

# E.I. DUPONT INDIA PRIVATE LIMITED

[CIN NO. U24299HR1994PTC034086]

Regd. Office : 7th Floor, Tower C, DLF Cyber Greens, Sector 25-A,  
DLF City, Phase III, Gurugram, Haryana 122 002.

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## MEETING OF THE UNSECURED CREDITORS OF E.I. DUPONT INDIA PRIVATE LIMITED

(Convened pursuant to the order dated 30th August, 2018 passed by the National Company Law Tribunal, Bench at Chandigarh)

### Details Of The Meeting:

<b>Day</b>	Saturday
<b>Date</b>	13th October, 2018
<b>Time</b>	10.30 AM
<b>Venue</b>	7th Floor, Tower C, DLF Cyber Greens, Sector 25-A, DLF City, Phase III, Gurugram, Haryana-122 002

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**Before The National Company Law Tribunal,  
Bench, at Chandigarh  
Company Application (Caa) No. 14/Chd/Hry/2018  
(Under Section 230-232 of The Companies Act 2013)**

**IN THE MATTER OF:**

SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013 READ WITH RULES FRAMED THEREUNDER.

**AND IN THE MATTER OF:**

**E.I. DUPONT INDIA PRIVATE LIMITED** [CIN NO. U24299HR1994PTC034086], A COMPANY INCORPORATED UNDER THE COMPANIES ACT, 1956 HAVING ITS REGISTERED OFFICE, TOWER C, DLF CYBER GREENS, SECTOR 25-A, DLF CITY, PHASE III, GURUGRAM, HARYANA 122 002, INDIA; PAN NO. AAACE2462M; EMAIL: SANJIT-KAUR.BATRA@DUPONT.COM; WEBSITE: WWW.DUPONT.CO.IN; TEL NO. +91-124-4091818; FAX NO. +91-124-2540889

**AND IN THE MATTER OF:**

SCHEME OF ARRANGEMENT AMONG E. I. DUPONT INDIA PRIVATE LIMITED AND PERFORMANCE SPECIALTY PRODUCTS (INDIA) PRIVATE LIMITED.

**NOTICE CONVENING MEETING OF THE UNSECURED CREDITORS OF E.I. DUPONT INDIA PRIVATE LIMITED**

To

**The Unsecured Creditors of E.I. Dupont India Private Limited (the "Company")**

NOTICE is hereby given that by an order dated 30th August 2018 (**the "Order"**), the National Company Law Tribunal, Bench at Chandigarh (**"NCLT"**) has directed a meeting to be held of the Unsecured Creditors of the Company (**"Meeting"**), for the purpose of considering, and if thought fit, approving with or without modification(s), the Scheme of Arrangement among E.I. Dupont India Private Limited and Performance Specialty Products (India) Private Limited (**"Scheme"**).

In pursuance of the said Order and as directed therein, further notice is hereby given that a meeting of the Unsecured Creditors of the Company will be held to transact the special business at the Registered Office of the Company at 7th Floor, Tower C, DLF Cyber Greens, Sector 25-A, DLF City, Phase - III, Gurugram, Haryana 122 002, India on Saturday, the 13th day of October 2018, at 10:30 AM, at which time and place the said Unsecured Creditors are requested to attend, to consider and if thought fit, approve with or without modification(s), the resolution set out below in this Notice under Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013, read with the rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) with the requisite majority.

**"RESOLVED THAT** pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013, other applicable enactments, rules, regulations and guidelines, Memorandum and Articles of Association of the Company and subject to the sanction by the National Company Law Tribunal, Bench at Chandigarh (**"NCLT"**) and subject to other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the NCLT, the approval of the Unsecured Creditors of the Company be and is hereby accorded to the Scheme of Arrangement among E.I. Dupont India Private Limited and Performance Speciality Products (India) Private Limited.

**RESOLVED FURTHER THAT** the Board of Directors of the Transferor Company be and are hereby authorized to do and perform all such acts, deeds, matters and things, as may be considered requisite, desirable, appropriate or

necessary to give effect to this resolution and effectively implement the arrangements embodied in the Scheme and to accept such modification, amendments, limitations and conditions, if any, which may be required and/or imposed by the NCLT and/or any other authority(ies) while sanctioning the Scheme or by any authority under the law, or as may be required for the purpose of resolving any doubt or difficulties that may arise in giving effect to the Scheme, as the Board may be deem fit and proper”

The Company has also provided an alternative facility to the Unsecured Creditor(s) to cast their vote by Postal Ballot and the Notes to this notice may be referred for the detailed instructions for casting vote by Postal Ballot.

Statement pertaining to the said resolution setting out the material facts and reasons thereof under Sections 230 (3) of the Companies Act, 2013, read with Rule 6 (3) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, along with copy of the Scheme and other annexures including Proxy Form, Attendance Slip and Postal Ballot Form are enclosed herewith. Copies of the same can also be obtained free of cost from the registered office of the Company situated at 7th Floor, Tower C, DLF Cyber Greens, Sector 25-A, DLF City, Phase III, Gurugram, Haryana 122 002.

Persons entitled to attend and vote at the Meeting, may vote in person or by proxy, provided that the proxy in the prescribed form, duly completed, stamped and signed or authenticated by the concerned person, are deposited at the registered office of the Transferor Company not later than 48 hours before the scheduled time of the Meeting. Form of Proxy can be obtained free of charge on any day (except Saturday, Sunday and Public holidays) from the registered office of the Transferor Company.

The National Company Law Tribunal, Bench at Chandigarh, has appointed Hon’ble Mr. Justice (Retd) Vinay Mittal, as the Chairperson and Mr. Savdesh Goyal, Chartered Accountant as the alternate Chairperson of the said meeting.

The above mentioned Scheme, if approved by the Unsecured Creditors, will be subject to the subsequent approval by the National Company Law Tribunal, Bench at Chandigarh.

**For E.I. Dupont India Private Limited**

**Ms. Sanjit Kaur Batra  
(Authorized Representative)**

Dated this 4th day of September, 2018

Place: Gurgaon

**Notes:**

1. A statement pursuant to Section 230 (3) of the Companies Act, 2013, in respect of Special Business as set out above to be transacted at the Meeting is annexed hereto and forms part of this Notice.
2. Only Unsecured Creditors of the Company may attend and vote (either in person or by proxy or by authorized representative under Section 113 of the Companies Act, 2013) at the Unsecured Creditors meeting. The representative of a body corporate which is an Unsecured Creditor of the Company may attend and vote at the Unsecured Creditors meeting provided a certified true copy of the resolution of the Board of Directors or other governing body of the body corporate is deposited at the registered office of the Company not later than 48 hours before the meeting authorizing such a representative to attend and vote at the Unsecured Creditor's meeting.
3. The Proxy form is attached to this Notice. An additional proxy form can also be obtained from the registered office of the Company situated at 7th Floor, Tower C, DLF Cyber Greens, Sector 25-A, DLF City, Phase III, Gurugram, Haryana 122 002.
4. All alterations in the Form of Proxy should be initialed.
5. An Unsecured Creditor or his proxy or authorized representative, as the case may be, attending the meeting, is requested to bring the Attendance Slip duly completed and signed.
6. It is clarified that casting of votes by Postal Ballot does not disentitle an Unsecured Creditor as on the Cut-off date of 31st March, 2018(List of Unsecured Creditors as filed with the Hon'ble NCLT) from attending the Meeting. It is further clarified that the Proxies can only vote on Poll at the meeting and not through any other mode.
7. In terms of directions contained in the Order, the quorum for the Meeting shall be 50 Unsecured Creditors in terms of number or 25% in terms of the value of the total unsecured debt of the Company as on 31st March, 2018. Further, in case the aforesaid quorum for the Meeting is not present, then the Meeting shall be adjourned by 30 minutes and thereafter, the Unsecured Creditors present and voting shall be deemed to constitute the quorum. For the purposes of computing the quorum, the valid proxies shall also be considered.
8. In terms of Sections 230 to 232 of the Companies Act, 2013, the Scheme shall be considered approved by the Unsecured Creditors of the Company if the resolution mentioned above in the notice have been approved at the Meeting by a majority of persons representing three-fourths in value of the Unsecured Creditors of the Company, voting in person or by proxy.
9. As directed by the Tribunal, Ms. Dimple Gupta has been appointed as the scrutinizer for scrutinizing the ballot papers in a fair and transparent manner. Post the meeting, the scrutinizer will submit the report to the Chairman, after completing the scrutiny of the Postal Ballots. The results as declared by the Chairman, along with the report of the scrutinizer shall be displayed at the registered office of the Company situated at 7th Floor, Tower C, DLF Cyber Greens, Sector 25-A, DLF City, Phase III, Gurugram, Haryana 122 002 and shall also be placed on the website viz. [www.dupont.co.in](http://www.dupont.co.in).
10. The Unsecured Creditors can opt for only one mode of voting i.e. either through Postal Ballot or polling paper at the Tribunal Convened Meeting. In case Unsecured creditors cast their vote by more than one means of voting, then voting will be counted in the following sequence of priority, namely, (i) Postal Ballot and (ii) Polling Paper at Tribunal Convened Meeting, as may be applicable.
11. The notice convening the meeting will be published through advertisement in "Financial Express" in English language and "Dainik Bhaskar" in Hindi language.
12. The material documents referred to in the accompanying Explanatory Statement and pursuant to the applicable provisions, shall be open for inspection, from 10.00 a.m. to 1.00 p.m. on all working day (except Saturdays, Sundays and Public Holidays) upto one day prior to the date of the meeting of the Unsecured Creditors at the registered office of the Company.



13. In case of any grievance, an Unsecured Creditor may contact the below mentioned person:

Name of the Contact Person	: Samar Bhatia
Designation	: Company Secretary
Email Id	:samar.bhatia@dupont.com
Phone Number	: +91 -124-4091818

14. The instructions for Unsecured Creditors for voting are as under:-

**Voting through Postal Ballot Form**

An Unsecured Creditor desiring to exercise vote by postal ballot shall complete the enclosed Postal Ballot Form with assent (for) or dissent (against) and send it to the scrutinizer. Envelopes containing Postal Ballot, if sent by courier or by registered post at the expense of the Unsecured Creditor, will also be accepted. The Postal Ballot Form, duly completed and signed should reach the scrutinizer on or before 5:00 P.M, 12th October, 2018. Any Postal Ballot Form received after 5:00 P.M, 12th October, 2018, shall be treated as if the reply from the Unsecured Creditor has not been received. The Company shall not be responsible for the loss or delay attributable to the postal department or for reasons beyond the control of the Company. The Unsecured Creditor are requested to carefully read the instructions printed overleaf the Postal Ballot Form before exercising their votes.



**Before The National Company Law Tribunal,  
Bench, At Chandigarh  
Company Application CA (CAA) No.14/CHD/HRY/2018**

In The Matter Of Sections 230 - 232 Of The Companies Act, 2013 Read With The Companies (Compromises, Arrangements And Amalgamations) Rules, 2016  
and

In the matter of scheme of arrangement among:  
E. I. Dupont India Private Limited

Performance Specialty Products (india) Private Limited

.....Transferor Company

.....Transferor Company

And in the matter of :

E. I. Dupont India Private Limited  
(CIN NO. U24299HR1994PTC034086]  
A Company Incorporated  
Under The Companies Act, 1956  
Having its registered office At  
7th Floor, Tower C, Dlf Cyber Greens,  
Sector 25-A, Dlf City, Phase III, Gurugram,  
Haryana 122 002, India.

.....Transferor Company

And  
Performance Specialty Products (India) Private Limited  
[CIN NO. U15490HR2016FTC066195]  
A Company Incorporated  
Under The Companies Act, 2013  
Having its registered office At  
8Th Floor, Tower C, Dlf Cyber Greens,  
Sector 25-A, Dlf City, Phase III, Gurugram,  
Haryana 122 002, India.

.....Transferor Company

**Statement under section 230 (3) of the Companies act, 2013 (“2013 act”) read with rule 6 (3) of the Companies (Compromises, Arrangements and a Amalgamations) rules, 2016.**

1. The Hon’ble National Company Law Tribunal, Bench at Chandigarh, by an order dated 30th August 2018 (“Order”) in the Company Application referred to above, with respect to the Scheme of Arrangement among E.I. Dupont India Private Ltd. (“Transferor Company”) and Performance Speciality Products (India) Private Limited (“Transferee Company”) (“Scheme”) has directed the convening of the meeting of the Unsecured Creditors of the Transferor Company on Saturday, 13th October, 2018 at the Registered Office of the Transferor Company at 7th Floor, Tower C, DLF Cyber Greens, Sector 25A, DLF City, Phase-III, Gurugram-122002, India at 10.30 AM. By the said Order, meetings of the Equity Shareholders of the Transferor and Transferee Company have been dispensed with.
2. E. I. Dupont India Private Limited, (“Transferor Company”) was incorporated in Delhi under the Companies Act, 1956 (“1956 Act”) under the name of E. I. DuPont India Private Limited vide certificate of incorporation dated 17th November 1994 issued by the Additional Registrar of Companies, NCT of Delhi & Haryana. The word “Private” was deleted from the name of the Transferor Company on 29th May 1997. The Registered Office of the Applicant/ Transferor Company was shifted from Delhi to the State of Haryana, pursuant to an order of the Company Law Board dated 30th November 1998, which was recorded by the Additional Registrar of Companies, NCT of Delhi & Haryana on 10th December 1998. The word “Private” was added to the name of the Transferor Company on 14th November 2002. The Registered Office of the Transferor Company is situated at 7th Floor, Tower C, DLF Cyber Greens, Sector- 25-A, DLF City, Phase III, Gurugram, Haryana 122 002, India, within the jurisdiction of this Hon’ble Tribunal.
3. The main objects of the Transferor Company as set out in its Memorandum of Association are as under:
  1. To carry on the business of manufacturing, mixing, blending, making, importing, exporting, buying, selling, trading, distributing or otherwise dealing in all kinds of chemicals, chemical compounds, chemical products, speciality chemicals, fluorochemicals, heavy chemicals, acids, alkalies of all kinds, oils and lubricants, polymers of all types, engineering, polymers, fluoro polymers, packaging and industrial polymers, elastomers , automotive finishes, films of all kinds , medical products, medical and imaging products and systems, printing, and publishing material, nylon of all kinds, nylon tire cord, nylon fabric, nylon textiles, nylon flooring systems, polyamide, polyester, synthetic and modified polymers, fibers, acrylic , viscose, man made and natural cellulosic, silk, wool, fiber, glass, staple, filament, twines, fabrics, resins, engineering resins, natural fibres, aramid, spandex, engineering plastics, agro chemicals of all kinds, insecticides, fungicide, herbicide, disinfectants, deodorants, as well as bio chemicals, pharmaceuticals, medical chemicals, sizing, bleaching photographicals and other preparations and articles of any nature and kind whatsoever for all types of industrial, commercial or domestic applications and process materials.
  2. To carry on the business of manufacturer, developers, researchers, consultants, advisers and distributors in relation to aseptic packaging, equipment and machinery and to develop, design, manufacture, purchase, sell, let or hire, lease, distribute, export, import, maintain and generally deal in aseptic and non-aseptic packaging of all kinds.
  3. To carry on the business of designing, developing, inventing, researching, investigating, improving, experimenting, simulating, importing of goods and services of all kinds including software.

4. To act as agents, distributors, indentors, stockiest, wholesalers, retail dealers, and/or import, blend, mix, split package, market, acquire, develop, source, procure or to otherwise deal in goods and services including by/through the internet which are produced, dealt in and/or rendered by the E.I. DuPont De Nemours & Co. (Inc.), USA and its affiliate companies as well as other Indian/foreign companies.”

4. The share capital structure of the Transferor Company as on 31st March, 2018 is as under:

Share Capital	Amount in Rs.
<b>Authorised Capital</b>	
250,000,000 equity shares of Rs. 10 each	2,500,000,000
500,000 preference shares of Rs 100 each	50,000,000
Total	2,555,000,000
<b>Issued, Subscribed and Paid-up Share Capital</b>	
55,949,880 equity shares of Rs. 10 each	559,498,880
Total	559,498,880

5. The financial position of the Transferor Company as per its last audited accounts as on 31st March, 2017 is as under:

Particulars	Amount (In INR)
Issued, subscribed and paid up Share Capital	55,94,98,800
Reserves and Surplus	719,17,06,365
Trade Payables	834,01,20,511
Other Liabilities (Non Current/Current)	308,71,26,485
Long Term Borrowings	71,32,21,372
Trade Receivables	452,83,62,939
Cash and bank balances	703,48,506
Other Income	41,58,31,748
Comprehensive income, net of tax	158,77,09,019

6. Performance Specialty Products (India) Private Limited, (“Transferee Company”) was incorporated under the Companies Act, 2013 (“2013 Act”) on 25th October 2016 vide certificate of incorporation issued by the Registrar of Companies, NCT of Delhi & Haryana. The Registered Office of the Transferee Company is situated at 8th Floor, Tower C, DLF Cyber Greens, Sector- 25-A, DLF City, Phase III, Gurugram, Haryana 122 002, India.

