
Other companies in which committee membership/chairmanship held	*Nil*
No. of shares held in the Company as on 31 March 2024	*Nil*
Relationship with other Directors and KMPs	*None*
Number of Board Meetings attended during the year 2023-24	*5*
Remuneration drawn in 2023-24	*Nil*
Remuneration and other terms and conditions of appointment	Mr Tadashi Katayama has instructed the Company not to pay him sitting fees for Board/Committee meetings and commission of Non-Executive Directors.

Mr Tadashi Katayama has not resigned as a director of any listed company in the past three years.

Particulars of other Directors whose appointment/reappointment as Independent Director is proposed at the ensuing Annual General Meeting are given in the Statement pursuant to Section 102 of the Companies Act, 2013 annexed to the Notice of the Annual General Meeting.

MEETING OF INDEPENDENT DIRECTORS

The Independent Directors held a Meeting on 06 March 2024 to discuss the following matters:

- Evaluation of the performance of Directors, Board and Chairman of the Company; and
- Evaluation of the quality, quantity, content and timelines of flow of information between the Management and the Board, for the Board to effectively and reasonably perform its duties.

All the three Independent Directors viz. Dr Mukul G Asher, Mr B V Bhargava and Mrs Preeti Mehta attended the meeting.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

Particulars of the Company's familiarization programme for Independent Directors are disclosed on the Company's website www.sumichem.co.in

3. AUDIT COMMITTEE

Terms of reference and composition:

The role of the Audit Committee is to supervise the Company's financial reporting process and disclosure of its financial information, to recommend the appointment of Statutory Auditors, Internal Auditors and Cost Auditors and fixing their remuneration and other terms of their appointment, review and monitor the auditors' independence and performance, to approve the appointment of the Chief Financial Officer, to review and discuss with the Auditors about the adequacy of internal control systems, the scope of audit including the observations of the Auditors, major accounting policies, practices and entries, compliances with Accounting Standards and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other legal requirements concerning financial statements, approval and subsequent review of related party transactions, to review the Company's internal financial controls and risk management policies, to review functioning of Whistle Blower Policy, to review Management Discussion and Analysis of financial conditions and results of operations, the financial statements of the Company's subsidiaries and discuss with Internal Auditors any significant findings for follow-up thereon and to review with the Management the Quarterly and Annual Financial Statements before they are submitted to the Board of Directors, scrutiny of loans and investments, reviewing the adequacy of internal audit function and such other roles and functions as may be prescribed from time to time by the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Minutes of the Audit Committee Meetings are circulated to the Members of the Board, discussed and taken on record.

The Company has complied with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as regards the composition of the Audit Committee.

Details of the composition of the Audit Committee of the Company and the attendance by the Members at the Committee Meetings are summarised below:

Name of Director(s)	Category	No of Meetings held	No. of Meetings attended
Mr B V Bhargava, Chairman	Independent, Non-Executive Director	5	5
Dr Mukul G Asher, Member	Independent, Non-Executive Director	5	5
Mr Tadashi Katayama, Member	Non-Independent, Non-Executive Director	5	5
Mrs Preeti Mehta, Member	Independent, Non-Executive Director	5	5

The Secretary of the Company acts as the Secretary to the Committee.

The Audit Committee met on the following dates during the last financial year:

18/05/2023	13/06/2023	31/07/2023	27/10/2023	01/02/2024

Audit Committee Meetings are attended by the Chief Financial Officer and senior finance and accounts executives, when required. The Statutory Auditors, Internal Auditors and Cost Auditors of the Company are invited to the Meetings for discussing their reports.

During the Financial Year 2023-24, the Board has accepted all the recommendations made by the Audit Committee.

4. NOMINATION AND REMUNERATION COMMITTEE

Terms of reference and composition:

The Nomination and Remuneration Committee identifies persons who are qualified to become directors and who may be appointed in senior management position in accordance with the criteria laid down and recommend to the Board their appointment and removal.

The Nomination and Remuneration Committee formulates the criteria for determining qualifications, positive attributes and independence of a director and recommends to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees.

The Nomination and Remuneration Committee formulates criteria for evaluation of performance of Directors, Chairman of the Board, Committees of Directors and the Board and devises policy on Board diversity.

CORPORATE GOVERNANCE REPORT (Contd.)

The other terms of reference of the Company's Nomination and Remuneration Committee are to determine and recommend to the Board and the members, remuneration payable to the Managing Director and Executive Director(s), to determine and advise the Board on the payment of their annual increments and annual performance bonus and to recommend to the Board, all remuneration, in whatever form, payable to senior management. The Committee also has such other roles and functions as may be prescribed from time to time by the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The criteria for evaluation of performance of independent directors include, inter-alia, the following:

- independence from the Company, its management, other Directors and Promoters;
- professional qualifications, experience, expertise, knowledge, skill and competence in the area of his/her specialization;
- knowledge and understanding about the Company, its business and industry segment and the risk areas; and
- high level of integrity and devotion of time and efforts for Board/Committee deliberations and the quality of contribution in the deliberations.

Details of the composition of the Nomination and Remuneration Committee of the Company and the attendance by the Members at the Committee Meeting held on 18 May 2023 are as follows:

Name of Director(s)	No. of Meetings held	No. of Meetings attended
Mrs Preeti Mehta, Chairperson	1	1
Dr Mukul G Asher, Member	1	1
Mr B V Bhargava, Member	1	1
Mr Tadashi Katayama, Member	1	1

The Secretary of the Company acts as the Secretary to the Committee.

Remuneration of Directors:

The Company pays remuneration to the Managing Director, Executive Director and Whole-time Director by way of salary, annual performance bonus, perquisites and allowances. Salary is paid within the range as approved by the members. The Board, on the recommendations of the Nomination and Remuneration Committee, approves annual increments to the Managing Director, Executive Director and Whole-time Director.

If, in any financial year, the Company has no or inadequate profits as per the requirements of the Companies Act, 2013, the Company undertakes reasonable efforts and follows process to obtain suitable approvals as may be required for payment of remuneration as stated hereinabove to the Managing Director, Executive Director and Whole-time Director.

Annual performance bonus is paid to the Managing Director, Executive Director and Whole-time Director (as per the terms of appointment) based on the specified criteria and is determined by the Board pursuant to the recommendation of the Nomination and Remuneration Committee who takes into account result of the performance of the individual in preceding fiscal year based on the specified evaluation norms.

The Non-Executive Directors are paid sitting fees for meetings of the Board of Directors and of Committees of Directors and commission not exceeding in the aggregate 1% of the net profits of the Company computed in the manner laid down by the Companies Act, 2013 in such proportion and manner as the Board may decide.

Given below are the details of remuneration of Directors for the financial year 2023-24:

(₹ in Million)

Director(s)	Sitting fees for Board/Committee Meetings	Salaries and other Perquisites	Commission	Total for the year
Dr Mukul G Asher, Non-Executive Director	0.38	--	3.00	3.38
Mr Chetan Shah, Managing Director	--	83.29	--	83.29
Mr Sushil Marfatia, Executive Director	--	27.34	--	27.34
Dr Suresh Ramachandran, Whole-time Director (with effect from 01 June 2023)	--	16.79	--	16.79
Mr B V Bhargava, Non-Executive Director	0.33	--	3.00	3.33
Mr Ninad D Gupte, Non-Executive Director	0.17	--	3.00	3.17
Mr Tadashi Katayama, Non-Executive Director	--	--	--	--
Mrs Preeti Mehta, Non-Executive Director	0.35	--	3.00	3.35
Mr Masanori Uzawa, Non-Executive Director	--	--	--	--

Notes:

1. The employment of the Managing Director, the Executive Director and the Whole-time Director is contractual for a period of 3/5 years terminable by either party giving 180 days' notice.
2. Mr Tadashi Katayama and Mr Masanori Uzawa have instructed the Company not to pay them sitting fees and Non-Executive Directors' commission.
3. There were no other pecuniary relationships or transactions of the non-executive Directors with the Company except as stated above.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

Details of the composition of the Stakeholders Relationship Committee of the Company and the attendance by the Members at the Committee Meetings are summarised below:

Name of Director(s)	No. of Meetings held	No. of Meetings attended
Dr Mukul G Asher, Chairman	3	3
Mr Chetan Shah, Member	3	3
Mr Sushil Marfatia, Member	3	3

Mrs Deepika Trivedi, Company Secretary and Compliance Officer of the Company, acts as the Secretary to the Committee.

The Stakeholders Relationship Committee met on the following dates during the last financial year:

18/05/2023	27/10/2023	01/02/2024

During the year, nine investor complaints were received and resolved. There were no unresolved complaints at the beginning and at the end of the year.

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Details of the composition of the Corporate Social Responsibility Committee of the Company and the attendance by the Members at the Committee Meeting held on 18 May 2023 are summarised below:

Name of Director(s)	No. of Meetings held	No. of Meetings attended
Mr Chetan Shah, Chairman	1	1
Mr Sushil Marfatia, Member	1	1
Mr Ninad D Gupte, Member	1	1
Mrs Preeti Mehta, Member	1	1

7. RISK MANAGEMENT COMMITTEE

The role of the committee includes identification of enterprise and business risks (including cyber-security related risks and digital enablement), categorization of risks, help devising mitigation measures and monitoring and periodically reviewing risks and mitigation measures and such other functions as may be specified by SEBI (Listing Obligations and Disclosure Requirements), 2015, from time to time.

Details of the composition of the Risk Management Committee of the Company and the attendance by the Members at the Committee Meetings are summarised below:

Name of member	Designation	No. of Meetings held	No. of Meetings attended
Dr Mukul G Asher, Chairman of the Committee	Independent Director	2	2
Mr Chetan Shah	Managing Director	2	2
Mr Sushil Marfatia	Executive Director	2	2
Mr Ninad D Gupte	Non-Executive Director	2	2
Mrs Preeti Mehta	Independent Director	2	2
Mr Kunal Mittal	Senior VP (Planning and Coordination Office)	2	2
Mr V Gopalakrishnan	VP (Procurement)	2	2
Mr Anil Nawal	Chief Financial Officer	2	2

CORPORATE GOVERNANCE REPORT (Contd.)

The Risk Management Committee met on the following dates during the financial year:

13/09/2023	05/03/2024

8. SENIOR MANAGEMENT

Following are the Senior Management Personnel as on 31 March 2024

Name	Designation
Mrs Deepika Trivedi (with effect from 01.04.2023)	Company Secretary & Compliance Officer
Mr Anil Nawal	Chief Financial Officer
Mr Kunal Mittal	Sr V P (Planning & Coordination Office)
Mr Yoshihisa Inoue (with effect from 10.07.2023)	Sr V P (Manufacturing)
Mr V Gopalakrishnan	V P (Procurement)
Mr Anil Kakkar	Vice President
Mr Prakash Bondre	V P (Manufacturing)
Mr Sunil Jagtap	V P (Human Resources)

Mrs Deepika Trivedi was appointed as Company Secretary and Compliance Officer in place of Mr Pravin D Desai who retired on 31.03.2023.

9. GENERAL MEETINGS

Location and time of the last three Annual General Meetings:

Year	Location	Day/Date	Time	No. of Special Resolutions
2020-21	Not applicable as the Annual General Meeting was held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	Friday, 30 July 2021	02.30 P. M.	2
2021-22	Not applicable as the Annual General Meeting was held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	Friday, 29 July 2022	02.30 P. M.	2
2022-23	Not applicable as the Annual General Meeting was held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	Friday, 28 July 2023	02.30 P. M.	3

No Special Resolution was passed last year through postal ballot process.

None of the Resolutions proposed to be passed at the ensuing Annual General Meeting to be held on 30 July 2024 is required or proposed to be passed through postal ballot process.

10. DISCLOSURES

- **Statutory Compliance, Penalties and Strictures**

  The Company has complied with the requirements of the Stock Exchanges/SEBI and other statutory authorities on all the matters related to capital markets. There are no penalties or strictures imposed on the Company by the Stock Exchanges or SEBI or other statutory authorities for the requirements related to capital markets.

- **Commodity Price/Forex Risks**

  The Company carries commodity price risk and foreign exchange risk. Commodity price risk is addressed through close commodity price monitoring and appropriate procurement policies and strategies. Foreign exchange risk is addressed through forward contracts/options / imports denominated in Indian Rupees.

- **Whistle Blower Policy**

  The Company has adopted a Vigil Mechanism/Whistle Blower Policy. Any employee can approach Chairman of the Audit Committee with information/disclosure under the said Policy. No employee has been denied access to the Audit Committee as a part of such Mechanism/Policy.

- **Compliance with Corporate Governance Requirements**

  The Company has complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

  The Company has complied with the following non-mandatory requirements specified in Schedule II Part E of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

  ➢ The Chairman of the Board of Directors is a non-executive director not related to the Managing Director.

  ➢ The Internal Auditors directly report to the Audit Committee.

  ➢ The Company endeavours to ensure unmodified audit opinion on its financial statement.

- **Policy on 'Material' Subsidiaries**

  The Company's policy for determining 'material' subsidiaries is disclosed on its
  website www.sumichem.co.in

- **Policy on Related Party Transactions**

  The Company's policy on dealing with related party transactions is disclosed on its
  website www.sumichem.co.in

  The Company has no materially significant related party transactions that may have potential conflict with the Company's interest at large.

- **Code of Conduct and Ethics**

  The Company's Code of Conduct and Ethics is disclosed on its website www.sumichem.co.in

- **Terms and conditions of appointment of independent directors**

  The terms and conditions of appointment of Independent Directors are disclosed on the Company's
  website www.sumichem.co.in

- **Dividend transferred to Investor Education & Protection Fund**

  During 2023-24, the Company transferred a sum of ₹ 3.14 million, being unclaimed/unpaid dividend pertaining to Excel Crop Care Limited, which amalgamated with the Company, relating to the financial year 2015-16 and 2016-17, to Investor Education and Protection Fund pursuant to the provisions of the Companies Act, 2013 and rules thereunder.

- **Shares transferred to Investors Education and Protection Fund**

  During 2023-24, the Company transferred 159,333 shares, in respect of which dividend was not claimed/paid for seven consecutive years, to Investor Education and Protection Fund, pursuant to the provisions of Companies Act, 2013 and rules made thereunder.

- **Dividend Distribution Policy**

  The Company's Dividend Distribution Policy is disclosed on its website www.sumichem.co.in

  The Policy seeks to balance members' need for a fair, reasonable and predictable return by way of dividend with the Company's funding needs and requirements for long term sustainable growth.

- **Accounting Standards**

  The Company follows and adheres to the Accounting Standards applicable to it.

11. MEANS OF COMMUNICATION

- The Company publishes extracts of unaudited and audited financial results in Financial Express, an English newspaper having nationwide circulation and in Loksatta, a Marathi newspaper with wide circulation in Mumbai, where the Company's Registered Office is situated.
- The financial results, annual reports, presentations made to investors and analysts, press releases and other major events/developments / information concerning the Company are posted on the Company's website: www.sumichem.co.in. These are also submitted to BSE Limited and National Stock Exchange of India Limited for disclosure on their websites at www.bseindia.com and www.nseindia.com
- Management Discussion and Analysis forms part of the Annual Report.

12. GENERAL SHAREHOLDER INFORMATION

- **Annual General Meeting:**

  The Twenty Fourth Annual General Meeting of the Company will be held on Tuesday, the 30 July 2024 at 2.30 pm.

- **Venue** : The Company is conducting the meeting through VC / OAVM pursuant to MCA and SEBI Circulars and as such there is no requirement to have a venue for the AGM. For details, please refer to the Notice of this AGM.
- **Financial Year** : 1 April – 31 March
- **Record Date for Dividend** : Friday, the 19 July 2024
- **Listing on Stock Exchanges** :
  (a) BSE Limited (BSE)
  PJ Towers,
  Dalal Street,
  Mumbai – 400001.
  (b) The National Stock Exchange of India Limited (NSE)
  Exchange Plaza,
  Bandra-Kurla Complex,
  Bandra (East),
  Mumbai – 400051.

  Listing fees for the year 2024-25 have been paid to both the stock exchanges.

- **Stock Codes (for shares):**

BSE Limited (BSE)	542920
The National Stock Exchange of India Limited (NSE)	SUMICHEM
Demat ISIN Number in NSDL and CDSL	INE258G01013

- **Volume of shares traded during F.Y. 2023-24:**

  On BSE: 5,861,327

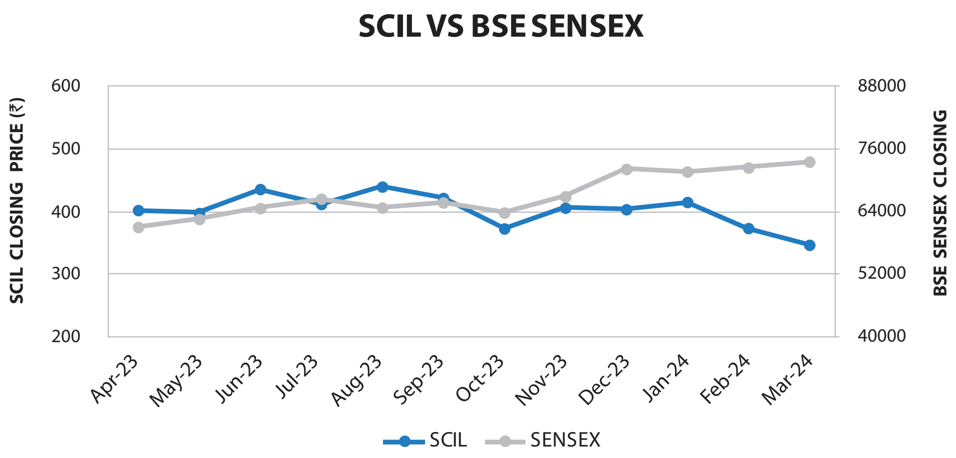
  On NSE: 86,324,478

- **Market Price Data:**

	BSE		NSE	
	High	Low	High	Low
Apr-23	443.90	399.05	448.00	399.00
May-23	425.00	382.50	425.00	382.00
Jun-23	441.20	397.25	442.00	396.35
Jul-23	449.80	403.05	449.80	402.90
Aug-23	447.95	392.95	448.00	396.05
Sep-23	454.55	414.95	454.90	413.05
Oct-23	443.00	372.60	443.00	372.05
Nov-23	408.45	371.00	408.50	371.00
Dec-23	421.35	392.05	421.85	391.15
Jan-24	431.50	391.05	430.60	391.35
Feb-24	414.95	370.00	414.25	370.00
Mar-24	387.90	336.40	378.25	336.10

- **Share Price Movements:**

  Share Price Movement for the period April, 2023 to March, 2024 of Sumitomo Chemical India Limited (SCIL) vs. BSE Sensex.



- **Market Capitalisation and Price-Earnings Ratio:**

		As on 31 March 2024
a.	Closing Price (BSE) (₹)	347.40
b.	Market Capitalisation (₹ in Million)	173,403.23
c.	Price-Earnings Ratio	46.88

- **Share Related Functions/Activities:**

  The share related functions and activities are carried out by the Company's Registrars and Transfer Agents – Link Intime India Private Limited having office at C 101, Embassy 247, L B S Marg, Vikhroli (West), Mumbai 400 083 (Tel.: 022-49186000).

- **Distribution of Shareholdings as on 31 March 2024:**

RANGE	NO. OF SHAREHOLDERS	PERCENTAGE	NO. OF SHARES	PERCENTAGE
1-500	139,572	91.75	8,726,151	1.75
501-1000	4,435	2.92	3,362,444	0.67
1001-2000	2,980	1.96	4,391,309	0.88
2001-3000	1,440	0.95	3,643,212	0.73
3001-4000	638	0.42	2,256,175	0.45
4001-5000	446	0.29	2,040,213	0.41
5001-10000	1,469	0.97	10,081,524	2.02
Above 10000	1,122	0.74	464,644,708	93.09
Total	**152,102**	**100.00**	**499,145,736**	**100.00**

- **Categories of Shareholders as on 31 March 2024:**

Category	No. of Shareholders	Voting Strength %	No. of Shares
Promoter and Promoter Group	7	75.00	374,359,302
Insurance Companies	5	1.96	9,772,761
Indian Banks and Mutual Funds	31	4.35	21,687,929
Domestic Companies	537	2.55	12,705,102
Clearing Members	6	0.01	2,528
Foreign Portfolio Investors	98	2.75	13,702,809

CORPORATE GOVERNANCE REPORT (Contd.)

Category	No. of Shareholders	Voting Strength %	No. of Shares
Non Resident Indians	2,633	0.56	2,793,460
IEPF	1	0.43	2,155,435
Resident Individuals, Hindu Undivided Families, Foreign Nationals, NBFCs, Trusts and Others	148,784	12.39	61,966,410
Total	**1,52,102**	**100.00**	**499,145,736**

- **Dematerialisation of Shares and Liquidity:**

  99.59% of the Company's share capital is held in dematerialised form as on 31 March 2024. The Company's shares are regularly traded on the BSE Limited and National Stock Exchange of India Limited.

- **Equity Shares in the Demat Suspense Account:**

  Details of unclaimed equity shares lying in the Company's Unclaimed Shares Suspense Account (in demat form) are given below:

Particulars	No. of Shareholders	No. of Equity Shares
Outstanding as on 01 April 2023	141	502,446
Shares transferred to Investor Education and Protection Fund during the year	29	78,864
Shares transferred during the year to shareholders from the Suspense Account on receipt of valid request	4	15,171
Outstanding as on 31 March 2024	108	408,411

  The voting rights on the shares outstanding in the Suspense Account are frozen till such shares are claimed by their rightful owners.

- **Board skills, expertise and experience:**

  The Board has determined the following skills, competence and expertise which the Board members should possess. Names of the Directors, who possess such skills etc. are mentioned against the respective skills, competence and experience:

Nature of skill, competence and experience	Name of the Directors
Industry experience/knowledge	Mr Chetan Shah, Mr Sushil Marfatia, Dr Suresh Ramachandran, Mr Tadashi Katayama, Mr Ninad D Gupte and Mr Masanori Uzawa
Sector knowledge/experience	Mr Chetan Shah, Mr Sushil Marfatia, Dr Suresh Ramachandran, Mr Tadashi Katayama, Mr Ninad D Gupte and Mr Masanori Uzawa
Experience and expertise in strategic thinking and planning	Dr Mukul G Asher, Mr Chetan Shah and Mr B V Bhargava
Knowledge and experience of international business	Mr Chetan Shah, Dr Suresh Ramachandran, Mr Tadashi Katayama and Mr Ninad D Gupte
Finance and accounting knowledge and experience	Mr Sushil Marfatia and Mr B V Bhargava
Legal and Regulatory experience and knowledge	Mrs Preeti Mehta, Mr Chetan Shah and Mr Ninad D Gupte

- **Credit Rating held by the Company:**

  The Company continues to hold the 'CRISIL AA/Stable' Long Term Credit Rating assigned by CRISIL Limited to the Company's ₹2000 million Bank Loan Facilities.

- **Fees of the statutory auditors and their network entities:**

  The details of fees for all services paid / payable by the Company and its subsidiaries, on a consolidated basis, to M/s SRBC & CO LLP, Statutory Auditors, and all the entities in the network firm/network entity of which the statutory auditors are a part, are as follows:

(₹ in Million)

Type of Service	F.Y. 2023-24	F.Y. 2022-23
Audit Fees (including fees for limited reviews)	**6.08**	5.98
Tax Audit Fees	**0.72**	0.72
Fees for other matters (certification)	**0.62**	0.62
Reimbursement of out-of-pocket expenses	**0.32**	0.21
Total	**7.74**	7.53

- **Disclosure relating to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

  During the year 2023-24, one complaint relating to sexual harassment was received and disposed of. There were no complaints pending at the beginning or at the end of the financial year.

- **Certificate regarding Directors' disqualification:**

  A certificate from M/s Saraf & Associates, Practicing Company Secretaries, to the effect that none of the Company's Directors has been debarred or disqualified from being appointed or continuing as Director of companies by SEBI/ Ministry of Corporate Affairs or any such statutory authority is annexed to this Report.

- **Plant Locations:**

  Factories:

  a. 6/2, Ruvapari Road, Bhavnagar – 364005, Gujarat.
  b. Plot No. 205-209, Bhuj – Mundra Road, Near Kera Village, Taluka: Bhuj Dist. Kutch, Gajod – 370430, Gujarat.
  c. Plot No. 60, B Nanji Industrial Estate, Athal Luhari Road, Kharadpada – 396235, Silvassa, Dadra and Nagar Haveli.
  d. Plot No. C-5 /184-185, National Highway No. 8, Near GPCB Office, G.I.D.C, Vapi – 396 195, Gujarat.
  e. Plot No. T137, 138, 113 and 251, M.I.D.C., Tarapur, Boiser, Palghar, Thane – 401 506, Maharashtra.

- **Address for Correspondence:**

Corporate Office:	Registered Office:
Sumitomo Chemical India Limited	Sumitomo Chemical India Limited
13 & 14, Aradhana Industrial Development Corporation, Near Virwani Industrial Estate, Goregaon (East), Mumbai – 400 063	Building No.1, Ground Floor, Shant Manor Co-op Housing Society Ltd, Chakravarti Ashok 'X' Road, Kandivli (E) Mumbai – 400 101
Tel: 022-42522200	Tel: 022-28866666

- **Address for Correspondence for share related work:**
  M/s Link Intime India Pvt. Ltd.
  C 101, Embassy 247,
  L B S Marg, Vikhroli (West),
  Mumbai – 400 083
  (Tel.: 022-49186000)

- **Email-id of the Compliance Officer and other officials for communicating investor complaints / grievances:**

  investor.relations@sumichem.co.in

- **Declaration by the Managing Director on Compliance with the Code of Conduct Policy**

  As required by Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board members and senior management personnel have affirmed compliance with the Code of Conduct.

For Sumitomo Chemical India Limited

CHETAN SHAH
Managing Director
(DIN: 00488127)

Mumbai, 27 May 2024

CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE

[Pursuant to Regulation 34(3) read with paragraph E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

The Members

SUMITOMO CHEMICAL INDIA LIMITED

CIN: L24110MH2000PLC124224

Bldg No.1,GF,Shant Manor Co-op Housing Society Ltd

Chakravarti Ashok 'X' Road, Kandivli (E)

Mumbai Maharashtra 400101.

I have examined the compliance of the conditions of Corporate Governance by **SUMITOMO CHEMICAL INDIA LIMITED** (CIN - L24110MH2000PLC124224) ('the Company') as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and paragraph C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") for the year ended on March 31, 2024.

The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company including the preparation and maintenance of all relevant supporting records and documents. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, and the representations made by the management; I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2024.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Saraf & Associates
Practising Company Secretaries
K.G. SARAF
Proprietor
FCS: 1596 | CP. 642

FRN. S1988MH004800
PR. 1003/2020
UDIN: F001596F000461330

Place: Mumbai
Date: 27 May 2024

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members,

SUMITOMO CHEMICAL INDIA LIMITED

CIN: L24110MH2000PLC124224

Bldg No.1,GF,Shant Manor Co-op Housing Society Ltd

Chakravarti Ashok 'X' Road, Kandivli (E)

Mumbai Maharashtra 400101.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **SUMITOMO CHEMICAL INDIA LIMITED** having CIN : L24110MH2000PLC124224 and having registered office at Bldg No.1,GF,Shant Manor Co-op Housing Society Ltd Chakravarti Ashok 'X' Road, Kandivli (E) Mumbai Maharashtra 400101 IN (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company*
1.	Bhupendranath Bhargava	00001823	27/08/2019
2.	Ninad Dwarkanath Gupte	00027523	31/08/2019
3.	Mukul Govindji Asher	00047673	27/08/2019
4.	Chetan Shantilal Shah	00488127	01/09/2019
5.	Preeti Mehta	00727923	31/08/2019
6.	Sushil Champaklal Marfatia	07618601	07/10/2016
7.	Tadashi Katayama	07628973	31/08/2019
8.	Masanori Uzawa	08782828	10/07/2020
9.	Suresh Ramachandran	03110244	01/06/2023

* the date of appointment is as per the MCA Portal.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Saraf & Associates
Practising Company Secretaries
K.G. SARAF
Proprietor
FCS: 1596 | CP. 642

FRN. S1988MH004800
PR. 1003/2020
UDIN: F001596F000461209

Place: Mumbai
Date : 27 May 2024

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

[As per Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

SECTION A: GENERAL DISCLOSURES

I. DETAILS OF THE LISTED ENTITY

1.	Corporate Identity Number (CIN) of the Company	:	L24110MH2000PLC124224
2.	Name of the Company	:	SUMITOMO CHEMICAL INDIA LIMITED
3.	Year of Incorporation	:	2000
4.	Registered Office Address	:	Bldg. No.1,GF,Shant Manor Co-op Housing Society Limited, Chakravarti Ashok 'X' Road, Kandivli (E), Mumbai - 400101
5.	Corporate Office Address	:	13&14, Aradhana Industrial Development Corporation Near Virwani Industrial Estate, Goregaon (East), Mumbai 400063
6.	E-mail –Id	:	investor.relations@sumichem.co.in
7.	Telephone	:	022-42522200
8.	Website	:	www.sumichem.co.in
9.	Financial Year reported	:	01 April 2023 to 31 March 2024
10.	Name of the Stock Exchange(s) where shares are listed	:	BSE Limited & National Stock Exchange of India Limited
11.	Paid-up Capital	:	₹ 4,991.46 Million
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	:	Ms Deepika Trivedi, Company Secretary & Compliance Officer Tel. No. 022-42522330
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	:	Standalone basis
14.	Name of Assurance Provider	:	N.A.
15.	Type of Assurance Obtained	:	N.A.

II. PRODUCTS/SERVICES

16. Details of business activities *(accounting for 90% of the turnover)*:

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturers and suppliers	Chemical and chemical products	90%

17. Products/Services sold by the entity *(accounting for 90% of the entity's Turnover)*:

S. No.	Product / Service	NIC Code	% of total Turnover contributed
1.	Agri-inputs	2021	90%

III. OPERATIONS

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	5	7	12
International	Nil	2	2

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	30
International (No. of Countries)	50+

b. What is the contribution of exports as a percentage of the total turnover of the entity?

19.79%

c. A brief on types of customers

The Company has about 15,000 direct customers located across the country.

Apart from the domestic customers the Company does have customers in different countries who import SCIL's products (branded and technical) for their markets.

The Company also supplies technical grade/bulk insecticides to the industry who further process technical into formulations or repack the formulations.

Farmers are the end-users of SCIL's products.

IV. EMPLOYEES

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	EMPLOYEES					
1.	Permanent (D)	1344	1297	96.50%	47	3.50%
2.	Other than Permanent (E)	1083	1072	98.98%	11	1.02%
3.	**Total employees (D + E)**	**2427**	**2369**	**97.61%**	**58**	**2.39%**
	WORKERS					
4.	Permanent (F)	305	305	100%	–	–
5.	Other than Permanent (G)	2473	2472	99.96%	1	0.04%
6.	**Total employees (F + G)**	**2778**	**2777**	**99.96%**	**1**	**0.04%**

b. Differently abled Employees and workers

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	DIFFERENTLY ABLED EMPLOYEES					
1.	Permanent (D)	6	6	100%	–	–
2.	Other than Permanent (E)	–	–	–	–	–
3.	**Total differently abled employees (D + E)**	**6**	**6**	**100%**	–	–
	DIFFERENTLY ABLED WORKERS					
4.	Permanent (F)	6	6	100%	–	–
5.	Other than permanent (G)	–	–	–	–	–
6.	**Total differently abled workers (F + G)**	**6**	**6**	**100%**	–	–

21. Participation/Inclusion/Representation of women:

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	9	1	11.11%
Key Management Personnel	5	1	20.00%

22. Turnover rate for permanent employees and workers:

(Disclose trends for the past 3 years)

	2023-24			2022-23			2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	22.62%	16.16%	**22.38%**	27.22%	5.71%	**26.38%**	20.52%	11.11%	**20.14%**
Permanent Workers	5.41%	–	**5.41%**	3.15%	–	**3.15%**	3.45%	–	**3.45%**

V. HOLDINGS, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

23. (a) Name of holding / subsidiary / associate companies / joint ventures:

S. No.	Name of the holding/ subsidiary /associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/ No)
1.	Sumitomo Chemical Company, Limited, Japan	Holding	75.00%	No
2.	Excel Crop Care (Africa) Limited	Subsidiary	99.94%	No
3.	Barrix Agro Sciences Private Limited	Subsidiary	85.00%	No

VI. CSR DETAILS

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: **Yes**

(ii) Turnover : ₹28,062.81 Million

(iii) Net worth : ₹24,402.49 Million

VII. TRANSPARENCY AND DISCLOSURES COMPLIANCES

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) *(If Yes, then provide web-link for grievance redress policy)*	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes https://sumichem.co.in/contact.php	Nil	Nil	NA	Nil	Nil	NA
Investors (other than shareholders)	Yes https://sumichem.co.in/contact.php	NA	NA	NA	NA	NA	NA

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (*If Yes, then provide web-link for grievance redress policy*)	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Shareholders	Yes https://sumichem.co.in/investors-relations.php#Contacts	9	–	All the complaints were addressed	7	–	All the complaints were addressed
Employees and workers	Yes (Available on Company's intranet accessible to authorised persons)	1	–	The complaint resolved after investigation	1	–	The complaint was resolved in conciliation
Customers	Yes https://sumichem.co.in/contact.php	52	–	All the complaints were addressed	32	–	All the complaints were addressed
Value Chain Partners	Yes https://sumichem.co.in/contact.php	–	–	–	–	–	–
Other (please specify)	–	–	–	–	–	–	–

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Occupational Health and Safety	Risk and Opportunity	**Risk:** Critical aspect for ensuring employee welfare. Non-compliance with appropriate safety standards can attract a high frequency of health and safety incidents. **Opportunity:** Robust EHS management system with appropriate hazard identification, implication plan and root cause analysis will showcase Company's commitments towards employee safety increased productivity and motivation.	Implementation of a Company-wide robust EHS management system. Ensuring periodic internal and external audits. Training all employees and workers on safe working practices. Investigation of each reported case and preparation of remedial plan	Incidents of occupational health & safety management system may cause loss in man-days and further impact productivity of operations. It can also demoralise employees and workers which can reduce motivation and productivity.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2.	Consumer Health and Safety / Product Stewardship	Risk	Consumer safety is critical for gaining trust. Non-compliance regarding product information and labelling/ marketing and communications can have adverse effects	Robust protocols for design, packaging and consumer safety at product development stages. Implementation of Quality Management System (QMS), effective product recall management.	Any health and Safety incident can reduce customer trust and adversely impact the demand for products. Non-compliance with product marketing and labelling can attract monetary fines/ punishments.
3.	Human Rights	Risk	Instances of human rights violation or non-compliance of statutory norms can lead to adverse financial and reputational implications.	Comprehensive policies and procedures included in the Company Code of Conduct.	Company's reputation and relationships with stakeholders can be adversely affected in case of any instances of non- compliance.
4.	Diversity and Inclusion / Human Resource Development	Opportunity	Fostering a culture which integrates diversity, inclusion, employee well-being, and training and development will attract and retain employees	Diversity and inclusion policy and training. Employee and worker skill development training programs for improving mental well-being.	Investing in human capital leads to improve employee productivity, spur innovation and attract employees with similar organisational value.
5.	Energy and Emissions Management / Waste Management	Opportunity	Enhancing and utilising green energy to reduce carbon footprint of the organisation. Poor management can lead to non-compliance with legal requirements	Transition towards greener options such as onsite solar and wind energy. Implementation of robust waste management system incorporating initiatives that ensure hazardous waste management and responsible disposal to ensure adherence as per statutory law.	Increasing self-reliance on sustainable and green energy can reduce Company costs and attract investment opportunities. Non-compliance with regulatory norms on waste management can lead to fines and penalties and adversely affect the operating costs o£ the Company.
6.	Water Stewardship	Risk	Unavailability of surface water may adversely hamper operations.	Implementation of water recycle management to reduce fresh water consumption and preserve natural resources.	Shortage of water can slow down plant productivity. Incidents of non-compliance regarding wastewater can lead to monetary loss.
7.	Responsible Supply Chain	Risk	Adverse events across the supply chain can hamper the Company's reputation as a responsible business	Implementation of Supplier Responsible Sourcing Assessment (SRSA). Suppliers are assessed on Four ESG parameters (labor standards, health and safety, ethics and integrity and environment). In case of any deviation, the suppliers are asked to take necessary corrective actions.	Any adverse instances with supply chain can disrupt operations and availability of products.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
8.	Social Impact	Opportunity	Aligning CSR initiatives with the needs of the community can create a positive impact which can unlock goodwill and social license to operate.	The Company has undertaken several CSR initiatives, mentioned at www.sumichem.co.in. For overall development of the community in the field of preventive healthcare, promotion of education and conservation of natural resources.	Being a responsible corporate citizen, community upliftment is a critical aspect
9.	Business Ethics, Governance and Transparency	Risk	Building a culture of integrity and transparency is linked with Fulfillment of mandates as well as strengthening relationships with stakeholders	Development of Code of Conduct, Development of policies, programs and mechanisms for avoiding workplace discrimination, harassment and corruption, among others	Any instances of unethical practices have the risk of tarnishing Company reputation and attracting fines/ penalty which can in turn affect business continuity.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	Some policies like Code of Conduct and Ethics for Directors and Senior Management Employees, the CSR Policy and the Whistle Blower Policy, among others, are displayed on the Company's website (www.sumichem.co.in). Other policies are available on intranet/in physical form with suitable access given to the concerned persons								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	–	(1,2)	(3)	(3)	(3)	(2)	(2)	(2)	(1,2,3)
Note A: The Policies have been approved by the Board wherever required by law, rules and regulations. Other policies are developed and approved internally by appropriate authorities and are signed by MD/Functional Heads as required/appropriate.									
Note B: ISO9001:2015 (1), ISO14001:2015 (2), ISO45001:2018 (3)									

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	–	–	–	–	–	–	–	–	–
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The Company has set up very high standards internally for all these areas. The performance and any exceptions are regularly reviewed by various functions and management and corrective actions are implemented.								
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) - The Company is committed to integrating Environmental, Social and Governance (ESG) principles into its businesses which is central to improving the quality of life of the communities it serves.									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	Mr Sushil Marfatia, Executive Director								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Mr Sushil Marfatia, Executive Director is authorised by the Board as the Director responsible for decision-making on sustainability-related issues. The policies are implemented by all functions and supervised by Mr Sushil Marfatia, Executive Director.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other - please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	Annually and additionally as and when required								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y	Quarterly								

	P1	P2	P3	P4	P5	P6	P7	P8	P9
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	The Company has not engaged any services of any external agency for assessment/evaluation. However, the policies are reviewed internally at regular intervals from a best practice perspective as well as from a risk perspective by various departmental heads and business heads.								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

– Not Applicable as all the principles are covered by a policy

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

<table>
<tr><th>Segment</th><th>Total number of training and awareness programs held</th><th>Topics / principles covered under the training and its impacts</th><th>% of persons in respective categories covered by the awareness programs.</th></tr>
<tr><td>Board of Directors</td><td>3</td><td rowspan="4">1. Code of conduct and its implementation (CoC).
2. Prevention of Sexual Harassment (POSH).
3. Anti-Corruption / Anti-Bribery (ACAB) policy</td><td rowspan="4">100%</td></tr>
<tr><td>Key Management Personnel</td><td>3</td></tr>
<tr><td>Employees other than BOD and KMP</td><td>3</td></tr>
<tr><td>Workers</td><td>3</td></tr>
</table>

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website):

<table>
<tr><th></th><th colspan="5">Monetary</th></tr>
<tr><th></th><th>NGRBC Principle</th><th>Name of the regulatory/ enforcement agencies/ judicial institutions</th><th>Amount (In ₹)</th><th>Brief of the Case</th><th>Has an appeal been preferred? (Yes/No)</th></tr>
<tr><td>Penalty / Fine</td><td colspan="5" rowspan="3">No material cases of fines/penalties/awards/compounding fees/settlement.</td></tr>
<tr><td>Settlement</td></tr>
<tr><td>Compounding Fee</td></tr>
</table>

<table>
<tr><th></th><th colspan="4">Non-Monetary</th></tr>
<tr><th></th><th>NGRBC Principle</th><th>Name of the regulatory/ enforcement agencies/judicial institutions</th><th>Brief of the Case</th><th>Has an appeal been preferred? (Yes/No)</th></tr>
<tr><td>Imprisonment</td><td colspan="4">Nil</td></tr>
</table>

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

<table>
<tr><th>Case Details</th><th>Name of the regulatory/ enforcement agencies/ judicial institutions</th></tr>
<tr><td colspan="2">Not applicable</td></tr>
</table>

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

– Yes, the Company does have the Anti-bribery & Anti-corruption policies. These Policies provide for and prohibit offering or promising, directly or indirectly, payment of bribes (including cash, gift, certificates, favours, services or promises to do or not to do anything). These Policies also provide for and prohibit acceptance of bribes by the Company directors, officers and employees. The Company also has an Entertainment and Gifting Policy with a view to strengthening and enforcing anti-bribery policy in effective manner. The Company's Anti-bribery Policy and Entertainment and Gifting Policy are posted on its intranet with access available to its employees using login and password.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	2023-24	2022-23
Directors	Nil	Nil
KMP's	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

	2023-24	2022-23
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

– None

8. Number of days of accounts payables [(Accounts payable *365) / Cost of goods/services procured)] in the following format:

	2023-24	2022-23
Number of days of accounts payables	88	79

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	2023-24	2022-23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	8.30%	7.90%
	b. Number of trading houses where purchases are made from	21	16
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	89.60%	99.00%
Concentration of Sales (Domestic Sales)	a. Sales to dealers / distributors as % of total sales	84.50%	80.54%
	b. Number of dealers / distributors to whom sales are made	14072	15,163
	c. Sales to top 10 dealers/ distributors as % of total sales to dealers & distributors	5.14%	5.43%

Parameter	Metrics	2023-24	2022-23
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	26.67%	22.45%
	b. Sales (Sales to related parties / Total Sales)	8.30%	13.08%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	–	–
	d. Investments (Investments in related parties / Total Investments made)	3.65%	–

Leadership Indicators

1. **Awareness programs conducted for value chain partners on any of the Principles during the financial year:**

Total number of awareness programs held	Principles covered	Value chain partners covered (by value of business done with such partners)
3	1,2,6	75.00%

2. **Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.**

   – Yes, every Director of the Company discloses his/her concern or interest in other companies or body corporate, firms or other association of individuals and any change therein, annually or upon any change, which includes the shareholding. Further, a declaration is also taken annually from the Directors under the Code of Conduct confirming that they will always act in the interest of the Company and ensure that any other business or personal association which they may have, does not involve any conflict of interest with the operations of the Company. The Senior Management also affirms annually that they have not entered into any material, financial and commercial transactions, which may have a potential conflict with the interest of the Company at large. In the Meetings of the Board, the Directors abstain from participating in the items in which they are concerned or interested. For identifying and tracking conflict of interests involving the Directors/KMPs of the Company, the Corporate Secretarial team maintains a database of the Directors and the entities in which they are interested. This list is shared with the Finance department which flags off the parties in their system for monitoring and tracking transaction(s) entered by the Company with such related parties.

     All related party transactions are approved by the audit committee. The audit committee reviews related party transactions on a quarterly basis. Approval of shareholders is obtained through resolution for related party transactions when the amount of such transaction with a particular related party exceeds 10% of the turnover. The concerned related party as well as all other related parties are debarred from voting in favour of such resolution.

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE.

Essential Indicators

1. **Percentage of R&D and capital expenditure (Capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	2023-24	2022-23	Details of improvements in environmental and social impacts.
R&D	100%	100%	R & D work is directed towards establishing environment friendly processes for new technical grade materials, upgrading existing processes so as to reduce effluent, finding greener alternatives, making user-friendly formulations.
Capex	11.00%	19.00%	STP, High efficiency electrical drives, LED lighting, Scrubbers Etc.

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

   – Yes

   b. **If yes, what percentage of inputs was sourced sustainably?**

   The Company inculcates the principles of sustainable sourcing throughout the lifecycle of its products including procurement of raw materials and transportation of them to designated plant locations. Consequently during the financial year 2023-24, over 90% of the raw material sourcing was carried out in a sustainable manner.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for**

   (a) Plastics (including packaging): The post use plastic waste recycling is done in compliance of Plastic Waste Rules of Gujarat by GPCB for Bhavnagar, Gajod & Vapi plants. The Company is registered as an EPR. The annual return is submitted to GPCB/CPCB boards.

   (b) E-waste: E-waste is disposed off to registered vendors under sub-rule (3) of rule no.13, The E-waste (Management) Rules, 2016.

   (c) Hazardous waste: Hazardous waste is disposed of to state pollution control board approved sites for landfill and incineration and periodical returns are submitted to the authorities.

   (d) Other waste: N.A.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

   – The EPR is applicable to the Company's activities. The waste collection plan is in line with EPR plan and same submitted to GPCB/CPCB as per The Plastic Waste Management Rules.

Leadership indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
2022	Agro-chemical inputs	100%	Gate to gate	No	No

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Name of Product / Service	Description of the risk / concern	Action Taken
	N/A	

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate Input material	Recycled or reused input material to total material	
	2023-24	2022-23
Recycle Water	55.00%	56.00%
Energy (Wind/Solar)	39.00%	29.00%

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tons) reused, recycled, and safely disposed, as per the following format:**

	2023-24			2022-23		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	–	2,601	673	–	2,209	400
E-waste	–	0.35	0	–	1.35	0
Hazardous waste	2,915	1,042	8,886	4,081	1,649	8,961
Other Waste (Boiler Ash)	–	–	2,039	–	–	2,370

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
The quantum of such material is almost negligible	

PRINCIPLE 3: BUSINESSES SHOULD RESPECT AND PROMOTE THE WELLBEING OF ALL EMPLOYEES, INCLUDING THOSE IN THE VALUE CHAIN.

Essential Indicators

1. a. **Details of measures for the well-being of employees:**

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent Employees											
Male	1297	1297	100%	1297	100%	NA		NA		NA	
Female	47	47	100%	47	100%	47	100%	NA		NA	
Total	**1344**	**1344**	**100%**	**1344**	**100%**	**47**	**100**	**NA**		**NA**	
Other than Permanent Employees											
Male	1072	1072	100%	1072	100%	NA		NA		NA	
Female	11	11	100%	11	100%	11	100%	NA		NA	
Total	**1083**	**1083**	**100%**	**1083**	**100%**	**11**	**100%**	**–**		**–**	

b. **Details of measures for the well-being of workers:**

Category	% of Workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent Workers											
Male	305	305	100%	305	100%	–	–	–	–	–	–
Female	–	–	–	–	–	–	–	–	–	–	–
Total	**305**	**305**	**100%**	**305**	**100%**	**–**	**–**	**–**	**–**	**–**	**–**
Other than Permanent Workers											
Male	2472*	337	13.63%	337	13.63%	–	–	–	–	–	–
Female	1	–	–	–	–	1	100%	–	–	–	–
Total	**2473**	**337**	**13.63%**	**337**	**13.63%**	**1**	**100%**	**–**	**–**	**–**	**–**

* *All other contract labours are covered under Employees State Insurance Corporation & Workmen Compensation as per Act i.e. - 2136 out of 2473 in place of HI & AI*

c. **Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:**

	2023-24	2022-23
Cost incurred on well-being measures as a % of total revenue of the Company	0.39%	0.29%

2. **Details of retirement benefits, for Current FY and Previous Financial Year.**

Benefits	2023-24			2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	100%	100%	Yes	100%	100%	Yes
Others:						
Superannuation Scheme	27.53%	NA	Yes	28.96%	NA	Yes
National Pension Scheme	2.77%	NA	Yes	2.11%	NA	Yes

3. **Accessibility of workplaces**

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

– Few of our sites including corporate office are disabled friendly.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

– Yes

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	–	–	–	–
Female	100%	100%	–	–
Total	**100%**	**100%**	**–**	**–**

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

Yes/No (If Yes, then give details of the mechanism in brief)

Category	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers Other than Permanent Workers Permanent Employees Other than Permanent Employees	The Company has established a grievance mechanism to create a fair and efficient platform for addressing the grievances of employees and workers. Grievances are received through Verbal (in person), telephone, emails, letters etc. by Human Resources & General Affairs Division. Grievances are investigated by HR & or Concerned function/Dept. If Grievances are genuine corrective action is taken and feedback given to concerned employee. The complaint/grievance redressal happens as per the necessary guidelines. Compliance Committee/POSH Committee/Speak up Policy/Works Committee/Whistle Blower Policy/Union Committee are the platform and mechanism for efficiently receiving and rendering employee grievances.

7. **Membership of employees and workers in association(s) or Unions recognised by the listed entity:**

Category	2023-24			2022-23		
	Total employees/ workers in respective category (A)	No. of employees/workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees/ workers in respective category (C)	No. of employees/workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees						
Male	1297	165	12.72%	1303	171	13.10%
Female	47	5	10.64%	52	5	9.60%
Total Permanent Workers						
Male	305	179	58.69%	287	183	63.80%
Female	–	–	–	–	–	–

8. **Details of training given to employees and workers:**

Category	2023-24					2022-23				
	Total (A)	On Health and Safety Measures		On Skill upgradation		Total (D)	On Health and Safety Measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/A)	No. (F)	% (F/A)
Employees										
Male	1297	1290	99%	1120	86%	1303	1284	99%	1101	84%
Female	47	47	100%	40	85%	52	48	92%	30	58%
Total	**1344**	**1337**	**99%**	**1160**	**86%**	**1355**	**1332**	**98%**	**1131**	**83%**
Workers										
Male	305	305	100%	290	95%	287	287	100%	287	100%
Female	–	–	–	–	–	–	–	–	–	–
Total	**305**	**305**	**100%**	**290**	**95%**	**287**	**287**	**100%**	**287**	**100%**

9. **Details of performance and career development reviews of employees and workers:**

Category	2023-24			2022-23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	1297	1167	90%	1303	1068	85.6%
Female	47	42	89%	52	47	90.4%
Total	**1344**	**1209**	**90%**	**1355**	**1115**	**82%**
Workers						
Male	–	–	–	–	–	–
Female	–	–	–	–	–	–
Total	**–**	**–**	**–**	**–**	**–**	**–**

10. **Health and safety management system:**

a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such system.**

– Yes, the Occupational Health & Safety Management system covers activities across all manufacturing locations, offices, R&D laboratories, and supply chain management and ensures the protection of environment, health & safety of its employees, contractors, visitors and all other relevant stakeholders.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

- The Company has a process for Risk Management which is essential for preventing incidents, injuries, occupational disease, emergency control & prevention and business continuity. Considering the hazards associated with operations and hazardous chemicals used, the Company has deployed following structured Hazard Assessment, Risk Assessment and Management Processes, which are regularly reviewed, and mitigation plans are put in place for high-risk areas.
- **HAZOP:** HAZOP study conducted for all processes before startup of process and reviewed regularly.
- **HIRA:** Hazard identification and risk assessment is conducted for each function.
- **PSSR:** Prestart up safety review is conducted after major modification or shut down in plant.
- **PSR:** Plant safety review is conducted for any process and equipment change.
- **Permit system:** To mitigate risk in non-routine work several types of permits are issued as per the work requirements i.e., Work, Hot work, Entry Confined space, LOTO, work at height etc.
- **Job Safety analysis:** JSA is done before issuing permit to the concern function.
- **Safety toolbox talk:** Tool box talk is conducted before issuing the work permit on different safety topics.
- **UA/UC:** Unsafe acts and unsafe conditions reported, and actions/safety talk imparted to concern.
- **Near miss reporting & investigation:** Near miss reporting & investigation done and corrective action plan horizontal deployment done.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

- Yes

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

- Yes

11. Details of safety related incidents, in the following format:

Safety Incident / Number	Category*	2023-24	2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one Million-person hours worked)	Employees	–	–
	Workers	–	0.147
Total recordable work-related injuries	Employees	–	–
	Workers	–	1
No. of fatalities	Employees	–	–
	Workers	–	–
High consequence work-related injury or ill-health (excluding fatalities)	Employees	–	–
	Workers	–	1

* *Including in the contract workforce*

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

- In addition to the measures described in para 10 above, Safety induction training, refresher training and safety and ISO audits are conducted regularly.

13. Number of Complaints on the following made by employees and workers:

Category	2023-24			2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	–	Nil	Nil	–
Health and Safety	Nil	Nil	–	Nil	Nil	–

14. **Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and Safety Practices	100% of plants undergo multiple audits on safety, health & environment during the year from statutory, third parties and internal cross-functional teams.
Working conditions	

15. **Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

    – Issues raised during the audits are duly addressed.

    For health & safety-related incidents a root cause analysis is done by the team which is monitored and reviewed. Corrective measures based on the root cause analysis are taken. It is then shared with all the manufacturing locations for assessment and horizontal deployment.

Leadership Indicators

1. **Does the entity extend any life insurance or any compensatory package in the event of death of:**

    (A) Employees

    – Yes

    (B) Workers

    – Yes

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

    – Company regularly monitors and ensures remittance of statutory dues deducted and deposited by the contractors as a part of processing their bills and by conducting periodic audits.

3. **Provide the number of employees / workers having suffered high consequence work-related injury/ ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been / are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	2023-24	**2022-23**	**2023-24**	**2022-23**
Employees	–	–	–	–
Workers	–	–	–	–

4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

    - The Company provides opportunities for engagement on specific projects / assignments across the organisation.

5. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and Safety Practices	75.00%
Working conditions	

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

    The Company has not seen any significant risk/concern in the health & safety practices and working conditions of its value chain partners. As a measure for improvement the risk/concerns were discussed and highlighted with the value chain partners.

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity.**

   – Internal and external groups of stakeholders have been identified. Presently, the given stakeholder groups have the immediate impact on the operations and working of the Company. This includes Employees, Shareholders, Customers, Communities, Suppliers, Partners and Vendors.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as Vulnerable & Marginalised group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, pamphlets, advertisements, community meetings, Notice board, website, others).	Frequency of engagement. (Annually, Half Yearly, Quarterly/ others – Please Specify).	Purpose and scope of engagement including key topics and concerns raised during such engagements.
Shareholders	No	Email, Website & Advertisement in Newspapers	Quarterly	Share price appreciation, dividends, profitability and financial stability, robust ESG practices, climate change risks, cyber risks, growth prospects
Employees	No	Email, notice board, internal magazines and intranet among others	Need based	–
Customers/ Consumers	No	Email, newspaper, pamphlets, advertisements, community meetings and website, among others	Need based	–
Suppliers / Partners	No	Periodic vendor visits, physical & virtual meetings, email, Phone calls.	Meetings at least twice a year	Supply sustainability, market conditions, significant risk factors, Material quality, best practices in industry
Communities	Yes	Email, SMS, newspaper, pamphlets, advertisements, community meetings, and website, among others	Need based	–

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   The Management regularly interacts with key stakeholders i.e. investors, customers, suppliers, employee, etc. The Company has focused on this aspect through its various policies (Environment, Health, Safety and Responsible Care Policy) and updates its progress periodically.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   – Inputs from employees are considered for evolving/amending employee related policies. Inputs from customers and consumers are considered for improving product packaging and consumer awareness programmes. Community inputs are considered for CSR policies and programs.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.**

   The Company's manufacturing sites are surrounded by disadvantaged, vulnerable and marginalised communities with poor socio-economic indicators. The Company's structured and planned affirmative action strategies are focussed on education, health, employability, employment and entrepreneurship, women's empowerment, and rural/integrated village development, which exhibits the Company's commitment to sustain the communities it serves.

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	2023-24			2022-23		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	1344	1344	100%	1355	1355	100%
Other than Permanent	1083	1083	100%	1363	1363	100%
Total Employees	**2427**	**2427**	**100%**	**2718**	**2718**	**100%**
Workers						
Permanent	305	305	100%	287	287	100%
Other than Permanent	2473	2200	91%	2103	1900	90%
Total Employees	**2778**	**2555**	**92%**	**2390**	**2187**	**91.5%**

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	2023-24					2022-23				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/A)	No. (F)	% (F/A)
Employees										
Permanent										
Male	1297	–	–	1297	100%	1303	–	–	1303	100%
Female	47	–	–	47	100%	52	–	–	52	100%
Other than Permanent										
Male	1072	–	–	1072	100%	1354	–	–	1354	100%
Female	11	–	–	11	100%	9	–	–	9	100%
Workers										
Permanent										
Male	305	–	–	305	100%	287	–	–	287	100%
Female	–	–	–	–	–	–	–	–	–	–
Other than Permanent										
Male	2472	525	21.23%	1947	78.76%	2103	331	15.74%	1772	84.26%
Female	1	1	100%	–	–	–	–	–	–	–

3. Details of Remunerations / salary / wages, in the following format: (2023-24)

	Male		Female	
	Number	**Median remuneration/ salary/ wages of respective category (₹ in Million)**	**Number**	**Median remuneration/ salary/ wages of respective category (₹ in Million)**
Board of Directors (BoD)	8	3.36	1	3.35
Key Managerial Personnel (including Board Members)	4	22.07	1	1.87
Employees other than BoD and KMP	1293	0.75	46	0.99
Workers	305	0.45	–	–

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	2023-24	2022-23
Gross wages paid to females as % of total wages	3.13%	2.97%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

– Yes

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

– The Company has Equal Opportunity policy, Code of Ethics & Anti-Bribery policies, a POSH policy, and a Whistle Blower policy, under which there are various committees like the Compliance Committee, the internal Complaint Committee, and the Speak-up Committee, among others, wherein the mechanisms are in place to redress the grievances related to human rights.

6. Number of Complaints on the following made by employees and workers:

Category	2023-24			2022-23		
	Filed during the year	**Pending resolution at the end of year**	**Remarks**	**Filed during the year**	**Pending resolution at the end of year**	**Remarks**
Sexual Harassment	1	–	–	1	–	Settled through conciliation
Discrimination at workplace	–	–	–	–	–	–
Child Labour	–	–	–	–	–	–
Forced Labour / Involuntary Labour	–	–	–	–	–	–
Wages	–	–	–	–	–	–
Other human Rights related Issues	–	–	–	–	–	–

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	2023-24	2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	1	1
Complaints on POSH as a % of female employees / workers	2.13%	1.92%
Complaints on POSH upheld	1	–

8. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

   – As a part of its Code of Conduct, the Company prohibits all types of retaliation against individuals who report valid concerns, and any individuals found to be targeting such individuals faces disciplinary consequences

9. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

   – Yes

10. **Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	–
Forced/involuntary labour	–
Sexual harassment	–
Discrimination at workplace	–
Wages	100% by Auditors
Others : Please Specify.	–

11. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

   – There were no audit concerns/assessment in the above areas.

Leadership Indicators

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.**

   – No grievances/complaints on Human Rights violations have been recorded.

2. **Details of the scope and coverage of any Human rights due-diligence conducted.**

   – The organization is committed to promoting and upholding human rights principles and aligns with human rights policies. It conducts regular training programs to raise awareness among employees regarding the human rights policy.

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

   – Few of our sites including corporate office are disabled friendly.

4. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	75.00%
Discrimination at workplace	
Child labour	
Forced/involuntary labour	
Wages	
Others : Please Specify.	

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

   The Company has not seen any significant risk/concern in the health & safety practices and working conditions of its value chain partners. As a measure for improvement the risk/concerns were discussed and highlighted with the value chain partners.

PRINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

Essential Indicators

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameters	2023-24	2022-23
From renewable sources (GJ)		
Total electricity consumption (A)	33327	29614
Total fuel consumption (B)	–	–
Energy consumption through other sources (C)	7716	–
Total energy consumed from renewable sources (A+B+C)	**41043**	**29614**
From non-renewable sources		
Total electricity consumption (D)	63723	76048
Total fuel consumption (E)	376361	369399
Energy consumption through other sources (F)	–	–
Total energy consumed from renewable sources (D+E+F)	440084	445447
Total energy consumed (A+B+C+D+E+F)	**481127**	**475061**
Energy intensity per rupee of turnover (GJ/Rs.) (Total energy consumed / Revenue from operations)	**$1.71*10^{-5}$**	**$1.36*10^{-5}$**
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	N/A	N/A
Energy intensity in terms of physical output (GJ/Rs.)	$8.255* 10^{-3}$	$8.217*10^{-3}$
Energy intensity (optional) – the relevant metric may be selected by the entity	–	–

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

– No

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

– No

3. **Provide details of the following disclosures related to water, in the following format:**

Parameters	2023-24	2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water (Earth's surface in Ponds, River, Lake & Streams etc.)	–	–
(ii) Groundwater (underground formation)	2193	5818
(iii) Third party water (municipal water and other private suppliers of water)	169057	194516
(iv) Seawater / desalinated water (refers to water in a sea or ocean)	–	–
(v) Others (STP)	276261	258186
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**447511**	**458520**
Total volume of water consumption (in kilolitres)	**447511**	**458520**
Water intensity per rupee of Turnover (Total water consumption / Revenue from operations)	$1.59*10^{-2}$	$1.32*10^{-2}$
Water intensity (optional) – the relevant metric may be selected by the entity	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

– No

4. **Provide the following details related to water discharged:**

Parameter	2023-24	2022-23
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
– No treatment	–	–
– With treatment - please specify level of treatment	–	–
(ii) To Groundwater		
– No treatment	–	–
– With treatment - please specify level of treatment	–	–
(iii) To Seawater		
– No treatment	–	–
– With treatment - please specify level of treatment	125287	117968
(iv) Sent to third-parties		
– No treatment	–	–
– With treatment - please specify level of treatment	–	–
(v) Others		
– No treatment	–	–
– With treatment - please specify level of treatment	3717	4279
Total water discharged (in kilolitres)	**129004**	**122247**

5. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

   – Yes, The Company has prioritized water conservation and stewardship efforts, with a specific focus on preserving and recycling each individual drop of water. Gajod and Silvassa sites have implemented zero liquid discharge mechanism, as the effluent water treated and recycled back for industrial use.

6. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameters	**Please specify unit**	**2023-24**	**2022-2023**
NOx	PPM	11.5	12.7
Sox	PPM	16.8	20.1
Particulate matter (PM)	mg/Nm3	42.5	46.8
Persistent organic pollutants (POP)	PPM	0.0	0.0
Volatile organic compounds (VOC)	PPM	0.29	0.3
Hazardous air pollutants (HAP)	PPM	0.0	0.0
Others – please specify			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

– Yes, Marwadi education foundation, Cherry green environment, Green Envirosafe Engineers & consultant and Eco Clean consulting LLP

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameters	Unit	2023-24	2022-23
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO_2 equivalent	24283	26045
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO_2 equivalent	12674	14831
Total Scope 1 and Scope 2 emissions per rupee of Turnover (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations)	MT CO_2/₹	$1.32*10^{-6}$	$1.18*10^{-6}$
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	–	N/A	N/A
Total Scope 1 and Scope 2 emissions intensity in terms of physical output	MT CO_2/KG	$6.34*10^{-4}$	$7.07*10^{-4}$
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	–	N/A	N/A

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

– No

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

– Yes. Wind turbine generators & Solar power plants are installed for generating power through renewable energy sources.

9. Provide details related to waste management by the entity, in the following format:

Parameters	2023-24	2022-23
Total waste generated (in metric tons)		
Plastic waste (A)	3274	3482
E-waste (B)	0.35	1.35
Bio-medical waste (C)	0.14	0.15
Construction and demolition waste (D)	–	405
Battery waste (E)	0.89	0.64
Radioactive waste (F)	–	–
Other Hazardous waste. Please specify, if any. (G) (Landfill and incineration)	8886	8961
Other Non-hazardous waste generated (H). Please specify, if any.		
(Break-up by composition i.e. by materials relevant to the sector)	262	298
Total (A+B + C + D + E + F + G + H)	**12423**	**13148**
Waste intensity per rupee of turnover (MT/Rs.) (Total waste generated / Revenue from operations)	**$4.42*10^{-7}$**	**$3.78*10^{-7}$**
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	**N/A**	**N/A**
Waste intensity in terms of physical output (MT/KG)	**$2.13*10^{-4}$**	**$2.27*10^{-4}$**
Waste intensity (optional) – the relevant metric may be selected by the entity	–	–

Parameters	2023-24	2022-23
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled (Uncontaminated plastic waste, bi-product)	3644	3860
(ii) Re-used (Bromine recovery)	2915	4081
(iii) Other recovery operations (Boiler ash)	2039	2370
Total	**8598**	**10311**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tons)		
Category of waste		
Incineration	816	860
Landfilling	8069	8101
Other disposal operations	–	–
Total	**8886**	**8961**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

– Yes, State Pollution Control Boards

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

– The Company ensures responsible waste management practices involving reduction in gaseous emission,

– Recycling of Plastic waste as per Plastic Waste Management Rules and safe disposal of other hazardous waste across the locations as per state pollution control board norms.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
No			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
No					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

– Yes, the Company is in compliance with all the above mentioned acts & rules.

Leadership Indicators

1. **Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area – Gajod

(ii) Nature of operations – Manufacturing

(iii) Water withdrawal, consumption and discharge in the following format:

Parameters	2023-24	2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water (Earth's surface in Ponds, River, Lake & Streams etc.)	–	–
(ii) Groundwater (underground formation)	2193	5818
(iii) Third party water (municipal water and other private suppliers of water)	169057	194516
(iv) Seawater / desalinated water (refers to water in a sea or ocean)	–	–
(v) Others (STP)	276261	258186
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**447511**	**458520**
Total volume of water consumption (in kilolitres)	**447511**	**458520**
Water intensity per rupee of Turnover (Total water consumption / Revenue from operations)	$1.59*10^{-2}$	$1.32*10^{-2}$
Water intensity (optional) – the relevant metric may be selected by the entity	NA	NA
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface Water		
- No treatment	–	–
- With treatment - please specify level of treatment	–	–
(ii) To Groundwater		
- No treatment	–	–
- With treatment - please specify level of treatment	–	–
(iii) To Seawater		
- No treatment	–	–
- With treatment - please specify level of treatment	125287	117968
(iv) Sent to third-parties		
- No treatment	–	–
- With treatment - please specify level of treatment	–	–
(v) Others		
- No treatment	–	–
- With treatment - please specify level of treatment	3717	4279
Total water discharged (in kilolitres)	**129004**	**122247**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

– No

2. **Please provide details of total of total Scope 3 emissions & its intensity, in the following format:**

Parameters	Unit	2023-24	2022-23
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO_2 equivalent	7554	N.A.
Total Scope 3 emissions per rupee of turnover	MT CO_2/Rs.	$2.69*10^{-7}$	N.A.
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	–	–	–

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

– No

3. **With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

– NA

4. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Carbon Neutrality	Renewable power generation	Green house gases emission reduction.
2	Integrated waste management	Recycling of post used Plastic waste at end user	Environmental impact is reduced
3	Waste Water management	Municipal Sewage water treatment to produce industrial water	Conservation of natural resources
4	Use of Bio Fuel	Use of Briquette made from agro waste	Conservation of natural resources

5. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

– The Company has the Onsite emergency plan. Onsite emergency plan is important for effective management of an incident to minimise the losses to the people and property, both in and around the facility. Emergency planning demonstrates the organisational commitment to the safety of the employees and increases our organisation's safety awareness.

6. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

– Production and movement of chemical products cause generation of GHG. The Company continues to measure and work on initiatives to reduce the level of GHG generation in all areas of the business.

7. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

– Around 75.00%

PRINCIPLE 7: BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to:

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	CropLife India	National
2	Agrochemical Federation of India	National
3	Crop Care Federation of India	National
4	Pesticide Manufactures and Formulators Association of India	National
5	Association of Pesticide Manufacturers	National
6	Federation of Indian Chamber of Commerce and Industry	National
7	Confederation of Indian Industry	National
8	Andhra Pradesh Pesticide Manufactures Association	State

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
None		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

Sr. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain (Yes/No)	Frequency of Review by Board (Annually/Half yearly/ Quarterly/Others – Please specify	Weblink, if available
Not applicable					

PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not applicable					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
None						

3. Describe the mechanisms to receive and redress grievances of the community.

– Not Applicable

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	2023-24	2022-23
Directly sourced from MSMEs/ small producers	27.6%	24.2%
Directly from within India	45%	52%

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Location	2023-24	2022-23
Rural	22.64%	23.46%
Semi-urban	3.21%	3.33%
Urban	38.60%	36.71%
Metropolitan	35.55%	36.50%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
None	

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

S. No.	State	Aspirational District	Amount Spent (in ₹ million)
1.	Delhi	Delhi	3.41
2.	Goa	North Goa	1.70
3.	Gujarat	Bharuch	0.60
4.	Gujarat	Bhavnagar	11.62
5.	Gujarat	Kachchh	18.53
6.	Gujarat	Nadiad	10.00
7.	Gujarat	Valsad	4.80
8.	Maharashtra	Mumbai	26.95
9.	Maharashtra	Palghar	8.11
10.	Maharashtra	Siddhudurg	0.28
11.	West Bengal	Kolkata	30.00
	Total	**Delhi**	**116.00**

3. (a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No)**

   – No

   (b) **From which marginalised /vulnerable groups do you procure?**

   – Not applicable

   (c) **What percentage of total procurement (by value) does it constitute?**

   – Not applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
None				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the case	Corrective action taken
None		

6. Details of beneficiaries of CSR Projects:

Approximate project-wise beneficiaries (including vulnerable and marginalised groups) are mentioned below:

S. No.	CSR Project	No. of persons benefitted from CSR projects.	% of beneficiaries from vulnerable and marginalised groups
1.	Education & Skill Development	36822	100%
2.	Health Care (Community and Animal)	47893	100%
3.	Promote rural / National sports	1600	100%
4.	Promoting Education & Vocation Skills for differently abled	1158	100%
5.	Protection of flora & fauna	11150	100%
6.	Protection of national heritage	2000	100%
7.	Rural Development / integrated Village Development	5874	100%
8.	Women Empowerment	137	100%
9.	Setting up old age homes / hostels for Senior citizens / women	350	100%
10.	**Grand Total**	**106984**	**100%**

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

– A consumer complaint contact details are printed on product labels through which consumers can lodge a complaint. Consumers can reach us through our website also. Our sales employees based in field can be reached out either directly or through the trade partners.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percent to total turnover
Environmental and Social parameters relevant to the products	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

3. **Number of consumer complaints in respect of the following:**

	2023-24		Remarks	2022-23		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil			Nil		
Advertising						
Cyber-security						
Delivery of essential Services						
Restrictive Trade Practices						
Unfair Trade Practices						
Other						

4. **Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	–	–
Forced recalls	–	–

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

   – Yes

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

   – Nil

7. **Provide the following information relating to data breaches:**

   a. Number of instances of data breaches : Nil

   b. Percentage of data breaches involving personally identifiable information of customers : N/A

   c. Impact, if any, of the data breaches : Nil

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

   – Physical leaflets, Social Media and Company's website

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

   – Through regular farmer meetings, channel partner meetings and online medium

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

   – N.A.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

   – No

FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Sumitomo Chemical India Limited

Report on the Audit of the Standalone Ind AS Financial Statements

OPINION

We have audited the accompanying standalone Ind AS financial statements of Sumitomo Chemical India Limited ("the Company"), which comprise the Balance sheet as at 31 March 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the 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 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS 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 Ind AS 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 audit opinion on the standalone Ind AS 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 Ind AS financial statements for the financial year ended 31 March 2024. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

INDEPENDENT AUDITOR'S REPORT (Contd.)

Key audit matters	How our audit addressed the key audit matters
Revenue Recognition – Estimation of discounts, incentives, rebates and rebate reversal (as described in note 2.1 (o) of the standalone Ind AS financial statements)	
Revenue is measured net of discounts Due to the Company's presence across different marketing regions and the competitive business environment, the estimation of various types of discounts, incentives and rebate schemes which are recognised based on sales made is considered to be complex and judgmental. Given the significant judgement required and complexity involved in estimating discounts, incentives, rebates and rebate reversal, this is considered as a key audit matter.	We performed following audit procedures: a) Understood the process followed by the Company for identifying and determining the value of discounts, incentives, rebates and rebate reversal. b) Obtained and reviewed schemes and policies relating to discounts, incentives, rebates and rebate reversal; c) Evaluated the design and tested the operating effectiveness of Company's internal controls over discounts, incentives, rebates and rebate reversal; d) Obtained calculations for discounts, incentives, rebates accruals under applicable schemes and rebate reversals. Verified on a sample basis and compared the accruals made with the approved schemes; e) Obtained and inspected, on a sample basis, supporting documentation for payment towards discounts, incentives and rebates during the year as well as credit notes issued during the year; f) Analysed the historical trend of payments made towards discounts, incentives, rebates for making estimate of accruals; and g) Assessed the adequacy of the disclosures as per the applicable accounting standards.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Report of the Board of directors, its annexure, management discussion and analysis report and Business Responsibility and Sustainability Report but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone Ind AS 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.

RESPONSIBILITIES OF MANAGEMENT FOR THE STANDALONE IND AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS 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 Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE IND AS FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 Ind AS 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 Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS 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 Ind AS financial statements for the financial year ended 31 March 2024 and are therefore the key audit matters. We describe these matters in our auditor's 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.

INDEPENDENT AUDITOR'S REPORT (Contd.)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

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

   (b) In our opinion, proper books of account as required by law have been kept by the Company, so far as it appears from our examination of those books except for the matters stated in paragraph 2(i) (vi) below on reporting under Rule 11(g);

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph 2(i)(vi) below on reporting under Rule 11(g);

   (g) With respect to the adequacy of the internal financial controls with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (h) In our opinion, the managerial remuneration for the year ended 31 March 2024 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 44A to the standalone Ind AS financial statements;

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

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

      iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

      b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The final dividend paid by the Company during the year in respect of dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

The interim dividend declared and paid by the Company during the year is in accordance with section 123 of the Act.