7. The main objects of the Transferee Company as set out in its Memorandum of Association are as under:

1. To carry on the business of manufacturing, mixing, blending, marketing, distributing, packing, processing, producing, preserving, importing, exporting, buying, selling, providing consultancy or otherwise dealing in nutrition and health industries including food, beverage, dietary supplement and pharmaceutical; biotechnology and engineering solutions including enzymes, biomaterials, biocides and antimicrobial solutions; electronics and energy related industries including semiconductor, advanced chip packaging, circuit board, electronic and industrial finishing, photovoltaic, display, and digital and flexographic printing, wall coverings, high-performance fibers and foams, aramid papers and



fibers, non-woven structures, membranes and filtration technologies, and protective garments; surface material, operations management consulting services and learning and development technologies to help improve the safety, productivity and sustainability of organizations; providing high-performance engineering resins, adhesives and lubricants or parts thereof in the transportation, electronics and medical markets.; and to do any pre-commercial activities associated with such businesses.

2. To develop, invent research, investigate, improve, experiment, undertake research, maintain laboratories, aid laboratories, research stations, conduct research and education programs, seminars, meetings etc. for the improvement and development of the Company's products and services mentioned in Clause (1) and otherwise and to act as agents, distributors, in debtors, stockiest, wholesalers, retail dealers, and/or to import, mix, slit package, market, acquire, develop, source, procure or to otherwise deal in goods and services including by/through the internet which are produced, dealt in and/or rendered by any Indian/ foreign companies.
3. To carry on the business of providing consultancy services, information technology services, information technology enabled services, technical services and technology services, process and workflow solutions, management services, administration services, sourcing and purchase services, finance and account services, treasury services, litigation and legal consultation services, document creation and processing services, co-ordination services for management, agency services, marketing and vendor development services, sales and business development and coordination services, international and local business development services, services of liaising and representation, Human Resources and recruitment and training services, biotechnology services, inventory control, import and export services, industrial research and development services in all field, trade related services, patent, trademark, copyrights, design and other intellectual property rights related services, website related services, electronic commerce, finance and finance backup operation, taxation and taxation backup operation telemarketing , man power supply, business process outsourcing, knowledge process outsourcing and other outsourcing services to achieve all of the above to establish and operate call centers, transcription centers, e-mail center, customer care centers and help desks, end to end call center set up for domestic and foreign customer, knowledge process outsourcing / business process outsourcing and legal process outsourcing either in India or abroad in any software technology park or otherwise software development centers or on any other location.
4. To carry on the business of networking, information system, audit including security audit, computer training center, e-commerce, voice servers, interactive voice response servers, communication servers and complete network-internet security services and further carry on the business of export, import, manufacturing and distribution of computer hardware and peripherals, computer software internet protocol based electronic private automatic branch exchange and to provide information technologies, telecom solutions, internet based solution on business to business and business to customer platform for products and services including buying selling exports, import, franchise licensing, agency, consultants, web site hosting on the internet, organizing cyber exhibitions of information technology products, services, software, hardware, communication network and solution including physical warehousing, distribution and supply of products and services as supplementary and complementary of e-commerce business to the corporates, small and medium enterprises, domestic and foreign customers and government institutions.

5. To carry on the business of acting as consultant, advisor, representative, agent, buyer, seller, counselor, accountant, auditor, developer, scientist, analyst and coordinator and in any other capacity in technical, scientific research, sourcing, finance, information technology enabled, information technology, human resources, legal, business, inventory and commercial applications and platforms and to conceive, develop and design applications and information technology enabled services in the areas of law, medicine, health, human resources, accounting, architecture, engineering information technology, customer relationship management business research, knowledge, management, web design and hosting and any other area and to develop the corresponding software that will help in providing guidance and assistance to user in some or all of these areas. To maintain database and provide consultancy to the customer's business needs.
  6. To carry on the operation to develop, distribute, e-mail, provide customer service, operate, improve, procure, install, move, import, export, consult and distribute all kinds of products and services including software and to represent, advise or otherwise deal in various areas including internet, e-commerce, software and e-services including design, creation, development, maintenance and hosting of website and networks including voice and / or data.
  7. To act as agents, distributors, indenter, stockiest, wholesalers, retail dealers, and/or to import, mix, slit package, market, acquire, develop, source, procure or to otherwise deal in goods and services including by/through the internet which are produced, dealt in and/or rendered by any Indian/foreign companies.
8. The share capital structure of the Transferee Company as on 31<sup>st</sup> March, 2018 is as under :-

Share Capital	Amount in Rs.
<b>Authorised Capital</b>	
10,000 equity shares of Rs. 10 each	100,000
<b>Total</b>	<b>100,000</b>
<b>Subscribed Share Capital</b>	
10,000 equity shares of Rs. 10 each	100,000
<b>Total</b>	<b>100,000</b>

9. The financial position of the Transferee Company as per its last audited accounts as on 31<sup>st</sup> March, 2017 is as under:

Particulars	Amount (In INR)
Issued, subscribed and paid up Share Capital	100,000
Reserves and Surplus	-100,375
Trade Payables	NIL
Other Liabilities (Non Current/Current)	100,000
Long Term Borrowings	7NIL
Trade Receivables	NIL
Cash and bank balances	99,625
Other Income	NIL
Comprehensive income, net of tax	-100,375

10. The Scheme provides for the transfer and vesting of the SP Undertaking of the Transferor Company (as defined in the Scheme) and its vesting in the Transferee Company pursuant to the provisions of Sections 230-232 of the 2013 Act and other applicable provisions of the 2013 Act.
11. The salient features of the Scheme are as under:-
  - A. The Appointed Date under the Scheme is 1st April, 2019.
  - B. The SP Undertaking" means the undertaking of the Transferor Company comprising the business, activities and operations of the protection solutions business, the sustainable solutions business, the polymer business and the electronics, communications and photovoltaic business comprising of all the assets (moveable and immovable) and specified liabilities, which relate thereto or are necessary therefore and including specifically the following:-
    - i. All assets and properties relating to or arising from the activities and operations of the SP Undertaking;
    - ii. all debts and liabilities including the contingent liabilities relating to or arising out of the activities or operations of the SP Undertaking;
    - iii. all contracts, agreements, licenses, leases etc. exclusively relating to the SP Undertaking;
    - iv. all permits, licenses, registrations etc. pertaining to the SP Undertaking;
    - v. All such permanent employees engaged in or in relation to the SP Undertaking.
  - C. The Scheme envisages the demerger of the SP Undertaking of the Applicant/Transferor Company into the Applicant/Transferee Company.
  - D. It is provided for in the Scheme that all debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured and relating to the SP Undertaking shall be discharged and satisfied by the Transferee Company.
  - E. It is further provided for in the Scheme that:-
    - i. all assets pertaining to the SP Undertaking shall stand transferred to and vest in the Transferee Company;
    - ii. all contracts, deeds, bonds, agreements, etc. for the purpose of carrying on the business of the SP Undertaking shall be and remain in full force and effect on, against or in favour of the Transferee Company;
    - iii. all pending legal proceedings pertaining to the SP Undertaking whether by or against the Transferor Company, pending on the Appointed Date shall continue and any prosecution shall be enforced by or against the Transferee Company;
    - iv. all permanent employees pertaining to the SP Undertaking shall become the employees of the Transferee Company without any break or interruption in their services and in accordance with applicable law.
  - F. The Scheme further provides that as consideration for the transfer and vesting of the SP Undertaking, the Transferee Company shall issue 1 (one) Equity Share of the face value of Rs.10/- each to the shareholders of the Transferor Company in the ratio of 1 : 1.
  - G. It is provided for in the Scheme that the Accounting Treatment shall be in accordance with the standards prescribed under Section 133 of the 2013 Act.

(The aforesaid are only the salient features of the Scheme. You are requested to read the entire text of the Scheme to get fully acquainted with the provisions thereof).

12. The Scheme has no adverse effect on any of the directors, key managerial personnel, promoters, members, creditors and employees of the Transferor Company and the Transferee Company. The Scheme would be in the best interest of all stakeholders of the Transferor Company and the Transferee Company
13. That no investigation or proceedings under Sections 235 to 251 of the 1956 Act and/or under Sections 206 to 229 of the 2013 Act are pending or instituted against any of the Applicant Companies. Company Petition No. 50 of 2013 under Section 433(e) of the 1956 Act is pending before the Hon'ble Punjab and Haryana High Court as regards the Applicant/Transferor Company and the said Petition is not yet admitted. There are no proceedings for winding up pending against the Applicant/Transferee Company.
14. The details of the promoters of the Transferor Company are as under

S. N.	Name of the Promoter	Address	Nos. of Shares held
1.	M/s Dupont India Limited, LLC	Chestnut Run Plaza, 974 Centre Road Wilmington, Delaware 19805.	559,47,880
2.	M/s Dupont Chemical and Energy Operations, Inc.	Chestnut Run Plaza, 974 Centre Road Wilmington, Delaware 19805.	2000

15. The Board of Directors of the Transferor Company in its meeting held on 27th April, 2018 approved the Scheme and filing thereof.
16. The details of Directors of the Transferor Company who voted in favour of the resolution/against the resolution and who did not participate or vote on such resolution are as under :-

Sl. No.	Name of Directors	Address	Voted for the Resolution	Voted against the Resolution	Did not vote or participate
1.	Sheril Varghese Vaidhyan	H.No.2489, Block A, Netaji Nagar, New Delhi-110023.	Yes	N.A.	N.A.
2.	Mr. Mahesh Jain	Sector B, Pocket 8, Flat No.6099, Vasant Kunj, Delhi-110070	Yes	N.A.	N.A.
3.	Ms. Sanjit Kaur Batra	Flat No.903, Tower C-2, The Legend, Sector 57 IN, Sushant Lok Phase-3, Gurgaon-122011, Haryana, India.	Yes	N.A.	N.A.
4.	Girish Kumar Vaidya	1/203, Millenium Apartment, Plot 2, Sector 9, Dwarka, South West Delhi, Delhi-110077.	Absent	N.A.	Absent
5.	Subramanianian Parameswaran	1, KRUPAS, 2nd A Cross, Nagarbhavi Village Bangalore Nagarbhavi, Karnataka-560072.	Absent	N.A.	Absent

17. The Board of Directors of the Transferee Company at its meeting held on 27th April, 2018 approved the Scheme and filing thereof.

18. The details of Directors of the Transferee Company who voted in favour of the resolution/against the resolution and who did not participate or vote on such resolution are as under :-

Sl. No	Name of Directors	Address	Voted for the Resolution	Voted against the Resolution	Did not vote or participate
1.	Mr. Karkala Rajaram Pai	A-31, Westend Heights, DLF Phase-5, Gurgaon-122009.	Yes	N.A.	N.A.
2.	Mr. Nepal Pal	T-12, S/302, The Close South Nirvana Country, Sector 50, South City-II, Gurgaon-122018.	Yes	N.A.	N.A.

19. The details of the Directors of the Transferor Company as on 31<sup>st</sup> March 2018 are as under :

Sl. No.	Name of Directors	Address	DIN
1.	Sheril Varghese Vaidhyan	H.No.2489, Block A, Netaji Nagar, New Delhi-110023.	07510914
2.	Mr. Mahesh Jain	Sector B, Pocket 8, Flat No.6099, Vasant Kunj, Delhi-110070	02778620
3.	Ms. Sanjit Kaur Batra	Flat No.903, Tower C-2, The Legend, Sector 57 IN, Sushant Lok Phase-3, Gurgaon-122011, Haryana, India.	06998913
4.	Girish Kumar Vaidya	1/203, Millenium Apartment, Plot 2, Sector 9, Dwarka, South West Delhi, Delhi-110077.	07853597
5.	Subramanianian Parameswaran	1, KRUPAS, 2nd A Cross, Nagarbhavi Village Bangalore Nagarbhavi, Karnataka-560072.	08066078

20. The details of the Directors of the Transferee Company as on 31<sup>st</sup> March 2018 are as under :

Sl. No.	Name of Directors	Address	DIN
1.	Mr. Karkala Rajaram Pai	A-31, Westend Heights, DLF Phase-5, Gurgaon-122009	07553119
2.	Mr. Nepal Pal	T-12, S/302, The Close South Nirvana Country, Sector 50, South City-II, Gurgaon-122018	07554160

21. There are no common Directors in the Transferor Company and the Transferee Company.

22. None of the Directors of the Transferor Company hold shares in the Transferor Company or the Transferee Company.

23. None of the Directors of the Transferee Company hold shares in the Transferor Company or the Transferee Company.

24. The Scheme does not affect in any manner nor vary the rights in any manner of the Key Managerial Persons (as defined under the 2013 Act) or directors of the Transferor Company or the Transferee Company. The Scheme also does not propose any compromise or arrangement with the creditors of the Transferor Company or the Transferee Company. The Scheme also does not propose any debt restructuring of either the Transferor Company or the Transferee Company.

25. The current Equity Shareholders of the Transferor Company and their shareholding in the Transferor Company is as under :

SI.No.	Name of the Members and Address	Nos. of Shares held (of Rs.10/- each)
1.	M/s Dupont India Limited, LLC Chestnut Run Plaza, 974 Centre Road Wilmington, Delaware 19805.	559,47,880
2.	M/s Dupont Chemical and Energy Operations, Inc. Chestnut Run Plaza, 974 Centre Road Wilmington, Delaware 19805.	2000

26. There shall be no change in the equity shareholding of the Transferor Company upon the Scheme becoming effective.

28. The current Equity Shareholders of the Transferee Company and their shareholding in the Transferee Company is as under :

SI.No.	Name of the Members and Address	Nos. of Shares held (of Rs.10/- each)
1.	M/s Dupont India Limited, LLC Chestnut Run Plaza, 974 Centre Road Wilmington, Delaware 19805.	9999
2.	M/s SP International Holdings 3 B.V. Archimedesweg 30, 2333 CN, Leiden, the Netherlands, Statutaire zetel, Leiden Dossiernummer : 66897998	1

28. Upon the Scheme becoming effective, the shareholding pattern of the Transferee Company shall be as under :

SI.No.	Name of the Members	Nos. of Shares held (of Rs.10/- each)
1.	DuPont India Limited, LLC United States of America	5,59,57,879
2.	DuPont Chemical and Energy Operations, Inc. United States of America	2,000
3.	SP International Holding 3 B.V. Netherlands	1

29. The Transferor Company and the Transferee Company have no Secured Creditors. The Transferee Company has no Unsecured Creditors.

30. In terms of Clause 4.8.1 of Part-V of the Scheme, subject to the provisions of the Scheme, the Scheme shall become effective on the Appointed Date in accordance with section 232 (6) of the 2013 Act.

31. An Unsecured Creditor of the Transferor Company entitled to attend and vote at the meeting of the Unsecured Creditors to be held on Saturday, 13th October, 2018 at the Registered Office of the Transferor Company at 7th Floor, Tower C, DLF Cyber Greens, Sector 25A, DLF City, Phase-III, Gurugram-122002, India at 10.30 AM, is entitled to appoint a proxy to attend and vote. The instrument appointing the proxy should be deposited at the Registered Office of the Transferor Company not later than 48 (forty eight) hours prior to the time of commencement of the meeting.

32. Corporate Unsecured Creditors intending to send their authorized representative to attend the meeting are

requested to lodge a certified true copy of the Board Resolution or authorization document not later than 48 (forty eight) hours before the time of commencement of the meeting at the Registered Office of the Transferor Company, authorizing such person to attend and vote on its behalf.