As stated in note 20(f) to the standalone Ind AS financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, as described in note 51 to the financial statements , audit trail feature is not enabled for certain changes made, if any, using privileged/ administrative access rights. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software where audit trail has been enabled.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

PER JAYESH GANDHI
Partner
Membership Number: 037924
UDIN : 24037924BKELVY6452

Place : Mumbai
Date : 27 May 2024

Annexure 1 to the Independent Auditor's Report of Even Date on The Standalone Ind AS Financial Statements of Sumitomo Chemical India Limited ("the Company")

(Referred to in paragraph 1, under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) Property, Plant and Equipment have been physically verified by the management during the year in accordance with a planned programme of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets and no material discrepancies were identified on such verification.

(c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 3 to the standalone Ind AS financial statements in property, plant and equipment, are held in the name of the Company except for the following:

Description of Property	Gross carrying value (INR in millions)	Held in name of	Whether promoter, director or their relative or employee	Period held from	Reason for not being held in the name of Company
Freehold Land	5.35	Excel Crop Care Limited	No	31-Aug-19 (Date of merger)	These properties were acquired pursuant to a scheme of amalgamation and continued to be in the name of amalgamating company.
Building – Office	8.49				
Building - Guest house	18.93				
Leasehold land	100.00	Sumitomo Chemical India Private Limited	No	24-Nov-18	This property continued to be in erstwhile Company name.

(d) The Company has not revalued its property, plant and equipment including right-of-use assets or intangible assets during the year ended 31 March 2024.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory has been physically verified by the management during the year except for inventory lying with third parties. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Inventory lying with third parties as at 31 March 2024 have been confirmed by parties holding such inventory. Discrepancies of 10% or more were not noticed in respect of physical verification/confirmations.

(b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) (a) During the year the Company has provided loans as follows:

(Rs. in Million)

Particulars	Amount
Aggregate amount of loans granted/Provided during the year to:	
i. Intercorporate deposits (other than Group Company)	1,866.00
ii. Employees	10.65
Loan balances outstanding as at Balance Sheet date:	
i. Intercorporate deposits (other than Group Company)	1,866.00
ii. Employees	14.13

Further, the Company has not provided advances in the nature of loans, stood guarantor or provided security to companies, firms, Limited Liability Partnerships or any other parties during the year.

(b) During the year, the investments made and the terms and conditions of the grant of loans are not prejudicial to the Company's interest.

(c) The Company has granted loans during the year where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or/and receipts are regular.

(d) There are no amounts of loans granted which are overdue for more than ninety days.

(e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans have been granted to settle the overdues of existing loans given to the same parties.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 of the Act are applicable and hence its compliance is not commented upon. During the year, the Company has made investments and given loans, which is in compliance to the provisions of section 186 of the Act.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, related to manufacture of Chemicals, Insecticides, Ores & Mineral Products & Fertilizers and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and services tax, duty of custom, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. The provisions relating to sales- tax, service tax, duty of excise, cess and value added tax are not applicable to the Company.

According to the information and explanations given to us and audit procedures performed by us, there are no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and services tax, duty of custom, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable.

ANNEXURE 1 (Contd.)

(b) According to the records of the Company, the dues of income-tax, sales-tax, service tax, duty of custom and value added tax have not been deposited on account of dispute are as follows:

Name of the statute	Nature of the dues	Amount (INR in millions)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	0.93	AY 2004-05	Mumbai High Court
		13.87	AY 2011-12	ITAT, Mumbai
		0.14	AY 2018-19	Assessing Officer
		66.45	AY 2021-22	CIT (Appeal), Mumbai
		4.97	AY 2022-23	CIT (Appeal), Mumbai
Central Sales Tax Act, 1956	Sales Tax	0.19	FY 1998-99	Sales Tax Officer, Thane
		0.30	FY 2002-03	Deputy Commissioner, Ahmedabad
The Central Excise Act, 1944	Service Tax	0.97	March 2015 to Sept 2015	Commissioner, Central Excise, Thane
		1.31	October 2016 to June 2017	Assistant Commissioner, Division-IV, CGST and Central Excise, Palghar Commissionerate
The Finance Act, 1994	Service Tax	1.26	April 2002 to March 2004	Superintendent of Central Excise, Mumbai
Service Tax Rules	Service Tax	5.27	FY 2005 -06 & FY 2012 -13 to FY 2015-16	Additional / Joint Commissioner (Bhavnagar), Assistance Commissioner (Silvassa), Joint Commissioner (Gandhidham)
Customs Act, 1962	Custom Duty	2.30	FY 2012- 13	Joint Commissioner of Customs
		12.21	January 2016 to October 2016	Additional Commissioner of Customs, Mumbai
		34.65	June 2017 to September 2018	Commissioner of Customs (Import)
The Central Goods and Services Act, 2017	Goods and Service Tax	1.87	FY 2017-18	Commissioner (Appeals) Guntur AP
		5.93	FY 2017-18	Commissioner (Appeals) Mohali ward Punjab
		17.36	FY 2017-18	Commissioner (Appeals) Surat
		2.64	FY 2017-18 to FY 2019-20	Commissioner (Appeals) Andhra Pradesh
		16.13	FY 2017-18	Commissioner (Appeals) Ahmedabad, Gujarat

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause 3(ix)(a) of the Order is not applicable to the Company.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company did not have any term loans outstanding during the year, hence the requirement to report on clause 3(ix)(c) of the Order is not applicable to the Company.

(d) The Company did not raise any funds during the year, hence the requirement to report on clause 3(ix)(d) of the Order is not applicable to the Company.

(e) On an overall examination of the standalone Ind AS financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.

(f) The Company has not raised loans during the year on the pledge of securities held of its subsidiary. Hence, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments). Hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the standalone Ind AS financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a nidhi company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order not applicable to the Company.

(xiii) According to the information and explanations given by the management, transactions with the related parties are generally in compliance with section 177 and 188 of the Act where applicable and the details of such transactions have been disclosed in the notes to the standalone Ind AS financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has neither incurred cash losses in the current financial year nor in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

ANNEXURE 1 (Contd.)

(xix) On the basis of the financial ratios disclosed in note 52 to the standalone Ind AS financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone Ind AS financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when the y fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 47 to the standalone Ind AS financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of the Act. This matter has been disclosed in note 47 to the standalone Ind AS financial statements.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

PER JAYESH GANDHI
Partner
Membership Number: 037924
UDIN: 24037924BKELVY6452

Place : Mumbai
Date : 27 May 2024

Annexure 2 to the Independent Auditor's Report of Even Date on The Standalone Ind AS Financial Statements of Sumitomo Chemical India Limited ("the Company")

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

We have audited the internal financial controls with reference to the standalone Ind AS financial statements of the Company as of 31 March 2024 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the standalone Ind AS financial statements included obtaining an understanding of internal financial controls with reference to these standalone Ind AS 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 auditor's judgement, including the assessment of the risks of material misstatement of the standalone Ind AS 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 with reference to these standalone Ind AS financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE STANDALONE IND AS FINANCIAL STATEMENTS

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

ANNEXURE 2 (Contd.)

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE STANDALONE IND AS FINANCIAL STATEMENTS

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

OPINION

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to the standalone Ind AS financial statements and such internal financial controls with reference to the standalone Ind AS financial statements were operating effectively as at 31 March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

PER JAYESH GANDHI
Partner
Membership Number: 037924
UDIN: 24037924BKELVY6452

Place : Mumbai
Date : 27 May 2024

STANDALONE BALANCE SHEET

AS AT 31 MARCH 2024

(Currency: Indian Rupees in Millions, unless otherwise stated)

Particulars	Notes	As at 31 March 2024	As at 31 March 2023
I. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	3	**4,609.40**	3,927.46
(b) Capital work-in-progress	4	**39.67**	534.69
(c) Right-of-use assets	5	**237.80**	332.25
(d) Intangible assets	6	**39.19**	38.18
(e) Intangible assets under development	7	**187.25**	177.35
(f) Financial assets			
(i) Investments	8	**788.27**	6.26
(ii) Loans	9	**68.07**	6.49
(iii) Others financial assets	10	**64.59**	357.92
(g) Non- current tax assets (Net)		**373.38**	345.35
(h) Other non-current assets	11	**28.39**	86.90
Total non-current assets		**6,436.01**	5,812.85
(2) Current assets			
(a) Inventories	12	**6,054.91**	8,886.97
(b) Financial assets			
(i) Investments	13	**3,457.42**	2,387.59
(ii) Trade receivables	14	**7,068.60**	9,460.62
(iii) Cash and cash equivalents	15	**455.75**	465.63
(iv) Bank balances other than (iii) above	16	**1,235.62**	2,559.57
(v) Loans	17	**1,812.06**	2,365.11
(vi) Other financial assets	18	**5,364.68**	485.22
(c) Other current assets	19	**986.79**	1,260.50
Total current assets		**26,435.83**	27,871.21
TOTAL ASSETS		**32,871.84**	33,684.06
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	20	**4,991.46**	4,991.46
(b) Other equity	21	**19,411.03**	18,807.63
Total equity		**24,402.49**	23,799.09
(2) Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	39	**148.42**	177.45
(b) Provisions	22	**247.06**	225.63
(c) Deferred tax liabilities (net)	35	**236.30**	136.26
Total non-current liabilities		**631.78**	539.34
Current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	39	**104.08**	162.27
(ii) Trade payables			
– total outstanding dues of micro and small enterprises	23	**256.92**	166.04
– total outstanding dues of creditors other than micro and small enterprises	23	**4,023.91**	4,752.50
(iii) Other financial liabilities	24	**2,841.58**	3,661.88
(b) Other current liabilities	25	**510.16**	511.49
(c) Provisions	26	**95.69**	63.07
(d) Current tax liabilities		**5.23**	28.38
Total current liabilities		**7,837.57**	9,345.63
Total liabilities		**8,469.35**	9,884.97
TOTAL EQUITY AND LIABILITIES		**32,871.84**	33,684.06
Material accounting policies	2.1		
The accompanying notes 1 to 56 are an integral part of these standalone Ind AS financial statements.			

As per our report of even date attached
For **S R B C & CO LLP**
Chartered Accountants
Firm's Registration No: 324982E/E300003

Jayesh Gandhi
Partner
Membership Number: 037924
Place: Mumbai
Date: 27 May 2024

For and on behalf of the Board of Directors of
Sumitomo Chemical India Limited
CIN: L24110MH2000PLC124224

Chetan Shah
Managing Director
DIN: 00488127
Place: Mumbai
Date: 27 May 2024

Sushil Marfatia
Executive Director
DIN: 07618601
Place: Mumbai
Date: 27 May 2024

Anil Nawal
Chief Financial Officer
Place: Mumbai
Date: 27 May 2024

Deepika Trivedi
Company Secretary
Place: Mumbai
Date: 27 May 2024

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31 MARCH 2024

(Currency: Indian Rupees in Millions, unless otherwise stated)

			Notes	For the year ended 31 March 2024	For the year ended 31 March 2023
I	**INCOME**				
	a.	Revenue from operations	27	**28,325.41**	35,109.68
	b.	Other income	28	**961.23**	450.56
	Total income (I)			**29,286.64**	35,560.24
II	**EXPENSES**				
	a.	Cost of materials consumed	29	**14,033.95**	18,567.73
	b.	Purchase of stock-in-trade		**2,797.22**	2,674.77
	c.	Changes in inventories of finished goods, work-in-progress and stock-in-trade	30	**892.13**	1,463.79
	d.	Employee benefits expense	31	**2,262.09**	2,170.88
	e.	Finance costs	32	**47.71**	53.94
	f.	Depreciation and amortisation expense	3, 5 & 6	**614.92**	518.62
	g.	Other expenses	33	**3,605.15**	3,556.47
	Total expenses (II)			**24,253.17**	29,006.20
III	**PROFIT BEFORE TAX (I-II)**			**5,033.47**	6,554.04
IV	**TAX EXPENSE:**				
	a.	Current tax	34	**1,231.58**	1,673.39
	b.	Adjustment of current tax in respect of earlier years	34	**5.11**	-
	c.	Deferred tax charge	34 & 35	**64.53**	4.18
	d.	Adjustment of deferred tax in respect of earlier years	34 & 35	**35.51**	(157.90)
	Total tax expenses (IV)			**1,336.73**	1,519.67
V	**NET PROFIT AFTER TAX (III-IV)**			**3,696.74**	5,034.37
VI	**OTHER COMPREHENSIVE INCOME (OCI)**				
	a.	**Items that will not be reclassified to profit or loss**			
		Remeasurements of defined benefit liability		**1.82**	27.17
	b	**Income tax related to items that will not be reclassified to profit or loss**			
		Remeasurements of defined benefit liability	34	**(0.46)**	(6.84)
	Total other comprehensive income for the year (VI)			**1.36**	20.33
VII	**TOTAL COMPREHENSIVE INCOME FOR THE YEAR (V-VI)**			**3,698.10**	5,054.70
VIII	**EARNINGS PER EQUITY SHARE (FACE VALUE OF ₹ 10 EACH)**				
	Basic and diluted earnings per share (in ₹)		36	**7.41**	10.09
Material accounting policies			2.1		
The accompanying notes 1 to 56 are an integral part of these standalone Ind AS financial statements.					

As per our report of even date attached
For **S R B C & CO LLP**
Chartered Accountants
Firm's Registration No: 324982E/E300003

Jayesh Gandhi
Partner
Membership Number: 037924
Place: Mumbai
Date: 27 May 2024

For and on behalf of the Board of Directors of
Sumitomo Chemical India Limited
CIN: L24110MH2000PLC124224

Chetan Shah
Managing Director
DIN: 00488127
Place: Mumbai
Date: 27 May 2024

Sushil Marfatia
Executive Director
DIN: 07618601
Place: Mumbai
Date: 27 May 2024

Anil Nawal
Chief Financial Officer
Place: Mumbai
Date: 27 May 2024

Deepika Trivedi
Company Secretary
Place: Mumbai
Date: 27 May 2024

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2024

(Currency: Indian Rupees in Millions, unless otherwise stated)

(A) EQUITY SHARE CAPITAL

	Note	Amount
As at 31 March 2022	20	4,991.46
Changes in equity share capital during the year		-
As at 31 March 2023	20	**4,991.46**
Changes in equity share capital during the year		**-**
As at 31 March 2024	20	**4,991.46**

(B) OTHER EQUITY (REFER NOTE 21)

Particulars	Reserves & surplus				Total other equity
	General reserve	Securities premium	Retained earnings	OCI	
Balance as at 31 March 2022	**10,267.81**	**2,350.60**	**1,616.00**	**17.67**	**14,252.08**
Profit for the year	-	-	5,034.37	-	5,034.37
Other comprehensive income for the year (net of tax)	-	-	-	20.33	20.33
Total comprehensive income for the year	**-**	**-**	**5,034.37**	**20.33**	**5,054.70**
Transfer to general reserve	4,500.00	-	(4,500.00)	-	-
Dividend on equity shares for the year	-	-	(499.15)	-	(499.15)
Balance as at 31 March 2023	**14,767.81**	**2,350.60**	**1,651.22**	**38.00**	**18,807.63**
Profit for the year	-	-	3,696.74	-	3,696.74
Other comprehensive income for the year (net of tax)	-	-	-	1.36	1.36
Total comprehensive income for the year	**-**	**-**	**3,696.74**	**1.36**	**3,698.10**
Transfer to general reserve	-	-	-	-	-
Dividend on equity shares for the year	-	-	(3,094.70)	-	(3,094.70)
Balance as at 31 March 2024	**14,767.81**	**2,350.60**	**2,253.26**	**39.36**	**19,411.03**

Refer note 21B for nature and purpose of reserves

As per our report of even date attached
For **S R B C & CO LLP**
Chartered Accountants
Firm's Registration No: 324982E/E300003

Jayesh Gandhi
Partner
Membership Number: 037924
Place: Mumbai
Date: 27 May 2024

For and on behalf of the Board of Directors of
Sumitomo Chemical India Limited
CIN: L24110MH2000PLC124224

Chetan Shah
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Date: 27 May 2024

Anil Nawal
Chief Financial Officer
Place: Mumbai
Date: 27 May 2024

Deepika Trivedi
Company Secretary
Place: Mumbai
Date: 27 May 2024

STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

(Currency: Indian Rupees in Millions, unless otherwise stated)

	For the year ended 31 March 2024	For the year ended 31 March 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax as per statement of Profit and Loss	**5,033.47**	6,554.04
Adjustments for:		
Depreciation and amortization expense	**614.92**	518.62
Impairment allowance on trade receivables	**246.27**	210.27
Export incentive receivable written off	**-**	20.46
Sundry balance written off	**1.41**	1.03
(Profit)/Loss on sale / disposal of property, plant and equipment	**(3.99)**	1.32
Property, plant and equipment written off (including capital work-in-progress)	**-**	0.09
Gain on sale of financial assets measured at FVTPL	**(232.53)**	(231.67)
Excess provisions in respect of earlier years written back (net)	**(57.56)**	(4.37)
Interest income	**(587.36)**	(249.35)
Fair valuation gain on financial assets measured at FVTPL	**(98.67)**	65.62
Dividend income	**(8.49)**	(1.47)
Finance costs	**47.71**	53.94
Unrealised exchange differences (net)	**0.83**	(3.70)
Operating cash flow before working capital changes	**4,956.01**	6,934.83
Working capital adjustments		
Adjustments for (increase) / decrease in assets		
Trade receivables	**2,161.36**	(1,233.77)
Inventories	**2,832.06**	490.65
Other non current and current assets	**277.44**	37.96
Other non current and current financial assets	**(61.12)**	173.89
Adjustments for increase / (decrease) in liabilities		
Trade payables	**(643.09)**	(276.61)
Non current and current provisions	**55.86**	20.81
Other non current and current financial liabilities	**(784.53)**	(288.13)
Other non current and current liabilities	**56.29**	(284.97)
Cash generated from operating activities	**8,850.28**	5,574.66
Income taxes paid (net of refund)	**(1,288.33)**	(1,680.84)
Net cash flows generated from operating activities (A)	**7,561.95**	3,893.82
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, intangible assets and capital work-in-progress (net of capital advances and reimbursement of insurance claim received)	**(613.77)**	(1,198.84)
Proceeds from sale of property, plant and equipment	**5.04**	3.48
Investment in subsidiary	**(782.01)**	-
Purchase of mutual funds	**(9,619.80)**	(7,936.26)
Proceeds from sale of mutual funds	**9,132.04**	9,274.96
Purchase of bonds	**(250.92)**	-
Movement in deposit with banks not considered as cash and cash equivalents :		
- Investment in deposits	**(7,540.59)**	(5,324.06)
- Proceed from deposits	**5,798.10**	3,879.45
Deposits placed with corporates	**(1,866.00)**	(2,260.00)
Repayment of deposits placed with corporates	**1,010.00**	150.00
Interest received	**459.41**	139.32
Dividend received	**8.49**	1.47
Net cash flows used in investing activities (B)	**(4,260.01)**	(3,270.48)

STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

(Currency: Indian Rupees in Millions, unless otherwise stated)

	For the year ended 31 March 2024	For the year ended 31 March 2023
C. CASH FLOW FROM FINANCING ACTIVITIES		
Payment of lease instalments	**(200.11)**	(210.67)
Interest paid	**(13.55)**	(15.42)
Dividend paid	**(3,098.16)**	(499.36)
Net cash flows used in financing activities (C)	**(3,311.82)**	(725.45)
Net decrease in cash and cash equivalents (A + B + C)	**(9.88)**	(102.11)
Cash and cash equivalents at the beginning of the year	**465.63**	567.74
Cash and cash equivalents at the end of the year (Refer note 15)	**455.75**	465.63

Notes:

1. The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7, 'Statement of Cash Flows'
2. Changes in lease liabilities arising from financing activities - refer note 39(a).

Material accounting policies (Refer note 2.1)

The accompanying notes 1 to 56 are an integral part of these standalone Ind AS financial statements.

As per our report of even date attached
For **S R B C & CO LLP**
Chartered Accountants
Firm's Registration No: 324982E/E300003

Jayesh Gandhi
Partner
Membership Number: 037924
Place: Mumbai
Date: 27 May 2024

For and on behalf of the Board of Directors of
Sumitomo Chemical India Limited
CIN: L24110MH2000PLC124224

Chetan Shah
Managing Director
DIN: 00488127
Place: Mumbai
Date: 27 May 2024

Sushil Marfatia
Executive Director
DIN: 07618601
Place: Mumbai
Date: 27 May 2024

Anil Nawal
Chief Financial Officer
Place: Mumbai
Date: 27 May 2024

Deepika Trivedi
Company Secretary
Place: Mumbai
Date: 27 May 2024

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

(Currency: Indian Rupees in Millions, unless otherwise stated)

1 CORPORATE INFORMATION

Sumitomo Chemical India Limited ('SCIL' or 'the Company') (CIN: L24110MH2000PLC124224) was incorporated originally on 15 February 2000 and converted from Private Limited to Public Limited w.e.f. 24 November 2018. SCIL is a subsidiary of Sumitomo Chemical Company Limited, Japan ('SCCL'). The Company's registered office is at Building No. 1, Ground Floor, Shant Manor Co-Op Housing Society Limited, Chakravarti Ashok 'X' Road, Kandivali (East), Mumbai – 400101 and it's corporate office is at 13/14 Aradhana Industrial Development Corporation, Near Virwani Industrial Estate, Goregaon (East), Mumbai – 400 063. The Company's shares are listed on National Stock Exchange and Bombay Stock Exchange. The Company is primarily engaged in manufacturing and sales of household insecticides, agricultural pesticides, public health insecticides and animal nutrition products.

The standalone Ind AS financial statements for the year ended 31 March 2024 were approved by the Board of Directors and approved for issue on 27 May 2024.

2.1 SUMMARY OF MATERIAL ACCOUNTING POLICIES

a) Basis of preparation

The standalone Ind AS financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the standalone Ind AS financial statements.

The standalone Ind AS financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value as explained in accounting policy of fair value measurement [Refer note 2.1(s)] and financial instruments [Refer note 2.1(q)] below.

The accounting policies adopted for preparation and presentation of standalone Ind AS financial statements have been consistent with the previous year.

The standalone Ind AS financial statements are presented in Indian Rupees and all values are rounded to the nearest Millions, except when otherwise indicated.

The Company has prepared the standalone Ind AS financial statements on the basis that it will continue to operate as a going concern.

b) Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these standalone Ind AS financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.

In particular, information about material areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most material effect on the amounts recognised in the standalone Ind AS financial statements are disclosed in note 2.3.

c) Property, plant and equipment

Items of property, plant and equipment, other than freehold land, are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land is carried at cost and is not depreciated. Capital work-in-progress is stated at cost.

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

a) its purchase price, including import duties and all purchase applicable taxes, after deducting trade discounts and rebates and any reimbursement of cost from third party.

b) any directly attributable cost of bringing the asset to its location and condition necessary for it to be capable of operating in the manner intended by management.

c) the estimated costs of dismantling and removing the item and restoring the site on which it is located.

(Currency: Indian Rupees in Millions, unless otherwise stated)

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

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

Any gain or loss on derecognition of an item of property, plant and equipment is recognised in the statement of profit and loss.

Projects which are not yet ready for their intended use are carried as capital work in progress at cost determined as aforesaid.

d) Intangible assets

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

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

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

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

e) Depreciation and amortisation

Depreciation is provided, under the straight line method, pro rata to the period of use, based on useful lives specified in Schedule II to the Companies Act, 2013 except for the following items where useful lives estimated by the management based on internal technical assessment, past trends and expected operational lives differ from those provided in Schedule II of the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used:

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

The key assets and related lives are:

Nature of asset	Life in years *
Factory road	5 to 10
Buildings	10 to 60
Plant and machinery (including computers)	3 to 25
Furniture and fixtures	10
Vehicles	5
Office equipments	5
Electrical installation	10
Laboratory equipments	10

Assets costing less than ₹ 25,000/- are fully depreciated in the year of purchase.

* The residual values are not more than 5% of the original cost of the asset wherever applicable.

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

Nature of asset	Life in years
Data registration expenses	3
Software and license and registration	4
Technical know-how	5 or agreement period whichever is less

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

(Currency: Indian Rupees in Millions, unless otherwise stated)

f) Impairment of non-financial assets

The carrying values of assets at each reporting date are reviewed for impairment if any indication of impairment exists at cash generating unit ('CGU') level.

If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's CGU fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. Impairment losses including impairment on inventories are recognised in the statement of profit and loss.

When there is an indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the statement of profit and loss, to the extent the amount was previously charged to the statement of profit and loss.

g) Inventories

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

i) Raw materials and packing materials, components, stores and spares: Cost is determined on moving weighted average basis which is valued at cost. However, raw materials and packing materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Stores and spares which do not meet the definition of property, plant and equipment are accounted as inventory.

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

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

h) Employee benefits

1) Short-term employee benefits

Defined contribution plans

The Company makes contribution towards provident fund, pension fund, superannuation fund and employee's state insurance contribution to a defined contribution retirement benefit plan for qualifying employees. Both the employee and the Company make monthly contribution equal to a specified % of the covered employee's salary or a fixed monthly contribution. The monthly contributions payable by the Company are charged to the statement of profit and loss as incurred.

Defined benefit plans

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

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

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

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

Short-term employee benefits

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

2) Other long-term benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employees renders the related services are recognised as a liability at the present value of the defined benefit obligation at the reporting date. Provision in respect of leave encashment benefits has been made based on actuarial valuation carried out by an independent actuary at the reporting date using Projected unit cost method. The employees can avail upto a certain number of leaves as per the Company's policies in one year and accordingly the liability has been classified into current and non current in the financials.

i) Foreign currency transactions

i. Functional and presentation currency

The Company's standalone Ind AS financial statements are prepared in Indian Rupees which is also the Company's functional currency.

ii. Initial recognition

Foreign currency transactions are recorded in the functional currency, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

iii. Subsequent measurement

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

j) Taxes

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

Current income tax

Current income tax comprises of the expected tax payable or receivable on the taxable income or loss for the period and any adjustment to the tax payable or receivable in respect of previous years. The amount of current income tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

(Currency: Indian Rupees in Millions, unless otherwise stated)

enacted by the reporting date. For the purpose of computing income taxes management has applied the annual effective tax rate on to the profit before tax for the year ended 31 March 2024.

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

Deferred tax

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

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

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

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

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

Deferred tax assets and liabilities are offset only if:

a) The Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

k) Earnings per share

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

l) Provisions and contingencies

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

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

Contingent liability is:

(a) a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or

(b) a present obligation that arises from past events but is not recognized because;

- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or
- the amount of the obligation cannot be measured with sufficient reliability.

The Company does not recognize a contingent liability but discloses the same as per the requirements of Ind AS 37

m) Research and development

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

n) Cash and cash equivalents

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

o) Revenue Recognition

i. Sale of goods

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

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

Return of Goods

The Company uses the expected value method to estimate liability and corresponding adjustment to cost of sales for the goods that are expected to be returned.

Export Incentives

Export benefits arising from Duty Drawback scheme, Remission of Duties and Taxes on Export Products (RoDTEP) and other eligible export incentives are recognised on post export basis at the rate at which the entitlements accrue and is included in the 'Other Operating Income' (Revenue from operation).

Rebates and Discounts

The Company provides discount and rebate schemes, to its customers. Discount and rebate schemes give rise to variable consideration. To estimate the variable consideration to which it will be entitled, the Company considers that either the expected value method or the most likely amount method, depending on which of them better predicts the amount of variable consideration for the particular type of contract.

ii. Other income

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

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

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

d. Interest u/s 244A of Income tax Act, 1961 is recognised on realisation.

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

(Currency: Indian Rupees in Millions, unless otherwise stated)

p) Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract assets represents right to receive the inventory (on estimated sales returns). Refer accounting policy on impairment of financial assets in note 2.1(r).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

q) Financial instruments

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

i. Financial assets

Classification

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

Initial recognition and measurement

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

Debt instruments at amortised cost

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

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

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

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

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

Financial instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognizes interest income, dividend income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the statement of profit and loss. At present, there are no financial assets recognised at FVTOCI.

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

FVTPL is a residual category for financial assets. Any financial assets, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL. Financial assets included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

Equity investments

Equity investments in subsidiaries are out of scope of Ind AS 109 and hence, the Company accounts for its investment in subsidiaries at cost.

All other equity investments are measured at fair value. Equity instruments, which are held for trading are classified as at FVTPL and are measured at fair value with all changes recognised in the statement of profit and loss.

The Company has not classified any equity instruments at FVTOCI.

Derecognition

The Company derecognises a financial asset when the rights to receive cash flows from the asset have expired or it transfers the right to receive the contractual cash flow on the financial assets in a transaction in which substantially all the risk and rewards of ownership of the financial asset are transferred.

ii. Financial liabilities

Classification

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognised in the statement profit and loss.

Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

(Currency: Indian Rupees in Millions, unless otherwise stated)

Derecognition

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

Offsetting of financial instruments

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

Derivatives and hedging activities

The Company enters derivatives like forwards contracts to hedge its foreign currency risks. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently marked to market at the end of each reporting period with profit/loss being recognised in statement of profit and loss. Derivative assets/liabilities are classified under "other financial assets/other financial liabilities". Profits and losses arising from cancellation of contracts are recognised in the statement of profit and loss.

r) Financial assets impairment

The Company assessed the expected credit losses associated with its assets carried at amortised cost and fair value through other comprehensive income based on the Company's past history of recovery, credit worthiness of the counter party and existing and future market conditions. For all financial assets other than trade receivables, expected credit losses are measured at an amount equal to the 12-month expected credit loss (ECL) unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. For trade receivables, the Company has applied the simplified approach for recognition of impairment allowance as provided in Ind AS 109 which requires the expected lifetime losses from initial recognition of the receivables.

s) Fair value measurement

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

(i) In the principal market for the asset or liability, or

(ii) In the absence of a principal market, in the most advantageous market for the asset or liability

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 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.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting year.

t) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

a) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Leasehold building	1-9 years
Leasehold vehicles	4-5 years

The right-of-use assets are also subject to impairment. Refer accounting policy in note 2.1(f) Impairment of non-financial assets.

b) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Company's lease liabilities are included in interest-bearing borrowings.

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS

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c) **Short-term leases and leases of low-value assets:**

The Company applies the short-term lease recognition exemption to its short-term leases of office premises and storage locations (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

u) Dividend

The Company recognises a liability for any dividend declared in the period when it is approved by the shareholders. As per corporate laws in India, a distribution in the nature of final dividend is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

v) Operating cycle

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2.2 KEY ACCOUNTING ESTIMATES, JUDGMENTS AND ASSUMPTIONS

The preparation of these standalone In AS financial statements in conformity with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the balance sheet and statement of profit and loss. The management believes that the estimates used in preparation of these standalone Ind AS financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialize.

The areas involving critical estimates or judgments are:

i. Property, plant and equipment , intangible assets & right-of-use assets.

Determination of the estimated useful lives of tangible and intangible assets and the assessment as to which components of the cost may be capitalized. Useful lives of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. [Refer note 2.1(e)]

ii. Fair value of financial instruments :

Derivatives are carried at fair value. Derivatives includes foreign currency forward contracts, fair value of which, is determined using the fair value reports provided by respective merchant bankers. [Refer note 2.1(s)]

iii. ***Impairment of financial assets:***

The Company's management reviews periodically items classified as receivables to assess whether a provision for impairment should be recorded in the statement of profit and loss. Management estimates the amount and timing of future cash flows when determining the level of provisions required. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgement and uncertainty. Details of impairment provision on trade receivable are given in note 14.

The Company reviews it's carrying value of investments annually, or more frequently when there is indication for impairment. If the recoverable amount is less than it's carrying amount, the impairment loss is accounted for. [Refer note 2.1(r)]

iv. ***Recognition and measurement of provisions and contingencies :***

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions. [Refer note 2.1(l)]

v. ***Assessment of lease transactions***

Management assesses the contractual terms of the lease agreements to evaluate whether it is a lease as per Ind AS 116. [Refer note 2.1(t)]

vi. ***Recognition and measurement of defined benefit obligations***

Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. [Refer note 2.1(h)]

vii. ***Rebates and Discounts***

The Company provides rebates and discounts to its dealers and channel partners based on an expectation of volumes to be achieved and parameters such as exclusivity in marketing the products of the Company. This involves a certain degree of estimation of whether all the parameters to provide discounts have been achieved. Provision for discount and rebates is based on the Company's past experience of volumes achieved vis-à-vis targets and expected volumes to be achieved for the year.[Refer note 2.1(o)]

viii. ***Income taxes***

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/ recovered for uncertain tax positions. In assessing the realisability of deferred tax assets arising from unused tax credits, the management considers convincing evidence about availability of sufficient taxable income against which such unused tax credits can be utilised. The amount of the deferred income tax assets considered realisable, however, could be reduced if estimates of future taxable income during the carry forward period are reduced. [Refer note 2.1(j)]

ix. ***Provisions***

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainities surrounding the obligation. [Refer note 2.1(l)]

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FOR THE YEAR ENDED 31 MARCH 2024

(Currency: Indian Rupees in Millions, unless otherwise stated)

x. Inventories

Inventories are reviewed on a regular basis and the Company make allowance for excess or obsolete inventories and write down to net realizable value primarily based on historical trends and management estimates of expected and future product demand and related pricing.

Inventories are stated at the lower of cost and net realisable value. Judgements are required in assessing the expected realisable values of Inventories. Factors considered includes demand levels and pricing competition in the industry. [Refer note 2.1(g)].

2.3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

New and amended standards

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023. The Company applied for the first-time these amendments.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8.

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Company's standalone Ind AS financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1.

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's standalone Ind AS financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12.

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The Company has disclosed the deferred tax on lease asset and lease liability on a gross basis as per the requirement of amendment.

(Currency: Indian Rupees in Millions, unless otherwise stated)

3. PROPERTY, PLANT AND EQUIPMENT ('PPE')

For the year ended 31 March 2024

Block of asset	Gross block (Deemed cost)				Depreciation				Net block value	
	As at 01 April 2023	Addition (Refer note 3 below)	Deletion / (Adjust-ments)	As at 31 March 2024	As at 01 April 2023	Charge for the year	Deletion / Adjust-ments	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023
Land - Freehold	802.27	15.87	-	**818.14**	-	-	-	**-**	**818.14**	802.27
Land - Leasehold	163.41	-	-	**163.41**	17.22	2.46	-	**19.68**	**143.73**	146.19
Factory road	27.11	0.09	-	**27.20**	10.45	3.25	-	**13.70**	**13.50**	16.66
Buildings	796.37	94.15	-	**890.52**	253.61	42.93	-	**296.54**	**593.98**	542.76
Plant and machinery	3,280.76	852.74	12.57	**4,120.93**	1,081.15	279.91	5.57	**1,355.49**	**2,765.44**	2,199.61
Furniture and fixtures	70.44	8.95	1.00	**78.39**	56.03	9.42	1.00	**64.45**	**13.94**	14.41
Vehicles	148.85	31.71	13.59	**166.97**	72.25	28.85	10.86	**90.24**	**76.73**	76.60
Office equipments	78.01	6.77	2.09	**82.69**	65.75	6.80	2.08	**70.47**	**12.22**	12.26
Leasehold improvements	49.81	10.20	-	**60.01**	30.09	10.58	-	**40.67**	**19.34**	19.72
Electrical installations	133.53	61.69	0.09	**195.13**	54.75	17.68	0.08	**72.35**	**122.78**	78.78
Laboratory equipments	37.82	16.66	-	**54.48**	19.62	5.26	-	**24.88**	**29.60**	18.20
	5,588.38	**1,098.83**	**29.34**	**6,657.87**	**1,660.92**	**407.14**	**19.59**	**2,048.47**	**4,609.40**	**3,927.46**

For the year ended 31 March 2023

Block of asset	Gross block (Deemed cost)				Depreciation				Net block value	
	As at 01 April 2022	Addition	Deletion / (Adjust-ments)	As at 31 March 2023	As at 01 April 2022	Charge for the year	Deletion / Adjust-ments	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022
Land - Freehold	800.72	1.55	-	802.27	-	-	-	-	802.27	800.72
Land - Leasehold	163.41	-	-	163.41	14.76	2.46	-	17.22	146.19	148.65
Factory road	16.17	10.94	-	27.11	7.39	3.06	-	10.45	16.66	8.78
Buildings	768.19	30.59	2.41	796.37	214.40	40.44	1.23	253.61	542.76	553.79
Plant and machinery	2,686.01	646.20	51.45	3,280.76	911.03	197.04	26.92	1,081.15	2,199.61	1,774.98
Furniture and fixtures	68.84	2.28	0.68	70.44	49.65	7.06	0.68	56.03	14.41	19.19
Vehicles	122.39	32.88	6.42	148.85	51.74	25.42	4.91	72.25	76.60	70.65
Office equipments	71.00	8.09	1.08	78.01	45.39	21.44	1.08	65.75	12.26	25.61
Leasehold improvements	41.46	8.35	-	49.81	22.82	7.27	-	30.09	19.72	18.64
Electrical installations	98.75	43.71	8.93	133.53	43.26	14.17	2.68	54.75	78.78	55.49
Laboratory equipments	35.36	2.57	0.11	37.82	15.77	3.94	0.09	19.62	18.20	19.59
	4,872.30	**787.16**	**71.08**	**5,588.38**	**1,376.21**	**322.30**	**37.59**	**1,660.92**	**3,927.46**	**3,496.09**

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FOR THE YEAR ENDED 31 MARCH 2024

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Notes:

1. Buildings include ₹ 0.002 Millions (31 March 2023: ₹ 0.002 Millions) being the value of shares in co-operative housing societies.
2. The amount of contractual commitments for the acquisition of property, plant and equipment is disclosed in note 44B.
3. Additions to PPE is net off insurance proceeds received during the year against replacement capex.
4. Title deeds of immovable properties not held in the name of the Company as at 31 March 2024 and 31 March 2023 are:

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the Company
PPE	Freehold land	5.35	Excel Crop Care Limited	No	31 August 2019 (Merger date)	These properties were acquired pursuant to a scheme of amalgamation and continued to be in the name of amalgamating company.
	Building office	8.49				
	Building guest house	18.93				
PPE	Leasehold land	100.00	Sumitomo Chemical India Private Limited	No	24 November 2018	This property continued to be in the name of erstwhile company.
	Total	**132.77**				

4. CAPITAL WORK-IN-PROGRESS

Capital work-in-progress ("CWIP") as at 31 March 2024 is ₹ 39.67 Millions (31 March 2023: ₹ 534.69 Millions)

a) Movement in CWIP is as follows

CWIP movement	As at 31 March 2024	As at 31 March 2023
Opening	**534.69**	211.10
Addition	**590.03**	1,110.75
Capitalisation	**1,085.05**	787.16
Closing	**39.67**	534.69

b) CWIP ageing schedule as at 31 March 2024

Particulars	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	17.86	19.77	0.55	1.49	39.67
	17.86	**19.77**	**0.55**	**1.49**	**39.67**

(Currency: Indian Rupees in Millions, unless otherwise stated)

CWIP more than 3 years are projects which are overdue as per the original plan, whose estimated completion schedule is given below :

Particulars	To be completed in				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Installation of 20 Mt Weigh Bridge*	0.43	-	-	-	0.43
Sprinkler & Alarm System*	0.23	-	-	-	0.23
GTML plant for filtration of recovered GT*	0.83	-	-	-	0.83

* original expected date of capitalisation was 31 March 2021 and revised expected date of capitalisation is on or before 30 September 2024.

CWIP ageing schedule as at 31 March 2023

Particulars	To be completed in				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	526.97	1.46	1.26	5.00	534.69
	526.97	**1.46**	**1.26**	**5.00**	**534.69**

Particulars	To be completed in				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Project - Peeler Centrifuge Wash Recycling Glyphosate Technical plant **	5.00	-	-	-	5.00

** original expected date of capitalisation was 31 December 2019 and revised date of capitalisation was 30 June 2023.

5. RIGHT - OF - USE ASSETS

For the year ended 31 March 2024

Particulars	Gross block (Deemed cost)				Depreciation				Net block value	
	As at 1 April 2023	Addition	Deletion /Adjust-ments	As at 31 March 2024	As at 1 April 2023	Charge for the year	Deletion /Adjust-ments	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023
Building	637.20	24.17	397.48	**263.89**	406.15	106.19	375.70	**136.64**	**127.25**	231.05
Vehicles	290.92	56.68	116.98	**230.62**	189.72	66.99	136.64	**120.07**	**110.55**	101.20
	928.12	**80.85**	**514.46**	**494.51**	**595.87**	**173.18**	**512.34**	**256.71**	**237.80**	**332.25**

For the year ended 31 March 2023

Particulars	Gross block (Deemed cost)				Depreciation				Net block value	
	As at 1 April 2022	Addition	Deletion /Adjust-ments	As at 31 March 2023	As at 1 April 2022	Charge for the year	Deletion /Adjust-ments	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022
Building	538.49	98.71	-	637.20	294.47	111.68	-	406.15	231.05	244.02
Vehicles	253.60	37.32	-	290.92	134.02	55.70	-	189.72	101.20	119.58
	792.09	**136.03**	**-**	**928.12**	**428.49**	**167.38**	**-**	**595.87**	**332.25**	**363.60**

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

(Currency: Indian Rupees in Millions, unless otherwise stated)

6. INTANGIBLE ASSETS

For the year ended 31 March 2024

Particulars	Gross block (Deemed cost)				Amortisation				Net block value	
	As at 01 April 2023	Addition	Deletion / Adjust-ments	As at 31 March 2024	As at 01 April 2023	Charge for the year	Deletion / Adjust-ments	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023
Data registration expenses	103.28	33.35	-	**136.63**	90.26	13.47	-	**103.73**	**32.90**	13.02
Software / license and registration	76.80	2.25	-	**79.05**	51.64	21.12	-	**72.76**	**6.29**	25.16
Technical know-how	9.45	-	-	**9.45**	9.45	-	-	**9.45**	**-**	-
	189.53	**35.60**	**-**	**225.13**	**151.35**	**34.59**	**-**	**185.94**	**39.19**	**38.18**

For the year ended 31 March 2023

Particulars	Gross block (Deemed cost)				Amortisation				Net block value	
	As at 01 April 2022	Addition	Deletion / Adjust-ments	As at 31 March 2023	As at 01 April 2022	Charge for the year	Deletion / Adjust-ments	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022
Data registration expenses	88.31	14.97	-	103.28	81.64	8.62	-	90.26	13.02	6.67
Software / license and registration	68.14	8.66	-	76.80	31.32	20.32	-	51.64	25.16	36.82
Technical know-how	9.45	-	-	9.45	9.45	-	-	9.45	-	-
	165.90	**23.63**	**-**	**189.53**	**122.41**	**28.94**	**-**	**151.35**	**38.18**	**43.49**

7. INTANGIBLE ASSET UNDER DEVELOPMENT

Intangible asset under development ("IAUD") as at 31 March 2024 is ₹ 187.25 Millions (31 March 2023: ₹ 177.35 Millions)

a) Movement in IAUD is as follows

IAUD movement	As at 31 March 2024	As at 31 March 2023
Opening	**177.35**	141.06
Addition	**45.50**	59.92
Capitalisation	**35.60**	23.63
Closing	**187.25**	177.35

b) IAUD ageing schedule as at 31 March 2024

Particulars	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	44.08	48.46	47.41	47.30	187.25
	44.08	**48.46**	**47.41**	**47.30**	**187.25**

IAUD ageing schedule as at 31 March 2023

Particulars	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	52.70	55.53	37.54	31.58	177.35
	52.70	**55.53**	**37.54**	**31.58**	**177.35**

c) There are no projects where completion schedule is overdue, temporarily suspended or has exceeded its cost compared to its original plan as at 31 March 2024 and 31 March 2023.

(Currency: Indian Rupees in Millions, unless otherwise stated)

8. NON CURRENT INVESTMENTS

		Numbers		Amount	
		As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
A	**Fully paid unquoted equity instruments carried at cost Investment in subsidiary**				
	Barrix Agro Sciences Private Limited (Refer note 49) * Face value of ₹ 10 each	**35,017**	-	**782.01**	-
	Excel Crop Care (Africa) Limited (Refer note 50) Face value of Tanzanian Schillings 1,00,000 each	**1,699**	1,699	**5.11**	5.11
	Investment in co-operative societies				
	TIMA CETP Co.- Op. Society Ltd. Face value of ₹ 10 each	**2,000**	2,000	**0.01**	0.01
	Tarapur Enviroment Protection Society Face value of ₹ 10 each	**7,132**	7,132	**1.11**	1.11
B	**Investments stated at amortised cost**				
	Investments in Government securities (Unquoted)				
	National saving certificates Face value ₹ 0.03 Millions			**0.03**	0.03
	Total			**788.27**	6.26
Aggregate market value of quoted investments				**-**	-
Aggregate amount of quoted investments				**-**	-
Aggregate amount of unquoted investments				**788.27**	6.26
Aggregate amount of impairment in value of investments				**-**	-

Note :

(*) On 15 December 2023, the Company has acquired 85% stake (35,017 shares) in Barrix Agro Sciences Private Limited. Out of this, 8,956 shares are through subscription of new shares and balance 26,061 shares were acquired from exiting shareholders amounting to ₹ 200.01 Millions and ₹ 582.00 Millions respectively.

9. NON CURRENT LOANS (AT AMORTISED COST)

	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good unless otherwise stated		
Loans to employees	**8.07**	6.49
Deposit with corporates	**60.00**	-
Total	**68.07**	6.49

10. OTHER NON CURRENT FINANCIAL ASSETS (AT AMORTISED COST)

	As at 31 March 2024	As at 31 March 2023
Unsecured		
Security deposits:		
Considered good	**64.59**	57.82
Credit impaired	**-**	2.71
Less: Allowance for doubtful deposit	**-**	(2.71)
Deposit with banks (with remaining maturity of more than 12 months)	**-**	300.10
Total	**64.59**	357.92

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

(Currency: Indian Rupees in Millions, unless otherwise stated)

11. OTHER NON-CURRENT ASSETS

	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good unless otherwise stated		
Capital advances	**20.39**	73.76
Prepaid expenses	**8.00**	13.14
Total	**28.39**	86.90

12. INVENTORIES

	As at 31 March 2024	As at 31 March 2023
Lower of cost or net realisable value		
Raw materials [Goods in transit: 31 March 2024: ₹ 91.40 Millions (31 March 2023: ₹ 481.03 Millions)]	**1,861.73**	3,735.85
Work-in-progress	**343.93**	454.62
Finished goods [Goods in transit: 31 March 2024: ₹ 93.50 Millions (31 March 2023: ₹ 44.06 Millions)]*	**3,410.81**	4,144.60
Stock-in-trade [Goods in transit: 31 March 2024: ₹ 16.71 Millions (31 March 2023: ₹ 47.26 Millions)]	**84.62**	132.27
Containers and packing materials	**278.80**	316.04
Stores and spares (including fuel)	**75.02**	103.59
Total	**6,054.91**	8,886.97

Values of inventories above is stated after provision of ₹ 40.78 Millions (31 March 2023: ₹ 66.44 Millions) for write down to net realisable value and provision for slow moving and absolute items.

* Finished goods in transit denotes stock lying at port.

13. CURRENT INVESTMENTS

	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
	Quantity / units		Amount	
Investment carried at fair value through profit and loss account				
Investments in equity instruments (Quoted)				
Tata Steel Limited Equity shares of ₹ 1 each	**4,200**	4,200	**0.65**	0.44
Investment in mutual fund (Unquoted)				
Aditya Birla Sun Life Interval Income Fund Quarterly Plan Series 1 - Direct Plan - Growth	**1,665,318**	8,549,974	**52.26**	249.81
Aditya Birla Sun Life Liquid Fund - Direct Plan - Growth	**-**	137,803	**-**	50.03
Aditya Birla Sun Life Savings Fund - Regular Plan - Growth	**321,655**	-	**160.38**	-
Aditya Birla Sun Life Money Manager Fund - Regular Plan - Growth	**211,069**	-	**71.93**	-
Aditya Birla Sun Life Floating Rate Fund - Regular Plan - Growth	**503,626**	-	**158.92**	-
Aditya Birla Sun Life Low Duration Fund - Direct Plan - Growth	**324,670**	-	**214.00**	-
Axis FTP -Series 114 (83 Days)	**-**	2,999,850	**-**	30.06
Axis Liquid Fund - Direct Plan - Growth	**-**	156,888	**-**	392.36

(Currency: Indian Rupees in Millions, unless otherwise stated)

	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
	Quantity / units		Amount	
Axis Liquid Fund - Regular Plan - Growth	**-**	42,349	**-**	105.20
HDFC Gilt Fund - Regular Plan - Growth	**1,673,123**	1,673,123	**83.67**	77.72
HDFC Liquid Fund - Direct Plan - Growth	**10,617**	-	**50.36**	-
HDFC Low Duration Fund - Direct Plan - Growth	**3,728,479**	-	**211.34**	-
HDFC Ultra Short Term Fund - Regular Plan - Growth	**11,552,636**	-	**159.97**	-
ICICI Prudential Liquid Fund - Direct Plan - Growth	**-**	1,315,659	**-**	438.36
ICICI Prudential Liquid Fund - Regular Plan - Growth	**-**	236,672	**-**	78.26
ICICI Prudential Corporate Bond Fund - Growth	**3,901,650**	-	**105.14**	-
ICICI Prudential Floating Interest Fund - Direct Plan - Growth	**1,001,935**	-	**417.56**	-
ICICI Prudential Floating Interest Fund - Growth	**272,313**	-	**104.74**	-
ICICI Prudential Savings Fund - Direct Plan - Growth	**211,757**	-	105.78	-
ICICI Prudential Savings Fund - Growth	**268,045**	-	132.29	-
ICICI Prudential Short Term Fund - Growth	**895,089**	-	52.75	-
Kotak FMP Series 303 (187 days) - Direct Plan - Growth	**-**	9,999,500	-	101.92
Kotak FMP Series 306 - (90 days) - Direct Plan - Growth	**-**	4,999,750	**-**	50.66
Kotak FMP Series 307 - (90 days) - Direct Plan - Growth	**-**	19,999,000	**-**	201.40
Kotak Gilt Investment - Regular Plan - Growth	**1,277,720**	1,277,720	**112.67**	104.35
Kotak Liquid - Direct Plan - Growth	**-**	66,281	**-**	301.47
Kotak Bond Fund (Short Term) - Regular Plan - Growth	**2,133,227**	-	**100.79**	-
Kotak Corporate Bond Fund Standard - Regular Plan - Growth	**30,817**	-	**104.77**	-
Kotak Floating Rate Fund - Direct Plan - Growth	**113,098**	-	**156.68**	-
Kotak Floating Rate Fund - Regular Plan - Growth	**76,808**	-	**104.47**	-
Kotak Low Duration Fund - Regular Plan - Growth	**68,670**	-	**226.36**	-
Nippon India Money Market Fund - Direct Plan - Growth	**-**	42,395	**-**	150.40
Nippon India Low Duration Fund - Regular Plan - Growth	**30,592**	**-**	**104.47**	-
SBI Magnum Low Duration Fund - Regular Plan - Growth	**67,233**	**-**	**214.55**	-
UTI Liquid Fund- Cash Plan - Direct Plan - Growth	**-**	14,948	**-**	55.15
Investment in Bonds (Quoted)				
8.50% State Bank of India Perpetual bonds	**200**	**-**	**201.18**	-
7.95% Bank of Baroda	**5**	**-**	**49.74**	-
Total			**3,457.42**	2,387.59
Aggregate carrying value of quoted investments			**251.57**	0.44
Aggregate carrying value of unquoted investments			**3,205.85**	2,387.15
Aggregate market value of quoted investments			**251.57**	0.44
Aggregate amount of impairment in value of investments			**-**	-

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

(Currency: Indian Rupees in Millions, unless otherwise stated)

14. TRADE RECEIVABLES

	As at 31 March 2024	As at 31 March 2023
Gross trade receivables (Unsecured)	**8,050.00**	10,338.50
Less: Allowance for expected credit loss	**981.40**	877.88
Total	**7,068.60**	9,460.62

Notes :

a) Break-up for Related party and others

	As at 31 March 2024	As at 31 March 2023
Trade receivables – Related party (Refer note 38)	**1,309.98**	2,055.42
Trade Receivables - Others	**5,758.62**	7,405.20
Total	**7,068.60**	9,460.62

b) Break-up for security details

	As at 31 March 2024	As at 31 March 2023
Gross trade receivable (Unsecured)		
Considered good	**7,074.57**	9,468.30
Which have significant increase in credit risk	**403.84**	309.15
Credit impaired	**571.59**	561.05
	8,050.00	10,338.50
Less: Allowance for expected credit loss:		
Considered good	**182.09**	249.58
Which have significant increase in credit risk	**227.72**	67.25
Credit impaired	**571.59**	561.05
	981.40	877.88
Total	**7,068.60**	9,460.62

c) Trade receivables ageing schedule:

As at 31 March 2024

Outstanding for following periods from due date of payment	Undisputed considered good	Undisputed which have significant increase in credit risk	Undisputed credit impaired	Total
Current but not due	4,651.53	-	-	**4,651.53**
< 6 months	2,011.22	-	-	**2,011.22**
6 months- 1 year	411.82	-	-	**411.82**
1-2 years	-	403.84	-	**403.84**
2-3 years	-	-	191.14	**191.14**
> 3 years	-	-	380.45	**380.45**
	7,074.57	**403.84**	**571.59**	**8,050.00**

(Currency: Indian Rupees in Millions, unless otherwise stated)

As at 31 March 2023

Outstanding for following periods from due date of payment	Undisputed considered good	Undisputed which have significant increase in credit risk	Undisputed credit impaired	Total
Current but not due	6,308.05	-	-	6,308.05
< 6 months	2,800.49	-	-	2,800.49
6 months- 1 year	359.76	-	-	359.76
1-2 years	-	309.15	-	309.15
2-3 years	-	-	212.43	212.43
> 3 years	-	-	348.62	348.62
	9,468.30	309.15	561.05	10,338.50

d) There are no outstanding trade receivables which resulted into significant increase in credit risk apart from receivables which are impaired and provided. Refer note 41 for information credit risk, market risk of trade receivables and movement of allowance for expected credit loss during the year.

e) No trade or other receivable are due from directors or other officers of the the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member. For receivables from related parties, refer note 38.

f) Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

g) There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.

h) There are no disputed receivables, hence the same is not disclosed in the ageing schedule.

15. CASH AND CASH EQUIVALENTS

	As at 31 March 2024	As at 31 March 2023
Balance with banks :		
In current account	**342.92**	228.73
In deposit accounts (with original maturity of less than three months)	**112.70**	236.80
Cash on hand	**0.13**	0.10
Total	**455.75**	465.63

Notes :

a) For the purpose of the statement of cash flows, cash and cash equivalents comprises of all the above enlisted items.

b) The Company has total fund and non fund based undrawn borrowing facilities of ₹ 7,010 Millions (31 March 2023 : ₹ 7,010 Millions). Sanctioned facilities are unsecured credit arrangements of ₹ 7,000 Millions and secured arrangements of ₹ 10 Millions.

16. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at 31 March 2024	As at 31 March 2023
Deposits with banks *	**1,229.50**	2,550.00
In unpaid dividend accounts earmarked with banks**	**6.12**	9.57
Total	**1,235.62**	2,559.57

* Includes balances with banks held as margin money deposits against overdraft facility.

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

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

(Currency: Indian Rupees in Millions, unless otherwise stated)

17. CURRENT LOANS (AT AMORTISED COST)

	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good unless otherwise stated		
Loans to employees (Unsecured)		
Considered good	**6.06**	5.11
Credit impaired	**0.43**	0.43
Less: Provision for credit impaired	**(0.43)**	(0.43)
Deposits with corporates	**1,806.00**	2,360.00
Total	**1,812.06**	2,365.11

18. OTHER CURRENT FINANCIAL ASSETS

	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good unless otherwise stated		
At amortised cost		
Security deposits	**27.52**	33.29
Deposits with banks	**4,910.59**	197.50
Earnest money deposit	**3.89**	3.98
Less: Expected credit loss for earnest money deposit	**(3.89)**	(3.98)
Export licenses benefit receivable	**0.20**	0.20
Export incentive receivable	**56.41**	44.14
Interest accrued but not due	**291.36**	163.41
Others	**76.29**	30.98
At fair value through profit and loss account		
Derivatives - foreign exchange forward contracts	**2.31**	15.70
Total	**5,364.68**	**485.22**

19. OTHER CURRENT ASSETS

	As at 31 March 2024	As at 31 March 2023
Balances with government authorities	**656.86**	875.23
Prepaid expenses	**36.02**	40.03
Contract asset (Right to receive inventory)	**57.28**	55.94
Advance to suppliers	**236.63**	289.30
Total	**986.79**	1,260.50

20. EQUITY SHARE CAPITAL

	Number of shares	Amount	Number of shares	Amount
	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2023
Authorised:				
Equity shares of ₹ 10 each	**500,000,000**	**5,000.00**	500,000,000	5,000.00
	500,000,000	**5,000.00**	500,000,000	5,000.00
Issued, subscribed and paid-up:				
Equity shares of ₹ 10 each, fully paid-up	**499,145,736**	**4,991.46**	499,145,736	4,991.46
	499,145,736	**4,991.46**	499,145,736	4,991.46

(Currency: Indian Rupees in Millions, unless otherwise stated)

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

	As at 31 March 2024		As at 31 March 2023	
	Number	Amount	Number	Amount
Equity shares				
At the commencement of the year	**499,145,736**	**4,991.46**	499,145,736	4,991.46
Equity shares issued during the year	**-**	**-**	-	-
At the end of the year	**499,145,736**	**4,991.46**	499,145,736	4,991.46

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

Name of shareholder	Relationship	As at 31 March 2024		As at 31 March 2023	
		No. of shares	%	No. of shares	%
Sumitomo Chemical Company, Limited	Holding company	**374,359,295**	**75.00%**	374,359,295	75.00%

c) Details of shares held by promoters / promoter group

Promoter name	As at 31 March 2024			% of total shares	% change during the year
	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year		
Sumitomo Chemical Company, Limited	374,359,295	-	374,359,295	75%	0%
Yuya Miyajima	2	-	2	0%	0%
Tomohito Fujiwara	1	-	1	0%	0%
Hiroyuki Miura	1	-	1	0%	0%
Hiroyoshi Mukai	1	-	1	0%	0%
Hideo Wada	1	-	1	0%	0%
Akira Ohisa	1	-	1	0%	0%
	374,359,302	**-**	**374,359,302**		

Promoter name	As at 31 March 2023			% of total shares	% change during the year
	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year		
Sumitomo Chemical Company, Limited	374,359,295	-	374,359,295	75%	0%
Yuya Miyajima	2	-	2	0%	0%
Tomohito Fujiwara	1	-	1	0%	0%
Hiroyuki Miura	1	-	1	0%	0%
Hiroyoshi Mukai	1	-	1	0%	0%
Hideo Wada	1	-	1	0%	0%
Akira Ohisa	1	-	1	0%	0%
	374,359,302	**-**	**374,359,302**		

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

Name of shareholder	Relationship	As at 31 March 2024		As at 31 March 2023	
		No. of shares	%	No. of shares	%
Sumitomo Chemical Company, Limited*	Holding company	**374,359,300**	**75.00%**	374,359,300	75.00%
SC Environmental Science Co. Limited **	Fellow subsidiary	**2**	**0.00%**	2	0.00%
		374,359,302	**75.00%**	374,359,302	75.00%

* Including 5 shares held through its nominees.

** held through a nominee.

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

(Currency: Indian Rupees in Millions, unless otherwise stated)

e) Terms/rights attached to equity shares

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

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

f) Dividend on equity share declared and paid during the year.

	01 April 2023 to 31 March 2024	01 April 2022 to 31 March 2023
Final Dividend paid on 499,145,736 shares at ₹ 1.20 per share (FY 2022-23: ₹ 1.00 per share) on equity shares of ₹ 10 each	**598.97**	499.15
Interim dividend paid on 499,145,736 shares at ₹ 5.00 per share (FY 2022-23: Nil per share) on equity shares of ₹ 10 each	**2,495.73**	-
	3,094.70	499.15

	01 April 2023 to 31 March 2024	01 April 2022 to 31 March 2023
Dividend on equity shares not recognised as liability		
Proposed dividend on 499,145,736 shares at ₹ 0.90 per share (FY 2022-23: ₹ 1.20 per share) on equity shares of ₹ 10 each	**449.23**	598.97
	449.23	598.97

21. OTHER EQUITY

A. Movement of other equity balance

	As at 31 March 2024	As at 31 March 2023
General reserve		
Balance at the beginning of the year	**14,767.81**	10,267.81
Add: Amount transferred from retained earnings	**-**	4,500.00
Balance at the end of the year	**14,767.81**	14,767.81
Securities premium		
As per last balance sheet	**2,350.60**	2,350.60
Retained earnings (includes OCI)		
Balance at the beginning of the year	**1,689.22**	1,633.67
Additions during the year:		
Profit for the year	**3,696.74**	5,034.37
Other comprehensive income for the year, net of tax	**1.36**	20.33
Reductions during the year:		
Dividends	**(3,094.70)**	(499.15)
Transfer to general reserve	**-**	(4,500.00)
Net surplus of retained earnings	**2,292.62**	1,689.22
Balance at the end of the year	**19,411.03**	18,807.63

(Currency: Indian Rupees in Millions, unless otherwise stated)

B. Nature and purpose of each reserves

1. General reserve

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

2. Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013

3. Retained earnings

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

4. Other comprehensive income

This relates to the remeasurement impact of defined benefit plans and income tax effect of the same.

22. NON-CURRENT PROVISIONS

	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
Compensated absences	**247.06**	225.63
Total	**247.06**	225.63

23. TRADE PAYABLES

	As at 31 March 2024	As at 31 March 2023
Due to micro and small enterprises ("MSME") (Refer note 45)	**256.92**	166.04
Due to others	**4,023.91**	4,752.50
Total	**4,280.83**	4,918.54

Notes :

a) Break-up for Related party and others

	As at 31 March 2024	As at 31 March 2023
Trade payables – Related party (Refer note 38)	**1,846.88**	**2,405.59**
Trade payables – Others	**2,433.95**	**2,512.95**
Total	**4,280.83**	**4,918.54**

b) Trade payable ageing schedule:

As at 31 March 2024

Outstanding for following periods from due date of payment	Dues to MSME	Dues creditors other than MSME	Total
Unbilled	-	189.73	189.73
Not due	247.64	3,434.19	3,681.83
Less than 1 year	9.28	370.32	379.60
1-2 years	-	19.42	19.42
2-3 years	-	3.10	3.10
> 3 years	-	7.15	7.15
	256.92	4,023.91	4,280.83

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FOR THE YEAR ENDED 31 MARCH 2024

(Currency: Indian Rupees in Millions, unless otherwise stated)

As at 31 March 2023

Outstanding for following periods from due date of payment	Dues to MSME	Dues creditors other than MSME	Total
Unbilled	-	431.17	431.17
Not due	162.82	3,850.29	4,013.11
Less than 1 year	3.22	449.17	452.39
1-2 years	-	12.92	12.92
2-3 years	-	6.86	6.86
> 3 years	-	2.09	2.09
	166.04	4,752.50	4,918.54

c) There are no disputed trade payables, hence the same is not disclosed in the ageing schedule.

24. OTHER CURRENT FINANCIAL LIABILITIES

	As at 31 March 2024	As at 31 March 2023
Salary, wages and bonus payable	427.06	397.09
Security and trade deposits	348.95	374.42
Unclaimed dividend	6.11	9.57
Payables for capital supplies (Refer note 45)	20.35	51.97
Liabilities for discount and scheme	2,027.59	2,816.56
Other payables	1.86	1.92
At fair value through profit and loss account		
Derivative financial liabilities - forward contracts	9.66	10.35
Total	2,841.58	3,661.88

25. OTHER CURRENT LIABILITIES

	As at 31 March 2024	As at 31 March 2023
Advance received from customers (including deposits)	415.11	409.53
Statutory dues (including GST, provident fund, tax deducted at source and others)	78.15	98.31
Other payables	16.90	3.65
Total	510.16	511.49

26. CURRENT PROVISIONS

	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
Gratuity (Refer note 43)	52.77	14.63
Compensated absences	42.92	48.44
Total	95.69	63.07

(Currency: Indian Rupees in Millions, unless otherwise stated)

27. REVENUE FROM OPERATIONS

	For the year ended 31 March 2024	For the year ended 31 March 2023
A. Revenue from contracts with customer		
a) Sales of products	**28,062.81**	34,732.57
b) Sale of services	**0.79**	0.84
	28,063.60	34,733.41
B. Other operating revenue		
a) Export incentives	**167.40**	327.91
b) Commission income	**0.14**	1.72
c) Excess provision no longer required written back	**57.56**	4.37
d) Miscellaneous receipts (scrap sales and others)	**36.71**	42.27
	261.81	376.27
Total	**28,325.41**	35,109.68

a. Revenue information

	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue by product categories		
Agro Chemicals		
Domestic	**19,854.31**	23,501.99
Export	**5,553.02**	8,663.65
	25,407.33	32,165.64
Others		
Domestic	**119.76**	361.83
High Seas Sales	**2,535.72**	2,205.10
	2,655.48	2,566.93
Total	**28,062.81**	34,732.57

b. Reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price

	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue as per contracted price	**31,851.65**	39,251.22
Less : Rebates/Discounts	**3,322.65**	4,017.43
Less : Sales returns	**465.40**	500.38
Revenue from contract with customers	**28,063.60**	34,733.41

Performance Obligation

The performance obligation is satisfied upon delivery of the goods and payment is generally due within 7 to 90 days from delivery. There are no material unsatisfied performance obligation outstanding at the year end.

The performance obligations of the Company are part of contracts that have an original expected duration of less than one year and accordingly, the Company has applied the practical expedient and opted not to disclose the information about it's remaining performance obligations in accordance with Ind AS 115.

c. Contract balances

	For the year ended 31 March 2024	For the year ended 31 March 2023
Contract assets (Refer note 19)	**57.28**	55.94
Contract liabilities (Refer note 25)	**415.11**	409.53

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

(Currency: Indian Rupees in Millions, unless otherwise stated)

Note:

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

d. Significant changes in the contract assets and the contract liabilities balances during the year are as follows:

	For the year ended 31 March 2024	For the year ended 31 March 2023
Contract assets		
Opening balance	**55.94**	56.36
Less : Revenue recognised during the year from balance at the beginning of the year	**(55.94)**	(56.36)
Add : Contract assets created for right to receive inventory on estimated sales return	**57.28**	55.94
Closing balance	**57.28**	55.94
Contract liabilities		
Opening balance	**409.53**	654.73
Add : Advance received during the year not recognised as revenue	**415.11**	409.53
Less : Revenue recognised during the year	**(409.53)**	(654.73)
Closing balance	**415.11**	409.53

28. OTHER INCOME

	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest income:		
On interest income on deposits and bonds	**559.55**	244.50
On others	**27.81**	4.85
Dividend income:		
On investment in subsidiary	**8.49**	1.47
Gain on sale of financial assets measured at FVTPL	**232.53**	231.67
Fair valuation gain on financial assets measured at FVTPL	**98.67**	(65.62)
Others:		
Rent received	**0.12**	0.13
Net profit on sale of property, plant & equipment	**3.99**	-
Exchange difference (net)	**-**	16.09
Miscellaneous income	**30.07**	17.47
	961.23	450.56

(Currency: Indian Rupees in Millions, unless otherwise stated)

29. COST OF MATERIALS CONSUMED

	For the year ended 31 March 2024	For the year ended 31 March 2023
Raw materials consumed		
Opening inventory	**3,735.85**	2,770.87
Add: Purchases	**10,770.74**	17,516.06
	14,506.59	20,286.93
Less: Closing inventory	**1,861.73**	3,735.85
	12,644.86	16,551.08
Containers and packing materials consumed		
Opening inventory	**316.04**	359.66
Add: Purchases	**1,351.85**	1,973.03
	1,667.89	2,332.69
Less: Closing inventory	**278.80**	316.04
	1,389.09	2,016.65
Total cost of materials consumed	**14,033.95**	18,567.73

30. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE

	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening inventories :		
Work in progress	**454.62**	656.84
Finished goods	**4,144.60**	5,347.80
Stock-in-trade	**132.27**	190.64
Less: Closing inventories:		
Work in progress	**343.93**	454.62
Finished goods	**3,410.81**	4,144.60
Stock-in-trade	**84.62**	132.27
Changes in inventories:		
Work in progress	**110.69**	202.22
Finished goods	**733.79**	1,203.20
Stock-in-trade	**47.65**	58.37
Total	**892.13**	1,463.79

31. EMPLOYEE BENEFITS EXPENSE

	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries, wages and bonus etc.	**1,965.68**	1,891.38
Contribution to provident and other funds (Refer note 43)	**111.56**	105.52
Gratuity expense (Refer note 43)	**54.57**	41.80
Staff welfare expenses	**130.28**	132.18
	2,262.09	2,170.88

32. FINANCE COSTS

	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest expenses on lease liabilities	**34.16**	38.52
Others	**13.55**	15.42
	47.71	53.94

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

(Currency: Indian Rupees in Millions, unless otherwise stated)

33. OTHER EXPENSES

	For the year ended 31 March 2024	For the year ended 31 March 2023
Processing / Sub-contracting charges	**156.44**	62.87
Contract and labour charges	**366.40**	299.45
Carriage and freight	**596.13**	737.74
Power and fuel	**355.19**	386.36
Stores and spares consumed	**78.90**	85.70
Repairs and maintenance		
Buildings	**4.30**	4.33
Plant and equipment	**136.10**	124.51
Others	**60.81**	39.09
Rent	**48.98**	38.16
Rates and taxes	**29.25**	33.24
Insurance	**75.62**	69.53
Travelling and conveyance	**277.84**	250.83
Sales promotion and advertisement	**383.36**	467.68
Donations	**1.37**	0.49
Clearing & forwarding charges	**80.40**	82.69
Corporate social responsibility (Refer note 47)	**116.00**	89.07
Expected credit loss allowance on trade receivables (Refer note 14)	**103.52**	208.98
Bad Debts written off	**142.75**	1.29
Directors sitting fees	**1.26**	1.10
Property, plant and equipment written off	**-**	1.32
Exchange difference (net)	**0.31**	-
Research and development expenses	**13.18**	11.25
Product testing expenses	**3.47**	2.74
Communication expenses	**6.85**	7.53
Legal and professional fees	**132.46**	101.81
Bank charges	**5.78**	8.03
Payment to auditors (Refer note below)	**7.74**	7.53
Security charges	**34.99**	26.09
Vehicle related Expenses	**128.45**	154.12
Miscellaneous expenses	**257.30**	252.94
	3,605.15	3,556.47
Note:		
Auditors remuneration (Net of taxes where applicable)		
Audit fees	**3.61**	3.61
Tax audit fees	**0.72**	0.72
Limited review	**2.47**	2.37
Other services (Certification fees)	**0.62**	0.62
Reimbursement of out-of-pocket expenses	**0.32**	0.21
	7.74	**7.53**

(Currency: Indian Rupees in Millions, unless otherwise stated)

34. INCOME TAXES

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

(i) Income tax recognised in the statement of profit and loss:

	For the year ended 31 March 2024	For the year ended 31 March 2023
Income tax expense		
In respect of current year	**1,231.58**	1,673.39
Adjustment of current tax in respect of earlier years	**5.11**	-
On remeasurements of the defined benefit plans	**0.46**	6.84
Deferred tax charge		
Origination and reversal of temporary difference	**64.53**	4.18
Adjustment of deferred tax in respect of earlier years	**35.51**	(157.90)
Total tax expense recognised in the statement of profit and loss	**1,337.19**	1,526.51

B. Reconciliation of tax expenses and the accounting profit multiplied by India's domestic tax rate for 31 March 2024 and 31 March 2023.

	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit before tax	**5,033.47**	6,554.04
Statutory income tax rate	**25.168%**	25.168%
Expected tax expenses	**1,266.82**	1,649.53
Effects of adjustment to reconcile the expected tax expenses to reported tax expenses.		
Tax effect on non-deductible expenses	**32.60**	28.69
Deduction under section 80JJAA	**(1.17)**	(0.27)
Tax effect on deductible income	**(2.14)**	(0.38)
Others	**0.46**	6.84
	1,296.57	1,684.41
Adjustment of tax expenses in respect of earlier years	**40.62**	(157.90)
Total tax expense recognised in the statement of profit and loss	**1,337.19**	1,526.51

35. DEFERRED TAX LIABILITIES

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

Movement during the year 01 April 2023 to 31 March 2024	Net deferred tax asset/ (liability) 01 April 2023	(charged) / credit to statement of profit and loss	Net deferred tax asset/ (liability) 31 March 2024
Depreciation and amortisation	(352.12)	16.85	**(335.27)**
Allowance for receivables, loans and other assets	58.29	(58.29)	**-**
Fair value gain/(loss) on investments	(14.51)	(24.83)	**(39.34)**
Expenses allowable on payment basis	71.03	3.73	**74.76**
Amortisation of expenses u/s 35 DD	15.55	(15.55)	**-**
Lease liabilities	85.50	(21.95)	**63.55**
Deferred tax liabilities (net)	**(136.26)**	**(100.04)**	**(236.30)**

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Movement during the year 01 April 2022 to 31 March 2023	Net deferred tax asset/ (liability) 01 April 2022	(charged) / credit to statement of profit and loss	Net deferred tax asset/ (liability) 31 March 2023
Depreciation and amortisation	(365.44)	13.32	(352.12)
Allowance for receivables, loans and other assets	58.29	-	58.29
Fair value gain/(loss) on investments	(31.07)	16.56	(14.51)
Expenses allowable on payment basis	69.96	1.07	71.03
Amortisation of expenses u/s 35 DD	34.60	(19.05)	15.55
Lease liabilities	94.59	(9.09)	85.50
Deferred tax liabilities (net)	**(139.07)**	**2.81**	**(136.26)**

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

36 EARNINGS PER SHARE (EPS)

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

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

	For the year ended 31 March 2024	For the year ended 31 March 2023
Earnings per share has been computed as under:		
Profit attributable to owners of the Company for basic earnings (A)	3,696.74	5,034.37
Weighted average number of equity shares for the purpose of basic and dilutive earnings per share		
Number of shares at the beginning of the year	499,145,736	499,145,736
Number of equity shares outstanding at the end of the year (B)	499,145,736	499,145,736
Basic and diluted earnings per share (Face value of ₹ 10 each) [(A) / (B)] (in ₹)	7.41	10.09

37 CAPITAL MANAGEMENT

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

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

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

38 RELATED PARTY DISCLOSURES

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

(1) Holding Company

Sumitomo Chemical Company, Limited

(2) Post Employment Benefit Plans entity

Sumitomo Chemical India Gratuity Trust

Sumitomo Chemical India Superannuation Trust

(3) Subsidiary Companies:

Excel Crop Care (Africa) Limited

Barrix Agro Sciences Private Limited (from 15 December 2023)

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

(1) Fellow Subsidiaries

Koei Chemical Co., Ltd.