33. In the present matter, Karvy Investor Services Limited has provided Share Entitlement Ratio Report dated 25th April 2018.
34. The Transferor Company and the Transferee Company have not accepted any deposits nor have they issued debentures.
35. A copy of the notice issued to the Unsecured Creditors of the Transferor Company, the Scheme of Arrangement and the Statement under Section 230 of the 2013 Act have been placed on the website viz : [www.dupont.co.in](http://www.dupont.co.in)
36. The following documents will be open for inspection by the Unsecured Creditors of the Transferor Company and also for obtaining extracts from or making or obtaining copies thereof at the Registered Office of the Transferor Company at 7th Floor, Tower C, DLF Cyber Greens, Sector 25A, DLF City, Phase-III, Gurugram-122002, India at 10.30 AM, as the case may be :-
  - a. Statement under Section 230(3) of the Companies Act, 2013 read with Rule 6(3) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016;
  - b. Copy of the Company Application being CA (CAA) No.14/CHD/ Hry/2018;
  - c. Copy of the Order dated 30th August 2018 of the National Company Law Tribunal, Bench at Chandigarh passed in the above Company Application;
  - d. Copy of the Memorandum and Articles of Association of the Transferor Company and the Transferee Company;
  - e. Copy of the audited accounts of the Transferor Company and the Transferee Company as on 31st March 2017;
  - f. Copy of the provisional unaudited financial statement of the Transferor Company and the Transferee Company as on 31st March 2018; and provisional unaudited financial statement of the Transferor Company and the Transferee Company for the period 1st April, 2018 to 30th June, 2018.;
  - g. Copy of the divisional balance sheet of the Transferor Company as on 31st March, 2018 of the SP Undertaking;
  - h. Copy of the Share Entitlement Ratio Report dated 25th April 2018;
  - i. Report under Section 232 (2) (c) of the 2013 Act adopted by the Board of Directors of the Transferor Company and the Transferee Company;
  - j. Copy of the extracts of the Board Resolution dated 27th April 2018 of the Transferor Company and the Transferee Company;
  - k. Certificate issued by the auditors of the Transferor Company and the Transferee Company to the effect that the accounting treatment proposed in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the 2013 Act;
  - l. List of Equity Shareholders of the Transferor Company and the Transferee Company.
  - m. List of Unsecured Creditors of the Transferor Company.

for E.I. Dupont India Private Limited  
Authorized Representative

Place : Gurugram

Date : 4th September, 2018

## **SCHEME OF ARRANGEMENT**

### **AMONG**

**E. I. DUPONT INDIA PRIVATE LIMITED**

as the Transferor Company

### **AND**

**PERFORMANCE SPECIALTY PRODUCTS (INDIA) PRIVATE LIMITED**

as the Transferee Company

### **AND**

**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS  
(UNDER CHAPTER XV OF THE COMPANIES ACT, 2013)**

## **Part I: Introductions and Definitions**

### **1. Overview And Objects Of This Scheme**

#### **1.1 Overview**

- 1.1.1 E. I. DuPont India Private Limited is a company incorporated under the Companies Act, 1956 having its registered office at 7th Floor, Tower C, DLF Cyber Greens, Sector-25-A, DLF City, Phase-III, Gurugram, Haryana 122002, India ("Transferor Company"). The Transferor Company is engaged in the business of research and development and production in relation to crop protection solutions, performance materials, sustainable solutions, protection solutions and electronic, communications and photovoltaic solutions, through its various undertakings.
- 1.1.2 Performance Specialty Products (India) Private Limited is a company incorporated under the Companies Act, 2013 having its registered office at 8th Floor, Tower-C DLF Cyber Greens, Sector-25A, DLF City Phase-III Gurgaon, Haryana 122 002 India ("Transferee Company"). The Transferee Company has been established as a private limited company to carry out the business of: (a) manufacturing, marketing, distributing, packing, processing, producing, buying, selling, importing, exporting, trading, providing consultancy or dealing in inter alia: (i) nutrition and health industries (ii) electronics and energy related industries; (iii) operations management consulting services and learning and development technologies; and (iv) any pre-commercial activities associated with such business; (b) developing, inventing research, investigating, improving, conducting research and education programs for the improvement and development of the Transferee Company's products and services set out in clause (a) above and acting as inter alia agents, distributors, stockiest, wholesalers, retail dealers and/or to import, acquire, market, develop, source or otherwise deal in goods and services produced and/or rendered by any Indian/foreign companies; (c) providing inter alia consultancy services, IT services, ITeS, technical services and technology services, management services, sourcing and purchase services, finance and accounts services, legal and consultation services, agency services, marketing and vendor development services, sales, business development services, international and local business development services, import and export services, industrial research and development services in all fields, trade related services, manpower supply, business process outsourcing and other services to operate call centres, customer care centres, help desks for foreign and domestic customers, knowledge process outsourcing/business process



outsourcing and legal process outsourcing either in India or abroad in any software technology parks or software development centres or any other location (d) networking, information system, audit and carry on the business of export, import, manufacturing and distribution of computer hardware and peripherals, computer software protocolbased electronic private automatic branch exchange and to provide information technologies, telecom solutions, internet based solutions on B2B and B2C platforms for products and services; (e) acting inter alia as consultant, advisor, agent, buyer, seller, developer, scientist, analyst and coordinator in technical, scientific research, sourcing, IT and ITeS, legal, business to conceive, develop and design applications and ITeS in areas of law, medicine, health, management business research and any other area to develop the corresponding software; (f) developing, distributing, providing customer service, operating, improving, procuring, importing, exporting, consulting and distributing all kinds of products and services and to represent, advise or deal in areas including internet, e-commerce, software and e-services, and the Transferee Company and the Transferor Company are collectively referred to as the “Companies”.

- 1.1.3 This Scheme seeks to demerge the SP Undertaking (as defined below) of the Transferor Company into the Transferee Company.
- 1.1.4 The Residual Undertaking (as more particularly defined below), after the demerger of the SP Undertaking shall be retained, managed and operated by the Transferor Company.
- 1.1.5 The demerger of the SP Undertaking will be effective inter alia upon the satisfaction of the conditions to effectiveness set out in Clause 4.8 of this Scheme.
- 1.1.6 This Scheme is segregated into 5 parts:
  - (i) Part-I sets forth the overview and objects of this Scheme;
  - (ii) Part-II sets forth the capital structure of the Companies;
  - (iii) Part-III deals with the demerger of the SP Undertaking into and with the Transferee Company, in accordance with Chapter XV of the Companies act 2013;
  - (iv) Part-IV deals with the Residual Undertaking of the Transferor Company; and
  - (v) Part-V deals with the general terms and conditions applicable and sets forth certain additional arrangements that form a part of this Scheme.

## 1.2 Brief overview of the Companies

- 1.2.1 E.I. DuPont India Private Limited
  - (i) The Transferor Company is a private limited company incorporated under the Companies Act, 1956 and has its registered office at 7th Floor, Tower C, DLF Cyber Greens, Sector-25-A, DLF City,Phase-III, Gurugram, Haryana122002, India.
  - (ii) The Transferor Company was incorporated on 17 November 1994 as “E.I. DuPont India Private Limited”. The name of the Transferor Company has been altered twice: (a) on 29 May 1997, the word “Private” was removed as the Transferor Company became a deemed public company; and (c) on 14 November 2002, the word “Private” was reinstated due to the amendment to the Companies Act, 1956.
  - (iii) The registered office of the Transferor Company was transferred from the National Capital Territory of Delhi to the state of Haryana, pursuant to the order of the Company Law Board (C.P. No. 147/17/98-CLB) on 10 December 1998.

- (iv) The objects of the Transferor Company have been amended by the Transferor Company on 10 December 1998, 23 June 2000 and 16 March 2015, pursuant to which the objects as provided in its memorandum of association are, inter alia:
- (a) To carry on the business of manufacturing, mixing, blending, making, importing, exporting, buying, selling, trading, distributing or otherwise dealing in all kinds of chemicals, chemical compounds, chemical products, specialty chemicals, fluororchemicals, heavy chemicals, acids, alkalies, of all kinds, oils and lubricants, polymers of all types, engineering polymers, fluoro polymers, packaging and industrial polymers, elastomers, automotive finishes, films of all kinds, medical products, medical and imaging products and systems, printing & publishing material, nylon of all kinds, nylon tire cord, nylon fabric, nylon textiles, nylon flooring systems, polyamide, polyester, synthetic and modified polymers, fibers, acrylic, viscose, man-made and natural cellulosic, silk, wool, fiber glass, staple, filament, twines, fabrics, resins, engineering resins, natural fibres, aramid, spandex, engineering plastics, agro chemicals of all kinds, insecticides, fungicide, herbicide, disinfectants, deodorants, as well as bio chemicals, pharmaceuticals, medical chemicals, sizing, bleaching photographicals and other preparations and articles of any nature and kind whatsoever for all types of industrial, commercial or domestic applications and process materials.
  - (b) To carry on the business as manufacturer, developers, researchers, consultants, advisers and distributors in relation to aseptic plastic packaging, equipment and machinery and to develop, design, manufacture, purchase, sell, let or hire, lease, distribute, export, import, maintain and generally deal in aseptic and non- aseptic packaging of all kinds.
  - (c) To carry on the business of designing, developing, inventing, researching, investigating, improving, experimenting, simulating, importing of goods and services of all kinds including software.
  - (d) To act as agents, distributors, indentors, stockiest, wholesalers, retail dealers, and/or to import, blend, mix, slit package, market, acquire, develop, source, procure or to otherwise deal in goods and services including by/through the internet which are produced, dealt in and/or rendered by E.I. DuPont De Nemours & Co. (Inc.), USA and its affiliate companies as well as other Indian/ foreign companies.

#### 1.2.2 Performance Specialty Products (India) Private Limited

- (i) The Transferee Company is a private limited company incorporated under the Companies Act, 2013 and has its registered office at 8th Floor, Tower-C DLF Cyber Greens, Sector-25A, DLF City Phase-III Gurgaon, Haryana 122 002 India.
- (ii) The Transferee Company is authorised to transact the business of (a) manufacturing, marketing, distributing, packing, processing, producing, buying, selling, importing and selling, trading, importing, exporting, providing consultancy or dealing in inter alia: (i) nutrition and health, industrial bioscience, electronics and communications, building innovations and sustainable solutions businesses; (ii) high quality soya ingredients, meats, fish and vegetable food bases and other food bases; (iii) food, fruits, agriculture, canned foods, fruits and vegetable products; (b) developing, improving, undertaking research stations and education programs, etc. for improvement and development of the company's products; and (c) acting as agents, distributors, wholesalers or dealing in goods and services which are produced by any Indian/

foreign companies.

- (iii) The objects of the Transferee Company as provided in its memorandum of association are, inter alia:
- (a) To carry on the business of manufacturing, mixing, blending, marketing, distributing, packing, processing, producing, preserving, importing, exporting, buying, selling, providing consultancy or otherwise dealing in nutrition and health industries including food, beverage, dietary supplement and pharmaceutical; biotechnology and engineering solutions including enzymes, biomaterials, biocides and antimicrobial solutions; electronics and energy related industries including semiconductor, advanced chip packaging, circuit board, electronic and industrial finishing, photovoltaic, display, and digital and flexographic printing, wall coverings, high-performance fibers and foams, aramid papers, non-woven structures, membranes and filtration technologies, and protective garments; surface material, operations management consulting services and learning and development technologies to help improve the safety, productivity and sustainability of organizations; providing high-performance engineering resins, adhesives and lubricants or parts thereof in the transportation, electronics and medical markets and to do any pre-commercial activities associated with such businesses.
  - (b) To develop, invent, research, investigate, improve, experiment, undertake research, maintain laboratories, aid laboratories, research stations, conduct research and education programs, seminars, meetings etc. for the improvement and development of the Company's products and services mentioned in Clause (1) and otherwise and to act as agents, distributors, in debtors, stockiest, wholesalers, retail dealers, and/or to import, mix, slit package, market, acquire, develop, source, procure or to otherwise deal in goods and services including by/through the internet which are produced, dealt in and/or rendered by any Indian/foreign companies.
  - (c) To carry on the business of providing consultancy services, information technology services, information technology enabled services, technical services and technology services, process and workflow solutions, management services, administration services, sourcing and purchase services, finance and account services, treasury services, litigation and legal consultation services, document creation and processing services, co-ordination services for management, agency services, marketing and vendor development services, sales and business development and coordination services, international and local business development services, services of liaising and representation, Human Resources and recruitment and training services, biotechnology services, inventory control, import and export services, industrial research and development services in all field, trade related services, patent, trademark, copyrights, design and other intellectual property rights related services, website related services, electronic commerce, finance and finance backup operation, taxation and taxation backup operation telemarketing , man power supply, business process outsourcing, knowledge process outsourcing and other outsourcing services to achieve all of the above to establish and operate call centers, transcription centers, e-mail center, customer care centers and help desks, end to end call center set up for domestic and foreign customer, knowledge process outsourcing / business process outsourcing and legal process outsourcing either in India or abroad in any software technology park or otherwise software development centers or on any other location.
  - (d) To carry on the business of networking, information system, audit including security audit, computer training center, e-commerce, voice servers, interactive voice response servers, communication servers and complete network-internet security services and further carry on

the business of export, import, manufacturing and distribution of computer hardware and peripherals, computer software internet protocol based electronic private automatic branch exchange and to provide information technologies, telecom solutions, internet based solution on business to business and business to customer platform for products and services including buying selling exports, import, franchise licensing, agency, consultants, web site hosting on the internet, organizing cyber exhibitions of information technology products, services, software, hardware, communication network and solution including physical warehousing, distribution and supply of products and services as supplementary and complementary of e-commerce business to the corporates, small and medium enterprises, domestic and foreign customers and government institutions.

- (e) To carry on the business of acting as consultant, advisor, representative, agent, buyer, seller, counselor, accountant, auditor, developer, scientist, analyst and coordinator and in any other capacity in technical, scientific research, sourcing, finance, information technology enabled, information technology, human resources, legal, business, inventory and commercial applications and platforms and to conceive, develop and design applications and information technology enabled services in the areas of law, medicine, health, human resources, accounting, architecture, engineering information technology, customer relationship management business research, knowledge, management, web design and hosting and any other area and to develop the corresponding software that will help in providing guidance and assistance to user in some or all of these areas. To maintain database and provide consultancy to the customer's business needs
- (f) To carry on the operation to develop, distribute, e-mail, provide customer service, operate, improve, procure, install, move, import, export, consult and distribute all kinds of products and services including software and to represent, advise or otherwise deal in various areas including internet, e-commerce, software and e-services including design, creation, development, maintenance and hosting of website and networks including voice and / or data.
- (g) To act as agents, distributors, indentors, stockiest, wholesalers, retail dealers, and/or to import, mix, slit package, market, acquire, develop, source, procure or to otherwise deal in goods and services including by/through the internet which are produced, dealt in and/or rendered by any Indian/foreign companies.

### **1.3 Objects of this Scheme**

- 1.3.1 In the United States of America, E. I. duPont de Nemours and Company ("DuPont"), the ultimate parent company of the Companies, and The Dow Chemical Company ("Dow"), the ultimate parent company of the Dow group globally, have merged. The combined DowDuPont operations and assets have complementary portfolios of business in agriculture, material sciences and specialty products, which are proposed to be divided into three independent publicly traded companies, viz., an agriculture company, a material sciences company and a specialty products company, that will be more competitive than either company could be on its own and well equipped for science-driven, profitable and long-term growth.
- 1.3.2 Pursuant to the division of verticals, each business will be better positioned than their predecessors to continue driving innovation to provide superior solutions for customers, and better serve communities around the world making use of complementary portfolios, resources and capabilities.

- 1.3.3 In light of the global realignment, the Transferor Company proposes to re-organise its India operations ("India Re-organisation") into different business verticals for leveraging on the advantages that are expected to arise for the India business as a result of separation of different verticals. Pursuant to the India Re-organisation, the Transferor Company proposes to demerge the SP Undertaking to the Transferee Company under this Scheme. In view of this, the Transferor Company has undertaken a detailed analysis of various aspects relating to the proposed demerger of the SP Undertaking, which shall entail the following benefits to the business of the SP Undertaking:
- (a) impart better management focus to the SP Undertaking in accordance with the risk and rewards specific to its business operations;
  - (b) charting out of independent strategies for the SP Undertaking in line with the strategies of the corresponding vertical at the global level;
  - (c) focused investment in innovation for delivering better and differentiated products and solutions for its respective customers;
  - (d) enabling alignment of the India business vertical with the corresponding global vertical in terms of monitoring of performance, business development and undertaking new business initiatives; and
  - (e) facilitate administrative convenience in managing the affairs of the SP Undertaking in light of its specific business requirements.
- 1.3.4 Accordingly, it would be in the best interests of the Companies and their respective shareholders and creditors as the proposed demerger will yield advantages of a clear focus, appropriate capital structure, distinct and compelling investment thesis, scale advantages focussed research and development backed by world class engineering capabilities that is targeted to delivering differentiated products and solutions, focused investments in innovation for each of the businesses for delivering better and superior solutions and choices for its respective customers and administrative convenience pursuant to alignment with global business vertical. As a result, the Companies are proposing this Scheme under Chapter XV of the Act (as defined below).

## 1.4 Definitions

In this Scheme, unless repugnant to the subject or context or meaning thereof, the following expressions shall have the meanings as set out herein below:

- 1.4.1 "Act" means the Companies Act, 2013 as notified, clarified and/or modified by rules and notifications issued by the Ministry of Corporate Affairs, from time to time;
- 1.4.2 "Appointed Date" shall mean 1 April 2019;
- 1.4.3 "Board of Directors" in relation to the Companies, means their respective board of directors and, unless it is repugnant to the context or otherwise, includes any committee of directors or any person authorised by the board of directors or by such committee of directors;
- 1.4.4 "Companies" shall mean the Transferor Company and the Transferee Company collectively;
- 1.4.5 "Competent Authority" with respect to the Companies, means the National Company Law Tribunal of Punjab and Haryana at Chandigarh, having jurisdiction over such companies for the purposes of this Scheme;
- 1.4.6 "Dow" shall have the meaning ascribed to such term in Clause 1.3.1;
- 1.4.7 "DuPont" shall have the meaning ascribed to such term in Clause 1.3.1;
- 1.4.8 "DGFT" means the Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India;

- 1.4.9 "Effective Date" shall have the meaning ascribed to such term in Clause 4.8;
- 1.4.10 "EOUs" means Export Oriented Units, set up under the Foreign Trade Policy issued under the Foreign Trade (Development & Regulations) Act, 1992;
- 1.4.11 "GST" means the Goods and Services Tax;
- 1.4.12 "India Re-organisation" shall have the meaning ascribed to such term in Clause 1.3.3;
- 1.4.13 "IT" means Information Technology;
- 1.4.14 "ITeS" means Information Technology Enabled Services;
- 1.4.15 "Registrar of Companies" means the Registrar of Companies, NCT Delhi & Haryana at Delhi;
- 1.4.16 "Residual Undertaking" means all the undertakings, businesses, activities and operations of the Transferor Company other than the SP Undertaking and including without limitation the crop protection business, the packaging and industrial polymer business;
- 1.4.17 "Scheme" means this scheme of arrangement, with such modifications and amendments as may be made from time to time, with the appropriate approvals and sanctions of the Competent Authority, as may be required under the Act and under all other applicable laws;
- 1.4.18 "ShareEntitlementRatio" shall have the meaning ascribed to such term in Clause 3.4.3;
- 1.4.19 "ShareEntitlementReport" shall have the meaning ascribed to such term in Clause 3.4.3;
- 1.4.20 "SP Undertaking" means the whole of the undertaking as a going concern of the Transferor Company comprising the business, activities and operations of the protection solutions business, the sustainable solutions business, the polymer business and the electronics, communications and photovoltaic business comprising of all the assets (moveable and immovable) (including any foreign currency assets or liabilities) and all specified liabilities, which relate thereto or are necessary therefore and including specifically the following:
- (i) all immovable property, land, buildings and structures, movable assets, including monetary assets (including cash, receivables, foreign currency assets or liabilities), inventory, inventory in transit, plant, machinery and equipment, whether leased or otherwise, title, interests, investments, loans, advances (including accrued interest), covenants, undertakings and rights, including rights arising under contracts, wherever located (including in the possession of vendors, third parties or elsewhere), whether real, personal or mixed, tangible, intangible or contingent, exclusively used or held, by the Transferor Company in, or otherwise identified for use in, the SP Undertaking, business, activities and operations pertaining to the SP business carried on by it;
  - (ii) all debts and liabilities (inter alia including attributable reserves) pertaining to the SP business, all guarantees, assurances, commitments and obligations of any nature or description, whether fixed, contingent or absolute, secured or unsecured, asserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising, (including, without limitation, whether arising out of any contract or tort based on negligence or strict liability), pertaining to the SP Undertaking, business, activities and operations pertaining to the SP business carried on by it;
  - (iii) to the extent separately identifiable and allocable to SP Undertaking, all debts, liabilities including contingent liabilities, duties, taxes and obligations of the Transferor Company pertaining to the SP Undertaking including: (a) the debts, liabilities, duties and obligations of the Transferor Company arising out of the activities or operations of the SP Undertaking; (b) the specific loans and borrowings raised, incurred and utilised solely for the activities or operations of or pertaining to the SP Undertaking; and (c) any general or multipurpose borrowings, if any,

- of the Transferor Company, as they stand in the same proportion, which the value of the assets transferred pursuant to the demerger of the SP Undertaking bear to the total value of the assets of the Transferor Company, immediately prior to the Appointed Date;
- (iv) any and all of the advance monies, earnest monies and/or security deposits, payment against warrants or other entitlements, as may be lying with them;
  - (v) all applications (including hardware, software, licenses, source codes, para-materialisation and scripts) all contracts, agreements, licenses, leases, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, arrangements, sales orders, purchase orders/service orders or other instruments of whatsoever nature to which the Transferor Company is a party, relating to the SP Undertaking, business, activities and operations pertaining to the SP business carried on by it;
  - (vi) all registrations, trademarks, trade names, service marks, copyrights, patents, designs, goodwill, applications for trademarks, trade names, service marks, copyrights, designs, patents and domain names exclusively used by or held for use by the Transferor Company in the SP Undertaking, business, activities and operations pertaining to the SP business carried on by it in;
  - (vii) all permits, licenses, consents, approvals, authorisations, quotas, rights, entitlements, allotments, concessions, exemptions, clearances, liberties, advantages, no-objection certificates, certifications, easements, tenancies, privileges, benefits and similar rights and any waiver of the foregoing issued by any legislative, executive or judicial unit of any Governmental or semi-Governmental entity or any department, commission, board, agency, bureau, official or other regulatory, administrative or judicial authority exclusively used or held for use by the Transferor Company in the SP Undertaking, business, activities and operations pertaining to the SP business carried on by it;
  - (viii) all such permanent employees of the Transferor Company, employees/personnel engaged on contract basis and contract labourers and secondees/interns/trainees, as are primarily engaged in or in relation to the SP Undertaking, business, activities and operations pertaining to the SP business carried on by it, at its respective offices, branches or otherwise, and any other employees/personnel and contract labourers and interns/trainees hired by the Transferor Company after the date hereof who are primarily engaged in or in relation to the SP Undertaking, business, activities and operations pertaining to the SP business carried on by it;
  - (ix) all books, record files, papers, computer programs along with engineering and process information, manuals, data, catalogues, quotations, websites, sales and advertising material, list of present and former customers, customer credit information, customer pricing information, and other records whether in physical form or electronic form in connection with or relating to the SP business carried on by it
  - (x) All direct and indirect tax related assets and liabilities (including but not limited to tax deducted at source, minimum alternate tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, goods and service tax etc.) relating to the SP Undertaking, including all or any refunds or claims, tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions etc. related to SP Undertaking; and
  - (xi) all rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements,

arrangements of all kind, privilege and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by business undertaken by the SP Undertaking or related to the business undertaken by the SP Undertaking and all other interests of whatever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by the business undertaken by the SP Undertaking, it being clarified that the SP Undertaking shall not include any employees, assets, liabilities, rights or obligations belonging to and forming part of the Residual Undertaking;

- 1.4.21 “Transferee Company” means Performance Specialty Products (India) Private Limited, a company incorporated under the Act, having its registered office at 8th Floor, Tower-C DLF Cyber Greens, Sector-25A, DLF City Phase-III Gurgaon, Haryana 122 002 India, which has been established to carry out the business of (a) manufacturing, marketing, distributing, packing, processing, producing, buying, selling, importing and selling, trading, importing, exporting, providing consultancy or dealing in inter alia: (i) nutrition and health, industrial bioscience, electronics and communications, building innovations and sustainable solutions businesses; (ii) high quality soya ingredients, meats, fish and vegetable food bases and other food bases; (iii) food, fruits, agriculture, canned foods, fruits and vegetable products; (b) developing, improving, undertaking research stations and education programs, etc. for improvement and development of the company’s products; and (c) acting as agents, distributors, wholesalers or dealing in goods and services which are produced by any Indian/ foreign companies;
- 1.4.22 “Transferor Company” means E.I. DuPont India Private Limited, a company incorporated under the Companies Act, 1956, having its registered office at 7th Floor, Tower C, DLF Cyber Greens, Sector-25-A, DLF City, Phase-III, Gurugram, Haryana 122002, India, which has been established to carry out the business of business of research and development and production in relation to crop protection solutions, performance materials, sustainable solutions, protection solutions and electronic, communications and photovoltaic solutions, through its various undertakings; and
- 1.4.23 “VSEZ” means a Vishakhapatnam Special Economic Zone set up in accordance with the Special Economic Zones Act, 2005;
- 1.4.24 Interpretation
- 1.4.25 Terms and expressions which are used in this Scheme but not defined herein shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act the Income Tax Act, 1961, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be, including any statutory modification or re-enactment thereof, from time to time.
- 1.4.26 In this Scheme, unless the context otherwise requires:
- (i) references to “persons” shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;
  - (ii) the headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Scheme;
  - (iii) references to one gender includes all genders; and
  - (iv) words in the singular shall include the plural and vice versa.
- 1.4.27 Any references to sections of the Companies Act, 1956 shall be deemed to include references to the equivalent provisions of the Act if notified.



## Part II: Capital Structure

### 2. Capital Structure

#### 2.1 The capital structure of the Transferor Company as on 31 March 2018 is as under:

Share Capital	Amount in Rs.
<b>Authorised Capital</b>	
250,000,000 equity shares of Rs. 10 each	2,500,000,000
500,000 preference shares of Rs. 100 each	50,000,000
<b>Total</b>	<b>2,550,000,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
55,949,880 equity shares of Rs. 10 each	559,498,800
<b>Total</b>	<b>559,498,800</b>

#### 2.2 The capital structure of the Transferee Company as on 31 March 2018 is as under:

Share Capital	Amount in Rs.
<b>Authorised Capital</b>	
10,000 equity shares of Rs. 10 each	100,000
<b>Total</b>	<b>100,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
10,000 equity shares of Rs. 10 each	100,000
<b>Total</b>	<b>100,000</b>

## Part III: Demerger of the SP Undertaking

### 3. Demerger Of The Sp Undertaking

#### 3.1 Transfer and vesting of the SP Undertaking from the Transferor Company to the Transferee Company

- 3.1.1 With effect from the Appointed Date and upon the Scheme becoming effective, all the assets, liabilities and the entire business of the SP Undertaking, as defined in Clause 1.4.18, shall stand transferred to and vest in the Transferee Company, as a going concern, without any further act or deed, and shall be demerged from the Transferor Company together with all its properties, assets, rights, benefits and interests therein, subject to the provisions of this Scheme, in accordance with Chapter XV of the Act and all applicable provisions of laws, regulations, related statutory or regulatory conditions

and/or approvals, to the extent applicable, and in accordance with the provisions contained herein. In addition, for the avoidance of doubt, the Residual Undertaking and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Transferor Company.

3.1.2 Without prejudice to the generality of the above, to the extent applicable, unless otherwise stated herein, upon this Scheme becoming effective and with effect from the Appointed Date:

- (i) In respect of all such assets pertaining to the SP Undertaking that are movable in nature or incorporeal property or are otherwise capable of transfer by physical or constructive delivery and/or by endorsement and delivery, or by vesting and recordal including plant, machinery, inventory, whether in transit or otherwise and equipments, pursuant to this Scheme, shall stand vested in and/or be deemed to be vested in the Transferee Company wherever located and shall become the property and an integral part of the Transferee Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal, pursuant to this Scheme, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly.
- (ii) All other movable properties pertaining to the SP Undertaking, including investments in shares and any other securities, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, cash and bank balances and deposits, if any, with government, semi-government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, become the property of the Transferee Company and the same shall also be deemed to have been transferred by way of delivery of possession of the respective documents in this regard. It is hereby clarified that all the rights, title and interests if any, of the SP Undertaking in any leasehold properties shall, pursuant to Chapter XV of the Act and the provisions of this Scheme, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company and/or be deemed to be demerged from the Transferor Company and transferred to and vested in the Transferee Company on the Appointed Date pursuant to the provisions of Chapter XV of the Act.
- (iii) All immovable properties of the SP Undertaking, if any, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of the SP Undertaking, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto shall be vested in and/or be deemed to have been vested in the Transferee Company, without any further act or deed done or being required to be done by the Transferor Company and/or the Transferee Company. The Transferee Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties, if any, and shall be liable to pay the ground rent and taxes and fulfil all obligations in relation to or applicable to such immovable properties. The mutation or substitution of the title to the immovable properties, if any, shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by the appropriate authorities pursuant to the sanction of this Scheme by the Competent Authority and upon the Scheme becoming effective in accordance with the terms hereof.

- (iv) All debts, liabilities (inter alia including attributable reserves), contingent liabilities, duties and obligations, secured or unsecured, whether provided for or not in the books of account or disclosed in the balance sheets of the Transferor Company pertaining to the SP Undertaking, shall be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company, and the Transferee Company shall, and undertakes to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any. It is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause. All loans, advances and other obligations due from the SP Undertaking to the Transferee Company or vice versa shall stand cancelled and shall have no effect. All contracts, deeds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, licenses (including the licenses granted by any governmental, statutory or regulatory bodies) for the purpose of carrying on the business of the SP Undertaking and in relation thereto and those relating to tenancies, privileges, powers, pledge, facilities of every kind and description of whatsoever nature in relation to the SP Undertaking, or to the benefit of which, the SP Undertaking may be eligible and which are subsisting or having effect immediately before the Appointed Date, shall be and remain in full force and effect on, against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligor thereto. In relation to the same, any procedural requirements required to be fulfilled solely by the Transferor Company (and not by any of its successors), shall be fulfilled by the Transferee Company as if it is the duly constituted attorney of the Transferor Company.
- (v) Any pending suits/appeals, all legal, taxation or other proceedings including before any statutory or quasi-judicial authority or tribunal or other proceedings of whatsoever nature relating to the SP Undertaking, whether by or against the Transferor Company and pertaining to the SP Undertaking, whether pending on the Appointed Date or which may be instituted any time in the future and in each case relating to the SP Undertaking shall not abate, be discontinued or in any way prejudicially affected by reason of the demerger of the SP Undertaking or of anything contained in this Scheme, but the proceedings shall continue and any prosecution shall be enforced by or against the Transferee Company after the Appointed Date. The Transferee Company shall, after the Appointed Date, be replaced as party to such proceedings and shall prosecute or defend such proceedings in co-operation with the Transferor Company in the same manner and to the same extent as would or might have been continued, prosecuted and/or enforced by or against the Transferor Company, as if this Scheme had not been implemented.
- (vi) All cheques and other negotiable instruments, payment orders received and presented for encashment which are in the name of the Transferor Company and pertaining to the SP Undertaking after the Appointed Date, shall be accepted by the bankers of the Transferee Company and credited to the accounts of the Transferee Company, if presented by the Transferee Company.
- (vii) All the property, assets and liabilities of the SP Undertaking shall be transferred by the Transferor Company to the Transferee Company at the values appearing in the books of account of the Transferor Company at the close of business of the day immediately preceding

- the Appointed Date.
- (viii) All registrations, goodwill, licenses, trademarks, service marks, copyrights, designs, patents, domain names, applications for copyrights, patents, designs, trade names and trademarks, appertaining to the SP Undertaking, if any, shall stand transferred to and vested in the Transferee Company.
  - (ix) All permanent employees of the Transferor Company pertaining to the SP Undertaking, who are on its payrolls shall become employees of the Transferee Company with effect from the Appointed Date, on such terms and conditions as are no less favourable (including employee benefits such as provident fund, leave encashment and any other retiral benefits) than those on which they are currently engaged in the SP Undertaking by the Transferor Company, without any interruption of service as a result of this transfer. With regard to provident fund, gratuity, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees of the SP Undertaking, the Transferee Company shall stand substituted for the SP Undertaking for all purposes whatsoever, upon this Scheme becoming effective, including with regard to the obligation to make contributions to relevant authorities, such as the Regional Provident Fund Commissioner or to such other funds maintained by the SP Undertaking, in accordance with the provisions of applicable laws or otherwise. It is hereby clarified that upon this Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to the transferred employees and the services of all the transferred employees of the SP Undertaking for such purpose shall be treated as having been continuous.
  - (x) With regard to any provident fund, gratuity fund, superannuation fund or other special fund created or existing for the benefit of such employees of the SP Undertaking, it is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the SP Undertaking in relation to such schemes or funds shall become those of the Transferee Company. Upon the Scheme becoming effective from the Appointed Date, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever relating to the obligation to make contributions to the said funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents or as otherwise required under law. The existing provident fund, gratuity fund and superannuation fund trusts, if any, created by the Transferor Company for its employees pertaining to the SP Undertaking shall be continued for the benefit of such employees on the same terms and conditions until such time that they are transferred to the relevant funds of the Transferee Company or any other statutory fund. It is clarified that the services of all employees of the SP Undertaking transferred to the Transferee Company will be treated as having been continuous and uninterrupted for the purpose of the aforesaid schemes or funds.
  - (xi) The Transferee Company undertakes to continue to abide by any agreement(s)/settlement(s) entered into with any labour unions/employees by the SP Undertaking. The Transferee Company agrees that for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits, the past services of such employees, if any, with the SP Undertaking, as the case may be, shall also be taken into account, and agrees and undertakes to pay the same as and when payable.
  - (xii) All direct and indirect taxes (including but not limited to advance tax, tax deducted at source, minimum alternate tax, fringe benefit tax, securities transaction tax, self-assessment tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, stamp

duty, goods and service tax custom duty, excise duty, etc.) including any interest, penalty, surcharge and cess, if any, payable by or refundable to the Transferor Company relating to the SP Undertaking, including all or any refunds, credits or claims shall be treated as the tax liability or refunds/credits/claims, as the case may be, of the Transferee Company and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions etc., as would have been available to the SP Undertaking, shall pursuant to this Scheme becoming effective, be available to the Transferee Company.