Mycorrhizal Applications, LLC

Pace International, LLC

SC Environmental Science Co. Limited

Sumitomo Chemical Agro Europe S.A.S.

Sumitomo Chemical Argentina S.A.

Sumitomo Chemical Asia Pte Limited

Sumitomo Chemical Australia Pty Ltd.

Sumitomo Chemical Brasil Industria Quimica S.A.

Sumitomo Chemical Colombia S.A.S.

Sumitomo Chemical Philippines, Inc.

Sumitomo Chemical Vietnam Co., Ltd.

Valent BioSciences LLC

(2) Key Management Personnel

i) Executive Directors

Chetan Shah (Managing Director)

Sushil Marfatia (Executive Director)

Dr Suresh Ramachandran (Whole-time Director & Chief Comercial Officer) (from 1 June 2023)

ii) Non Executive Directors

Dr. Mukul G. Asher
Ninad D Gupte
Hiroyoshi Mukai (Upto 31 March 2023)
B. V. Bhargava
Tadashi Katayama
Preeti Mehta
Masanori Uzawa

iii) Chief Financial Officer

Anil Nawal

iv) Company Secretary

Dipika Trivedi (from 1 April 2023)
Pravin D Desai (upto 31 March 2023)

(3) Relatives of Key Management Personnel

Minoti Ninad Gupte (Wife of Ninad Gupte)
Pragnya Mukulchandra Asher (Wife of Mukul Asher)
Chetna Pravin Desai (Wife of Pravin Desai)

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

Kanga & Company

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Disclosures of all transactions between the Company and the related parties and the status of outstanding balances.

	For the year ended 31 March 2024	For the year ended 31 March 2023
Sale of Goods (Net of rebate and discount)		
Sumitomo Chemical Company, Limited	**1,155.75**	1,598.05
Sumitomo Chemical Asia Pte Limited	**2.68**	2.91
Sumitomo Chemical Agro Europe S.A.S.	**64.50**	136.67
Sumitomo Chemical Colombia S.A.S. (# includes sales return in current year)	**(5.08)#**	53.93
Sumitomo Chemical Argentina S.A.	**134.25**	135.92
Sumitomo Chemical Vietnam Co., Ltd.	**-**	2.95
Sumitomo Chemical Brasil Industria Quimica S.A.	**968.31**	2,598.85
Sale of Services		
Sumitomo Chemical Company, Limited	**0.64**	0.84
Koei Chemical Co., Ltd.	**0.15**	-
Purchase of Goods		
Mycorrhizal Applications, LLC	**37.14**	99.17
Sumitomo Chemical Company, Limited	**3,335.61**	4,070.01
Valent BioSciences LLC	**579.69**	782.54
Purchase of Services		
Kanga & Company	**0.18**	0.24
Sumitomo Chemical Asia Pte Limited	**-**	0.19
Sumitomo Chemical Brasil Industria Quimica S.A.	**12.90**	10.77
Sumitomo Chemical Company, Limited	**4.49**	3.85
Commission Income		
Sumitomo Chemical Company, Limited	**0.16**	2.03
Miscellaneous Income - Technical Service		
Sumitomo Chemical Company, Limited	**8.69**	3.17
Valent BioSciences LLC	**-**	8.18
Reimbursement of expenses (net)		
Excel Crop Care (Africa) Limited	**0.15**	0.65
Pace International, LLC	**(2.16)**	-
Sumitomo Chemical Company, Limited	**7.48**	6.21
Valent BioSciences LLC	**(0.63)**	(5.54)
Commission Expense		
Excel Crop Care (Africa) Limited	**9.09**	6.77
Sumitomo Chemical Australia Pty Limited	**-**	1.14
Sumitomo Chemical Philippines, Inc.	**-**	0.26
Contribution to Funds		
Sumitomo Chemical India Gratuity Trust	**14.63**	26.98
Sumitomo Chemical India Superannuation Trust	**19.32**	19.64
Payment on behalf of		
Sumitomo Chemical India Gratuity Trust	**47.87**	45.65
Investment in Equity		
Barrix Agro Sciences Private Limited	**200.01**	-
Dividend Received		
Excel Crop Care (Africa) Limited	**8.49**	1.47
Dividend paid		
SC Environmental Science Co. Limited (*Less than ₹ 10,000)	**-**	-
Sumitomo Chemical Company, Limited	**2,321.03**	374.36

(Currency: Indian Rupees in Millions, unless otherwise stated)

	For the year ended 31 March 2024	For the year ended 31 March 2023
Disclosures of transactions between the Company and the Related parties and the status of outstanding balance.		
Remuneration		
Chetan Shah	**83.29**	80.04
Sushil Marfatia	**27.34**	26.64
Dr Suresh Ramachandran	**16.79**	-
Anil Nawal	**13.33**	11.89
Pravin D Desai	**-**	8.88
Dipika Trivedi	**1.87**	-
Dividend paid to KMP and their relatives	**0.09**	0.02
Payments to non-executive directors (including sitting fees)		
Mukul Ashar	**3.38**	3.95
Preeti Mehta	**3.35**	3.92
B. V. Bhargava	**3.33**	3.90
Ninad D Gupte	**3.17**	0.13

Outstanding as at 31 March:

	For the year ended 31 March 2024	For the year ended 31 March 2023
Trade Receivables		
Sumitomo Chemical Agro Europe S.A.S.	**-**	24.18
Sumitomo Chemical Argentina SA	**224.08**	135.92
Sumitomo Chemical Brasil Industria Quimica S.A.	**648.87**	1,411.78
Sumitomo Chemical Colombia S.A.S.	**-**	30.66
Sumitomo Chemical Company, Limited	**437.03**	442.88
Valent BioSciences LLC	**-**	10.00
Other Receivables		
Sumitomo Chemical India Gratuity Trust	**-**	2.43
Trade Payables		
Excel Crop Care (Africa) Limited	**-**	18.89
Mycorrhizal Applications, LLC	**-**	45.47
Sumitomo Chemical Asia Pte Limited	**-**	0.17
Sumitomo Chemical Australia Pty Limited	**-**	0.19
Sumitomo Chemical Brasil Industria Quimica S.A.	**21.65**	10.77
Sumitomo Chemical Company, Limited	**1,708.91**	1,852.36
Valent BioSciences LLC	**124.20**	429.34
Commission payable to directors	**38.65**	**48.40**

Terms and conditions of transactions with related parties

1. All related party transactions entered during the year were in ordinary course of the business and are on arm's length basis.
2. For the year ended 31 March 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (2022-23: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.
3. The above remuneration to key management personnel compensation excludes provision for gratuity and compensated absences, since these are provided on the basis of an actuarial valuation of the Company's liability to all its employees.

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39 LEASES

The Company has lease contracts for its office premises, vehicles and storage locations with lease term between 1 year to 9 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and sub-leasing the leased assets.

The Company also has certain leases of office premises and storage locations with leased terms of 12 months or less. The Company applies the 'short term lease' recognition exemption for these leases.

a) The movement in lease liabilities is as follows.

	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening balance	**339.72**	375.84
Payment of lease liabilities	**(200.11)**	(210.67)
New leases	**80.85**	136.03
Deletion	**(2.12)**	-
Accretion of interest	**34.16**	38.52
Closing balance	**252.50**	339.72
Classification in balance sheet		
Non-current	**148.42**	177.45
Current	**104.08**	162.27
	252.50	339.72

b) Amount recognised in the statement of profit and loss

Particulars	Classified under	Note	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation of right-of-use assets	Depreciation and amortisation expense	5	**173.18**	167.38
Interest expenses on lease assets	Finance costs	32	**34.16**	38.52
Expenses relating to short term leases	Other expenses	33	**48.98**	38.16

c) (i) The details of carrying amount and movements during the year in right-of-use assets is disclosed in note 5.

(ii) The effective interest rate for lease liabilities is 10%. The maturity is between 2022 to 2031.

(iii) The maturity analysis of lease liabilities are disclosed in note 41b liquidity risk management.

40 FINANCIAL INSTRUMENTS

Accounting classification and fair value hierarchy

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below.

As at 31 March 2024	Carrying amount/ Fair value				Fair value hierarchy			
	FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non-current								
Investment	-	-	**788.27**	**788.27**	-	-	-	-
Loans and deposits with corporates	-	-	**68.07**	**68.07**	-	-	-	-
Security deposits	-	-	**64.59**	**64.59**	-	-	-	-

(Currency: Indian Rupees in Millions, unless otherwise stated)

As at 31 March 2024	Carrying amount/ Fair value				Fair value hierarchy			
	FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Current								
Equity instruments in Tata Steel Limited	0.65	-	-	0.65	0.65	-	-	0.65
Investment in mutual fund & Bonds	3,456.77	-	-	3,456.77	3,456.77	-	-	3,456.77
Loans and deposits with corporates	-	-	1,812.06	1,812.06	-	-	-	-
Derivative assets	2.31	-	-	2.31	-	2.31	-	2.31
	3,459.73	-	2,732.99	6,192.72	3,457.42	2.31	-	3,459.73
Financial liabilities								
Non current								
Lease liability	-	-	148.42	148.42	-	-	-	-
Current								
Trade payables	-	-	4,280.83	4,280.83	-	-	-	-
Lease liabilities	-	-	104.08	104.08	-	-	-	-
Derivative liabilities	9.66	-	-	9.66	-	9.66	-	9.66
Other financial liabilities	-	-	2,831.92	2,831.92	-	-	-	-
	9.66	-	7,365.25	7,374.91	-	9.66	-	9.66

As at 31 March 2023	Carrying amount/ Fair value				Fair value hierarchy			
	FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non-current								
Investment	-	-	6.26	6.26	-	-	-	-
Loans and deposits with corporates	-	-	6.49	6.49	-	-	-	-
Security deposits	-	-	57.82	57.82	-	-	-	-
Deposit with banks	-	-	300.10	300.10	-	-	-	-
Current								
Equity instruments in Tata Steel Limited	0.44	-	-	0.44	0.44	-	-	0.44
Investment in mutual fund	2,387.15	-	-	2,387.15	2,387.15	-	-	2,387.15
Loans and deposits with corporates	-	-	2,365.11	2,365.11	-	-	-	-
Derivative assets	15.70	-	-	15.70	-	15.70	-	15.70
	2,403.29	-	2,735.78	5,139.07	2,387.59	15.70	-	2,403.29
Financial liabilities								
Non current								
Lease liability	-	-	177.45	177.45	-	-	-	-
Current								
Trade payables	-	-	4,918.54	4,918.54	-	-	-	-
Lease liabilities	-	-	162.27	162.27	-	-	-	-
Derivative liabilities	10.35	-	-	10.35	-	10.35	-	10.35
Other financial liabilities	-	-	3,651.53	3,651.53	-	-	-	-
	10.35	-	8,909.79	8,920.14	-	10.35	-	10.35

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Notes :

i) Abbreviations

FVTPL - Fair value through the profit and loss

FVTOCI - Fair Value through other comprehensive income

ii) The investments does not include equity investment which are carried at cost and hence are not required to be disclosed as per Ind AS 107 "Financial instruments disclosures"

iii) The management has assessed that the fair value of cash and cash equivalents, other balance with banks, loans, trade receivables, other financial assets, lease liabilities, trade payables and other financial liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

iv) The Company uses the following hierarchy for determining and / or disclosing the fair value of financials instruments by valuation techniques.

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.

v) The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties.

The following methods and assumptions were used to estimate the fair values:

The fair value of quoted equity investment and mutual funds are based on price quotations at the reporting date.

The Company enters into derivative financial instruments with various counterparties, principally with banks. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The model incorporates various inputs including the credit quality of counter parties, foreign exchange spot and forward rates.

vi) There were no transfers between level 1 and 2 during the year.

41 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established Compliance Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities

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

a. Management of credit risk

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

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of expected default rates over the expected life of trade receivables and is adjusted for forward looking estimates.

(Currency: Indian Rupees in Millions, unless otherwise stated)

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

Summary of the ageing for trade receivables are as follows.

Particulars	Carrying amount as at 31 March 2024		
	Estimated total gross carrying amount at default	ECL - simplified approach	Net carrying amount
Not due & Due < 181 days	6,662.75	118.93	6,543.82
Past due			
181 Days to 1 Year	411.82	63.16	348.66
> 1 Year to 2 Year	403.84	227.72	176.12
> 2 Year to 3 Year	191.14	191.14	-
Above 3 Year	380.45	380.45	-
	8,050.00	981.40	7,068.60

Expected credit loss assessment for customers as at 31 March 2024:

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

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

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

Particulars	Amount
Balance as at 31 March 2022	668.90
Impairment loss recognised / (reversed) (Refer note 33)	208.98
Balance as at 31 March 2023	877.88
Impairment loss recognised / (reversed) (Refer note 33)	103.52
Balance as at 31 March 2024	**981.40**

The impairment loss at 31 March 2024 related to several customers that have defaulted on their payments to the Company and are not expected to pay their outstanding balances, mainly due to economic circumstances.

Investments

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

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

b. Liquidity risk

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

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(Currency: Indian Rupees in Millions, unless otherwise stated)

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

Exposure to liquidity risk

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

31 March 2024	Contractual cash flows				
Particulars	**Carrying amount**	**Total**	**Upto 1 year**	**1-5 years**	**More than 5 years**
Non-derivative financial liabilities					
Lease liabilities	**252.50**	**306.93**	**119.08**	**171.87**	**15.98**
Trade payables	**4,280.83**	**4,280.83**	**4,280.83**	**-**	**-**
Other financial liabilities	**2,831.92**	**2,831.92**	**2,831.92**	**-**	**-**
Derivative financial liabilities					
Current liabilities					
Forward exchange contracts	**9.66**	**9.66**	**9.66**	**-**	**-**
	7,374.91	**7,429.34**	**7,241.49**	**171.87**	**15.98**

31 March 2023	Contractual cash flows				
Particulars	**Carrying amount**	**Total**	**Upto 1 year**	**1-5 years**	**More than 5 years**
Non-derivative financial liabilities					
Lease liabilities	339.72	429.86	191.14	206.76	31.96
Trade payables	4,918.54	4,918.54	4,918.54	-	-
Other financial liabilities	3,651.53	3,651.53	3,651.53	-	-
Derivative financial liabilities					
Current liabilities					
Forward exchange contracts	10.35	10.35	10.35	-	-
	8,920.14	9,010.28	8,771.56	206.76	31.96

c. Market risk

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

i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has foreign currency trade payables and receivables and is therefore exposed to foreign exchange risk. The Company mitigates the foreign exchange risk by setting appropriate exposure limits, periodic monitoring of the exposures and hedging exposures using derivative financial instruments like foreign exchange forward contracts. The exchange rates have been volatile in the recent years and may continue to be volatile in the future. However the operating results and financials of the Company may not be impacted due to volatility of the rupee against foreign currencies as the exposure is generally fully hedged.

(Currency: Indian Rupees in Millions, unless otherwise stated)

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

The currency profile of financial assets and financial liabilities as at 31 March 2024 and 31 March 2023 are as below:

	31 March 2024 US$	31 March 2024 EURO	31 March 2024 AED	31 March 2024 Others
Financial assets				
Cash and cash equivalents	**-**	**-**	**-**	**3.53**
Trade and other receivables	**2,559.70**	**-**	**57.74**	**-**
	2,559.70	**-**	**57.74**	**3.53**
Financial liabilities				
Trade and other payables	**907.56**	**0.28**	**-**	**7.15**
	907.56	**0.28**	**-**	**7.15**
Net statement of financial position exposure	**1,652.13**	**(0.28)**	**57.74**	**(3.62)**
Forward exchange contracts - Sell	**2,513.16**	**-**	**58.51**	**-**
Forward exchange contracts - Buy *	**(852.76)**	**-**	**-**	**-**

* includes forward contracts for goods-in-transit.

	31 March 2023 US$	31 March 2023 EURO	31 March 2023 AED	31 March 2023 Others
Financial assets				
Cash and cash equivalents	-	-	-	1.52
Trade and other receivables	3,272.83	-	189.00	-
	3,272.83	-	189.00	1.52
Financial liabilities				
Trade and other payables	1,838.31	0.26	-	7.48
	1,838.31	0.26	-	7.48
Net statement of financial position exposure	1,434.52	(0.26)	189.00	(5.96)
Forward exchange contracts - Sell	2,857.16	-	161.43	-
Forward exchange contracts - Buy *	(1,939.57)	-	-	-

* includes forward contracts for goods-in-transit.

Sensitivity analysis

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

Effect in Rupees	**Profit or loss**	
	Strengthening	**Weakening**
31 March 2024		
1% movement		
US$	**(33.13)**	**33.13**
AED	**(1.16)**	**1.16**
Others	**0.04**	**(0.04)**
	(34.25)	**34.25**

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

(Currency: Indian Rupees in Millions, unless otherwise stated)

Effect in Rupees	Profit or loss	
	Strengthening	Weakening
31 March 2023		
1% movement		
US$	(23.52)	23.52
AED	(3.50)	3.50
Others	0.06	(0.06)
	(26.96)	26.96

ii) Interest rate risk

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

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

Exposure to interest rate risk

The interest rate risk arises primarily from borrowings. Since there are no borrowings in the current year, the interest rate profile of the Company's interest-bearing financial instruments is ₹ Nil.

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate borrowings at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss

iii) Equity risk

The Company's investments in listed and non-listed equity securities are susceptible to market price risk arising from uncertainties in the financial market. The investment in listed and unlisted equity securities are not significant.

42 SEGMENT INFORMATION

The Company does not have any reportable segment as per the limits prescribed in the Indian Accounting Standard 108 'Operating Segments'.

A Geographic information

The Company has considered the export operations as a separately identifiable geographic segment due to operations in the Japan and other countries, details of which are given below :

Segment revenue	As at 31 March 2024	As at 31 March 2023
India	**22,509.79**	26,068.92
Outside India	**5,553.81**	8,664.49
Total revenue	**28,063.60**	34,733.41

Segment assets	As at 31 March 2024	As at 31 March 2023
India	**30,221.48**	30,223.63
Outside India	**2,650.36**	3,464.41
Total assets	**32,871.84**	33,688.04

B. Information about major customers

The Company does not have any customer, with whom revenue from transactions is more than 10% of Company's total revenue.

(Currency: Indian Rupees in Millions, unless otherwise stated)

43 EMPLOYEE BENEFITS

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

(A) Defined contribution plans:

Provident fund is a defined contribution scheme established under a state plan.

Superannuation fund is a defined contribution scheme. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

Contribution to Employees State Insurance Corporation (ESIC)

Current service cost included under the head - Contribution to provident fund and other funds in note 31 'Employee benefits expense':

Segment revenue	As at 31 March 2024	As at 31 March 2023
Provident fund and family pension fund	81.04	77.95
Superannuation fund	19.32	19.64
ESIC	2.83	2.43
Other funds	8.37	5.50
	111.56	105.52

(B) Defined benefit plan:

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

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity was carried out as at 31 March 2024. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Segment revenue	As at 31 March 2024	As at 31 March 2023
Defined benefit obligation	557.06	511.84
Fair value of plan assets	504.29	497.21
Net defined benefit obligation	52.77	14.63

i. Movement in net defined benefit liability

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

	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset) liability	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Opening balance	511.84	509.72	497.21	482.74	14.63	26.98
Included in profit or loss:						
Current service cost	55.41	41.71	-	-	55.41	41.71
Interest cost (income)	35.20	33.31	36.04	33.22	(0.84)	0.09
Sub-total included in statement of profit and loss					54.57	41.80
	602.45	584.74	533.25	515.96	69.20	68.78
Included in OCI						
Remeasurement gain:						
Actuarial gain arising from:						
Financial assumptions	11.66	(21.48)	-	-	11.66	(21.48)

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

(Currency: Indian Rupees in Millions, unless otherwise stated)

	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset) liability	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Experience adjustment	**(9.19)**	(5.77)	**-**	-	**(9.19)**	(5.77)
Return on plan assets excluding interest income	**-**	-	**4.29**	(0.08)	**(4.29)**	0.08
Sub-total included in OCI					**(1.82)**	(27.17)
	604.92	557.49	**537.54**	515.88	**67.38**	41.61
Other						
Contributions paid by the employer	**-**	-	**14.61**	26.98	**(14.61)**	(26.98)
Benefits paid	**(47.86)**	(45.65)	**(47.86)**	(45.65)	**-**	-
Closing balance	**557.06**	511.84	**504.29**	497.21	**52.77**	14.63

The components of defined benefit plan cost are as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Recognised in statement of profit and loss		
Current service cost	**55.41**	41.71
Net interest cost	**(0.84)**	0.09
Total	**54.57**	41.80
Recognised in other comprehensive income		
Remeasurement of net defined benefit liability	**(1.82)**	(27.17)

ii. Plan assets

Plan assets comprise the following:

	As at 31 March 2024	As at 31 March 2023
Insurer managed funds (Life Insurance Corporation of India)	**100%**	**100%**

iii. Actuarial assumptions

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

Particulars	As at 31 March 2024	As at 31 March 2023
Discount rate	**7.19%**	7.40%
Future salary growth	**9.75% p.a.**	9.75% p.a.
Withdrawal rate	**5% at younger ages reducing to 1% at older ages**	5% at younger ages reducing to 1% at older ages
Mortality rate	**Indian Assured Lives Mortality (2012-14) Table**	Indian Assured Lives Mortality (2012-14) Table

(Currency: Indian Rupees in Millions, unless otherwise stated)

iv. Sensitivity analysis

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

	As at 31 March 2024		As at 31 March 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	**529.97**	**586.60**	486.99	538.93
Future salary growth (0.50% movement)	**584.91**	**531.22**	537.44	488.09
Withdrawal rate (10% movement)	**554.79**	**559.35**	509.89	513.67

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

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

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

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

v. Expected future cash flows

The expected future cash out-flows in respect of gratuity as at year end is as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Up to 1 year	**80.47**	72.44
Between 1-2 years	**28.27**	22.87
Between 2-6 years	**122.05**	101.78
6 to 10+ years	**162.17**	179.17

The average duration of the defined benefit plan obligation at the end of the reporting year is 9.84 years (31 March 2023: 9.88 years).

The contribution expected to be made by the Company during the financial year 2024-25 is ₹ 52.77 Millions.

(C) Other long-term employee benefits:

Compensated absences are payable to employees at the rate of daily salary for each day of accumulated leave on death or on resignation or upon retirement. The charge towards compensated absences for the year ended 31 March 2024 based on actuarial valuation using the projected accrued benefit method is ₹ 68.56 Millions. (31 March 2023: ₹ 37.15 Millions) In the coming financial year it is expected to remain in the similar range.

44 CONTINGENT LIABILITIES AND COMMITMENTS

A) Contingent liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
a. In respect of tax matters		
Demand raised by authorities against which the Company has filed an appeal		
i) Income tax	**114.94**	118.62
ii) Service tax	**9.05**	9.24
iii) Customs duty	**50.25**	28.68
iv) VAT / Sales tax	**0.50**	0.50
v) Goods and service tax	**49.82**	21.97
b. In respect of other matters		
i) Claims against the Company, by consumers, not acknowledged as debts	**155.46**	150.77
Total	**380.02**	329.78

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

(Currency: Indian Rupees in Millions, unless otherwise stated)

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

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

B) Capital commitments

	As at 31 March 2024	As at 31 March 2023
Estimated value of contracts in capital account remaining to be executed and not provided for (net of capital advances)	**38.24**	151.37

45 TOTAL OUTSTANDING DUES OF MICRO AND SMALL ENTERPRISES (AS PER THE INTIMATION RECEIVED FROM VENDORS)

Particulars	As at 31 March 2024	As at 31 March 2023
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
Principal *	**258.01**	175.22
Interest	**-**	-
The amount of interest paid by the buyer as per the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	**1.56**	0.69
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	**228.92**	296.05
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	**1.56**	0.69
The amount of interest accrued and remaining unpaid at the end of each accounting period	**-**	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	**-**	-

* It includes amount payable in the nature of capital creditors as disclosed under note 24 - Other current financial liabilities

46 RESEARCH AND DEVELOPMENT EXPENDITURE ('R&D')

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Research and development costs, as certified by the management, debited to the statement of profit and loss (in respective heads of accounts) are as under:		
(i) Revenue expenses	**99.84**	123.01
(ii) Depreciation and amortisation of expenses	**11.33**	10.83
	111.17	133.84
(b) Capital expenditure incurred during the year on research and development	**7.15**	7.76

(Currency: Indian Rupees in Millions, unless otherwise stated)

47 CORPORATE SOCIAL RESPONSIBILITY

Particulars					In cash	Yet to be paid in cash	Total	31 March 2024	31 March 2023
(a)	Gross amount required to be spent								
	i)	for current year						**115.76**	88.14
	ii)	for previous year						**-**	-
								115.76	88.14
(b)	Amount approved by the Board to be spent during the year							**116.00**	89.07
(c)	Amount spent during the year ending on 31 March 2024				**In cash**	**Yet to be paid in cash**	**Total**		
	(i)	Construction / acquisition of any assets			-	-	**-**		
	(ii)	For previous year			-	-	**-**		
	(iii)	On purpose other than (i) above			116.00	-	**116.00**		
					116.00	**-**	**116.00**		
(d)	Amount spent during the year ending on 31 March 2023				**In cash**	**Yet to be paid in cash**	**Total**		
	(i)	Construction / acquisition of any assets			-	-	-		
	(ii)	For previous year			-	-	-		
	(iii)	On purpose other than (i) above			89.07	-	89.07		
					89.07	-	89.07		
e)	Details related to spent / unspent obligations:								
	i)	Contribution to public trust						**40.50**	45.37
	ii)	Contribution to charitable trust						**51.80**	28.95
	iii)	Others						**23.70**	14.75
	iv)	Unspent amount in relation to:							
		-	Ongoing project					**-**	-
		-	Other than ongoing project					**-**	-
								116.00	89.07
f)	Details of other than ongoing project								
	a)	Opening balance							
		-	With Company					**-**	-
		-	In separate CSR unspent A/c					**-**	-
	b)	Amount required to be spent and approved by the Board during the year						**116.00**	89.07
	c)	Amount spent during the year						**116.00**	89.07
		-	From Company's bank A/c					**-**	-
		-	From separate CSR unspent A/c					**-**	-
	d)	Closing balance						**-**	-
		-	With Company					**-**	-
		-	In separate CSR unspent A/c					**-**	-

48 In October 2022, the Central Government ('Government') issued a Notification ('Notification') mandating that Glyphosate, a broad spectrum weedicide and an important product for the Company, will be used only through Pest Control Operators. Industry players and associations have filed petitions ('Petitions') before the Hon'ble Delhi High Court ('Hon'ble Court') challenging the Notification. In the course of hearings in the matter, the counsel of the Government has stated that the Notification will not be implemented till the disposal of the Petitions. The Petitions are under hearing before the Hon'ble Court.

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

(Currency: Indian Rupees in Millions, unless otherwise stated)

49 On 15 December 2023, the Company acquired 85% of the Equity Shares (on fully diluted basis) of Barrix Agro Sciences Private Limited ('Barrix'), Bengaluru based company engaged in R&D innovation, manufacturing and marketing of Integrated Pest Management ('IPM') and (Integrated Plant Nutrition Management ('IPNM') products especially pheromone traps and chromatic sheets for agricultural pest management, by way of acquisition of 26,061 equity shares from the then shareholders and infusion of equity capital through subscription of 8,956 new equity shares into Barrix, for a total consideration of ₹ 782.01 Millions. The acquisition is in alignment of the Company's strategy to build a more sustainable portfolio of green chemistries and offer IPM and IPNM products and solutions to farmers.

50 On 2 February 2024, the shareholders of Excel Crop Care (Africa) Limited, the Company's Tanzania based subsidiary, have approved its voluntary winding up with effect from 31 March 2024. The Company holds 99.9% of the equity shares of Excel Crop Care (Africa) Limited. The proposed winding up is subject to legal / regulatory and other processes and procedures under the laws in Tanzania. Excel Crop Care (Africa) Limited is an unlisted 'non-material' subsidiary having no material financial liability on its balance sheet and a positive net worth. It did not have any significant business or commercial activities and was incurring losses for the past few years. The proposed winding up of Excel Crop Care (Africa) Limited is not likely to materially impact the business, commercial activities or financial position of the Company.

51 The Company has used accounting software (SAP S4 Hana) for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that audit trail feature is not enabled for certain changes made using privileged/ administrative access rights to the application and the underlying database. Further there was no instance of audit trail feature being tampered, with respect to the accounting software where audit trail has been enabled.

52 RATIO ANALYSIS AND ITS ELEMENTS

Ratio	Numerator	Denominator	As at 31 March 2024	As at 31 March 2023	% change	Remarks / Reason for variance (Refer note below)
Debt equity ratio (times)						Refer note v
Debt service coverage ratio (times)	Earnings available for debt service	Debt service	**18.97**	18.10	4.81%	
Return on net worth (%) / ROE	Net profit after tax	Average net worth	**15.34%**	23.39%	(34.43%)	Due to lower sales, net profit is lower which has resulted into lower ROE
Current ratio (times)	Current assets	Current liabilities	**3.37**	2.98	13.13%	
Trade receivables turnover (in times)	Revenue from contracts with customer	Average trade receivable	**3.40**	3.88	(12.54%)	
Trade payables turnover (in times)	Expenses	Average trade payables	**4.54**	5.12	(11.25%)	
Inventory turnover (in times)	Cost of goods sold	Average inventory	**2.40**	2.51	(4.26%)	
Net profit ratio (%)	Net profit after tax	Revenue from operations	**13.05%**	14.34%	(8.98%)	
Net capital turnover (in times)	Revenue from operations	Working capital (Current assets - Current liabilities)	**1.52**	1.90	(19.64%)	

(Currency: Indian Rupees in Millions, unless otherwise stated)

Ratio	Numerator	Denominator	As at 31 March 2024	As at 31 March 2023	% change	Remarks / Reason for variance (Refer note below)
Return on investment (%)	Mutual fund, interest and dividend income	Average quarterly investments	**7.42%**	5.76%	28.69%	Better investment mix, higher interest rates scenario resulted into higher return on investment.
Return on capital employed (%)	EBIT	Capital employed	**20.92%**	30.51%	(31.43%)	Lower sales resulted into lower EBIT which has impacted return on capital employed

Note : Reason for variance has been given for those ratios whereby variation is more than 25% (+/-)

Abbreviations

i) Earnings available for debt service - Profit before tax + interest expenses including interest expense on lease payments + depreciation and amortisation expenses

ii) Debt service - Interest expenses including interest expense on lease payments + repayment of lease liabilities.

iii) Net worth includes share capital and other equity

iv) Expenses includes cost of goods sold and other expenses excluding expected credit loss allowance, CSR, donations, insurance, directors sitting fees, PPE written off, exchange differences (net) and bank charges

v) Since there is no borrowing, disclosure of Debt equity ratio has not been disclosed.

53 OTHER STATUTORY INFORMATION

(i) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.

(ii) The Company does not have any transactions with companies struck off.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company has not traded or invested in crypto currency or virtual currency during the financial year.

(v) The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(viii) The Company has complied with the number of layers prescribed under clause 87 of section 2 of the Companies Act, 2013 read with Companies (restriction on number of layers) rules, 2017.

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

(Currency: Indian Rupees in Millions, unless otherwise stated)

54 STANDARDS NOTIFIED BUT NOT YET EFFECTIVE

There are no new standards that are notified, but not yet effective, upto the date of issuance of the standalone Ind AS financials statements.

55 SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

There are no significant events after the reporting period except as disclosed in note 20(f), that require adjustments or disclosures in the standalone Ind AS financial statements as on the balance sheet date.

56. The figures for the previous year have been regrouped/reclassified wherever considered necessary.

As per our report of even date attached
For **S R B C & CO LLP**
Chartered Accountants
Firm's Registration No: 324982E/E300003

Jayesh Gandhi
Partner
Membership Number: 037924
Place: Mumbai
Date: 27 May 2024

For and on behalf of the Board of Directors of
Sumitomo Chemical India Limited
CIN: L24110MH2000PLC124224

Chetan Shah
Managing Director
DIN: 00488127
Place: Mumbai
Date: 27 May 2024

Sushil Marfatia
Executive Director
DIN: 07618601
Place: Mumbai
Date: 27 May 2024

Anil Nawal
Chief Financial Officer
Place: Mumbai
Date: 27 May 2024

Deepika Trivedi
Company Secretary
Place: Mumbai
Date: 27 May 2024

INDEPENDENT AUDITOR'S REPORT

To the Members of **Sumitomo Chemical India Limited**

Report on the Audit of The Consolidated Ind AS Financial Statements

OPINION

We have audited the accompanying consolidated Ind AS financial statements of Sumitomo Chemical India Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at 31 March 2024, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the 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 consolidated state of affairs of the Group as at 31 March 2024, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group, in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS 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 consolidated Ind AS financial statements for the financial year ended 31 March 2024. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matters
Revenue Recognition – Estimation of discounts, incentives, rebates and rebate reversal (as described in note 2.1 (p) of the consolidated Ind AS financial statements)	
Revenue is measured net of discounts Due to the Holding Company's presence across different marketing regions and the competitive business environment, the estimation of various types of discounts, incentives and rebate schemes which are recognised based on sales made is considered to be complex and judgmental. Given the significant judgement required and complexity involved in estimating discounts, incentives, rebates and rebate reversal, this is considered as a key audit matter.	We performed following audit procedures: a) Understood the process followed by the Holding Company for identifying and determining the value of discounts, incentives, rebates and rebate reversal. b) Obtained and reviewed schemes and policies relating to discounts, incentives, rebates and rebate reversal; c) Evaluated the design and tested the operating effectiveness of Holding Company's internal controls over discounts, incentives, rebates and rebate reversal; d) Obtained calculations for discounts, incentives, rebates accruals under applicable schemes and rebate reversals. Verified on a sample basis and compared the accruals made with the approved schemes; e) Obtained and inspected, on a sample basis, supporting documentation for payment towards discounts, incentives and rebates during the year as well as credit notes issued during the year; f) Analysed the historical trend of payments made towards discounts, incentives, rebates for making estimate of accruals; and g) Assessed the adequacy of the disclosures as per the applicable accounting standards.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report of the Board of directors, its annexure, management discussion and analysis report and Business Responsibility and Sustainability Report but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ins AS 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 consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated Ind AS 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.

RESPONSIBILITIES OF MANAGEMENT FOR THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective Companies 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of their respective companies.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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 consolidated Ind AS 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 consolidated Ind AS 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 Holding Company has adequate internal financial controls with reference to consolidated Ind AS financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 consolidated Ind AS 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors 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 consolidated Ind AS financial statements for the financial year ended 31 March 2024 and are therefore the key audit matters. We describe these matters in our auditor's 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.

OTHER MATTER

We did not audit the financial statements and other financial information, in respect of two subsidiaries whose Ind AS financial statements include total assets of Rs. 425.46 million as at 31 March 2024 and total revenues of Rs 106.32 million and net cash inflows of Rs 4.19 million for the year ended on that date. These Ind AS financial statements and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in the respect of these subsidiaries and our report in terms of sub-sections (3) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the report of such other auditor.

One Subsidiary is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in its country and which have been audited by other auditor under generally accepted auditing standards applicable in its country. The Holding Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in its country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditor and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. With respect to matters specified in paragraph 3 (xxi) of the Companies (Auditor's Report) Order, 2020 ("the Order" or "CARO"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, according to the information and explanations given to us and based on the CARO report issued by us for the Holding Company and the other auditor for the subsidiary included in the consolidated Ind AS financial statements, to which reporting under CARO is applicable, we report as under:

   There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

   (a) We/the other auditors whose report we have relied upon 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 of the aforesaid consolidated Ind AS financial statements;

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

   (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2024 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor who is appointed under Section 139 of the Act of its subsidiary company, none of the directors of Group's companies, incorporated in India, are disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g).