- (xiii) All approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith including: (a) all the letter of permissions and related registrations as a 100% EOUs under the VSEZ, issued by the concerned development commissioner; (b) all the licenses issued under the export promotion credit guarantee corporation scheme; (c) all the licenses issued under the Service Exports from India Scheme; (d) all the licenses for private customs bonded warehouses with manufacture in bond facilities issued by the assistant/deputy commissioner, Central Excise Division, Ministry of Finance; (e) all the registrations as a unit in the relevant SEZ issued by director/other relevant authority, Office of Development Commissioner, Department of Commerce, Government of India; (f) the certificate of recognition as a Star Export House issued by the additional director general, Ministry of Commerce and Industry, Government of India (also relevant to the SP Undertaking); (g) all the advance licences issued by the DGFT; (h) all the acknowledgment receipts for exports made under the letter of undertakings; (i) all the online declarations relating to the exports made under duty drawback at the time of filing shippings bills for exports, and certificates of every kind and description whatsoever in relation to the SP Undertaking, or to the benefit of which the SP Undertaking may be eligible/entitled and which are subsisting or having effect immediately before the Appointed Date, shall be in full force and effect in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the SP Undertaking, the Transferee Company had been a party or beneficiary or obligor thereto. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this Clause, the said third party or authority shall make and duly record the necessary substitution/endorsement in the name of the Transferee Company pursuant to the sanction of this Scheme by the Competent Authority and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Transferee Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes.
- (xiv) Benefits of any and all corporate approvals as may have already been taken by the Transferor Company in relation to the SP Undertaking, whether being in the nature of compliances or otherwise, including without limitation approvals under Sections 42, 62(1A), 180, 185, 186, 188 etc., of the Act, read with the rules and regulations made thereunder, shall stand transferred to the Transferee Company and the said corporate approvals and compliances shall be deemed to have been taken/complied with by the Transferee Company.
- (xv) All estates, assets, rights, title, interests and authorities accrued to and/or acquired by the SP Undertaking shall be deemed to have been accrued to and/or acquired for and on behalf of the Transferee Company and shall, upon this Scheme coming into effect, pursuant to the provisions of Chapter XV of the Act, without any further act, instrument or deed be and stand

transferred to or vested in and/or be deemed to have been transferred to or vested in the Transferee Company to that extent and shall become the estates, assets, right, title, interests and authorities of the Transferee Company.

- (xvi) All goods in transit whether imported or domestic shall without any further act, instrument or deed, become the property of the Transferee Company upon this Scheme coming into this effect and the same shall be cleared by the Transferee Company irrespective of the fact that the import/domestic documents continue to have the name of Transferor company as the owner of the goods. Government/Statutory authorities like customs, etc. to allow clearance of the goods by Transferee Company.

3.1.3 It is clarified that if any assets, estate, claim, right, title, interest in or authorities relating to such assets or any contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the SP Undertaking, which the Transferor Company owns or to which the Transferor Company is a party and pertains to the SP Undertaking and which cannot be transferred to the Transferee Company for any reason whatsoever, the Transferor Company shall hold such assets or any contracts, deeds, bonds, agreements, schemes, arrangements or other instruments in trust and for the benefit of the Transferee Company to which the SP Undertaking is being transferred in terms of the provisions of this Scheme in so far as permissible to do so until such as time as the transfer is given effect to.

3.1.4 Without prejudice to the other provisions of the Scheme and notwithstanding the vesting of the SP Undertaking to the Transferee Company by virtue of Part III of the Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement in relation to which the Transferor Company has been a party, including any filings with the regulatory authorities (or any charge related filing) in order to give formal effect to the above provisions and to carry out or perform all such formalities or compliances referred to above on the part of the SP Undertaking. The Transferee Company will, if necessary, also be a party to the above. The Transferee Company shall, under the provisions of Part III of this Scheme, be deemed to be authorised to execute any such writings on behalf of the SP Undertaking and to carry out or perform all such formalities or compliances referred to above on the part of the SP Undertaking to be carried out or performed.

## **3.2 Conduct of Business**

3.2.1 Up to the Appointed Date:

- (i) the Transferor Company shall carry on business of the SP Undertaking with reasonable diligence and business prudence and in the same manner as it had been doing hitherto and shall not, except in the ordinary course of business or without the prior written consent of the Transferee Company alienate, charge, mortgage, encumber or otherwise deal with or dispose of the SP Undertaking or part thereof;
- (ii) except by mutual consent of the Boards of Directors of the Transferor Company and the Transferee Company, or except pursuant to any prior commitment, obligation or arrangement existing or undertaken by the Transferor Company and/or the Transferee Company pertaining

to the SP Undertaking as on the Appointed Date, or except as contemplated in this Scheme, pending sanction of this Scheme, the Transferor Company and/or the Transferee Company shall not make any change in their capital structures either by way of any increase (by issue of equity shares, bonus shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, re-organisation or in any other manner, which would have the effect of re-organisation of capital of such company(ies); and

- (iii) since each of the permissions, approvals, consents, sanctions, remissions, special reservations, holidays, incentives, concessions and other authorisations of the Transferor Company pertaining to the SP Undertaking, shall stand transferred by the order of the Competent Authority, to the Transferee Company, the Transferee Company shall file the relevant intimations, for the record of the statutory authorities who shall take them on file, pursuant to the vesting orders of the Competent Authority.

### 3.2.2 With effect from the Appointed Date:

- (i) The Transferee Company shall carry on and shall be authorised to carry on the business of the SP Undertaking.
- (ii) For the purpose of giving effect to the order passed under Chapter XV and other applicable provisions of the Act in respect of this Scheme by the Competent Authority, the Transferee Company shall, at any time, pursuant to the order on this Scheme, be entitled to get the recordal of the change in the legal right(s) upon the transfer of the SP Undertaking, in accordance with the provisions of Chapter XV of the Act. The Transferee Company is and shall always be deemed to have been authorised to execute any pleadings, applications, forms etc., as may be required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Scheme, pursuant to the sanction of this Scheme by the Competent Authority.
- (iii) Upon this Scheme becoming effective and from the Appointed Date, the Transferee Company, unconditionally and irrevocably, agrees and undertakes to pay, discharge and satisfy all liabilities and obligations of the Transferor Company pertaining to the SP Undertaking with effect from the Appointed Date, in order to give effect to the foregoing provisions.
- (iv) All profits accruing to the SP Undertaking and all taxes thereof or losses arising or incurred by it relating to the SP Undertaking shall, for all purposes be treated as the profits, taxes or losses as the case may be of the Transferee Company.
- (v) Upon the coming into effect of this Scheme and from the Appointed Date, the resolutions, if any, of the Transferor Company pertaining to the SP Undertaking, which are valid and subsisting on the Appointed Date shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then such limits shall be added and shall constitute the aggregate of such limits in the Transferee Company.

- 3.3** The Transferor Company and/or the Transferee Company, as the case may be, shall, at any time after this Scheme becoming effective and from the Appointed Date in accordance with the provisions hereof, if so required under any law or otherwise, do all such acts or things as may be necessary

to transfer/obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates which were held or enjoyed by the SP Undertaking. It is hereby clarified that if the consent of any third party or authority, if any, is required to give effect to the provisions of any clause of this Scheme, the said third party or authority shall make and duly record the necessary substitution/endorsement in the name of the Transferee Company pursuant to the sanction of this Scheme by the Competent Authority, and upon this Scheme becoming effective in accordance with the provisions of the Act, and with the terms hereof. For this purpose, the Transferee Company shall file appropriate applications/documents with the relevant authorities concerned for information and record purposes. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such acts, formalities or compliances referred to above as may be required in this regard.

### **3.4 Consideration**

- 3.4.1 Upon this Scheme coming into effect and upon vesting of the SP Undertaking in the Transferee Company, the Transferor Company shall provide to the Transferee Company, the list of equity shareholders of the Transferor Company on or after the Appointed Date, who are entitled to receive fully paid-up equity shares, in the Transferee Company, as on the Appointed Date, in terms of this Scheme.
- 3.4.2 Upon this Scheme coming into effect, the shareholders of the Transferor Company as of the Appointed Date shall be entitled to receive equity shares of Transferee Company as detailed in this Clause 3.4 of Part III of this Scheme.
- 3.4.3 The Boards of Directors of the Transferor Company and Transferee Company have determined the share entitlement ratio as [1]:[1], based on their independent judgment and after taking into consideration the report issued by Karvy Investor Services Limited, Merchant Banker "Share Entitlement Report". Accordingly, the Transferee Company shall, without any further act or deed, issue and allot to the shareholders of the Transferor Company whose names are recorded in the register of members of the Transferor Company on the Appointed Date, equity shares of the Transferee Company in the ratio of 1(one) equity share having a face value of Rs. [10] each of the Transferee Company for every 1(one) equity share having a face value of Rs. 10 each of the Transferor Company, each equity share being fully paid-up ( the "SP Entitlement Ratio"). It is hereby clarified that the shares so issued shall be deemed to have been issued by the Transferee Company and received by the shareholders of the Transferor Company on the Appointed Date.

### **3.5 Authorised Share Capital of the Transferor Company and the Transferee Company**

- 3.5.1 As a result of the demerger of the SP Undertaking of the Transferor Company into the Transferee Company, going forward, the capital requirements of the Transferor Company will be lesser as compared to the capital requirements of the Transferee Company. As a result, upon the Scheme becoming effective and with effect from the Appointed Date, from the authorised share capital (equity share capital) of the Transferor Company amounting to Rs. 2,500,000,000 (Rupees Two Hundred and Fifty Crores) an amount of Rs. 600,000,000 (Rupees Sixty Crores) shall stand transferred to the Transferee Company, without any liability for payment of any additional fees or stamp duty. Accordingly, the authorised share capital of the Transferee Company shall automatically stand



modified. Accordingly, Clause V of the Memorandum of Association of the Transferee Company shall stand modified as necessary and be substituted by the following, subject to any other change in Clause V which is not pursuant to this Scheme:

“The Authorised Share Capital of the Company is Rs. 600,100,000 (Rupees Sixty Crores One Lakh) divided into 60,010,000 (Six Crores Ten Thousand) Equity Shares of Rs. 10 (Rupees Ten) each”

- 3.5.2 Further, the Clause V of the Memorandum of Association of the Transferor Company shall stand modified and be substituted by the following, subject to any other change in Clause V which is not pursuant to this Scheme:

“The Authorised Share Capital of the Company is Rs. 195,00,00,000 (Rupees One Hundred and Ninety Five Crores) divided into 5,00,000 (Five Lakh) Preference Shares of Rs. 100 (Rupees One Hundred) each and 19,00,00,000 (Nineteen Crore) Equity shares of Rs. 10 (Rupees Ten) each with power to increase, reduce or divide the capital for the time being into several classes and to attach thereto respectively such preferential, priority, deferred, qualified or special rights, privileges, conditions or restrictions, whether in regard to dividend, voting, return of capital, distribution of assets or otherwise, however as may be determined in accordance with law and the Regulations from time to time of the Company and to vary, modify or abrogate any such right, privileges, conditions or restrictions in such manner as may from time to time be provided by the Regulations of the Company and to consolidate or sub-divide or re-organise shares or issue shares of higher or lower denominations. The Board of Directors may in their discretion increase or decrease the rate of dividend payable on preference shares and issue the said shares under the non-cumulative or cumulative dividend payment schemes, at the time of issue of such shares. The Board of Directors may, at any time, issue any part of unissued Preference shares as equity shares and for this purpose sub divide Preference shares of Rs. 100 (Rupees One Hundred) each into Equity shares of Rs. 10 (Rupees Ten) each.”

- 3.5.3 It is hereby clarified that the consent of the shareholders of the Transferee Company and the Transferor Company to this Scheme shall be sufficient for the purposes of effecting this amendment, and that no further resolutions, whether under Sections 13 or 61 of the Act, any other applicable provisions of the Act or under the Articles of Association of the Transferee Company, shall be required to be separately passed, nor shall the Transferee Company be required to pay any additional registration fees, stamp duty, etc., in respect of the action undertaken pursuant to this Clause.

### **3.6 Issuance mechanics and other provisions**

- 3.6.1 The equity shares to be issued and allotted by Transferee Company in terms of Clause 3.4 of Part III of this Scheme shall be subject to the provisions of the memorandum of association and the articles of association of Transferee Company and shall rank pari passu in all respects with the existing equity shares of Transferee Company.
- 3.6.2 All Certificates for the new shares held in physical form shall be sent by Transferee Company to the shareholders of Transferor Company as on the Record Date at their respective registered addresses as appearing in the register of members of Transferor Company (or in the case of joint holders to the address of such joint holder whose name stands first in such register of members in respect of such joint holding) and Transferee Company shall not be responsible for any loss in transmission.
- 3.6.3 All equity shareholders of the Transferor Company holding equity shares in the Transferor Company in dematerialised form, as on the Record Date, shall be issued fresh equity shares in Transferee Company in dematerialised form. All equity shareholders of the Transferor Company holding equity

shares in the Transferor Company in physical form, as on the Record Date, shall be issued fresh equity shares in the Transferee Company in physical form.

- 3.6.4 For the purpose of the allotment of equity shares in the Transferee Company pursuant to this Clause 3.4, in case any member's holding in the Transferor Company is such that the member becomes entitled to a fraction of an equity share of the Transferee Company, fractional entitlements, if any, of the equity shareholders in the Transferor Company shall be rounded off to the nearest preceding whole number.
- 3.6.5 Transferee Company shall, if and to the extent required, apply for and obtain any approvals from the concerned regulatory authorities, for the issue and allotment by the Transferee Company of equity shares of the Transferee Company to the members of the Transferor Company pursuant to the Scheme.

### **3.7 Accounting Treatment**

#### **3.7.1 In the books of Transferor Company**

Notwithstanding anything to the contrary contained in any other clause in the Scheme herein, Transferor Company shall account for the demerger and vesting of the SP Undertaking with the Transferee Company in its books of accounts as a business combination under common control in accordance with the Indian Accounting Standard specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Amendment Rules 2015, on the date determined in accordance with Ind AS in the following manner: in the following manner:

- (i) The respective book values of the assets, liabilities of the SP Undertaking transferred to the Transferee Company shall be reduced in the books of accounts of Transferor Company in compliance with the applicable accounting standards.
- (ii) The difference between the amounts of assets, liabilities pertaining to the SP Undertaking transferred pursuant to the Scheme shall be adjusted in the reserves of the Transferor Company.
- (iii) Notwithstanding the above, the Board of Directors of the Transferor Company is authorised to account for any of these balances in any manner whatsoever, as may be deemed fit, in accordance with accounting principle generally accepted in India, including the Indian accounting standard (Ind AS) specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules 2015.

#### **3.7.2 In the books of Transferee Company**

Notwithstanding anything to the contrary contained in any other clause in the Scheme herein, the Transferee Company shall account for the demerger and vesting of the SP Undertaking in its books of accounts as a business combination under common control in accordance with Indian Accounting Standard 103 'Business Combinations' specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, on the date determined in accordance with Ind AS or any other applicable accounting rules in the following manner:

- (i) The assets and liabilities of the SP Undertaking being transferred to the Transferee Company shall be at values appearing in the books of accounts of the Transferor Company at the close of business of the day immediately preceding the Appointed Date. In determining the value of the assets referred to herein above, any change in value of assets consequent to their

- revaluation shall be ignored in terms of Section 2(19AA) of the Income-tax Act, 1961.
- (ii) Upon coming into effect of this Scheme, to the extent that there are inter-company loans, advances, deposits, balances or other obligations as between the Transferor Company pertaining to the SP Undertaking and the Transferee Company, the obligation in respect thereof will come to an end and corresponding effect shall be given in the books of account and records of Transferee Company, for the reduction of any assets or liabilities as the case may be and there would be no accrual of interest or any other charges in respect of such inter-company loans, deposits or balance with effect from the Appointed Date.
  - (iii) All inter-company transactions between the Transferor Company pertaining to the SP Undertaking and the Transferee Company as may be outstanding on the Appointed Date shall stand cancelled.
  - (iv) The difference between the book value of the assets over the book value of liabilities of the SP Undertaking so recorded in the books of account of the Transferee Company, as adjusted by the aggregate sum of the: (a) paid up value of shares issued by the Transferee Company in terms of Clause 3.4.3, and (b) adjustment as provided in Clauses 3.7.2 (iii) and 3.7.2 (iv) above, shall be adjusted against the the capital reserves in the books of account of the Transferee Company.
  - (v) In case of any difference in the accounting policies between Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company shall prevail and the difference, if any, will be quantified and adjusted in the capital reserve in the financial statements of the Transferee Company
- 3.8 Notwithstanding the above, the Board of Directors of the Transferee Company is authorised to account for any of these balances in any manner whatsoever, as may be deemed fit, in accordance with accounting principle generally accepted in India, including the Indian accounting standard (Ind AS) specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules 2015.

## **Part IV: Residual Undertaking of the Transferor Company**

### **Residual Undertaking Of The Transferor Company**

#### **3.9 Residual Undertaking**

- 3.9.1 The Residual Undertaking and all assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Transferor Company.
- 3.9.2 All legal, taxation or other proceedings by or against the Transferor Company under any statute, or quasi-judicial authority or tribunal whether pending on the date of filing of this Scheme or which may be instituted in future whether or not in respect of any matter arising before the Appointed Date and relating to the Residual Undertaking (including those relating to any property, right, power, liability, obligation or duties of the Transferor Company in respect of the Residual Undertaking) shall be continued and enforced by or against the Transferor Company. The Transferee Company shall in no event be responsible or liable in relation to any such legal, taxation or other proceeding against the Transferor Company if proceedings are taken up against the Transferee Company in respect of

the matters referred to in this Clause, it shall defend the same in accordance with the advice of the Transferor Company and at the cost of the Transferor Company and the latter shall reimburse and indemnify the Transferee Company against all liabilities and obligations incurred by the Transferee Company in respect thereof.

## **Part V**

### **Residual Undertaking Of The Transferor Company**

#### **4. Miscellaneous And General Provisions**

##### **4.1 Provisions Applicable to Part III**

4.1.1 Upon the sanction of this Scheme from the Appointed Date, the following shall be deemed to have occurred and become effective and operative only in the sequence and in the order mentioned hereunder:

- (i) the transfer of the SP Undertaking to the Transferee Company pursuant to Part-IV of this Scheme;
- (ii) bifurcation and consequent transfer of the authorised share capital amounting to Rs. 600,000,000 (Rupees Sixty Crore Crores) of the Transferor Company to the Transferee Company as provided in Clause 3.5.1; and
- (iii) the issue and allotment of fully paid-up equity shares of the Transferee Company to the shareholders of the Transferor Company as of the Record Date.

##### **4.2 Compliance with Laws**

4.2.1 This Scheme is presented and drawn up to comply with the provisions/requirements of Chapter XV of the Act, for the purpose of demerger of the SP Undertaking to the Transferee Company.

4.2.2 This Scheme has been drawn up to comply with the conditions relating to “demerger” as specified under the tax laws, including Section 2(19AA) and other relevant sections of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found to be or interpreted to be inconsistent with any of the said provisions at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provisions of the Income Tax Act, 1961 shall prevail. The Scheme shall then stand modified to the extent determined necessary to comply with the said provisions. Such modification will however not affect other parts of the Scheme. The power to make such amendments as may become necessary shall vest with the Board of Directors of the Transferor Company and the Transferee Company, which power shall be exercised reasonably in the best interests of the companies concerned and their stakeholders.

4.2.3 Upon the Scheme becoming effective, the Companies are expressly permitted to revise their financial statements. The order of the Competent Authority sanctioning the Scheme shall be deemed to be an order of the Competent Authority permitting the Companies to revise its financial statements and books of accounts and no further act shall be required to be undertaken by the Companies.

##### **4.3 Consequential Matters Relating to Tax**

4.3.1 Upon the Scheme coming into effect, notwithstanding anything to the contrary contained in the provisions of this Scheme, all unavailed claims, credits and exemptions, accumulated tax loss,

- unabsorbed losses and corresponding deferred tax assets, unabsorbed tax depreciation, minimum alternate tax credit, and other tax carry forwards, credits and benefits, as applicable of the SP Undertaking as on the Appointed Date shall, for all purposes, be treated as unavailed claims, credits and exemptions, accumulated tax losses, unabsorbed losses and corresponding deferred tax assets, unabsorbed tax depreciation and minimum alternate tax credits of the Transferee Company.
- 4.3.2 Upon the Scheme becoming effective and from the Appointed Date, the Transferee Company shall be entitled to claims, carry forwards, exemptions, refunds or credits, including input tax credits, with respect to taxes paid by, for, or on behalf of, the SP Undertaking under applicable laws, whether or not arising due to any inter se transaction, even if the prescribed time limits for claiming such refunds or credits have lapsed.
- 4.3.3 All tax liabilities under the tax laws, including Service Tax laws, Goods and Service Tax laws, applicable State Value Added Tax laws or other applicable laws/ regulations dealing with taxes/ duties/ levies allocable or related to the SP Undertaking whether or not provided for or covered by tax provision in the accounts of the Transferor Company made as on the Appointed Date shall be transferred to the Transferee Company. Upon the Scheme becoming effective and from the Appointed Date, any TDS certificates issued by the Transferor Company to, or for the benefit of, the SP Undertaking under the Income Tax Act, 1961 with respect to the inter se transactions would be available to the Transferee Company to seek refund of from the tax authorities in compliance with law. Further, TDS deposited, TDS certificates issued or TDS returns filed by the Transferor Company pertaining to the SP Undertaking on transactions other than inter se transactions shall continue to hold good as if such TDS amounts were deposited, TDS certificates were issued and TDS returns were filed by the Transferee Company. Any TDS deducted by, or on behalf of, the SP Undertaking on inter se transactions will be treated as advance tax deposited by the respective Transferee Company.
- 4.3.4 The Transferee Company is also expressly permitted to claim refunds, credits, including restoration of input CENVAT credit, tax deduction in respect of nullifying of any transaction between or amongst the SP Undertaking and the Transferee Company.
- 4.3.5 The obligation for deduction of tax at source on any payment made by or to be made by the Transferor Company pertaining to the SP Undertaking under the Income Tax Act, 1961, service tax laws, central sales tax, state value added tax, goods and services tax or other applicable laws and/ or regulations dealing with taxes, duties or levies shall be deemed to have been made and duly complied with on behalf of the Transferee Company.
- 4.3.6 Upon the Scheme becoming effective and from the Appointed Date, the Transferee Company is also expressly permitted to revise its income-tax returns, withholding tax returns, sales tax returns, excise & CENVAT returns, goods and service tax returns, GST returns, other tax returns, to obtain TDS certificates, including TDS certificates relating to transactions between the SP Undertaking and the Transferee Company and to claim refunds, advance tax and withholding tax credits, benefit of carry forward of accumulated losses etc., pursuant to the provisions of this Scheme.
- 4.3.7 In accordance with the cenvat credit rules or GST credit rules as framed under various GST Act(s), whether Central or State or Intergrated, or anyother law for the time being in force, as are prevalent on the Appointed Date, the unutilised credits relating to GST paid on inputs/capital goods/input services lying in the accounts of the Transferor Company pertaining to the SP Undertaking shall be

permitted to be transferred to the credit of the Transferee Company, as if all such unutilised credits were lying to the account of the Transferee Company. The Transferee Company shall accordingly be entitled to set off all such unutilised credits against the excise duty/service tax/ GST payable by it. Without prejudice to the generality of the foregoing, all benefits, incentives, losses, credits (including without limitation income tax, tax on book profits, wealth tax, service tax, excise tax, custom duty, goods and services tax and value added tax), to which the SP Undertaking is entitled to in terms of applicable law, shall be available to and vest in the Transferee Company.

- 4.3.8 Without prejudice to the generality of the foregoing, all benefits, incentives, losses, credits (including without limitation income tax, tax on book profits, wealth tax, service tax, excise duty, custom duty, goods and services tax and value added tax), to which the SP Undertaking is entitled to in terms of applicable law, shall be available to and vest in the Transferee Company.

#### **4.4 Dividends**

- 4.4.1 The Companies shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the accounting period prior to the Appointed Date.
- (i) The holders of the shares of the Transferor Company and the Transferee Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.
  - (ii) It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Company and/or the Transferee Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the Transferor Company and the Transferee Company and subject to the approval of the shareholders of the Transferor Company and the Transferee Company respectively.

#### **4.5 Interpretation**

- 4.5.1 This Scheme shall become effective and the provisions of this Scheme shall be applicable and come into operation from the Appointed Date.
- 4.5.2 If any terms or provisions of this Scheme are found to be or interpreted to be inconsistent with any provisions of applicable law at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the provisions of the applicable law shall prevail. This Scheme shall then stand modified to the extent determined necessary to comply with the said provisions. Such modification will, however, not affect other parts of this Scheme. Notwithstanding the other provisions of this Scheme, the power to make such amendments/modifications as may become necessary, whether before or after the Effective Date, shall vest with the Board of Directors of the Transferor Company and the Transferee Company, which power shall be exercised reasonably in the best interests of the Transferor Company and the Transferee Company and their respective shareholders.

#### **4.6 Applications to Competent Authority**

- 4.6.1 The Companies shall as may be required make necessary applications and/or petitions to the Competent Authority under Chapter XV of the Act along with the applicable provisions of the Act or rules thereunder, seeking orders for dispensing with or convening, holding and conducting of the

meetings of members and/or creditors and for sanction of this Scheme with such modification as may be approved by the Competent Authority and all matters ancillary or incidental thereto.

- 4.6.2 Upon this Scheme being approved by the requisite majority of the shareholders and creditors of the Transferor Company and the Transferee Company respectively (wherever required), the Transferor Company and the Transferee Company shall, with all reasonable dispatch, file respective petitions before the Competent Authority for sanction of this Scheme under Chapter XV of the Act along with applicable provisions of the Act or rules thereunder, and for such other order or orders, as the Competent Authority may deem fit for putting this Scheme into effect.
- 4.6.3 Upon this Scheme becoming effective, the shareholders of the Transferee Company shall be deemed to have also accorded their approval under all relevant provisions of the Act, , including Section 62 of the Act,for giving effect to the provisions contained in this Scheme.

#### **4.7 Modification or Amendments to the Scheme**

##### 4.7.1

- (i) The Transferor Company (by its Board of Directors) and the Transferee Company (by its Board of Directors) either by themselves or through a committee appointed by them in this behalf, may, in their full and absolute discretion, assent to any alteration or amendment or modification to this Scheme which either the boards of directors of the Transferor Company or the Transferee Company, as the case may be, deem fit, or which the Competent Authority and/or any other authority may deem fit to approve or impose.
- (ii) The Transferor Company (by its Board of Directors) and the Transferee Company (by its respective Board of Directors), either by themselves or through a committee appointed by them in this behalf, may give such directions as they may consider necessary to settle any question or difficulty arising under the Scheme or in regard to and of the meaning or interpretation of the Scheme or implementation hereof or in any matter whatsoever connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholders, depositors or debenture-holders of the respective companies), or to review the position relating to the satisfaction of various conditions to the Scheme and if necessary, to waive any of those (to the extent permissible under law).
- (iii) The Transferor Company and the Transferee Company, acting through their respective Boards of Directors, shall be at liberty to withdraw from this Scheme in case any condition or alteration imposed by the Competent Authority or any other authority is not on terms acceptable to them or for any other matter as determined by the respective Board of Directors to be in the best interests of the Transferor Company and Transferee Company.
- (iv) Except as otherwise expressly provided in this Scheme, the Transferor Company and the Transferee Company shall pay their respective costs, expenses, charges, fees, taxes, duties, levies and other incidental expenses arising out of or incurred in connection with the filing, approval and/or implementation of this Scheme. Upon this Scheme becoming effective, all costs, expenses, charges, fees, taxes, duties, levies and other incidental expenses arising out of or incurred in connection with the filing, approval and/or implementing of this Scheme (save as expressly otherwise agreed) by the Transferor Company shall be borne solely by the Transferee Company.
- (v) In the event of any inconsistency between any of the terms and conditions of any earlier

- arrangement between the Transferor Company and the Transferee Company and their respective shareholders and the terms and conditions of this Scheme, the latter shall prevail.
- (vi) If any part of this Scheme is invalid, ruled illegal or rejected or is unreasonably delayed or not sanctioned by any court of competent jurisdiction, or unenforceable under present or future laws, or not sanctioned or is unreasonably delayed, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the Transferor Company and the Transferee Company, acting through their respective Boards of Directors, shall attempt to bring about a modification in this Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such part, which is invalid, ruled illegal or rejected, or being unreasonably delayed or not sanctioned or is unreasonably delayed by any court of competent jurisdiction, or unenforceable under present or future laws.
- (vii) Any issue as to whether any asset, liability, employee or litigation pertains to the SP Undertaking or not shall be decided by the Board of Directors of the Transferee Company either by themselves or through a committee appointed by them in this behalf, and if considered necessary by them, after consultation with the Board of Directors of the Transferor Company, on the basis of evidence that they may deem relevant for the purpose (including the books and records of the Transferor Company).

#### **4.8 Effectiveness of the Scheme**

- 4.8.1 Subject to the provisions of this Scheme, this Scheme shall become effective on Appointed Date in accordance with Section 232(6) of the Act (the "Effective Date").

#### **4.9 Miscellaneous Provisions**

- 4.9.1 In the event of this Scheme failing to take effect finally by April 1, 2019 or by such later date as may be agreed by the respective Boards of Directors of the Transferor Company and the Transferee Company, this Scheme shall become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter se by the parties or their shareholders or creditors or employees or any other person. In such case each company shall bear its own costs or shall bear costs as may be mutually agreed.
- 4.9.2 If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Board of Directors of the Transferor Company and the Transferee Company, affect the validity or implementation of the other parts and/or provisions of this Scheme. The Transferor Company shall provide all necessary assistance including in terms of documents etc. that may be demanded by Transferee Company in order to give full and final effect to the Scheme to the extent as it may be required by any statutory provisions or under the applicable law, it being clarified that the Transferee Company shall be entitled to engage in such correspondence and make such representations, as may be necessary, for the purposes of effecting the transfer to and vesting of the SP Undertaking into and with the Transferee Company.
- 4.10 All costs, charges, levies and expenses (including but not limited to stamp duty etc.) in relation to or in connection with the Scheme and incidental to completion of the Scheme and of carrying out the terms of this Scheme shall be borne as mutually agreed by the Board of Directors of the Companies.