(g) With respect to the adequacy of the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company and its subsidiary company, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 1" to this report;

(h) In our opinion and based on the consideration of reports of other statutory auditor of the subsidiary incorporated in India, the managerial remuneration for the year ended 31 March 2024 has been paid / provided by the Holding Company and its subsidiary incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:

    i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated Ind AS financial statements – Refer Note 45A to the consolidated Ind AS financial statements;

    ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and

    iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, during the year ended 31 March 2024.

    iv. a) The respective managements of the Holding Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary respectively that, to the best of its knowledge and belief, other than as disclosed in the note 54(v) to the consolidated Ind AS financial statements, no funds have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Holding Company or such subsidiary to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

        b) The respective managements of the Holding Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary respectively that, to the best of its knowledge and belief, other than as disclosed in the note 54(vi) to the consolidated Ind AS financial statements, no funds have been received by the respective Holding Company or such subsidiary from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

        c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditor of the subsidiary which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditor to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

   The interim dividend declared and paid during the year by the Holding Company and until the date of the audit report of Holding Company is in accordance with section 123 of the Act.

   As stated in note 20(f) to the consolidated Ind AS financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination which included test checks and that performed by the respective auditor of the subsidiary which is a company incorporated in India whose financial statements have been audited under the Act, the Holding Company and subsidiary have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that in case of Holding Company, as described in note 50 to the financial statements, audit trail feature is not enabled for certain changes made, if any, using privileged/ administrative access rights. Further, during our audit, we and respective auditor of the above referred subsidiary did not come across any instance of audit trail feature being tampered with in respect of the accounting software where audit trail has been enabled.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number:
324982E/E300003

per Jayesh Gandhi
Partner
Membership Number: 037924
UDIN: 24037924BKELVZ6073

Place : Mumbai
Date : 27 May 2024

ANNEXURE 1 to the Independent Auditor's Report of Even Date on the Consolidated Ind AS Financial Statements of Sumitomo Chemical India Limited

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

In conjunction with our audit of the consolidated Ind AS financial statements of Sumitomo Chemical India Limited (hereinafter referred to as the "Holding Company") as of and for the year ended 31 March 2024, we have audited the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated Ind AS financial statements included obtaining an understanding of internal financial controls with reference to consolidated Ind AS 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 auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED IND AS FINANCIAL STATEMENTS

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED IND AS FINANCIAL STATEMENTS

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

OPINION

In our opinion, the Group, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated Ind AS financial statements and such internal financial controls with reference to consolidated Ind AS financial statements were operating effectively as at 31 March 2024, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

OTHER MATTERS

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to this 1 subsidiary, which is a company incorporated in India, is based on the corresponding reports of the auditor of such subsidiary incorporated in India.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number:
324982E/E300003

per Jayesh Gandhi
Partner
Membership Number: 037924
UDIN: 24037924BKELVZ6073

Place : Mumbai
Date : 27 May 2024

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2024

(Currency: Indian Rupees in Millions, unless otherwise stated)

	Notes	As at 31 March 2024	As at 31 March 2023
I. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	3	**4,660.53**	3,927.71
(b) Capital work-in-progress	4	**39.67**	534.69
(c) Right-of-use assets	5	**281.68**	332.25
(d) Goodwill and other intangible assets	6	**682.87**	38.18
(e) Intangible assets under development	7	**187.25**	177.35
(f) Financial assets			
(i) Investments	8	**1.15**	1.15
(ii) Loans	9	**68.07**	6.49
(iii) Others financial assets	10	**70.00**	357.92
(g) Deferred tax assets (net)	36	**7.44**	-
(h) Non- current tax assets (net)		**377.02**	349.02
(i) Other non-current assets	11	**28.40**	86.90
Total non-current assets		**6,404.08**	5,811.66
(2) Current assets			
(a) Inventories	12	**6,104.12**	8,886.97
(b) Financial assets			
(i) Investments	13	**3,457.42**	2,387.59
(ii) Trade receivables	14	**7,159.13**	9,460.62
(iii) Cash and cash equivalents	15	**466.36**	468.91
(iv) Bank balances other than cash and cash equivalents mentioned in (iii) above	16	**1,366.88**	2,559.57
(v) Loans	17	**1,812.06**	2,365.11
(vi) Other financial assets	18	**5,364.68**	485.22
(c) Other current assets	19	**997.95**	1,261.49
Total current assets		**26,728.60**	27,875.48
TOTAL ASSETS		**33,132.68**	33,687.14
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	20	**4,991.46**	4,991.46
(b) Other equity	21	**19,424.21**	18,826.34
Equity attributable to equity holders of the parent		**24,415.67**	23,817.80
(c) Non-controlling interests		**29.75**	0.02
Total equity		**24,445.42**	23,817.82
(2) Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	40	**185.13**	177.45
(b) Provisions	22	**258.80**	225.63
(c) Deferred tax liabilities (net)	36	**236.30**	136.26
Total non-current liabilities		**680.23**	539.34
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	23	**5.06**	-
(ii) Lease liabilities	40	**112.30**	162.27
(iii) Trade payables			
- total outstanding dues of micro and small enterprises	24	**267.74**	166.04
- total outstanding dues of creditors other than micro and small enterprises	24	**4,032.75**	4,736.10
(iv) Other financial liabilities	25	**2,947.80**	3,661.88
(b) Other current liabilities	26	**531.84**	512.24
(c) Provisions	27	**104.26**	63.07
(d) Current tax liabilities		**5.28**	28.38
Total current liabilities		**8,007.03**	9,329.98
Total liabilities		**8,687.26**	9,869.32
TOTAL EQUITY AND LIABILITIES		**33,132.68**	33,687.14
Material accounting policies	2.1		
The accompanying notes 1 to 57 are an integral part of these consolidated Ind AS financial statements.			

As per our report of even date attached
For **S R B C & CO LLP**
Chartered Accountants
Firm's Registration No: 324982E/E300003

Jayesh Gandhi
Partner
Membership No: 037924
Place: Mumbai
Date: 27 May 2024

For and on behalf of the Board of Directors of
Sumitomo Chemical India Limited
CIN: L24110MH2000PLC124224

Chetan Shah
Managing Director
DIN: 00488127
Place: Mumbai
Date: 27 May 2024

Sushil Marfatia
Executive Director
DIN: 07618601
Place: Mumbai
Date: 27 May 2024

Anil Nawal
Chief Financial Officer
Place: Mumbai
Date: 27 May 2024

Deepika Trivedi
Company Secretary
Place: Mumbai
Date: 27 May 2024

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31 MARCH 2024

(Currency: Indian Rupees in Millions, unless otherwise stated)

			Notes	For the year ended 31 March 2024	For the year ended 31 March 2023
I.	**INCOME**				
	a.	Revenue from operations	28	**28,439.47**	35,109.68
	b.	Other income	29	**956.69**	448.51
	Total income			**29,396.16**	35,558.19
II.	**EXPENSES**				
	a.	Cost of materials consumed	30	**14,067.92**	18,567.73
	b.	Purchase of stock-in-trade		**2,797.22**	2,674.77
	c.	Changes in inventories of finished goods, work-in-progress and stock-in-trade	31	**885.63**	1,463.79
	d.	Employee benefits expense	32	**2,320.15**	2,183.73
	e.	Finance costs	33	**51.07**	53.94
	f.	Depreciation and amortisation expense	3, 5 & 6	**621.89**	518.78
	g.	Other expenses	34	**3,622.80**	3,553.69
	Total expenses			**24,366.68**	29,016.43
III.	**PROFIT BEFORE TAX (I - II)**			**5,029.48**	6,541.76
IV.	**TAX EXPENSE:**				
	a.	Current tax	35	**1,231.63**	1,673.39
	b.	Adjustment of current tax in respect of earlier years	35	**5.11**	-
	c.	Deferred tax charge	35 & 36	**59.79**	4.18
	d.	Adjustment of deferred tax in respect of earlier years	35 & 36	**35.51**	(157.90)
	Total tax expenses (IV)			**1,332.04**	1,519.67
V.	**PROFIT FOR THE YEAR (III - IV)**			**3,697.44**	5,022.09
VI.	**OTHER COMPREHENSIVE INCOME**				
	a.	**Items that will not be reclassified to profit or loss**			
		Remeasurements of defined benefit liability		**(1.85)**	27.17
		Income tax related to items that will not be reclassified to profit or loss		**0.11**	(6.84)
				(1.74)	20.33
	b.	**Items that will be reclassified to profit or loss**			
		Exchange difference arising on translation of foreign operations		**(2.15)**	2.43
	Total other comprehensive income for the year			**(3.89)**	22.76
VII.	**TOTAL COMPREHENSIVE INCOME FOR THE YEAR (V + VI)**			**3,693.55**	5,044.85
	Profit for the year				
		Attributable to:			
		Equity holders of the parent		**3,695.41**	5,022.09
		Non-controlling interests		**2.03**	-
	Other comprehensive income				
		Attributable to:			
		Equity holders of the parent		**(3.43)**	22.76
		Non-controlling interests		**(0.46)**	-
	Total comprehensive income				
		Attributable to:			
		Equity holders of the parent		**3,691.98**	5,044.85
		Non-controlling interests		**1.57**	-
VIII.	**EARNINGS PER EQUITY SHARE (FACE VALUE OF ₹ 10 EACH)**				
	Basic and diluted earnings per share (in ₹)		37	**7.40**	10.06
Material accounting policies			2.1		
The accompanying notes 1 to 57 are an integral part of these consolidated Ind AS financial statements.					

As per our report of even date attached
For **S R B C & CO LLP**
Chartered Accountants
Firm's Registration No: 324982E/E300003

Jayesh Gandhi
Partner
Membership No: 037924
Place: Mumbai
Date: 27 May 2024

For and on behalf of the Board of Directors of
Sumitomo Chemical India Limited
CIN: L24110MH2000PLC124224

Chetan Shah
Managing Director
DIN: 00488127
Place: Mumbai
Date: 27 May 2024

Sushil Marfatia
Executive Director
DIN: 07618601
Place: Mumbai
Date: 27 May 2024

Anil Nawal
Chief Financial Officer
Place: Mumbai
Date: 27 May 2024

Deepika Trivedi
Company Secretary
Place: Mumbai
Date: 27 May 2024

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2024

(Currency: Indian Rupees in Millions, unless otherwise stated)

(a) EQUITY SHARE CAPITAL

	Note	Amount
As at 31 March 2022	20	4,991.46
Changes in equity share capital during the year		-
As at 31 March 2023	20	**4,991.46**
Changes in equity share capital during the year		-
As at 31 March 2024	20	**4,991.46**

(b) OTHER EQUITY (REFER NOTE 21)

Particulars	Attributable to equity holders of the Holding Company							Non-controlling interests	Total other equity
	Reserves & surplus				OCI	Foreign currency translation reserve	Total		
	General reserve	Securities premium	Retained earnings	Share based payment reserve					
Balance as at 01 April 2022	**10,267.82**	**2,350.60**	**1,614.27**	**-**	**17.67**	**30.28**	**14,280.64**	**0.02**	**14,280.66**
Profit for the year	-	-	5,022.09	-	-	-	5,022.09	-	5,022.09
Other comprehensive income for the year (net of tax)	-	-	-	-	20.33	2.43	22.76	-	22.76
Total comprehensive income for the year	**-**	**-**	**5,022.09**	**-**	**20.33**	**2.43**	**5,044.85**	**-**	**5,044.85**
Dividend on equity shares for the year	-	-	(499.15)	-	-	-	(499.15)	-	(499.15)
Transfer to general reserve	4,500.00	-	(4,500.00)	-	-	-	-	-	-
Balance as at 31 March 2023	**14,767.82**	**2,350.60**	**1,637.21**	**-**	**38.00**	**32.71**	**18,826.34**	**0.02**	**18,826.36**
Profit for the year	-	-	3,695.41	-	-	-	3,695.41	2.03	3,697.44
Other comprehensive income for the year (net of tax)	-	-	-	-	(1.28)	(2.15)	(3.43)	(0.46)	(3.89)
Total comprehensive income for the year	**-**	**-**	**3,695.41**	**-**	**(1.28)**	**(2.15)**	**3,691.98**	**1.57**	**3,693.55**
Compensation option granted by subsidiary	-	-	-	0.59	-	-	0.59	28.16	28.75
Dividend on equity shares	-	-	(3,094.70)	-	-	-	(3,094.70)	-	(3,094.70)
Balance at 31 March 2024	**14,767.82**	**2,350.60**	**2,237.92**	**0.59**	**36.72**	**30.56**	**19,424.21**	**29.75**	**19,453.96**

Refer note 21B for nature and purpose of reserves

As per our report of even date attached
For **S R B C & CO LLP**
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Jayesh Gandhi
Partner
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Place: Mumbai
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Place: Mumbai
Date: 27 May 2024

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

(Currency: Indian Rupees in Millions, unless otherwise stated)

	For the year ended 31 March 2024	For the year ended 31 March 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax as per statement of Profit and Loss	**5,029.48**	6,541.76
Adjustments for:		
Depreciation and amortization expense	**621.89**	518.78
Impairment allowance on trade receivables	**240.98**	210.27
Export incentive receivable written off	**-**	20.46
Sundry debit balance written off	**1.41**	1.03
(Profit)/Loss on sale / disposal of property, plant and equipment	**(2.14)**	1.32
Property, plant and equipment written off (including capital work-in-progress)	**-**	0.09
Gain on sale of financial assets measured at FVTPL	**(232.53)**	(231.67)
Excess provisions in respect of earlier years written back (net)	**(57.56)**	(4.37)
Interest income	**(589.97)**	(249.35)
Fair valuation gain on financial assets measured at FVTPL	**(98.79)**	65.62
Finance costs	**51.07**	53.94
Unrealised exchange differences (net)	**(1.32)**	(1.28)
Operating cash flow before working capital changes	**4,962.52**	6,926.60
Working capital adjustments		
Adjustments for (increase) / decrease in assets		
Trade receivables	**2,138.86**	(1,233.94)
Inventories	**2,817.42**	490.65
Other non current and current assets	**283.21**	37.59
Other non current and current financial assets	**(66.52)**	174.91
Adjustments for increase / (decrease) in liabilities		
Trade payables	**(634.05)**	(268.18)
Non current and current provisions	**72.51**	20.81
Other non current and current financial liabilities	**(788.96)**	(288.13)
Other non current and current liabilities	**77.16**	(285.37)
Cash generated from operating activities	**8,862.15**	5,574.94
Income taxes paid (net of refund)	**(1,290.43)**	(1,681.09)
Net cash flows generated from operating activities (A)	**7,571.72**	3,893.85
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, intangible assets, and capital work-in-progress (net of capital advances and reimbursement of insurance claim)	**(637.43)**	(1,198.84)
Proceeds from sale of property, plant and equipment	**18.42**	3.48
Consideration for aquisition of subsidiary (Refer note 3 below)	**(578.53)**	-
Purchase of mutual funds	**(9,619.80)**	(7,936.26)
Purchase of bonds	**(250.92)**	-
Proceeds from sale of mutual funds	**9,132.21**	9,274.96
Movement in deposits with bank not considered as cash and cash equivalents :		
- Investments in deposits	**(7,671.85)**	(5,324.06)
- Proceeds from deposits	**5,798.10**	3,879.45
Deposit placed with corporates	**(1,866.00)**	(2,260.00)
Repayment of deposits placed with corporates	**1,010.00**	150.00
Interest received	**462.02**	139.32
Net cash flows used in investing activities (B)	**(4,203.78)**	(3,271.95)

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

(Currency: Indian Rupees in Millions, unless otherwise stated)

	For the year ended 31 March 2024	For the year ended 31 March 2023
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of short term borrowings	**(53.48)**	-
Payment of lease instalments	**(203.69)**	(210.67)
Interest paid	**(15.16)**	(15.42)
Dividend paid	**(3,098.16)**	(499.36)
Net cash flows used in financing activities (C)	**(3,370.49)**	(725.45)
Net increase in cash and cash equivalents (A + B + C)	**(2.55)**	(103.55)
Cash and cash equivalents at the beginning of the year	**468.91**	572.46
Cash and cash equivalents at the end of the year (Refer note 15)	**466.36**	468.91

Notes:

1. The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7, 'Statement of Cash Flows'.
2. Changes in lease liability arising from financing activities - refer note 40(a)
3. ₹ 782 Millions has been paid for acquisition of subsidiary (Barrix) by way of payment to external shareholders ₹ 582 Millions and by way of share subscription ₹ 200 Millions. ₹ 578.53 Millions (consideration paid to external shareholders net of cash & bank balance of Barrix), disclosed above, has been considered for the cash flow of respective assets and liabilities.

   Material accounting policies (Refer note 2.1)

   The accompanying notes 1 to 57 are an integral part of these consolidated Ind AS financial statements.

As per our report of even date attached
For **S R B C & CO LLP**
Chartered Accountants
Firm's Registration No: 324982E/E300003

Jayesh Gandhi
Partner
Membership No: 037924
Place: Mumbai
Date: 27 May 2024

For and on behalf of the Board of Directors of
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Place: Mumbai
Date: 27 May 2024

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

(Currency: Indian Rupees in Millions, unless otherwise stated)

1 CORPORATE INFORMATION

The consolidated Ind AS financial statements comprise financial statements of Sumitomo Chemical India Limited ('SCIL' or 'the Holding Company') and its subsidiaries (collectively, 'the Group') for the year ended 31 March 2024. The Holding Company was incorporated originally on 15 February 2000 and converted from Private Limited to Public Limited w.e.f. 24 November 2018. SCIL is a subsidiary of Sumitomo Chemical Company Limited, Japan ('SCCL'). The Holding Company's registered office is at Building No. 1, Ground Floor, Shant Manor Co-op Housing Society Limited, Chakravarti Ashok 'X' Road, Kandivali (East), Mumbai – 400 101 and it's corporate office is at 13/14 Aradhana Industrial Development Corporation, Near Virwani Industrial Estate, Goregaon (East), Mumbai – 400 063. The Holding Company's shares are listed on National Stock Exchange and Bombay Stock Exchange. The Group is primarily engaged in manufacturing and sales of household insecticides, agricultural pesticides, public health insecticides and animal nutrition products.

The consolidated Ind AS financial statements for the year ended 31 March 2024 were approved by the Board of Directors and approved for issue on 27 May 2024.

2.1 MATERIAL ACCOUNTING POLICIES

a) Basis of preparation

The consolidated Ind AS financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the consolidated Ind AS financial statements.

The consolidated Ind AS financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value as explained in accounting policy of fair value measurement [Refer note 2.1 (t)] and financial instruments [Refer note 2.1 (r)] below.

The accounting policies adopted for preparation and presentation of consolidated Ind AS financial statement have been consistent with the previous year.

The consolidated Ind AS financial statements are presented in rupees and all values are rounded to the nearest Millions, except when otherwise indicated.

The Group has prepared the consolidated Ind AS financial statements on the basis that it will continue to operate as a going concern.

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

Name of subsidiaries	Country of incorporation	As at 31 March 2024	As at 31 March 2023
Excel Crop Care (Africa) Limited (*)	Tanzania	**99.94%**	99.94%
Barrix Agro Sciences Private Limited (**)	India	**85.00%**	-

(*) On 2 February 2024, the shareholders of Excel Crop Care (Africa) Limited, the Holding Company's Tanzania based subsidiary, have approved its voluntary winding up with effect from 31 March 2024. The Holding Company holds 99.94% of the equity shares of Excel Crop Care (Africa) Limited. The proposed winding up is subject to legal / regulatory and other processes and procedures under the laws in Tanzania. Excel Crop Care (Africa) Limited is an unlisted 'non-material' subsidiary having no material financial liability on its balance sheet and a positive net worth. It did not have any significant business or commercial activities and was incurring losses for the past few years. The proposed winding up of Excel Crop Care (Africa) Limited is not likely to impact the business, commercial activities or financial position of the Group.

(**) 3 On 15 December 2023, the Holding Company acquired 85% of the Equity Shares (on fully diluted basis) of Barrix Agro Sciences Private Limited ('Barrix'), Bengaluru based company engaged in R&D innovation, manufacturing and marketing of Integrated Pest Management ('IPM') and (Integrated Plant Nutrition Management ('IPNM') products especially pheromone traps and chromatic sheets for agricultural pest management, by way of acquisition of 26,061 equity shares from the then shareholders and infusion of equity capital through subscription of 8,956 new equity shares into Barrix, for a total consideration of ₹ 782.01

Millions. The acquisition is in alignment of the Holding Company's strategy to build a more sustainable portfolio of green chemistries and offer IPM and IPNM products and solutions to farmers.

For the consolidated Ind AS financial statements income and expenditure of Barrix for the period from 15 December 2023 to 31 March 2024 has been considered.

b) Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these consolidated Ind AS financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated Ind AS financial statements are disclosed in note 2.3.

c) Basis of consolidation

The consolidated Ind AS financial statements comprise the financial statements of the Holding Company and its subsidiaries as at 31 March 2024.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Holding Company controls an investee if and only if the Holding Company has:

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

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

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Holding Company's voting rights and potential voting rights
- The size of the Holding Company's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated Ind AS statement of profit and loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

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

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Holding Company, i.e., year ended on 31 March. When the end of the reporting year of the

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

(Currency: Indian Rupees in Millions, unless otherwise stated)

parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate Ind AS the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

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

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

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

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

d) Property, plant and equipment

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

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

a) its purchase price, including import duties and all purchase applicable taxes, after deducting trade discounts, rebates and any reimbursement of cost from third party.

b) any directly attributable cost of bringing the asset to its location and condition necessary for it to be capable of operating in the manner intended by management.

c) the estimated costs of dismantling and removing the item and restoring the site on which it is located.

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

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

Any gain or loss on derecognition of an item of property, plant and equipment is recognised in the statement of profit and loss.

Projects which are not yet ready for their intended use are carried as capital work in progress at cost determined as aforesaid.

e) Intangible assets

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

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

(Currency: Indian Rupees in Millions, unless otherwise stated)

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

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non controlling interests and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amount to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in other comprehensive income (OCI) and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

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 in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

f) Depreciation and amortisation

Depreciation is provided, under the straight line method, pro rata to the period of use, based on useful lives specified in Schedule II to the Companies Act, 2013 except for the following items where useful lives estimated by the management based on internal technical assessment, past trends and expected operational lives differ from those provided in Schedule II of the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used:

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

The key assets and related lives are:

Nature of asset	Life in years
Factory road	5 to 10
Buildings	10 to 60
Plant and machinery (including computers)	3 to 25
Furniture and fixtures	8 to 10
Vehicles	5 to 8
Office equipment	5
Electrical installation	10
Laboratory equipments	10

Assets costing less than ₹ 25,000/- are fully depreciated in the year of purchase.

* The residual values are not more than 5% of the original cost of the asset wherever applicable.

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

(Currency: Indian Rupees in Millions, unless otherwise stated)

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

Nature of asset	Life in years
Data registration expenses	3
Software and license and registration	3 to 4
Technical knowhow	5 or agreement period whichever is less
R&D Unit - Development Cost	10
IPR-Patents, Trademarks & Copyrights	10

g) Impairment of non-financial assets

The carrying values of assets at each reporting date are reviewed for impairment if any indication of impairment exists at cash generating unit ('CGU') level.

If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's CGU fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. Impairment losses including impairment on inventories are recognised in the statement of profit and loss.

When there is an indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the statement of profit and loss, to the extent the amount was previously charged to the statement of profit and loss.

h) Inventories

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

i) Raw materials and packing materials, components, stores and spares: Cost is determined on moving weighted average basis which is valued at cost. However, raw materials and packing materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Stores and spares which do not meet the definition of property, plant and equipment are accounted as inventory.

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

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

i) Employee benefits

1) Short-term employee benefits

Defined contribution plans

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

Defined benefit plans

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

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

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

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

Short-term employee benefits

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

2) Other long-term benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employees renders the related services are recognised as a liability at the present value of the defined benefit obligation at the reporting date. Provision in respect of leave encashment benefits has been made based on actuarial valuation carried out by an independent actuary at the reporting date using projected unit cost method. The employees can avail upto a certain number of leaves as per the Group's policies in one year and accordingly the liability has been classified into current and non current in the financials.

j) Foreign currency transactions

i. Functional and presentation currency

The Group's consolidated Ind AS financial statements are prepared in Indian Rupees which is also the Holding Company's functional currency.

ii. Initial recognition

Foreign currency transactions are recorded in the functional currency, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

iii. Subsequent measurement

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

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iv. Group companies

On consolidation, the assets and liabilities of foreign operations are translated into Indian Rupees at the rate of exchange prevailing at the reporting date and their statement of profit and loss are translated at average rate during the year. The exchange differences arising on translation for consolidation are recognized in other comprehensive income.

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

k) Income taxes

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

Current taxes

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the period and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date. For the purpose of computing income taxes management has applied the annual effective tax rate on to the profit before tax for the year ended 31 March 2024.

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

Deferred taxes

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

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

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

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

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

Deferred tax assets and liabilities are offset only if:

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

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

l) Earnings per share

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

m) Provisions and contingencies

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

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

Contingent liability is:

(a) a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or

(b) a present obligation that arises from past events but is not recognized because;

- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or
- the amount of the obligation cannot be measured with sufficient reliability.

The Group does not recognize a contingent liability but discloses the same as per the requirements of Ind AS 37

n) Research and development

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

o) Cash and cash equivalents

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

p) Revenue Recognition

i. Sale of goods

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

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

Return of Goods

The Group uses the expected value method to estimate liability and corresponding adjustment to cost of sales for the goods that are expected to be returned.

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Export Incentives

Export benefits arising from Duty Drawback scheme, Remission of Duties and Taxes on Export Products (RoDTEP) and other eligible export incentives are recognised on post export basis at the rate at which the entitlements accrue and is included in the 'Other Operating Income' (Revenue from operation).

Rebates and discounts

The Group provides discount and rebate schemes, to its customers. Discount and rebate schemes give rise to variable consideration. To estimate the variable consideration to which it will be entitled, the Group considers that either the expected value method or the most likely amount method, depending on which of them better predicts the amount of variable consideration for the particular type of contract.

ii. Other income

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

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

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

d. Interest u/s 244A of Income tax Act, 1961 is recognised on realisation.

q) Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract assets represents right to receive the inventory (on estimated sales returns). Refer accounting policy on impairment of financial assets in note 2.1(r).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

r) Financial instruments

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

i. Financial assets

Classification

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

Initial recognition and measurement

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

Debt instruments at amortised cost

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

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

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

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

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

Financial instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Group recognizes interest income, dividend income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the statement of profit and loss. At present, there are no finanacial assets recognised at FVTOCI.

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

FVTPL is a residual category for financial assets. Any financial assets, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL. Financial assets included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

Equity investments

All other equity investments are measured at fair value. Equity instruments, which are held for trading are classified as at FVTPL and are measured at fair value with all changes recognised in the statement of profit and loss.

The Group has not classified any equity instruments at FVTOCI.

Derecognition

The Group derecognises a financial asset when the rights to receive cash flows from the asset have expired or it transfers the right to receive the contractual cash flow on the financial assets in a transaction in which substantially all the risk and rewards of ownership of the financial asset are transferred.

ii. Financial liabilities

Classification

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial

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liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognised in the statement profit and loss.

Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

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

Offsetting of financial instruments

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

Derivatives and hedging activities

The Group enters derivatives like forwards contracts to hedge its foreign currency risks. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently marked to market at the end of each reporting period with profit/loss being recognised in statement of profit and loss. Derivative assets/liabilities are classified under “other financial assets/other financial liabilities”. Profits and losses arising from cancellation of contracts are recognised in the statement of profit and loss.

s) Financial assets impairment

The Group assessed the expected credit losses associated with its assets carried at amortised cost and fair value through other comprehensive income based on the Group’s past history of recovery, credit worthiness of the counter party and existing and future market conditions.

For all financial assets other than trade receivables, expected credit losses are measured at an amount equal to the 12-month expected credit loss (ECL) unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. For trade receivables, the Group has applied the simplified approach for recognition of impairment allowance as provided in Ind AS 109 which requires the expected lifetime losses from initial recognition of the receivables.

t) Fair value measurement

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

(i) In the principal market for the asset or liability, or

(ii) In the absence of a principal market, in the most advantageous market for the asset or liability

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 Group 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 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.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting year.

u) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

a) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Leasehold building	1-9 years
Leasehold vehicles	4-5 years

The right-of-use assets are also subject to impairment. Refer accounting policy in note 2.1(g) Impairment of non-financial assets.

b) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of

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interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Group's lease liabilities are included in interest-bearing borrowings.

c) Short-term leases and leases of low-value assets:

The Group applies the short-term lease recognition exemption to its short-term leases of office premises and storage locations (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income arising is accounted on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

v) Dividend

The Group recognises a liability for any dividend declared in the period when it is approved by the shareholders. As per corporate laws in India, a distribution in the nature of final dividend is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

w) Operating cycle

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

x) Business Combination

The Group accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in consolidated statement of profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

2.2 KEY ACCOUNTING ESTIMATES, JUDGMENTS AND ASSUMPTIONS

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

The areas involving critical estimates or judgments are:

i. Property, plant and equipment, intangible assets & ROU:

Determination of the estimated useful lives of tangible and intangible assets and the assessment as to which components of the cost may be capitalized. Useful lives of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. [Refer note 2.1 (f)]

ii. Fair value of financial instruments:

Derivatives are carried at fair value. Derivatives includes foreign currency forward contracts, fair value of which, is determined using the fair value reports provided by respective merchant bankers. [Refer note 2.1(t)]

iii. Impairment of financial assets:

The Group's management reviews periodically items classified as receivables to assess whether a provision for impairment should be recorded in the statement of profit and loss. Management estimates the amount and timing of future cash flows when determining the level of provisions required. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgement and uncertainty. Details of impairment provision on trade receivable are given in note 14.

The Group reviews it's carrying value of investments annually, or more frequently when there is indication for impairment. If the recoverable amount is less than it's carrying amount, the impairment loss is accounted for.[Refer note 2.1(s)]

iv. Recognition and measurement of provisions and contingencies:

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions. [Refer note 2.1(m)]

v. Assessment of lease transactions:

Management assesses the contractual terms of the lease agreements to evaluate whether it is a lease as per Ind AS 116. [Refer note 2.1(u)]

vi. Recognition and measurement of defined benefit obligations:

Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. [Refer note 2.1(i)]

vii. Rebates and Discounts

The Group provides rebates and discounts to its dealers and channel partners based on an expectation of volumes to be achieved and parameters such as exclusivity in marketing the products of the Group. This involves a certain degree of estimation of whether all the parameters to provide discounts have been achieved. Provision for discount and rebates is based on the Group's past experience of volumes achieved vis-à-vis targets and expected volumes to be achieved for the year.[Refer note 2.1(p)]

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viii. Income taxes

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/ recovered for uncertain tax positions. In assessing the realisability of deferred tax assets arising from unused tax credits, the management considers convincing evidence about availability of sufficient taxable income against which such unused tax credits can be utilised. The amount of the deferred income tax assets considered realisable, however, could be reduced if estimates of future taxable income during the carry forward period are reduced. [Refer note 2.1(k)]

ix. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainities surrounding the obligation. [Refer note 2.1(m)]

x. Inventories

Inventories are reviewed on a regular basis and the Group make allowance for excess or obsolete inventories and write down to net realizable value primarily based on historical trends and management estimates of expected and future product demand and related pricing.

Inventories are stated at the lower of cost and net realisable value. Judgements are required in assessing the expected realisable values of Inventories. Factors considered includes demand levels and pricing competition in the industry. [Refer note 2.1(h)].

2.3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

New and amended standards

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023. The Company applied for the first-time these amendments.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Group's consolidated Ind AS financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Group's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Group's consolidated Ind AS financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The Group has disclosed the deferred tax on leased asset and leased liability on a gross basic as per the requirement of ammendment.

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3. PROPERTY, PLANT AND EQUIPMENT ('PPE')

For the year ended 31 March 2024

Block of assets	Gross block (Deemed cost)					Depreciation					Net block value	
	As at 01 April 2023	Addition on acquisition (Refer note 52)	Addition (Refer note 3 below)	Deletion / Adjustments	As at 31 March 2024	As at 01 April 2023	Addition on acquisition (Refer note 52)	Charge for the year	Deletion / Adjustments	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023
Land - Freehold	802.27	14.18	15.87	-	**832.32**	-	-	-	-	**-**	**832.32**	802.27
Land - Leasehold	163.41	-	-	-	**163.41**	17.22	-	2.46	-	**19.68**	**143.73**	146.19
Factory road	27.11	-	0.09	-	**27.20**	10.45	-	3.25	-	**13.70**	**13.50**	16.66
Buildings	796.37	1.05	94.15	-	**891.57**	253.61	0.09	42.95	-	**296.65**	**594.92**	542.76
Plant and machinery	3,280.87	28.28	861.45	15.07	**4,155.63**	1,081.21	6.77	281.27	6.53	**1,362.72**	**2,792.91**	2,199.66
Furniture and fixtures	70.44	5.08	9.17	1.73	**82.96**	56.03	1.17	9.47	1.32	**65.35**	**17.61**	14.41
Vehicles	149.45	2.14	31.71	15.50	**167.80**	72.65	0.71	29.28	12.42	**90.22**	**77.58**	76.80
Office equipments	78.01	6.66	7.84	2.32	**90.19**	65.75	2.72	6.96	2.22	**73.21**	**16.98**	12.26
Leasehold improvements	49.81	-	10.20	-	**60.01**	30.09	-	11.26	-	**41.35**	**18.66**	19.72
Electrical installations	133.53	-	61.69	0.09	**195.13**	54.75	-	17.94	0.08	**72.61**	**122.52**	78.78
Laboratory equipments	37.82	0.78	16.68	0.10	**55.18**	19.62	0.17	5.63	0.04	**25.38**	**29.80**	18.20
	5,589.09	**58.27**	**1,108.85**	**34.81**	**6,721.40**	**1,661.38**	**11.63**	**410.47**	**22.61**	**2,060.87**	**4,660.53**	**3,927.71**

For the year ended 31 March 2023

Block of asset	Gross block (Deemed cost)				Depreciation				Net block value	
	As at 01 April 2022	Addition	Deletion / (Adjustments)	As at 31 March 2023	As at 01 April 2022	Charge for the year	Deletion / (Adjustments)	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022
Land - Freehold	800.72	1.55	-	802.27	-	-	-	-	802.27	800.72
Land - Leasehold	163.41	-	-	163.41	14.76	2.46	-	17.22	146.19	148.65
Factory road	16.17	10.94	-	27.11	7.39	3.06	-	10.45	16.66	8.78
Buildings	768.19	30.59	2.41	796.37	214.40	40.44	1.23	253.61	542.76	553.79
Plant and machinery	2,686.10	646.22	51.45	3,280.87	911.06	197.07	26.92	1,081.21	2,199.66	1,775.04
Furniture and fixtures	68.84	2.28	0.68	70.44	49.65	7.06	0.68	56.03	14.41	19.19
Vehicles	122.99	32.88	6.42	149.45	52.01	25.55	4.91	72.65	76.80	70.98
Office equipments	70.99	8.10	1.08	78.01	45.39	21.44	1.08	65.75	12.26	25.60
Leasehold improvements	41.46	8.35	-	49.81	22.82	7.27	-	30.09	19.72	18.64
Electrical installations	98.75	43.71	8.93	133.53	43.26	14.17	2.68	54.75	78.78	55.49
Laboratory equipments	35.36	2.57	0.11	37.82	15.77	3.94	0.09	19.62	18.20	19.59
	4,872.98	**787.19**	**71.08**	**5,589.09**	**1,376.51**	**322.46**	**37.59**	**1,661.38**	**3,927.71**	**3,496.47**

Notes:

1. Buildings include ₹ 0.002 Millions (31 March 2023: ₹ 0.002 Millions) being the value of shares in co-operative housing societies.
2. The amount of contractual commitments for the acquisition of property, plant and equipment is disclosed in note 45B.

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS

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(Currency: Indian Rupees in Millions, unless otherwise stated)

3. Additions to PPE is net off insurance proceeds received during the year against replacement capex.
4. Title deeds of immovable properties not held in the name of the Holding Company as on 31 March 2024 and 31 March 2023 are:

Relevant line item in the balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the Holding Company
PPE	Freehold land	5.35	Excel Crop Care Limited	No	31 August 2019 (Merger date)	These properties were acquired pursuant to a scheme of amalgamation and continued to be in the name of amalgamating company.
	Building - office	8.49				
	Building - guest house	18.93				
PPE	Leasehold land	100.00	Sumitomo Chemical India Private Limited	No	24 November 2018	This property continued to be in the name of erstwhile company.
Total		**132.77**				

4. CAPITAL WORK-IN-PROGRESS

Capital work in progress ('CWIP') as at 31 March 2024 is ₹ 39.67 Millions (31 March 2023: ₹ 534.69 Millions)

(a) Movement in CWIP is as follows

CWIP movement	As at 31 March 2024	As at 31 March 2023
Opening	**534.69**	211.10
Addition	**646.69**	1,110.78
Capitalisation	**1,141.71**	787.19
Closing	**39.67**	534.69

(b) CWIP ageing schedule as at 31 March 2024

Particulars	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	17.86	19.77	0.55	1.49	39.67
	17.86	**19.77**	**0.55**	**1.49**	**39.67**

CWIP for more than 3 years are projects which are overdue as per the original plan, whose estimated completion schedule is given below:

Particulars	To be completed in				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Installation of 20 Mt Weigh Bridge*	0.43	-	-	-	0.43
Sprinkler & Alarm System*	0.23	-	-	-	0.23
GTML plant for filtration of recovered GT*	0.83	-	-	-	0.83

* original expected date of capitalisation was 31 March 2021 and revised expected date of capitalisation is on or before 30 September 2024.