#### **4.11 Saving of Concluded Transactions**

The transfer and vesting of the assets, liabilities and obligations of the SP Undertaking in accordance with the provisions of this Scheme and the continuance of the legal proceedings by or against the Transferee Company shall not affect any transaction or proceedings already completed by the Transferor Company on or before the Appointed Date and the Transferee Company accept all acts, deeds and things done and executed by and/or on behalf of the Transferor Company as acts, deeds and things done and executed by and on behalf of the Transferee Company.

#### **4.12 Residual**

- 4.12.1 Upon this Scheme becoming effective from the Appointed Date, the Transferee Company shall be entitled to operate all bank accounts, cash and deposits relating to the SP Undertaking, realise all monies and complete and enforce all pending contracts and transactions in respect of the SP Undertaking in the name of the Transferor Company to the extent necessary.
- 4.12.2 Upon this Scheme becoming effective from the Appointed Date, the Transferee Company shall be entitled to occupy and use all premises, whether owned, leased or licensed, relating to the SP Undertaking until the transfer of the rights and obligations of the Transferor Company pertaining to the SP Undertaking to the Transferee Company under this Scheme is formally accepted by the parties concerned.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF E. I. DUPONT INDIA PRIVATE LIMITED**

### **Report on the Indian Accounting Standards (Ind AS) Financial Statements**

1. We have audited the accompanying financial statements of E. I. DuPont India Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017 the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### **Management's Responsibility for the Standalone Ind AS Financial Statements**

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements to 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 specified in the Companies (Indian Accounting Standards) Rules, 2015(as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

3. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

## Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its total comprehensive income (comprising of profit/ loss and other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

## Other Matter

9. The financial information of the Company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated September 9, 2016 and August 31, 2015 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

Our opinion is not qualified in respect of these matters.

## Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. 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 that the back-up of the books of accounts and other books and papers maintained in electronic mode has not been maintained on servers physically located in India.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure B.

- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
- i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2017 on its financial position in its Ind AS financial statements – Refer Note 30;
  - ii. The Company has long-term contracts as at March 31, 2017 for which there were no material foreseeable losses. The Company did not have any derivative contracts as at March 31, 2017; and
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017 and
  - iv. The Company did not have any holdings or dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 – Refer Note 35.

**For Price Waterhouse & Co Chartered Accountants LLP**

Firm Registration No. 304026E/E-300009

Chartered Accountants

Sunit Kumar Basu

Partner

Membership Number: 55000

Place: Hyderabad

Date: 16-11-2017

**Annexure A to Independent Auditors' Report**

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of E. I. DuPont India Private Limited on the Ind AS financial statements as of and for the year ended March 31, 2017

- i.
  - (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
  - (b) The fixed assets of the Company have been physically verified by the Management during the year. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account. In our opinion, the frequency of verification is reasonable.
  - (c) The title deeds of immovable properties, as disclosed in Note 3 on fixed assets to the financial statements, are held in the name of the Company.
- ii. The physical verification of inventory excluding stocks with third parties have been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it. The Company has not made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii.
  - (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of sales tax, value added tax and service tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, duty of customs, duty of excise, cess and other material statutory dues, as applicable, with the appropriate authorities.

**Annexure A to Independent Auditors' Report**

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of E. I. DuPont India Private Limited on the Ind AS financial statements as of and for the year ended March 31, 2017

- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax, sales tax/service tax, duty of customs and duty of excise duty, value added tax as at March 31, 2017 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs.)*	Amount deposited (Rs.)**	Period to which the amount relates	Forum where the dispute is pending
Income tax Act, 1961	Income tax	13,351,150	-	2001 – 2002	Income Tax Appellate Tribunal
Income tax Act, 1961	Income tax	4,519,950	4,519,950	2002 – 2003	Income Tax Appellate Tribunal
Income tax Act, 1961	Income tax	82,638,785	74,537,397	2006 – 2007	Income Tax Appellate Tribunal
Income tax Act, 1961	Income tax	157,826,149	-	2007 – 2008	Income Tax Appellate Tribunal
Income tax Act, 1961	Income tax	318,301,889	60,000,000	2008 – 2009	Assessing Officer
Income tax Act, 1961	Income tax	158,154,645	21,000,000	2009 – 2010	Assessing Officer
Income tax Act, 1961	Income tax	197,025,101	25,800,000	2010 – 2011	Commissioner of Income Tax (Appeals)
Income tax Act, 1961	Income tax	231,761,200	11,500,000	2011 – 2012	Commissioner of Income Tax (Appeals)
Income tax Act, 1961	Income tax	189,290,320	30,000,000	2012 – 2013	Commissioner of Income Tax (Appeals)
Income tax Act, 1961	Income tax	171,388,006	25,700,000	2013 – 2014	Commissioner of Income Tax (Appeals)
Central Excise Duty, 1944	Excise duty	3,070,676	200,000	April 2000 to July 2002	Customs, Excise & Service Tax, Appellate Tribunal, Chennai
Central Excise Duty, 1944	Excise duty	8,820,249	6,448,484	August 2007 to December 2011	CESTAT Ahmedabad
Central Excise Duty, 1944	Excise duty	3,906,765	-	April 2011 to December 2014	CESTAT Ahmedabad
Central Excise Duty, 1944	Excise duty	1,057,302	48,764	February 2012 to April 2015	CESTAT Ahmedabad
Central Excise Duty, 1944	Excise duty	2,105,409	1,170,912	February 2012 to February 2013	CESTAT Ahmedabad
Central Excise Duty, 1944	Excise duty	2,479,353	1,384,868	February 2012 to April 2015	CESTAT Ahmedabad
The Customs Act, 1962	Customs duty	1,500,000	1,500,000	2012	Assistant Commissioner of Customs
AP VAT Act, 2005 and Central Sales Tax Act, 1956	Sales tax	17,862,260	2,158,823	2010 – 2011 and 2011 – 2012	Appellate Deputy Commissioner of Hyderabad and Assistant Commissioner of Commercial Taxes of Hyderabad

## Annexure A to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of E. I. DuPont India Private Limited on the Ind AS financial statements as of and for the year ended March 31, 2017

Name of the statute	Nature of dues	Amount (Rs.)*	Amount deposited (Rs.)**	Period to which the amount relates	Forum where the dispute is pending
Central Sales Tax Act, 1956	Sales tax	967,945	-	2007 – 2008 and 2010 – 2011	Additional Commissioner of Delhi and Assistant Commissioner of Delhi
Karnataka VAT Act, 2003	Sales tax	1,792,052	569,789	Various periods	Joint Commissioner, Commercial Taxes, Appeals, Bangalore
Kerala VAT Act, 2003	Sales tax	17,576,749	2,892,643	Various periods	Deputy Commissioner, Appeals, Kochi
Uttar Pradesh VAT Act, 2008	Sales tax	1,200,000	1,200,000	2009 – 2010	Additional Commissioner, Appeals, Ghaziabad

\* includes interest as computed by the management

\*\* represents demand amounts paid under protest / adjusted by the tax department against refunds of various assessment years

- viii. As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The provisions of Section 197 read with Schedule V to the Act are applicable only to public companies. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, the provisions of Clause 3(xiii) of the Order are not applicable to the Company.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review<sup>39</sup>. Accordingly, the provisions of Clause 3(xiv) of the



**Annexure A to Independent Auditors' Report**

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of E. I. DuPont India Private Limited on the Ind AS financial statements as of and for the year ended March 31, 2017

Order are not applicable to the Company.

- xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

**For Price Waterhouse & Co Chartered Accountants LLP**

Firm Registration No. 304026E/E-300009

Chartered Accountants

Sunit Kumar Basu

Partner

Membership Number:55000

Place: Hyderabad

Date: 16-11-2017



## **Annexure B to Independent Auditors' Report**

Referred to in paragraph 12(f) of the Independent Auditors' Report of even date to the members of E. I. DuPont India Private Limited on the Ind AS financial statements for the year ended March 31, 2017

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act**

1. We have audited the internal financial controls over financial reporting of E. I. DuPont India Private Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

2. 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 Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations (COSO) of the Treadway Commission. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for

## **Annexure B to Independent Auditors' Report**

Referred to in paragraph 12(f) of the Independent Auditors' Report of even date to the members of E. I. DuPont India Private Limited on the Ind AS financial statements for the year ended March 31, 2017

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Price Waterhouse & Co Chartered Accountants LLP**

Firm Registration No. 304026E/E-300009

Chartered Accountants

Sunit Kumar Basu

Partner

Membership Number: 55000

Place: Hyderabad

Date: 16-11-2017

## Balance sheet

		All amounts in Rs. Lakhs unless otherwise stated		
	Notes	31 March, 2017	31 March, 2016	1 April, 2015
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	3	46,052	50,375	50,965
Capital work-in-progress	3	538	686	1,351
Intangible assets	4	26	25	80
Financial assets				
(i) Other financial assets	5 (c)	835	1,034	904
Other non-current assets	6	10,062	5,009	5,784
<b>Total non-current assets</b>		<b>57,513</b>	<b>57,129</b>	<b>59,084</b>
<b>Current assets</b>				
Inventories	8	83,092	68,196	41,266
Financial assets				
(i) Trade receivables	5(a)	45,284	42,021	37,647
(ii) Cash and cash equivalents	5(b)	703	993	659
(iii) Other financial assets	5 (c)	1,224	3,978	3,431
Other current assets	7	11,098	11,683	7,801
<b>Total current assets</b>		<b>141,401</b>	<b>126,871</b>	<b>90,804</b>
<b>Total assets</b>		<b>198,914</b>	<b>184,000</b>	<b>149,888</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity share capital	9 (a)	5,595	5,613	5,613
Other Equity Reserves and Surplus	9 (b)	71,916	56,389	46,206
<b>Total equity</b>		<b>77,511</b>	<b>62,002</b>	<b>51,819</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Financial liabilities				
(i) Borrowings	10 (a)	7,132	7,296	6,882
(ii) Other financial liabilities	10 (c)	-	-	-
Employee benefit obligations	12	1,149	843	887
Deferred tax liabilities	13	2,037	2,249	1,500
Other non-current liabilities	15	1,274	1,593	1,637
<b>Total non-current liabilities</b>		<b>11,592</b>	<b>11,981</b>	<b>10,906</b>
<b>Current liabilities</b>				
Financial liabilities				
(i) Borrowings	10 (b)	17,792	27,803	29,176
(ii) Trade payables	10 (d)	83,401	73,532	48,448
(iii) Other financial liabilities	10 (c)	124	428	684
Provisions	11	2,968	3,262	2,757
Employee benefit obligations	12	3,043	2,216	2,239
Other current liabilities	14	2,483	2,776	3,859
<b>Total current liabilities</b>		<b>109,811</b>	<b>110,017</b>	<b>87,163</b>
<b>Total liabilities</b>		<b>121,403</b>	<b>121,998</b>	<b>98,069</b>
<b>Total equity and liabilities</b>		<b>198,914</b>	<b>184,000</b>	<b>149,888</b>

The above balance sheet should be read in conjunction with the accompanying notes.

**For Price Waterhouse & Co Chartered Accountants LLP**

**For and on behalf of the Board of Directors**

Firm Registration No. 304026E/E-300009

**Sunit Kumar Basu**  
Partner  
Membership Number: 55000

**Mahesh Jain**  
Director

**Sanjit Kaur Batra**  
Director

**Samar Bhatia**  
Company Secretary

Place: Hyderabad  
Date: 16-11-2017

Place: Gurgaon  
Date: 16-11-2017

**Statement of Profit and Loss**

		All amounts in Rs. Lakhs unless otherwise stated	
	Notes	31 March, 2017	31 March, 2016
Revenue from operations	16	324,456	279,096
Other income	17	4,159	1,280
<b>Total income</b>		<b>328,615</b>	<b>280,376</b>
<b>Expenses</b>			
Cost of materials consumed	18	133,189	112,164
Purchases of stock-in-trade		71,514	62,682
Changes in inventories of work-in-progress, stock-in-trade and finished goods	19	(5,482)	(14,265)
Excise duty		27,422	21,734
Employee benefit expense	20	22,937	22,956
Depreciation and amortisation expense	21	5,117	5,047
Other expenses	22	46,005	49,702
Finance costs	23	2,201	5,010
<b>Total expenses</b>		<b>302,903</b>	<b>265,030</b>
<b>Profit/(Loss) before tax</b>		<b>25,712</b>	<b>15,346</b>
Income tax expense			
-Current tax	24	9,203	5,012
-Current tax pertaining to earlier years		(143)	(445)
-Deferred tax	24	130	696
<b>Total tax expense</b>		<b>9,190</b>	<b>5,263</b>
<b>Profit/(Loss) for the year</b>		<b>16,522</b>	<b>10,083</b>
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of post-employment benefit obligations		(988)	153
Deferred income tax relating to this item	24	342	(53)
<b>Other comprehensive income/(loss) for the year</b>		<b>(646)</b>	<b>100</b>
<b>Total comprehensive income/(loss) for the year</b>		<b>15,876</b>	<b>10,183</b>
"Earnings/(loss) per equity share attributable to owners of E.I. DuPont India Private Limited"			
Basis earnings/(loss) per share	33	29.48	17.96
Diluted earnings/(loss) per share	33	29.48	17.96

The above statement of profit and loss should be read in conjunction with the accompanying notes.

**For Price Waterhouse & Co Chartered Accountants LLP**

Firm Registration No. 304026E/E-300009

**For and on behalf of the Board of Directors**

**Sunit Kumar Basu**

Partner

Membership Number: 55000

**Mahesh Jain**

Director

**Sanjit Kaur Batra**

Director

**Samar Bhatia**

Company Secretary

Place: Hyderabad

Date: 16-11-2017

Place: Gurgaon

Date: 16-11-2017

## Statement of changes in equity

### A. Equity share capital

All amounts in Rs. Lakhs unless otherwise stated

	Notes	
<b>As at 1 April 2015</b>	9 (a) (i)	5,613
Changes in equity share capital	9 (a) (i)	-
<b>As at 31 March 2016</b>		<b>5,613</b>
Changes in equity share capital	9 (a) (i)	
<b>As at 31 March 2017</b>		<b>5,595</b>

### B. Other equity

	Notes	Attributable to owners of E.I. DuPont India Private Limited				Total other equity
		General Reserve	Retained earnings	Securities premium	Capital Redemption Reserve	
<b>Balance at 1 April 2015</b>	9 (b)	<b>1,563</b>	<b>44,643</b>	-	-	<b>46,206</b>
Profit for the year		-	10,083	-	-	10,083
Other comprehensive income		-	100	-	-	100
Total comprehensive income for the year		-	10,183	-	-	10,183
<b>Balance at 31 March 2016</b>		<b>1,563</b>	<b>54,826</b>	-	-	<b>56,389</b>

	Notes	Attributable to owners of E.I. DuPont India Private Limited				Total other equity
		Reserves and surplus				
		General Reserve	Retained earnings	Securities premium	Capital Redemption Reserve	
<b>Balance at 1 April 2016</b>	9 (b)	1,563	54,826	-	-	56,389
<b>Less: Premium paid on Buy back of shares</b>		-	(353)	-	-	(353)
Profit for the year		-	16,522	-	-	16,522
Other comprehensive income		-	(646)	-	-	(646)
<b>Total comprehensive income for the year</b>		-	15,876	-	-	15,876
Share Premium in issue of 2000 shares		-	-	4	-	4
Capital Redemption Reserve for Buy back of shares		-	(18)	-	18	-
<b>Balance at 31 March 2017</b>		<b>1,563</b>	<b>70,331</b>	<b>4</b>	<b>18</b>	<b>71,916</b>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