(Currency: Indian Rupees in Millions, unless otherwise stated)

CWIP ageing schedule as at 31 March 2023

Particulars	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	526.97	1.46	1.26	5.00	534.69
	526.97	**1.46**	**1.26**	**5.00**	**534.69**

Particulars	To be completed in				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Project - Peeler Centrifuge wash recycling Glyphosate technical plant **	5.00	-	-	-	5.00

** Revised date of capitalisation was 31 December 2019 and revised expected date of capitalisation was 30 June 2023.

5. RIGHT-OF-USE ASSETS

For the year ended 31 March 2024

Particulars	Gross block (Deemed cost)					Depreciation					Net block value	
	As at 01 April 2023	Addition on acquisition (Refer note 52)	Addition	Deletion / Adjustments	As at 31 March 2024	As at 01 April 2023	Addition on acquisition (Refer note 52)	Charge for the year	Deletion / Adjustments	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023
Building	637.20	51.91	24.17	397.50	**315.78**	406.15	12.43	106.87	375.70	**149.75**	**166.03**	231.05
Vehicles	290.92	3.88	56.68	116.98	**234.50**	189.72	2.70	68.67	136.64	**124.45**	**110.05**	101.20
Plant & Machinery	-	6.45	-	-	**6.45**	-	0.43	0.42	-	**0.85**	**5.60**	-
	928.12	**62.24**	**80.85**	**514.48**	**556.73**	**595.87**	**15.56**	**175.96**	**512.34**	**275.05**	**281.68**	**332.25**

For the year ended 31 March 2023

Particulars	Gross block (Deemed cost)				Depreciation				Net block value	
	As at 01 April 2022	Addition	Deletion / (Adjustments)	As at 31 March 2023	As at 01 April 2022	Charge for the year	Deletion / (Adjustments)	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022
Building	538.49	98.71	-	637.20	294.47	111.68	-	406.15	231.05	244.02
Vehicles	253.60	37.32	-	290.92	134.02	55.70	-	189.72	101.20	119.58
	792.09	**136.03**	**-**	**928.12**	**428.49**	**167.38**	**-**	**595.87**	**332.25**	**363.60**

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FOR THE YEAR ENDED 31 MARCH 2024

(Currency: Indian Rupees in Millions, unless otherwise stated)

6. GOODWILL AND OTHER INTANGIBLE ASSETS

For the year ended 31 March 2024

Particulars	Gross block (Deemed cost)					Amortisation					Net block value	
	As at 01 April 2023	Addition on acquisition (Refer note 52)	Addition	Deletion / Adjustments	As at 31 March 2024	As at 01 April 2023	Addition on acquisition (Refer note 52)	Charge for the year	Deletion / Adjustments	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023
Data registration expenses	103.28	-	33.35	-	**136.63**	90.26	-	13.47	-	**103.73**	**32.90**	13.02
Software / license and registration	76.80	0.54	2.26	0.42	**79.18**	51.64	0.41	21.10	0.29	**72.86**	**6.32**	25.16
Technical know-how	9.45	-	-	-	**9.45**	9.45	-	-	-	**9.45**	**-**	-
R&D Unit - Development Cost	-	27.05	-	-	**27.05**	-	5.13	0.88	-	**6.01**	**21.04**	-
IPR-Patents, Trademarks & Copyrights	-	0.19	-	-	**0.19**	-	0.03	0.01	-	**0.04**	**0.15**	-
Goodwill (Refer note 52)	-	-	622.46	-	**622.46**	-	-	-	-	**-**	**622.46**	-
	189.53	**27.78**	**658.07**	**0.42**	**874.96**	**151.35**	**5.57**	**35.46**	**0.29**	**192.09**	**682.87**	**38.18**

For the year ended 31 March 2023

Particulars	Gross block (Deemed cost)				Amortisation				Net block value	
	As at 01 April 2022	Addition	Deletion / (Adjustments)	As at 31 March 2023	As at 01 April 2022	Charge for the year	Deletion / (Adjustments)	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022
Data registration expenses	88.31	14.97	-	103.28	81.64	8.62	-	90.26	13.02	6.67
Software / license and registration	68.14	8.66	-	76.80	31.32	20.32	-	51.64	25.16	36.82
Technical know-how	9.45	-	-	9.45	9.45	-	-	9.45	-	-
	165.90	**23.63**	**-**	**189.53**	**122.41**	**28.94**	**-**	**151.35**	**38.18**	**43.49**

7. INTANGIBLE ASSET UNDER DEVELOPMENT

Intangible asset under development ('IAUD') as at 31 March 2024 is ₹ 187.25 Millions (31 March 2023: ₹ 177.35 Millions)

(a) Movement in IAUD is as follows

IAUD movement	As at 31 March 2024	As at 31 March 2023
Opening	**177.35**	141.06
Addition	**45.50**	59.92
Capitalisation	**35.60**	23.63
Closing	**187.25**	177.35

(b) IAUD ageing schedule as at 31 March 2024

Particulars	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	44.08	48.46	47.41	47.30	187.25
	44.08	**48.46**	**47.41**	**47.30**	**187.25**

(Currency: Indian Rupees in Millions, unless otherwise stated)

IAUD ageing schedule as at 31 March 2023

Particulars	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	52.70	55.53	37.54	31.59	177.35
	52.70	**55.53**	**37.54**	**31.59**	**177.35**

(c) There are no projects where completion schedule is overdue or has exceeded its cost compared to its original plan as at 31 March 2024 and 31 March 2023.

8. NON CURRENT INVESTMENTS

		Numbers		Amount	
		As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
A.	**Fully paid unquoted equity instruments carried at cost**				
	Investment in co-operative societies				
	TIMA CETP Co.- Op. Society Ltd. Face value of ₹ 10/- each.	**2,000**	2,000	**0.01**	0.01
	Tarapur Enviroment Protection Society Face value of ₹ 10/- each	**7,132**	7,132	**1.11**	1.11
B.	**Investments stated at amortised cost**				
	Investments in Government securities (Unquoted)				
	National saving certificates Face value ₹ 0.03 Millions			**0.03**	0.03
	Total			**1.15**	1.15
Aggregate amount of unquoted investments				**1.15**	1.15
Aggregate amount of impairment in value of investments				**-**	-

9. NON CURRENT LOANS (AT AMORTISED COST)

	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good unless otherwise stated		
Loans to employees	**8.07**	6.49
Deposit with corporates	**60.00**	-
Total	**68.07**	6.49

10. OTHER NON CURRENT FINANCIAL ASSETS (AT AMORTISED COST)

	As at 31 March 2024	As at 31 March 2023
Unsecured		
Security deposits		
Considered goods	**70.00**	57.82
Credit impaired	**-**	2.71
Less: Allowance for doubtful deposit	**-**	(2.71)
Deposit accounts (with remaining maturity of more than 12 months)	**-**	300.10
Total	**70.00**	357.92

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11. OTHER NON-CURRENT ASSETS

	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good unless otherwise stated		
Capital advances	**20.39**	73.76
Prepaid expenses	**8.01**	13.14
Total	**28.40**	86.90

12. INVENTORIES

	As at 31 March 2024	As at 31 March 2023
Lower of cost or net realisable value		
Raw materials [Goods in transit: 31 March 2024: ₹ 91.40 Millions (31 March 2023: ₹ 481.03 Millions)]	**1,893.79**	3,735.85
Work-in-progress	**343.93**	454.62
Finished goods [Goods in transit: 31 March 2024: ₹ 93.50 Millions (31 March 2023: ₹ 44.06 Millions)]*	**3,427.95**	4,144.60
Stock-in-trade [Goods in transit: 31 March 2024: ₹ 16.71 Millions (31 March 2023: ₹ 47.26 Millions)]	**84.62**	132.27
Containers and packing materials	**278.80**	316.04
Stores and spares (including fuel)	**75.03**	103.59
Total	**6,104.12**	8,886.97

Value of inventory above is stated after provision of ₹ 40.78 Millions (31 March 2023: ₹ 66.44 Millions) for write down to net realisable value and provision for slow moving and absolute items.

* Finished goods in transit denotes stock lying at port.

13. CURRENT INVESTMENTS

Investment carried at fair value through profit and loss account	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
	Quantity / units		Amount	
Investments in equity instruments				
Investments in other entities (Quoted)				
Tata Steel Limited face value of ₹1 each fully paid-up	**4,200**	4,200	**0.65**	0.44
Investment in mutual fund (Unquoted)				
Aditya Birla Sun Life Interval Income Fund Quarterly Plan Series 1- Direct Plan - Growth	**1,665,318**	8,549,974	**52.26**	249.81
Aditya Birla Sun Life Liquid Fund - Direct Plan - Growth	**-**	137,803	**-**	50.03
Aditya Birla Sun Life Savings Fund - Regular Plan - Growth	**321,655**	-	**160.38**	-
Aditya Birla Sun Life Money Manager Fund - Regular Plan - Growth	**211,069**	-	**71.93**	-
Aditya Birla Sun Life Floating Rate Fund - Regular Plan - Growth	**503,626**	-	**158.92**	-
Aditya Birla Sun Life Low Duration Fund - Direct Plan - Growth	**324,670**	-	**214.00**	-
Axis FTP -Series 114 (83 Days)	**-**	2,999,850	**-**	30.06
Axis Liquid Fund - Direct Plan - Growth	**-**	156,888	**-**	392.36
Axis Liquid Fund - Regular Plan - Growth	**-**	42,349	**-**	105.20
HDFC Gilt Fund - Regular Plan - Growth	**1,673,123**	1,673,123	**83.67**	77.72
HDFC Liquid Fund - Direct Plan - Growth	**10,617**	-	**50.36**	-

(Currency: Indian Rupees in Millions, unless otherwise stated)

Investment carried at fair value through profit and loss account	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
	Quantity / units		Amount	
HDFC Low Duration Fund - Direct Plan - Growth	**3,728,479**	-	**211.34**	-
HDFC Ultra Short Term Fund - Regular Plan - Growth	**11,552,636**	-	**159.97**	-
ICICI Prudential Liquid Fund - Direct Plan - Growth	**-**	1,315,659	**-**	438.36
ICICI Prudential Liquid Fund - Regular Plan - Growth	**-**	236,672	**-**	78.26
ICICI Prudential Corporate Bond Fund - Growth	**3,901,650**	-	**105.14**	-
ICICI Prudential Floating Interest Fund - Direct Plan - Growth	**1,001,935**	-	**417.56**	-
ICICI Prudential Floating Interest Fund - Growth	**272,313**	-	**104.74**	-
ICICI Prudential Savings Fund - Direct Plan - Growth	**211,757**	-	**105.78**	-
ICICI Prudential Savings Fund - Growth	**268,045**	-	**132.29**	-
ICICI Prudential Short Term Fund - Growth	**895,089**	-	**52.75**	-
Kotak FMP Series 303 (187 days) - Direct Plan - Growth	**-**	9,999,500	**-**	101.92
Kotak FMP Series 306 - (90 days) - Direct Plan - Growth	**-**	4,999,750	**-**	50.66
Kotak FMP Series 307 - (90 days) - Direct Plan - Growth	**-**	19,999,000	**-**	201.40
Kotak Gilt Investment - Regular Plan - Growth	**1,277,720**	1,277,720	**112.67**	104.35
Kotak Liquid - Direct Plan - Growth	**-**	66,281	**-**	301.47
Kotak Bond Fund (Short Term) - Regular Plan - Growth	**2,133,227**	-	**100.79**	-
Kotak Corporate Bond Fund Standard - Regular Plan - Growth	**30,817**	-	**104.77**	-
Kotak Floating Rate Fund - Direct Plan - Growth	**113,098**	-	**156.68**	-
Kotak Floating Rate Fund - Regular Plan - Growth	**76,808**	-	**104.47**	-
Kotak Low Duration Fund - Regular Plan - Growth	**68,670**	-	**226.36**	-
Nippon India Money Market Fund - Direct Plan - Growth	**-**	42,395	**-**	150.40
Nippon India Low Duration Fund - Regular Plan - Growth	**30,592**	-	**104.47**	-
SBI Magnum Low Duration Fund - Regular Plan - Growth	**67,233**	-	**214.55**	-
UTI Liquid Fund- Cash Plan - Direct Plan - Growth	**-**	14,948	**-**	55.15
Investment in Bonds (Quoted)				
8.50% State Bank of India perpetual bonds	**200**	-	**201.18**	-
7.95% Bank of Baroda	**5**	-	**49.74**	-
Total			**3,457.42**	2,387.59
Aggregate carrying value of quoted investments			**251.57**	0.44
Aggregate carrying value of unquoted investments			**3,205.85**	2,387.15
Aggregate market value of quoted investments			**251.57**	0.44
Aggregate amount of impairment in value of investments			**-**	-

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FOR THE YEAR ENDED 31 MARCH 2024

(Currency: Indian Rupees in Millions, unless otherwise stated)

14. TRADE RECEIVABLES

	As at 31 March 2024	As at 31 March 2023
Gross trade receivables (Unsecured)	8,146.73	10,339.95
Less: Allowance for expected credit loss	987.60	879.33
Total	**7,159.13**	9,460.62

Notes :

a) Break-up for Related party and others

	As at 31 March 2024	As at 31 March 2023
Trade receivables – Related party (Refer note 39)	1,309.98	2,055.42
Trade Receivables - Others	5,849.15	7,405.20
Total	**7,159.13**	9,460.62

b) Break-up for security details

	As at 31 March 2024	As at 31 March 2023
Gross trade receivable (Unsecured)		
Considered good	7,165.10	9,468.30
Which have significant increase in credit risk	410.04	309.15
Credit impaired	571.59	562.50
	8,146.73	10,339.95
Less: Allowance for expected credit loss:		
Considered good	182.09	252.78
Which have significant increase in credit risk	233.92	64.05
Credit impaired	571.59	562.50
	987.60	879.33
Total	**7,159.13**	9,460.62

c) Trade receivable ageing schedule

31 March 2024

Outstanding for following periods from due date of payment	Undisputed considered good	Undisputed which have significant increase in credit risk	Undisputed credit impaired	Total
Current but not due & Retention	4,699.43	-	-	**4,699.43**
< 6 months	2,041.09	-	-	**2,041.09**
6 months- 1 year	424.58	-	-	**424.58**
1-2 years	-	410.04	-	**410.04**
2-3 years	-	-	191.14	**191.14**
> 3 years	-	-	380.45	**380.45**
	7,165.10	**410.04**	**571.59**	**8,146.73**

(Currency: Indian Rupees in Millions, unless otherwise stated)

31 March 2023

Outstanding for following periods from due date of payment	Undisputed considered good	Undisputed which have significant increase in credit risk	Undisputed credit impaired	Total
Current but not due & Retention	6,405.19	-	-	6,405.19
< 6 months	2,703.35	-	-	2,703.35
6 months- 1 year	359.76	-	-	359.76
1-2 years	-	309.15	-	309.15
2-3 years	-	-	212.43	212.43
> 3 years	-	-	350.07	350.07
	9,468.30	309.15	562.50	10,339.95

d) There are no outstanding trade receivables which resulted into significant increase in credit risk apart from receivables which are impaired and provided. Refer note 42 for information about credit risk, market risk of trade receivables and movement of allowance for expected credit loss during the year.

e) No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member. For receivables from related parties refer note 39.

f) Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

g) There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.

h) There are no disputed receivables, hence the same is not disclosed in the ageing schedule.

15. CASH AND CASH EQUIVALENTS

	As at 31 March 2024	As at 31 March 2023
Balance with banks :		
In current account	**353.42**	232.01
In deposit accounts (with original maturity of less than three months)	**112.70**	236.80
Cash on hand	**0.24**	0.10
Total	**466.36**	468.91

Notes:

a) For the purpose of the statement of cash flows, cash and cash equivalents comprises of all the above enlisted items.

b) The Group has total fund based and non fund based undrawn borrowing facilities of ₹ 7,010 Millions (31 March 2023: ₹ 7,010 Millions). Sanctioned facilities are unsecured credit arrangements of ₹ 7,000 Millions and secured arrangements of ₹ 10 Millions.

16. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at 31 March 2024	As at 31 March 2023
Deposits with banks *	**1,360.76**	2,550.00
In unpaid dividend accounts earmarked with banks**	**6.12**	9.57
Total	**1,366.88**	2,559.57

* Includes balances with bank held as margin money deposit against overdraft facility.

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

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(Currency: Indian Rupees in Millions, unless otherwise stated)

17. CURRENT LOANS (AT AMORTISED COST)

	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good unless otherwise stated		
Loans to employees - Unsecured		
Considered good	**6.06**	5.11
Credit impaired	**0.43**	0.43
Less: Provision for credit impaired	**(0.43)**	(0.43)
Deposits with corporates	**1,806.00**	2,360.00
Total	**1,812.06**	2,365.11

18. OTHER CURRENT FINANCIAL ASSETS

	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good unless otherwise stated		
At amortised cost		
Security deposits	**27.52**	33.29
Deposits with banks	**4,910.59**	197.50
Earnest money deposit	**3.89**	3.98
Less: Expected credit loss for earnest money deposit	**(3.89)**	(3.98)
Export licence benefit receivables	**0.20**	0.20
Export incentive receivable	**56.41**	44.14
Interest accrued but not due	**291.36**	163.41
Others	**76.29**	30.98
At fair value through profit and loss account		
Derivatives - foreign exchange forward contracts	**2.31**	15.70
Total	**5,364.68**	**485.22**

19. OTHER CURRENT ASSETS

	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good unless otherwise stated		
Balances with government authorities	**659.60**	875.45
Prepaid expenses	**39.52**	40.50
Contract asset (Right to receive inventory)	**60.35**	55.94
Advances to suppliers	**238.48**	289.60
Total	**997.95**	1,261.49

20. EQUITY SHARE CAPITAL

	Number of shares	Amount	Number of shares	Amount
	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2023
Authorised:				
Equity shares of ₹ 10 each	**500,000,000**	**5,000.00**	500,000,000	5,000.00
	500,000,000	**5,000.00**	500,000,000	5,000.00
Issued, subscribed and paid-up:				
Equity shares of ₹ 10 each, fully paid-up	**499,145,736**	**4,991.46**	499,145,736	4,991.46
	499,145,736	**4,991.46**	499,145,736	4,991.46

(Currency: Indian Rupees in Millions, unless otherwise stated)

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

	As at 31 March 2024		As at 31 March 2023	
	Number	Amount	Number	Amount
Equity shares				
At the commencement of the year	**499,145,736**	**4,991.46**	499,145,736	4,991.46
Equity shares issued during the year	**-**	**-**	-	-
At the end of the year	**499,145,736**	**4,991.46**	499,145,736	4,991.46

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

Name of shareholder	Relationship	As at 31 March 2024		As at 31 March 2023	
		No. of shares	%	No. of shares	%
Sumitomo Chemical Company, Limited	Ultimate holding company	**374,359,295**	**75.00%**	374,359,295	75.00%

c) Details of shares held by promoters / promoter group

Promoter name	As at 31 March 2024			% of total shares	% change during the year
	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year		
Sumitomo Chemical Company, Limited	374,359,295	-	374,359,295	75%	0%
Yuya Miyajima	2	-	2	0%	0%
Tomohito Fujiwara	1	-	1	0%	0%
Hiroyuki Miura	1	-	1	0%	0%
Hiroyoshi Mukai	1	-	1	0%	0%
Hideo Wada	1	-	1	0%	0%
Akira Ohisa	1	-	1	0%	0%
	374,359,302	**-**	**374,359,302**		

Promoter name	As at 31 March 2023			% of total shares	% change during the year
	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year		
Sumitomo Chemical Company, Limited	374,359,295	-	374,359,295	75%	0%
Yuya Miyajima	2	-	2	0%	0%
Tomohito Fujiwara	1	-	1	0%	0%
Hiroyuki Miura	1	-	1	0%	0%
Hiroyoshi Mukai	1	-	1	0%	0%
Hideo Wada	1	-	1	0%	0%
Akira Ohisa	1	-	1	0%	0%
	374,359,302	**-**	**374,359,302**		

d) Particulars of shares held by ultimate holding company and fellow subsidiary

Name of shareholder	Relationship	As at 31 March 2024		As at 31 March 2023	
		No. of shares	%	No. of shares	%
Sumitomo Chemical Company, Limited*	Ultimate holding company	**374,359,300**	**75.00%**	374,359,300	75.00%
SC Environmental Science Co. Limited**	Fellow subsidiary	**2**	**0.00%**	2	0.00%
		374,359,302	**75.00%**	374,359,302	75.00%

* Including 5 shares held through its nominees.

** held through a nominee.

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e) Terms/rights attached to equity shares

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

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

f) Dividend on equity share declared and paid during the period 01 April 2023 to 31 March 2024

	01 April 2023 to 31 March 2024	01 April 2022 to 31 March 2023
Final dividend on 499,145,376 shares at ₹1.20 per share (FY 2022-23: ₹1 per share) on equity shares of ₹ 10 each	**598.97**	499.15
Interim dividend paid on 499,145,736 shares at ₹ 5.00 per share (FY 2022-23 Nil per share) on equity shares of ₹ 10 each	**2,495.73**	-
	3,094.70	499.15

	01 April 2023 to 31 March 2024	01 April 2022 to 31 March 2023
Dividend on equity shares not recognised as liability		
Proposed dividend on 499,145,736 shares at ₹ 0.90 per share (FY 2022-23: ₹ 1.20 per share) on equity shares of ₹ 10 each	**449.23**	598.97
	449.23	598.97

21. OTHER EQUITY

A. Summary of other equity balance

	As at 31 March 2024	As at 31 March 2023
General reserve		
Balance at the beginning of the year	**14,767.82**	10,267.82
Add: Amount transferred from retained earnings	**-**	4,500.00
Balance at the end of the year	**14,767.82**	14,767.82
Securities premium		
As per last balance sheet	**2,350.60**	2,350.60
Share based payment reserve		
Balance at the beginning of the year	**-**	-
Add: Compensation option granted by subsidiary	**0.59**	-
Balance at the end of the year	**0.59**	-
Foreign currency translation reserve		
Balance as per last financial statements	**32.71**	30.28
Add / (Less) : Exchange difference during the year on account of net investments in non-integral foreign operations	**(2.15)**	2.43
Balance at the end of the year	**30.56**	32.71
Retained earnings (includes OCI)		
Balance at the beginning of the year	**1,675.21**	1,631.94
Additions during the year:		
Profit for the year	**3,695.41**	5,022.09
Other comprehensive income for the year, net of tax	**(1.28)**	20.33

(Currency: Indian Rupees in Millions, unless otherwise stated)

	As at 31 March 2024	As at 31 March 2023
Reductions during the year:		
Dividends	**(3,094.70)**	(499.15)
Transfer to general reserve	**-**	(4,500.00)
Net surplus of retained earnings	**2,274.64**	1,675.21
Balance at the end of the year	**19,424.21**	18,826.34

B. Nature and purpose of each reserves

1. General reserve

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

2. Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

3. Share based payment reserve

The share options outstanding account is used to record the fair value of equity-settled, share-based payment transactions with employees. The amounts recorded in share options outstanding account are transferred to securities premium, upon exercise of stock options, and transferred to general reserve on account of stock options not exercised by employees.

4. Retained earnings

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

5. Other comprehensive income

This relates to the remeasurement impact of defined benefit plans and income tax effect of the same.

22. NON-CURRENT PROVISIONS

	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
Compensated absences	**247.77**	225.63
Gratuity (Refer note 44)	**11.03**	-
Total	**258.80**	225.63

23. BORROWINGS

	As at 31 March 2024	As at 31 March 2023
Loans repayable on demand		
Loan from Financial Institutions (Current maturities of non current borrowings)	**5.06**	-
Total	**5.06**	-

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

(Currency: Indian Rupees in Millions, unless otherwise stated)

24. TRADE PAYABLES

	As at 31 March 2024	As at 31 March 2023
Due to micro and small enterprises (MSME) (Refer note 46)	**267.74**	166.04
Due to others	**4,032.75**	4,736.10
Total	**4,300.49**	4,902.14

Note:

a) **Break-up for Related party and others**

	As at 31 March 2024	As at 31 March 2023
Trade payables – Related party (Refer note 39)	**1,873.94**	2,386.70
Trade payables - Others	**2,426.55**	2,515.44
Total	**4,300.49**	4,902.14

b) **Trade payable ageing schedule**

31 March 2024

Outstandings for following periods from due date of payment	Dues to MSME	Dues of creditors other than MSME	Total
Unbilled	**-**	**189.73**	**189.73**
Not due	**258.46**	**3,443.03**	**3,701.49**
Less than 1 year	**9.28**	**370.32**	**379.60**
1-2 years	**-**	**19.42**	**19.42**
2-3 years	**-**	**3.10**	**3.10**
>3 years	**-**	**7.15**	**7.15**
	267.74	**4,032.75**	**4,300.49**

31 March 2023

Outstandings for following periods from due date of payment	Dues to MSME	Dues of creditors other than MSME	Total
Unbilled	-	431.17	431.17
Not due	162.82	3,833.89	3,996.71
Less than 1 year	3.22	449.17	452.39
1-2 years	-	12.92	12.92
2-3 years	-	6.86	6.86
>3 years	-	2.09	2.09
	166.04	4,736.10	4,902.14

c) There are no disputed payables, hence the same is not disclosed in the ageing schedule.

(Currency: Indian Rupees in Millions, unless otherwise stated)

25. OTHER CURRENT FINANCIAL LIABILITIES

	As at 31 March 2024	As at 31 March 2023
Salary, wages and bonus payable	**467.63**	397.09
Security and trade deposits	**367.56**	374.42
Unclaimed dividend	**6.11**	9.57
Payables for capital supplies (Refer note 46)	**20.51**	51.97
Liabilities for additional discount and scheme	**2,074.11**	2,816.56
Other payables	**2.22**	1.92
At fair value through profit and loss account		
Derivative financial liabilities - forward contracts	**9.66**	10.35
Total	**2,947.80**	3,661.88

26. OTHER CURRENT LIABILITIES

	As at 31 March 2024	As at 31 March 2023
Advance received from customers (including deposits)	**434.25**	409.86
Statutory dues (including GST, provident fund, tax deducted at source and others)	**80.65**	98.73
Other payables	**16.94**	3.65
Total	**531.84**	512.24

27. CURRENT PROVISIONS

	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
Gratuity (Refer note 44)	**55.67**	14.63
Compensated absences	**48.59**	48.44
Total	**104.26**	63.07

28. REVENUE FROM OPERATIONS

	For the year ended 31 March 2024	For the year ended 31 March 2023
A. Revenue from contracts with customers		
a) Sale of products	**28,176.88**	34,732.57
b) Sale of services	**0.79**	0.84
	28,177.67	34,733.41
B. Other operating revenue		
a) Export incentives	**167.40**	327.91
b) Commission income	**0.14**	1.72
c) Excess provisions in respect of earlier years written back (net)	**57.56**	4.37
d) Miscellaneous receipts (scrap sales and others)	**36.70**	42.27
	261.80	376.27
Total	**28,439.47**	35,109.68

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FOR THE YEAR ENDED 31 MARCH 2024

(Currency: Indian Rupees in Millions, unless otherwise stated)

a. Revenue information

	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue by product categories		
Agro Chemicals		
Domestic	**19,963.48**	23,501.99
Export	**5,557.92**	8,663.65
	25,521.40	32,165.64
Others		
Domestic	**119.76**	361.83
High Seas Sales	**2,535.72**	2,205.10
	2,655.48	2,566.93
Total	**28,176.88**	34,732.57

b. Reconciliation of the amount of revenue recognised in the consolidated statement of profit and loss with the contracted price

	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue as per contracted price	**31,987.45**	39,251.21
Less: Rebates/Discounts	**3,344.38**	4,017.43
Less: Sales returns	**465.40**	500.38
Revenue from contract with customers	**28,177.67**	34,733.41

Performance Obligation:

The performance obligation is satisfied upon delivery of the goods and payment is generally due within 7 to 90 days from delivery. There are no material unsatisfied performance obligation outstanding at the year end.

The performance obligations of the Group are part of contracts that have an original expected duration of less than one year and accordingly, the Group has applied the practical expedient and opted not to disclose the information about it's remaining performance obligations in accordance with Ind AS 115.

c. Contract Balances

	For the year ended 31 March 2024	For the year ended 31 March 2023
Contract assets (Refer note 19)	**60.35**	55.94
Contract liabilities (Refer note 26)	**434.25**	409.86

Note:

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

d. Significant changes in the contract assets and the contract liabilities balances during the year are as follows:

	For the year ended 31 March 2024	For the year ended 31 March 2023
Contract assets		
Opening balance	**55.94**	56.36
Less : Revenue recognized during the year from balance at the beginning of the year	**(55.94)**	(56.36)
Add : Contract assets created for right to receive inventory on estimated sales return	**60.35**	55.94
Closing balance	**60.35**	55.94

(Currency: Indian Rupees in Millions, unless otherwise stated)

	For the year ended 31 March 2024	For the year ended 31 March 2023
Contract liabilities		
Opening balance	**409.86**	655.04
Add : Advance received during the year not recognized as revenue	**434.25**	409.86
Less : Revenue recognized during the year	**(409.86)**	(655.04)
Closing balance	**434.25**	409.86

29. OTHER INCOME

	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest income		
On interest income on security deposits	**547.37**	244.50
On interest income on bonds	**12.38**	-
On others	**30.22**	4.85
Gain on sale of financial assets measured at FVTPL	**232.53**	231.67
Fair valuation gain on financial assets measured at FVTPL	**98.79**	(65.62)
Others:		
Rent received	**0.12**	0.13
Net profit on sale of property, plant and equipment	**2.14**	-
Exchange Difference (Net)	**1.82**	15.51
Miscellaneous income	**31.32**	17.47
Total	**956.69**	448.51

30. COST OF MATERIALS CONSUMED

	For the year ended 31 March 2024	For the year ended 31 March 2023
Raw materials consumed		
Opening inventory	**3,735.85**	2,770.87
Add: Inventory on account of acquisition (Refer note 52)	**23.93**	-
Add: Purchases	**10,812.84**	17,516.06
	14,572.62	20,286.93
Less: Closing inventory	**1,893.79**	3,735.85
	12,678.83	16,551.08
Containers and packing materials consumed		
Opening inventory	**316.04**	359.66
Add: Purchases	**1,351.85**	1,973.03
	1,667.89	2,332.69
Less: Closing inventory	**278.80**	316.04
	1,389.09	2,016.65
Total cost of materials consumed	**14,067.92**	18,567.73

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS

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(Currency: Indian Rupees in Millions, unless otherwise stated)

31. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE

	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening inventories :		
Work in progress	**454.62**	656.84
Finished goods	**4,144.60**	5,347.80
Stock-in-trade	**132.27**	190.64
Add: Inventory on account of acquisition (Refer note 52)		
Finished goods	**10.64**	-
Less: Closing inventories:		
Work in progress	**343.93**	454.62
Finished goods	**3,427.95**	4,144.60
Stock-in-trade	**84.62**	132.27
Changes in inventories:		
Work in progress	**110.69**	202.22
Finished goods	**727.29**	1,203.20
Stock-in-trade	**47.65**	58.37
Total	**885.63**	1,463.79

32. EMPLOYEE BENEFITS EXPENSE

	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries, wages and bonus etc.	**2,020.41**	1,902.97
Contribution to provident and other funds (Refer note 44)	**114.22**	106.64
Gratuity expense (Refer note 44)	**52.81**	41.80
Staff welfare expenses	**132.71**	132.32
	2,320.15	2,183.73

33. FINANCE COSTS

	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest expenses on leased liabilities	**35.91**	38.52
Others	**15.16**	15.42
	51.07	53.94

34. OTHER EXPENSES

	For the year ended 31 March 2024	For the year ended 31 March 2023
Other expenses		
Processing / Sub-contracting charges	**156.44**	62.87
Contract and labour charges	**366.40**	299.45
Carriage and freight	**601.33**	737.74
Power and fuel	**355.85**	386.40
Stores and spares consumed	**78.90**	85.70
Repairs and maintenance		
Buildings	**4.30**	4.33
Plant and equipment	**136.90**	124.51
Others	**61.55**	39.09

(Currency: Indian Rupees in Millions, unless otherwise stated)

	For the year ended 31 March 2024	For the year ended 31 March 2023
Rent	**50.95**	39.28
Rates and taxes	**29.52**	33.24
Insurance	**73.32**	69.53
Travelling and conveyance	**288.89**	250.87
Sales promotion and advertisement	**387.14**	468.26
Donations	**1.37**	0.49
Clearing & forwarding charges	**71.88**	75.92
Corporate social responsibility (Refer note 48)	**116.00**	89.07
Expected credit loss allowance on trade receivables (Refer note 14)	**96.04**	208.98
Bad Debts written off	**144.94**	1.29
Directors sitting fees	**1.26**	1.10
Property, plant and equipment written off	**-**	1.32
Research and development expenses	**13.42**	11.25
Product testing expenses	**3.47**	2.74
Communication expenses	**6.85**	7.53
Legal and professional fees	**136.03**	102.98
Bank charges	**5.86**	8.12
Payment to auditors	**7.74**	7.53
Security charges	**34.99**	26.09
Vehicle Related Expenses	**130.47**	154.58
Miscellaneous expenses	**260.99**	253.43
	3,622.80	3,553.69

35. INCOME TAXES

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

(i) Income tax recognized in the statement of profit and loss:

	For the year ended 31 March 2024	For the year ended 31 March 2023
Income tax expense		
In respect of current year	**1,231.63**	1,673.39
Adjustment of current tax in respect of earlier years	**5.11**	-
On remeasurements of the defined benefit plans	**(0.11)**	6.84
Deferred tax charge		
Origination and reversal of temporary difference	**59.79**	4.18
Adjustment of deferred tax in respect of earlier years	**35.51**	(157.90)
Total tax expense recognized in the statement of profit and loss	**1,331.93**	1,526.51

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B. Reconciliation of tax expenses and the accounting profit multiplied by India's domestic tax rate for 31 March 2024 and 31 March 2023

	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit before tax	**5,029.48**	6,541.76
Statutory income tax rate	**25.168%**	25.168%
Expected tax expenses	**1,265.82**	1,646.43
Effects of adjustment to reconcile the expected tax expenses to reported tax expenses:		
Tax effect on non-deductible expenses	**32.60**	28.69
Deduction under section 80JJAA	**(1.17)**	(0.27)
Tax effect on deductible income	**(2.14)**	(0.37)
Difference in higher tax rate due to different jurisdiction	**3.24**	3.10
Others	**(7.04)**	6.83
	1,291.31	1,684.41
Effect of adjustment of tax expenses in respect of earlier years	**40.62**	(157.90)
Total tax expense in the statement of profit and loss	**1,331.93**	1,526.51

36. THE MAJOR COMPONENTS OF DEFERRED TAX (LIABILITIES) / ASSETS ARISING ON ACCOUNT OF TEMPORARY DIFFERENCES ARE AS FOLLOWS:

Deferred tax assets (net):

Movement during the year 01 April 2023 to 31 March 2024	Net deferred tax asset/ (liability) 01 April 2023	On acquisition of subsidiary	(Charged) / Credit to statement of profit and loss	Net deferred tax asset/ (liability) 31 March 2024
Unabsorbed losses	-	2.70	4.74	**7.44**
Deferred tax assets (net)	**-**	**2.70**	**4.74**	**7.44**

Deferred tax liabilities (net):

Movement during the year 01 April 2023 to 31 March 2024	Net deferred tax asset/ (liability) 01 April 2023	On acquisition of subsidiary	(Charged) / Credit to statement of profit and loss	Net deferred tax asset/ (liability) 31 March 2024
Depreciation and amortisation	(352.12)	-	16.85	**(335.27)**
Allowances for receivables, loans and other assets	58.29	-	(58.29)	**-**
Fair value gain/(loss) on investments	(14.51)	-	(24.83)	**(39.34)**
Expenses allowable on payment basis	71.03	-	3.73	**74.76**
Amortisation of expenses u/s 35 DD	15.55	-	(15.55)	**-**
Lease liabilities	85.50	-	(21.95)	**63.55**
Deferred tax liabilities (net)	**(136.26)**	**-**	**(100.04)**	**(236.30)**

(Currency: Indian Rupees in Millions, unless otherwise stated)

Movement during the year 01 April 2022 to 31 March 2023	Net deferred tax asset/ (liability) 01 April 2022	On acquisition of subsidiary	(Charged) / Credit to statement of profit and loss	Net deferred tax asset/ (liability) 31 March 2023
Depreciation and amortisation	(365.44)	-	13.32	(352.12)
Allowances for receivables, loans and other assets	58.29	-	-	58.29
Fair value gain/(loss) on investments	(31.07)	-	16.56	(14.51)
Expenses allowable on payment basis	69.96	-	1.07	71.03
Amortisation of expenses u/s 35 DD	34.60	-	(19.05)	15.55
Lease liabilities	94.59	-	(9.09)	85.50
Deferred tax liabilities (net)	**(139.07)**	**-**	**2.81**	**(136.26)**

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

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

37. EARNINGS PER SHARE (EPS)

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

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

	Year ended 31 March 2024	Year ended 31 March 2023
Earnings per share has been computed as under:		
Profit attributable to owners of the Group for basic earnings (A)	**3,695.41**	5,022.09
Weighted average number of equity shares for the purpose of basic and dilutive earnings per share		
Number of shares at the beginning of the year	**499,145,736**	499,145,736
Number of equity shares outstanding at the end of the year (B)	**499,145,736**	499,145,736
Basic and diluted earnings per share (Face value of ₹ 10 each) [(A) / (B)] (in ₹)	**7.40**	**10.06**

38. CAPITAL MANAGEMENT

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

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

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

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(Currency: Indian Rupees in Millions, unless otherwise stated)

39. RELATED PARTY DISCLOSURES

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

(1) Ultimate Holding Company

Sumitomo Chemical Company, Limited

(2) Post Employment Benefit Plans entity

Sumitomo Chemical India Gratuity Trust
Sumitomo Chemical India Superannuation Trust

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

(1) Fellow subsidiaries

Koei Chemical Co., Ltd.
Mycorrhizal Applications, LLC
Pace International, LLC
SC Environmental Science Company Limited
Sumitomo Chemical Agro Europe S.A.S.
Sumitomo Chemical Argentina S.A.
Sumitomo Chemical Asia Pte Limited
Sumitomo Chemical Australia Pty Ltd.
Sumitomo Chemical Brasil Industria Quimica S.A.
Sumitomo Chemical Colombia S.A.S.
Sumitomo Chemical Philippines, Inc.
Sumitomo Chemical Vietnam Co., Ltd.
Valent BioSciences LLC

(2) Key Management Personnel ("KMP")

i) Executive directors

Chetan Shah (Managing Director)
Sushil Marfatia (Executive Director)
Dr Suresh Ramachandran (Whole-time Director & Chief Comercial Officer) (from 1 June 2023)

ii) Non executive directors

Dr. Mukul G. Asher
Ninad D. Gupte
Hiroyoshi Mukai (upto 31 March 2023)
B. V. Bhargava
Tadashi Katayama
Preeti Mehta
Masanori Uzawa

iii) Chief Financial Officer

Anil Nawal

iv) Company Secretary

Dipika Trivedi (from 1 April 2023)
Pravin D. Desai (upto 31 March 2023)

(3) Relatives of KMP

Minoti Ninad Gupte (Wife of Ninad Gupte)
Pragnya Mukulchandra Asher (Wife of Mukul Asher)
Chetna Pravin Desai (Wife of Pravin Desai)

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

Kanga & Company

(Currency: Indian Rupees in Millions, unless otherwise stated)

Disclosures of all transactions between the Group and the related parties and the status of outstanding balances.

	For the year ended 31 March 2024	For the year ended 31 March 2023
Sale of goods (Net of rebate and discount)		
Sumitomo Chemical Company, Limited	**1,155.75**	1,598.05
Sumitomo Chemical Asia Pte Limited	**2.68**	2.91
Sumitomo Chemical Agro Europe S.A.S.	**64.50**	136.67
Sumitomo Chemical Colombia S.A.S. (# includes sales return in current year)	**(5.08)#**	53.93
Sumitomo Chemical Argentina S.A.	**134.25**	135.92
Sumitomo Chemical Vietnam Co., Ltd.	**-**	2.95
Sumitomo Chemical Brasil Industria Quimica S.A.	**968.31**	2,598.85
Sale of services		
Sumitomo Chemical Company, Limited	**0.64**	0.83
Koei Chemical Co., Ltd.	**0.15**	-
Purchase of goods		
Mycorrhizal Applications, LLC	**37.14**	99.17
Sumitomo Chemical Company, Limited	**3,335.61**	4,070.01
Valent BioSciences LLC	**579.69**	782.54
Purchase of services		
Kanga & Company	**0.18**	0.24
Sumitomo Chemical Asia Pte Limited	**-**	0.19
Sumitomo Chemical Brasil Industria Quimica S.A.	**12.90**	10.77
Sumitomo Chemical Company, Limited	**4.49**	3.85
Commission income		
Sumitomo Chemical Company, Limited	**0.16**	2.03
Miscellaneous income - Technical service		
Sumitomo Chemical Company, Limited	**8.69**	3.17
Valent BioSciences LLC	**-**	8.18
Reimbursement of expenses (net)		
Pace International, LLC	**(2.16)**	-
Sumitomo Chemical Company, Limited	**7.48**	6.21
Valent BioSciences LLC	**(0.63)**	(5.54)
Commission expense		
Sumitomo Chemical Australia Pty Limited	**-**	1.14
Sumitomo Chemical Philippines, Inc	**-**	0.26
Contribution to funds		
Sumitomo Chemical India Gratuity Trust	**14.63**	26.98
Sumitomo Chemical India Superannuation Trust	**19.32**	19.64
Payment on behalf of		
Sumitomo Chemical India Gratuity Trust	**47.87**	45.65
Dividend paid		
SC Environmental Science Company Limited * Amount less than 10,000/-	**-**	-
Sumitomo Chemical Company, Limited	**2,321.03**	374.36
Remuneration		
Chetan Shah	**83.29**	80.04
Sushil Marfatia	**27.34**	26.64
Dr Suresh Ramachandran	**16.79**	-
Anil Nawal	**13.33**	11.89
Dipika Trivedi	**1.87**	-
Pravin D. Desai	**-**	8.88
Dividend paid to KMP and their relatives	**0.09**	0.02
Payments to non-executive directors (including sitting fees)		
Mukul Ashar	**3.38**	3.95
Preeti Mehta	**3.35**	3.92
B. V. Bhargava	**3.33**	3.90
Ninad D. Gupte	**3.17**	0.13

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Disclosures of transactions between the Group and the related parties and the status of outstanding balances (continued)

Outstanding as at 31 March:

	As at 31 March 2024	As at 31 March 2023
Trade receivables		
Sumitomo Chemical Company, Limited	**437.03**	442.88
Valent BioSciences LLC	**-**	10.00
Sumitomo Chemical Agro Europe S.A.S.	**-**	24.18
Sumitomo Chemical Colombia S.A.S.	**-**	30.66
Sumitomo Chemical Argentina S.A.	**224.08**	135.92
Sumitomo Chemical Brasil Industria Quimica S.A.	**648.87**	1,411.78
Other receivables		
Sumitomo Chemical India Gratuity Trust	**9.77**	2.43
Trade payables		
Sumitomo Chemical Company, Limited	**1,708.91**	1,852.36
Valent BioSciences LLC	**124.20**	429.34
Mycorrhizal Applications, LLC	**-**	45.47
Sumitomo Chemical Asia Pte Limited	**-**	0.17
Sumitomo Chemical Australia Pty Limited	**-**	0.19
Sumitomo Chemical Brazil Industria Quimica S A	**21.65**	10.77
Commission payable to directors	**38.65**	**48.40**

Terms and conditions of transactions with related parties

1. All related party transactions entered during the year were in ordinary course of the business and are on arm's length basis.
2. For the year ended 31 March 2024, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (2022-23: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.
3. The above remuneration to key management personnel compensation excludes provision for gratuity and compensated absences, since these are provided on the basis of an actuarial valuation of the Group's liability to all its employees.

40. LEASES

The Group has lease contract for it's office premises, vehicles and it's storage location with lease terms between 1 year to 9 years. The Group's obilgations under it's leases are secured by the lessor's titles to the lease assets. Generally, the Group is restricted from assigning and sub leasing the leased assets.

The Group also has certain leasees of office premises and storage locations with lease terms of 12 months or less. The Group applies the 'short term lease' recognition exemption for these leases.

a) The movement in lease liabilities is as follows:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening balances	**339.72**	375.84
Addition on acquisition (net) (Refer note 52)	**(0.06)**	-
Payment of lease liabilities	**(203.59)**	(210.67)
New leases	**127.59**	136.03
Deletion	**(2.14)**	-
Accretion in interest	**35.91**	38.52
Closing balance	**297.43**	339.72
Non-current	**185.13**	177.45
Current	**112.30**	162.27
	297.43	339.72

(Currency: Indian Rupees in Millions, unless otherwise stated)

b) Amount recognised in the statement of profit and loss

Particulars	Classified under	Note	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation of right-of-use assets	Depreciation and amortisation expense	5	**175.96**	167.38
Interest expenses on lease assets	Finance costs	33	**35.91**	38.52
Expenses relating to short term leases	Other expenses	34	**50.95**	39.28

c) (i) The details of carrying amount and movements during the year in right-of-use of asset is disclosed in note 5.

(ii) The effective interest rate for lease liabilities is 10%. The maturity is between 2022 to 2031.

(iii) The maturity analysis of lease liability are disclosed in note 42b liquidity risk management.

41. FINANCIAL INSTRUMENTS

A. Accounting classification and fair value hierarchy

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below.

As at 31 March 2024	Carrying amount/ Fair value				Fair value hierarchy			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non-current								
Investments	-	-	1.15	1.15	-	-	-	-
Loans and deposits with corporates	-	-	68.07	68.07	-	-	-	-
Security deposits	-	-	70.00	70.00	-	-	-	-
Current								
Equity instruments in Tata Steel Limited	0.65	-	-	0.65	0.65	-	-	0.65
Investment in mutual fund	3,456.77	-	-	3,456.77	3,456.77	-	-	3,456.77
Loans	-	-	1,812.06	1,812.06	-	-	-	-
Derivatives assets	2.31	-	-	2.31	-	2.31	-	2.31
	3,459.73	-	1,951.28	5,411.01	3,457.42	2.31	-	3,459.73
Financial liabilities								
Non current								
Lease liability	-	-	185.13	185.13	-	-	-	-
Current								
Trade payables	-	-	4,300.49	4,300.49	-	-	-	-
Liability towards lease asset	-	-	112.30	112.30	-	-	-	-
Derivative liabilities	9.66	-	-	9.66	-	9.66	-	9.66
Other financial liabilities	-	-	2,938.14	2,938.14	-	-	-	-
	9.66	-	7,536.06	7,545.72	-	9.66	-	9.66

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As at 31 March 2023	Carrying amount/ Fair value				Fair value hierarchy			
	FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non-current								
Investments	-	-	1.15	1.15	-	-	-	-
Loans and deposits with corporates	-	-	6.49	6.49	-	-	-	-
Security deposits	-	-	57.82	57.82	-	-	-	-
Deposits with banks	-	-	300.10	300.10	-	-	-	-
Current								
Equity instruments in Tata Steel Limited	0.44	-	-	0.44	0.44	-	-	0.44
Investment in mutual fund	2,387.15	-	-	2,387.15	2,387.15	-	-	2,387.15
Loans and deposits with corporates	-	-	2,365.11	2,365.11	-	-	-	-
Derivatives assets	15.70	-	-	15.70	-	15.70	-	15.70
	2,403.29	-	2,730.67	5,133.96	2,387.59	15.70	-	2,403.29
Financial liabilities								
Non current								
Lease liability	-	-	177.45	177.45	-	-	-	-
Current								
Trade payables	-	-	4,902.14	4,902.14	-	-	-	-
Liability towards lease asset	-	-	162.27	162.27	-	-	-	-
Derivative liabilities	10.35	-	-	10.35	-	10.35	-	10.35
Other financial liabilities	-	-	3,651.53	3,651.53	-	-	-	-
	10.35	-	8,893.39	8,903.74	-	10.35	-	10.35

Notes:

i) Abbreviation

FVTPL - Fair valuation through profit and loss

FVTOCI - Fair value through other comprehensive income

ii) The investments does not include equity investment which are carried at cost and hence not required to be disclosed as per Ind AS 107 “Financial instruments disclosures”

iii) The management has assessed that the fair value of cash and cash equivalents, other balances with banks, loans, trade receivables, other financial assets, lease liabilities, trade payables and other financial liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

iv) The Group uses the following hierarchy to determining end or disclosing the fair value of financial instruments by valuation techniques.

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.

v) The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties.

The following methods and assumptions were used to estimate the fair values:

The fair value of quoted equity investment and mutual funds are based on price quotations at the reporting date.

The Group enters into derivative financial instruments with various counterparties, principally with banks. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The model incorporates various inputs including the credit quality of counter parties, foreign exchange spot and forward rates.

vi) There were no transfers between level 1 and 2 during the year.

(Currency: Indian Rupees in Millions, unless otherwise stated)

42. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

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

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

a. Management of credit risk

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

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The Group establishes an allowance for doubtful debts and impairment that represents its estimate of default rates over expected life of trade receivables and is adjusted for forward looking estimates.

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

Summary of the ageing for trade receivables are as follows:

Particulars	Carrying amount as at 31 March 2024		
	Estimated total gross carrying amount at default	ECL- simplified approach	Net carrying amount
Not due & Due < 181 days	6,740.52	118.93	6,621.59
Past due			
181 Days to 1 Year	424.58	63.16	361.42
> 1 Year to 2 Year	410.04	233.92	176.12
> 2 Year to 3 Year	191.14	191.14	-
Above 3 Year	380.45	380.45	-
	8,146.73	987.60	7,159.13

Expected credit loss assessment for customers as at 31 March 2024:

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

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

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

Particulars	Amount
Balance as at 31 March 2022	670.25
Add: Impairment loss recognised / (reversed) (Refer note 34)	208.98
Add: Exchange difference on revaluation of foreign debtors	0.10
Balance as at 31 March 2023	879.33
Add: Balance due to acquisition of subsidiary	13.68
Less : Amount Written off	(1.45)
Add: Impairment loss recognised (Refer note 34)	96.04
Balance as at 31 March 2024	**987.60**

The impairment loss at 31 March 2024 related to several customers that have defaulted on their payments to the Group and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

Investments

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

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

b. Liquidity risk

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

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

Exposure to liquidity risk

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

31 March 2024	Contractual cash flows				
Particulars	**Carrying amount**	**Total**	**Upto 1 year**	**1-5 years**	**More than 5 years**
Non-derivative financial liabilities					
Lease liabilities	297.43	351.86	127.30	208.58	15.98
Trade payables	4,300.49	4,300.49	4,300.49	-	-
Borrowings	5.06	5.06	5.06	-	-
Other financial liabilities	2,938.14	2,938.14	2,938.14	-	-
Derivative financial liabilities					
Current liabilities					
Forward exchange contracts	9.66	9.66	9.66	-	-
	7,550.78	7,605.21	7,380.65	208.58	15.98

(Currency: Indian Rupees in Millions, unless otherwise stated)

31 March 2023	Contractual cash flows				
Particulars	**Carrying amount**	**Total**	**Upto 1 year**	**1-5 years**	**More than 5 years**
Non-derivative financial liabilities					
Lease liabilities	339.72	454.26	193.15	213.17	47.94
Trade payables	4,902.14	4,902.14	4,902.14	-	-
Other financial liabilities	3,651.53	3,651.53	3,651.53	-	-
Derivative financial liabilities					
Current liabilities					
Forward exchange contracts	10.35	10.35	10.35	-	-
	8,903.74	9,018.28	8,757.17	213.17	47.94

c. **Market risk**

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

i) **Currency risk**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group has foreign currency trade payables and receivables and is therefore exposed to foreign exchange risk. The Group mitigates the foreign exchange risk by setting appropriate exposure limits, periodic monitoring of the exposures and hedging exposures using derivative financial instruments like foreign exchange forward contracts. The exchange rates have been volatile in the recent years and may continue to be volatile in the future. However the operating results and financials of the Group may not be impacted due to volatility of the rupee against foreign currencies as the exposure is generally fully hedged.

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

The currency profile of financial assets and financial liabilities as at 31 March 2024 and 31 March 2023 are as below:

	31 March 2024	31 March 2024	31 March 2024	31 March 2024
	US$	EURO	AED	Others
Financial assets				
Cash and cash equivalents	**5.60**	**-**	**-**	**3.53**
Trade and other receivables	**2,559.70**	**-**	**57.74**	**-**
	2,565.30	**-**	**57.74**	**3.53**
Financial liabilities				
Trade and other payables	**907.56**	**0.28**	**-**	**7.15**
	907.56	**0.28**	**-**	**7.15**
Net statement of financial position exposure	**1,657.74**	**(0.28)**	**57.74**	**(3.62)**
Forward exchange contracts - Sell	**2,513.16**	**-**	**58.51**	**-**
Forward exchange contracts - Buy*	**(852.76)**	**-**	**-**	**-**

* includes forward contracts for goods-in-transits

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	31 March 2023 US$	31 March 2023 EURO	31 March 2023 AED	31 March 2023 Others
Financial assets				
Cash and cash equivalents	2.37	0.77	-	1.52
Trade and other receivables	3,272.83	-	189.00	-
	3,275.20	0.77	189.00	1.52
Financial liabilities				
Trade and other payables	1,822.65	0.26	-	7.48
	1,822.65	0.26	-	7.48
Net statement of financial position exposure	1,452.55	0.51	189.00	(5.96)
Forward exchange contracts - Sell	2,857.16	-	161.43	-
Forward exchange contracts - Buy*	(1,939.57)	-	-	-

* includes forward contracts for goods-in-transits

Sensitivity analysis

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

Effect in Rupees	Profit or loss	
	Strengthening	Weakening
31 March 2024		
1% movement		
US$	**(33.18)**	**33.18**
AED	**(1.16)**	**1.16**
Others	**0.04**	**(0.04)**
	(34.30)	**34.30**

Effect in Rupees	Profit or loss	
	Strengthening	Weakening
31 March 2023		
1% movement		
US$	(23.70)	23.70
EUR	(0.01)	0.01
AED	(3.50)	3.50
Others	0.06	(0.06)
	(27.15)	27.15

ii) Interest rate risk

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

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

Exposure to interest rate risk

The interest rate risk arises primarily from borrowings. Since there are no borrowings in the current year, the interest rate profile of the Group's interest-bearing financial instruments is ₹ Nil.

Fair value sensitivity analysis for fixed-rate instruments

The Group does not account for any fixed-rate borrowings at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

iii) Equity risk

The Group's investments in listed and non-listed equity securities are susceptible to market price risk arising from uncertainties in the financial market. The investment in listed and unlisted equity securities are not significant.

(Currency: Indian Rupees in Millions, unless otherwise stated)

43. SEGMENT INFORMATION

The Group does not have any reportable segment as per the limits prescribed in the Indian Accounting Standard 108 'Operating Segments'.

A. Geographic information

The Group has considered the export operations as a separately identifiable geographic segment due to operations in the Japan and other countries, details of which given below:

Segment revenue	As at 31 March 2024	As at 31 March 2023
India	22,623.86	26,068.92
Outside India	5,553.81	8,664.49
Total revenue	**28,177.67**	34,733.41

Segment assets	As at 31 March 2024	As at 31 March 2023
India	30,473.07	30,219.65
Outside India	2,659.61	3,467.49
Total assets	**33,132.68**	33,687.14

B. Information about major customers

The Group does not have any customer, with whom revenue from transactions is more than 10% of Group's total revenue.

44. EMPLOYEE BENEFITS

The Group contributes to the following post-employment plans.

(A) Defined contribution plans:

I) Provident fund is a defined contribution scheme established under a state plan.

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

III) Contribution to Employees State Insurance Corporation (ESIC)

Current service cost included under the head - Contribution to provident fund and other funds in note 32 'Employee benefits expense':

	31 March 2024	31 March 2023
Provident fund and family pension fund	83.70	79.07
Superannuation fund	19.32	19.64
ESIC	2.83	2.43
Other funds	8.37	5.50
	114.22	106.64

(B) Defined benefit plan:

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

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity was carried out as at 31 March 2024. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

	31 March 2024	31 March 2023
Defined benefit obligation	570.99	511.84
Fair value of plan assets	504.29	497.21
Net defined benefit obligation	**66.70**	14.63

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i. Movement in net defined benefit liability

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

	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset) liability	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Opening balance	**511.84**	509.72	**497.21**	482.74	**14.63**	26.98
Included in profit or loss:						
Current service cost	**54.04**	41.71	**-**	-	**54.04**	41.71
Interest cost (income)	**34.81**	33.31	**36.04**	33.22	**(1.23)**	0.09
Sub-total included in statement of profit and loss					**52.81**	41.80
	600.69	584.74	**533.25**	515.96	**67.44**	68.78
Included in OCI						
Remeasurement gain:						
Actuarial gain arising from:						
Financial assumptions	**13.04**	(21.48)	**-**	-	**13.04**	(21.48)
Experience adjustment	**(6.91)**	(5.77)	**-**	-	**(6.91)**	(5.77)
Return on plan assets excluding interest income	**-**	-	**4.29**	(0.08)	**(4.29)**	0.08
Sub-total included in OCI					**1.84**	(27.17)
	606.82	557.49	**537.54**	515.88	**69.28**	41.61
Other						
Contributions paid by the employer	**-**	-	**14.61**	26.98	**(14.61)**	(26.98)
Benefits paid	**(48.09)**	(45.65)	**(47.86)**	(45.65)	**(0.23)**	-
Liability on account of acquisition	**12.26**	-	**-**	-	**12.26**	-
Closing balance	**570.99**	511.84	**504.29**	497.21	**66.70**	14.63

The components of defined benefit plan cost are as follows:

Particulars	31 March 2024	31 March 2023
Recognised in statement of profit and loss		
Current service cost	**54.04**	41.71
Net interest cost	**(1.23)**	0.09
Total	**52.81**	41.80
Recognised in other comprehensive income		
Remeasurement of net defined benefit liability/(asset)	**1.84**	(27.17)

ii. Plan assets

Plan assets comprise the following

	31 March 2024	31 March 2023
Insurer managed funds (Life Insurance Corporation of India)	**100%**	**100%**

iii. Actuarial assumptions

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

	31 March 2024	31 March 2023
Discount rate	**7.15% - 7.19%**	7.40%
Future salary growth	**9.75% p.a. - 15% p.a.**	9.75% p.a.
Withdrawal rate	**5% at younger ages reducing to 1% at older ages**	5% at younger ages reducing to 1% at older ages
Mortality rate	**Indian Assured Lives Mortality (2012-14) Table**	Indian Assured Lives Mortality (2012-14) Table

(Currency: Indian Rupees in Millions, unless otherwise stated)

iv. Sensitivity analysis

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

	31 March 2024		31 March 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	**543.28**	**601.20**	486.99	538.93
Future salary growth (0.50% movement)	**599.38**	**544.63**	537.44	488.09
Withdrawal rate (10% movement)	**567.05**	**577.62**	509.89	511.98

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

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

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

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

v. Expected future cash flows

The expected future cash out-flows in respect of gratuity as at year end is as follows:

Particulars	31 March 2024	31 March 2023
Up to 1 year	**83.37**	72.44
Between 1-2 years	**28.27**	22.87
Between 2-6 years	**130.40**	101.78
6 to 10+ years	**171.43**	179.17

The average duration of the defined benefit plan obligation at the end of the reporting year is 9.84 years (31 March 2023: 9.88 years).

The contribution expected to be made by the Holding Company during the financial year 2024-25 is ₹ 52.77 Millions.

(C) Other long-term employee benefits:

Compensated absences are payable to employees at the rate of daily salary for each day of accumulated leave on death or on resignation or upon retirement. The charge towards compensated absences for the year ended 31 March 2024 based on actuarial valuation using the projected accrued benefit method is ₹ 70.66 Millions. (31 March 2023: ₹ 37.15 Millions). In the coming financial year it is expected to remain in the similar range.

45. CONTINGENT LIABILITIES AND COMMITMENTS

A) Contingent liabilities

		As at 31 March 2024	As at 31 March 2023
a.	In respect of tax matters		
	Demand raised by authorities against which the Holding Company has filed an appeal		
	i) Income tax	**114.94**	118.62
	ii) Service tax	**9.05**	9.24
	iii) Customs duty	**50.25**	28.68
	iv) VAT / Sales tax	**0.50**	0.50
	v) Goods and service tax	**49.82**	21.97
b.	In respect of other matters		
	Claims against the Holding Company, by consumers, not acknowledged as debts	**155.46**	150.77
	Total	**380.02**	329.78

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS

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

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

B) Capital commitments

	As at 31 March 2024	As at 31 March 2023
Estimated value of contracts in capital account remaining to be executed and not provided for (net of capital advances)	**38.24**	151.37

46. TOTALOUTSTANDINGDUESOFMICROANDSMALLENTERPRISES(ASPERTHEINTIMATIONRECEIVEDFROMVENDORS)

	As at 31 March 2024	As at 31 March 2023
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
Principal*	**268.83**	175.22
Interest	**0.36**	-
The amount of interest paid by the buyer as per the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	**1.56**	0.69
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	**228.92**	296.05
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	**1.92**	0.69
The amount of interest accrued and remaining unpaid at the end of each accounting period	**0.36**	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	**0.36**	-

* It includes amount payable in the nature of capital creditors as disclosed under note 25 - Other current financial liabilities

47. RESEARCH AND DEVELOPMENT EXPENDITURE ('R & D')

	As at 31 March 2024	As at 31 March 2023
(a) Research and development costs, as certified by the management, debited to the statement of profit and loss (in respective heads of accounts) are as under:		
(i) Revenue expenses	**115.74**	123.01
(ii) Depreciation and amortisation of expenses	**15.15**	10.83
	130.89	133.84
(b) Capital expenditure incurred during the year on research and development	**7.15**	7.76

(Currency: Indian Rupees in Millions, unless otherwise stated)

48. CORPORATE SOCIAL RESPONSIBILITY

					As at 31 March 2024	As at 31 March 2023
(a)	Gross amount required to be spent					
	i) for current year				**115.76**	88.14
	ii) for previous year				**-**	-
					115.76	88.14
(b)	Amount approved by the Board to be spent during the year				**116.00**	89.07
(c)	Amount spent during the year ending on 31 March 2024	**In cash**	**Yet to be paid in cash**	**Total**		
	(i) Construction / acquisition of any assets	-	-	**-**		
	(ii) For previous year	-	-	**-**		
	(iii) On purpose other than (i) above	116.00	-	**116.00**		
		116.00	**-**	**116.00**		
(d)	Amount spent during the year ending on 31 March 2023	**In cash**	**Yet to be paid in cash**	**Total**		
	(i) Construction / acquisition of any assets	-	-	-		
	(ii) For previous year	-	-	-		
	(iii) On purpose other than (i) above	89.07	-	89.07		
		89.07	-	89.07		
(e)	Details related to spent / unspent obligations:				**31 March 2024**	**31 March 2023**
	i) Contribution to public trust				**40.50**	45.37
	ii) Contribution to charitable trust				**51.80**	28.95
	iii) Others				**23.70**	14.75
	iv) Unspent amount in relation to:					
	- Ongoing project				**-**	-
	- Other than ongoing project				**-**	-
					116.00	89.07
(f)	Details of other than ongoing project					
Particulars					**31 March 2024**	**31 March 2023**
	a) Opening balance					
	- With the Holding Company				**-**	-
	- In separate CSR unspent A/c				**-**	-
	b) Amount required to be spent and approved by the Board during the year				**116.00**	89.07
	c) Amount spent during the year					
	- From Company's bank A/c				**116.00**	89.07
	- From separate CSR unspent A/c				**-**	-
	d) Closing balance					
	- With the Holding Company				**-**	-
	- In separate CSR unspent A/c				**-**	-

49. In October 2022, the Central Government ('Government') issued a Notification ('Notification') mandating that Glyphosate, a broad spectrum weedicide and an important product for the Holding Company, will be used only through Pest Control Operators. Industry players and associations have filed petitions ('Petitions') before the Hon'ble Delhi High Court ('Hon'ble Court') challenging the Notification. In the course of hearings in the matter, the counsel of the Government has stated that the Notification will not be implemented till the disposal of the Petitions. The Petitions are under hearing before the Hon'ble Court.

50. The Holding Company and its subsidiary incorporated in India has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that, in case of Holding Company, audit trail feature is not enabled for certain changes made using privileged/ administrative access rights to the application and the underlying SAP S4 Hana database. Further, in case of the Holding Company and its subsidiary, there was no instance of audit trail feature being tampered, with respect to the accounting software.

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

(Currency: Indian Rupees in Millions, unless otherwise stated)

51. RATIO ANALYSIS AND ITS ELEMENTS

Ratio	Numerator	Denominator	31 March 2024	31 March 2023	% change	Remarks / reasons for variance (Refer note below)
Debt equity ratio (times)	Lease liabilities (current and non current) + short term borrowings	Issued share capital and other equity	**0.01**	-		Not applicable in the previous year
Debt sevice coverage ratio (times)	Earnings available for debt service	Debt service	**16.36**	18.07	(9.46%)	
Return on net worth (%) / ROE	Net profit after tax	Net worth	**15.33%**	23.31%	(34.23%)	Due to lower sales, net profit is lower which has resulted into lower ROE
Current ratio (times)	Current assets	Current liabilities	**3.34**	2.99	11.73%	
Trade receivables turnover (in times)	Revenue from contracts with customer	Average trade receivable	**3.39**	3.87	(12.42%)	
Trade payables turnover (in times)	Expenses	Average trade payables	**4.58**	5.14	(10.84%)	
Inventory turnover (in times)	Cost of goods sold	Average inventory	**2.40**	2.51	(4.43%)	
Net profit ratio (%)	Net profit after tax	Revenue from operations	**13.00%**	14.30%	(9.11%)	
Net capital turnover (in times)	Revenue from operations	Working capital (Current assets - Current liabilities)	**1.52**	1.89	(19.76%)	
Return on investment (%)	Mutual fund, interest and dividend income	Average quarterly investments	**7.35%**	5.75%	27.94%	Better investment mix, higher interest rates scenario resulted into higher return on investment as compare to previous year.
Return on capital employed (%)	EBIT	Capital employed	**20.89%**	30.42%	(31.32%)	Lower sales resulted into lower EBIT which has impacted return on capital employed

Note : Reason for variance has been given for those ratios whereby variation is more than 25% (+/-)

Abbreviations

i) Earnings available for debt service - Profit before tax + interest expenses including interest expense on lease payments + depreciation and amortisation expenses

ii) Debt service - Interest expenses including interest expense on lease payments + repayment of lease liabilities.

iii) Net worth includes share capital and other equity

iv) Expenses includes cost of goods sold and other expenses excluding expected credit loss allowance, CSR, donations, insurance, directors sitting fees, PPE written off, exchange differences (net) and bank charges

(Currency: Indian Rupees in Millions, unless otherwise stated)

52. ACQUISITION DURING THE YEAR ENDED 31 MARCH 2024

On 15 December 2023, the Holding Company acquired 85% of the Equity Shares (on fully diluted basis) of Barrix Agro Sciences Private Limited ('Barrix'), Bengaluru based company engaged in R&D innovation, manufacturing and marketing of Integrated Pest Management ('IPM') and Integrated Plant Nutrition Management ('IPNM') products especially pheromone traps and chromatic sheets for agricultural pest management, by way of acquisition of 26,061 equity shares from the then shareholders and infusion of equity capital through subscription of 8,956 new equity shares into Barrix. The total consideration of ₹ 782.01 Millions comprises of ₹ 582 Millions paid to the then sharesholders for purchase of shares and ₹ 200.01 Millions equity infusion into Barrix. The acquisition is in alignment of the Group's strategy to build a more sustainable portfolio of green chemistries and offer IPM and IPNM products and solutions to farmers.

Assets acquired and liabilities assumed	Fair value recognised on acquisition
The fair values of the identifiable assets and liabilities of Barrix Agro Sciences Private Limited as at the date of acquisition were:	
Assets	
Property, plant and equipment	46.64
Right-of-use assets	46.68
Intangible asset	22.21
Other non current assets	6.94
Inventories	34.57
Trade receivables	62.75
Cash and cash equivalents	203.47
Other current assets	9.01
	432.27
Liabilities	
Borrowings	58.54
Lease liabilities	46.74
Other non current liabilities	8.78
Trade payables	28.79
Other current liabilities	101.71
	244.56
Total identifiable net assets at fair value (after infusion of capital)	**187.71**
Proportionate fair value of net asset acquired for 85% stake	159.55
Goodwill arising on acquisition	622.46
Purchase consideration transferred	**782.01**

From the date of acquisition, Barrix has contributed ₹ 114.06 Millions of revenue and ₹ 8.83 Millions to the profit before tax of the Group. If the combination had taken place at the beginning of the year, revenue from operations of the Group would have been ₹ 28,645.83 Millions and the profit before tax for the Group would have been ₹ 4,934.96 Millions.

Purchase consideration	Amount
Shares acquired and subscribed	782.01
Contingent consideration liability	-
Total consideration	**782.01**

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

(Currency: Indian Rupees in Millions, unless otherwise stated)

53. STATUTORY GROUP INFORMATION AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013 WITH RESPECT TO CONSOLIDATED IND AS FINANCIAL STATEMENTS

Name of the entity	31 March 2024							
	Net Assets		Share in profit or (loss)		OCI		Total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or (loss)	Amount	As % of consolidated OCI	Amount	As % of consolidated total comprehensive income	Amount
1	2	3	4	5	6	7	8	9
Parent - Sumitomo Chemical India Limited	99.82%	24,402.46	99.98%	3,696.73	(34.70%)	1.35	100.12%	3,698.08
Subsidiaries								
1. Barrix Agro Sciences Private Limited	0.81%	198.78	0.37%	13.57	79.43%	(3.09)	0.28%	10.48
2. Excel Crop Care (Africa) Limited	0.06%	13.84	(0.09%)	(3.31)	-	-	(0.09%)	(3.31)
Adjustment arising out of consolidation	(0.69%)	(169.66)	(0.26%)	(9.55)	55.27%	(2.15)	(0.32%)	(11.70)
TOTAL	100.00%	24,445.42	100.00%	3,697.44	100.00%	(3.89)	100.00%	3,693.55

Name of the entity	31 March 2023							
	Net Assets		Share in profit or (loss)		OCI		Total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or (loss)	Amount	As % of consolidated OCI	Amount	As % of consolidated total comprehensive income	Amount
1	2	3	4	5	6	7	8	9
Parent - Sumitomo Chemical India Limited	99.92%	23,799.09	100.24%	5,034.37	89.32%	20.33	100.20%	5,054.70
Subsidiaries								
Foreign								
Excel Crop Care (Africa) Limited	0.12%	27.61	(0.16%)	(7.88)	-	-	(0.16%)	(7.88)
Adjustment arising out of consolidation	(0.04%)	(8.88)	(0.09%)	(4.40)	10.68%	2.43	(0.04%)	(1.97)
TOTAL	100.00%	23,817.82	100.00%	5,022.09	100.00%	22.76	100.00%	5,044.85

Note : Excel Crop Care (Africa) Limited, Tanzania, an unlisted subsidiary of the Holding Company has applied for voluntarily winding up effective from 31 March 2024 since it was not having significant business / commercial activities / sales.

54. OTHER STATUTORY INFORMATION

(i) The Group does not have any benami property, where any proceeding has been initiated or pending against the Group for holding any benami property.

(ii) The Group does not have any transactions with companies struck off.

(iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Group has not traded or invested in crypto currency or virtual currency during the financial year.

(v) The Group has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the intermediary shall:

  (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

  (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vi) The Group has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

  (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

  (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vii) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(viii) The Group has complied with the number of layers prescribed under clause 87 of section 2 of the Companies Act, 2013 read with Companies (restriction on number of layers) Rules, 2017.

55. STANDARDS NOTIFIED BUT NOT YET EFFECTIVE

There are no new standards that are notified, but not yet effective, upto the date of issuance of the consolidated Ind AS financials statements.

56. EVENTS AFTER THE REPORTING PERIOD

There are no significant events after the reporting period except as disclosed in note 20(f), that require adjustments or disclosures in the consolidated Ind AS financial statements as on the balance sheet date.

57. The figures for the previous year have been regrouped/reclassified wherever considered necessary.

As per our report of even date attached
For **S R B C & CO LLP**
Chartered Accountants
Firm's Registration No: 324982E/E300003

Jayesh Gandhi
Partner
Membership No: 037924
Place: Mumbai
Date: 27 May 2024

For and on behalf of the Board of Directors of
Sumitomo Chemical India Limited
CIN: L24110MH2000PLC124224

Chetan Shah
Managing Director
DIN: 00488127
Place: Mumbai
Date: 27 May 2024

Sushil Marfatia
Executive Director
DIN: 07618601
Place: Mumbai
Date: 27 May 2024

Anil Nawal
Chief Financial Officer
Place: Mumbai
Date: 27 May 2024

Deepika Trivedi
Company Secretary
Place: Mumbai
Date: 27 May 2024

Notes

Notes









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