**For Price Waterhouse & Co Chartered Accountants LLP**  
Firm Registration No. 304026E/E-300009

**For and on behalf of the Board of Directors**

**Sunit Kumar Basu**  
Partner  
Membership Number: 55000

**Mahesh Jain**  
Director

**Sanjit Kaur Batra**  
Director

**Samar Bhatia**  
Company Secretary

Place: Hyderabad  
Date: 16-11-2017

Place: Gurgaon  
Date: 16-11-2017

**Statement of Cash Flows**

All amounts in Rs. Lakhs unless otherwise stated

	Year ended 31 March, 2017	Year ended 31 March, 2016
<b>Cash Flow from Operating Activities</b>		
Profit/(loss) before income tax	25,712	15,346
<b>Adjustments for:</b>		
Depreciation and amortisation expense	5,117	5,047
Provision for sales return (net of reversals adjusted with revenue)	(60)	450
Interest income classified as investing cash flows	(92)	(286)
Interest income on fair valuation of security deposits	(104)	(96)
Interest income on fair amortisation of government grant	(168)	(163)
Interest income on fair valuation of guarantees	(982)	(631)
Finance costs	1,196	4,382
Finance cost on guarantees	1,005	628
Fixed assets written off	513	1,026
Liabilities no longer required written back	(50)	-
Loss on Sale of Fixed Assets	-	4
Rent equalisation reserve	(96)	37
Amortisation of lease premium and prepaid rent	125	122
Unrealised foreign exchange loss/(gain) (net)	(3,050)	(894)
<b>Change in operating assets and liabilities</b>		
(Increase)/decrease in trade receivables	(3,292)	(4,492)
(Increase) decrease in inventories	(14,896)	(26,930)
(Increase)/decrease in other financial assets	3,057	(581)
(Increase)/decrease in other current and non-current assets	(3,019)	(4,484)
Increase/(decrease) in trade payables	12,743	26,098
Increase/(decrease) in employee benefit obligations	145	86
Increase/(decrease) in provisions	(234)	55
Increase/(decrease) in other current and non-current liabilities	(364)	(1,087)
<b>Cash generated from operations</b>	<b>23,206</b>	<b>13,637</b>
<b>Income taxes paid</b>	<b>(10,618)</b>	<b>(3,316)</b>
<b>Net cash inflow from operating activities</b>	<b>12,588</b>	<b>10,321</b>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment (including capital work in process)	(1,734)	(4,667)
Sale of tangible and intangible assets	238	45
Interest received	92	286
<b>Net cash outflow from investing activities</b>	<b>(1,404)</b>	<b>(4,336)</b>
<b>Cash flows from financing activities</b>		
Issuance of equity share capital	4	-
Buy back of equity share capital	(375)	-
Repayment of short term borrowings	(10,011)	(1,373)
Interest paid	(1,092)	(4,278)
<b>Net cash outflow from financing activities</b>	<b>(11,474)</b>	<b>(5,651)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(290)</b>	<b>334</b>
Cash and cash equivalents at the beginning of the financial year	993	659
<b>Cash and cash equivalents at end of the year</b>	<b>703</b>	<b>993</b>

**Statement of Cash Flows (Cont.)**
**Reconciliation of cash and cash equivalents as per the cash flow statement**

	31 March, 2017	31 March, 2016
<b>Cash and cash equivalents as per above comprise of the following:</b>		
<b>Cash and cash equivalents</b>		
-in current accounts	703	<b>993</b>
-in fixed deposit account	*	*
<b>Balances per statement of cash flows</b>	703	<b>993</b>

\* Amounts below the rounding off norms adopted by the Company.

The above statement of cash flow should be read in conjunction with the accompanying notes.

**For Price Waterhouse & Co Chartered Accountants LLP**

Firm Registration No. 304026E/E-300009

**For and on behalf of the Board of Directors**

**Sunit Kumar Basu**

Partner

Membership Number: 55000

**Mahesh Jain**

Director

**Sanjit Kaur Batra**

Director

**Samar Bhatia**

Company Secretary

Place: Hyderabad

Date: 16-11-2017

Place: Gurgaon

Date: 16-11-2017

## Notes to the Financial statements

### Background

The Company is interalia engaged in light processing and sale of agricultural chemicals; engineering polymer products, tynex etc. and distribution of DuPont proprietary products such as speciality chemicals, packaging and industrial products. The Company is also engaged in safety related consultancy services in India and in providing administrative and other support services to DuPont entities world wide.

#### 1.1 Basis of preparation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements up to year ended 31 March 2016 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

These financial statements are the first financial statements of the Company under Ind AS. Refer Note 38 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

(ii) Historical cost convention

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

- certain financial assets and liabilities that are measured at fair value
- defined benefit plan-plan assets measured at fair value

#### 1.2 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Company's senior leadership team comprising Managing Director, Finance Director, Financial Controller and Tax manager has been identified as the chief operating decision makers. Refer Note 28 for the segment information presented.

#### 1.3 Foreign Currency Translation

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of its primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupees (Rs.), which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. Foreign exchange difference regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).



#### 1.4 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

##### **Sale of goods**

**Timing of recognition:** Revenue from the sale of goods is recognised when the Company sells a product to the customer.

**Measurement of revenue:** It is the Company's policy to sell its products to the end customer with a right of return. Accumulated experience is used to estimate and provide for such returns at the time of sale.

Revenue from Services- Consulting

**Timing of recognition:** Income from consultancy services and service income are recognised as and when services are rendered and invoiced as per the terms of the agreements.

**Measurement of revenue:** In contracts involving consultancy services, revenue is measured using the proportionate completion method when no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering the service and are recognised net of service tax.

Revenue from presale support services

Pre sale support service income in respect of eligible products as per the terms of the agreement is accrued on invoicing of goods by the seller based on orders procured by the Company.

#### 1.5 Research and Development (R&D)

Revenue expenditure incurred for R&D is charged to the Statement of Profit and Loss. Fixed Assets purchased for R&D activities are capitalised in the year the same are put to use.

#### 1.6 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a systematic basis over the expected lives of the related assets and presented within other income.

#### 1.7 Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company operates and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in

which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

## **1.8 Leases**

As a lessee

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

## **1.9 Impairment of assets**

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely

independent of the cash flows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

#### **1.10 Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

#### **1.11 Trade receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

#### **1.12 Inventories**

Inventories are stated at lower of cost and net realisable value. Cost is determined on weighted average basis. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

#### **1.13 Investments and other financial assets**

##### **(i) Classification**

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

##### **(ii) Measurement**

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 26 details how the Company determines whether there has been a significant increase in credit risk.

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

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

#### 1.14 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counter party.

#### 1.15 Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 37 and the amount initially recognised less cumulative amortisation, where appropriate. The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

### 1.16 Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

#### Transition to Ind AS

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

#### Depreciation methods, estimated useful lives and residual value

Depreciation on fixed assets is provided on straight line method at the rates and in the manner prescribed by Schedule II to the Companies Act, 2013 which are in line with the internal technical evaluation of the useful lives of the fixed assets carried out by the management.

Assets costing Rs. 5,000 or less are fully depreciated in the year of purchase. Residual value of assets is considered as 5% of gross block.

Leasehold improvements are being depreciated over the primary lease period.

The property, plant and equipment acquired under the finance lease is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the group will obtain at the end of the lease term.

Gains or losses arising from the retirement or disposal of a tangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised as income or expense in the Statement of Profit and Loss. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

### 1.17 Intangible assets

#### (i) Computer software

Computer software are stated at cost, less accumulated amortisation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Software below Rs 1,000,000 are charged off to Statement of Profit or Loss.

#### (ii) Amortisation methods and periods

Intangible assets are amortised on a straight line basis over their estimated useful lives which range from 3 to 5 years. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

#### (iii) Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

### 1.18 Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid as per mutually agreed

terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

### **1.19 Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

### **1.20 Borrowing Cost**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

### **1.21 Provisions**

Provisions for legal claims, volume discounts and returns are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and

the risks specific to the liability. The increase in the provisions due to the passage of time is recognized as interest expense.

## **1.22 Employee benefits**

### **(i) Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services upto the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

### **(ii) Other long-term employee benefit obligations**

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

### **(iii) Post-employment obligations**

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity and provident fund; and
- (b) defined contribution plans such as superannuation fund

### **Gratuity obligations**

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

The present value of the defined benefit obligation denominated in Rs. is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

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

**Provident fund obligations**

The Company pays provident fund contributions to trust administered by the Company. The Company's liability is actuarially determined at the end of the year and any shortfall in the fund size maintained by the Trust set up by the Company is additionally provided for.

**Defined contribution plans**

Superannuation Scheme (administered through a 'Superannuation Trust' formed by the Company) and provident fund are defined contribution plans, where the Company has no further obligations under these plans beyond its monthly/ quarterly contributions. The Superannuation Trust has taken a policy with Life Insurance Corporation of India (LIC) to cover the liability towards superannuation for eligible employees.

The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

**(iv) Share-Based Payments**

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

**(v) Termination Benefits**

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognizes termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the entity recognizes costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefit are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

**1.23 Contributed Equity**

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

**1.24 Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

**1.25 Earnings per share****(i) Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company;
- by the weighted average number of equity shares outstanding during the financial year.

**(ii) Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and



- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

### **1.26 Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

### **1.27 Standards issued but not yet effective**

The standard issued, but not yet effective up to the date of issuance of the Company's financial statements is disclosed below. The Company intends to adopt these standards when it becomes effective.

"Amendments to Ind AS 102 Share-based Payments-

The amendment is on the following:

- a) Measurement of cash settled awards: The amendment requires measurement of fair value of the cash settled share-based payment transactions on initial recognition and at the end of each reporting period until settled, by applying an option pricing model, taking into account the terms and conditions on which the share-appreciation rights were granted and the extent to which the employees have rendered service to date.
- b) Classification of awards settled net of tax withholdings: For share based payment transaction with employees with net-settlement feature (i.e., wherein the entity withholds the number of equity instruments equal to the monetary value of the employee's tax obligation from the total equity instruments that otherwise would have been issued to the employee upon vesting), the amendment to the Standard requires classification of the transactions as equity settled if the transaction would have been classified as equity settled transaction in the absence of net settlement feature.
- c) Modification of a share-based payment transaction from cash-settled to equity-settled: The amendment clarifies that, if the terms and conditions of a cash-settled share based payment transaction are modified, with the result that it becomes an equity-settled share based payment transaction, the transaction is accounted for as an equity settled transaction from the date of the modification. The aforesaid amendments are not expected to have material impact on the financial position of the company. The amendments are effective for annual periods beginning on or after 1 April 2017."

### **Amendments to Ind AS 7 Cash Flow Statement**

The amendment requires an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The amendment requires an entity to disclose the following changes in liabilities arising from financing activities:

- a. changes from financing cash flows;
- b. changes arising from obtaining or losing control of subsidiaries or other businesses;
- c. the effect of changes in foreign exchange rates;
- d. changes in fair values; and
- e. other changes.

In addition to above, the amendment requires to disclose changes in financial assets if cash flows from those financial assets were, or future cash flows will be, included in cash flows from financing activities. The amendment requires to provide a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities. The amendment requires to disclose the changes in liabilities arising from financing activities

separately from changes in those other assets and liabilities, if an entity provides above disclosure in combination with disclosures of changes in other assets and liabilities. The amendment is effective for annual periods beginning on or after 1 April 2017.

**Note 2: Critical estimates and judgements**

The areas involving critical estimates or judgements are:

- Estimation of defined benefit obligation, refer note no. 12
- Useful life of fixed assets, refer note no. 1.16
- Recognition of revenue, refer note no. 16
- Expected credit loss of financial assets, refer note no. 26
- Uncertain tax positions, refer note no. 30

Notes to Balance Sheet  
Note 3: Property, plant and equipment

All amounts in Rs. Lakhs unless otherwise stated											
	Freehold land	Leasehold land (refer note iii)	Buildings	Leasehold improvements	Plant and machinery	Office equipment	Computers	Furniture and fixtures	Vehicles	Grand Total	Capital work-in-progress
<b>Year ended 31 March 2016</b>											
<b>Gross carrying amount</b>	<b>297</b>	<b>172</b>	<b>19,329</b>	<b>649</b>	<b>26,083</b>	<b>1,201</b>	<b>993</b>	<b>2,232</b>	<b>9</b>	<b>50,965</b>	<b>1,351</b>
Deemed cost as at 1 April 2015	-	-	109	1,440	1,858	1,059	487	524	-	5,477	4,687
Additions	-	-	11	13	863	90	59	214	-	1,250	5,352
Disposals	-	-	-	-	-	-	-	-	-	-	-
<b>Closing gross carrying amount</b>	<b>297</b>	<b>172</b>	<b>19,427</b>	<b>2,076</b>	<b>27,078</b>	<b>2,170</b>	<b>1,421</b>	<b>2,542</b>	<b>9</b>	<b>55,192</b>	<b>686</b>
<b>Accumulated depreciation and impairment</b>											
Depreciation charge during the year	-	-	502	176	3,149	495	402	275	3	5,004	-
Disposals	-	-	-	1	111	37	18	20	-	187	-
<b>Closing accumulated depreciation</b>	<b>-</b>	<b>2</b>	<b>502</b>	<b>175</b>	<b>3,038</b>	<b>458</b>	<b>384</b>	<b>255</b>	<b>3</b>	<b>4,817</b>	<b>-</b>
<b>Net carrying amount</b>	<b>297</b>	<b>170</b>	<b>18,925</b>	<b>1,901</b>	<b>24,040</b>	<b>1,712</b>	<b>1,037</b>	<b>2,287</b>	<b>6</b>	<b>50,375</b>	<b>686</b>
<b>Year ended 31 March 2017</b>											
<b>Gross carrying amount</b>	<b>297</b>	<b>172</b>	<b>19,427</b>	<b>2,076</b>	<b>27,078</b>	<b>2,170</b>	<b>1,421</b>	<b>2,542</b>	<b>9</b>	<b>55,192</b>	<b>686</b>
Opening Gross carrying amount	297	172	19,427	2,076	27,078	2,170	1,421	2,542	9	55,192	686
Additions	-	-	131	29	1,116	48	116	60	21	1,521	1,409
Disposals	-	-	23	361	445	68	117	233	-	1,247	1,557
<b>Closing gross carrying amount</b>	<b>297</b>	<b>172</b>	<b>19,535</b>	<b>1,744</b>	<b>27,749</b>	<b>2,150</b>	<b>1,420</b>	<b>2,369</b>	<b>30</b>	<b>55,466</b>	<b>538</b>
<b>Accumulated depreciation and impairment</b>											
Opening accumulated depreciation	-	2	502	175	3,038	458	384	255	3	4,817	-
Depreciation charge during the year	-	2	489	260	3,176	503	385	275	3	5,093	-
Deductions/ Other adjustments	-	-	14	66	213	46	99	58	-	496	-
<b>Closing accumulated depreciation and impairment</b>	<b>-</b>	<b>4</b>	<b>977</b>	<b>369</b>	<b>6,001</b>	<b>915</b>	<b>670</b>	<b>472</b>	<b>6</b>	<b>9,414</b>	<b>-</b>
<b>Net carrying amount</b>	<b>297</b>	<b>168</b>	<b>18,558</b>	<b>1,375</b>	<b>21,748</b>	<b>1,235</b>	<b>750</b>	<b>1,897</b>	<b>24</b>	<b>46,052</b>	<b>538</b>

(i) Contractual Obligations  
Refer to note 31 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(ii) Capital work-in-progress  
Capital work-in-progress mainly comprises new plant and machinery for the existing plant and research centre.

(iii) The lease term in respect of the leased land expires in 2095. Since the lease covers substantial period of time and present value of minimum lease payment at the inception of lease amounts to substantially the fair value of the land, the lease has classified lease as a finance lease.

(iv) Government grant note: Gross block of plant and machinery includes Rs. 921.81 Lakhs (2016: Rs. 1,073.93 Lakhs; 2015: Rs. 1,150 Lakhs) capitalised on account of government grant received by the Company in the form of duty benefit on imported capital goods, depreciated over the period of the useful lives of the respective assets. Depreciation charged on the aforesaid grant amounts to Rs. 167.94 Lakhs (2016: Rs. 162.51 Lakhs).



Notes to Balance Sheet

All amounts in Rs. Lakhs unless otherwise stated

Computer Software

<b>Year ended 31 March 2016</b>	
<b>Gross carrying amount</b>	
Deemed cost as at 1 April 2015	80
Additions	-
Disposals	21
<b>Closing gross carrying amount</b>	<b>59</b>
<b>Accumulated amortisation</b>	
Opening accumulated amortisation	-
Amortisation charge for the year	43
Disposals	9
<b>Closing accumulated amortisation</b>	<b>34</b>
Closing net carrying amount	25
<b>Year ended 31 March 2017</b>	
<b>Gross carrying amount</b>	
Opening gross carrying amount	59
Additions	25
Disposals	-
<b>Closing gross carrying amount</b>	<b>84</b>
<b>Accumulated amortisation</b>	
Opening accumulated amortisation	34
Amortisation charge for the year	24
Disposals	-
<b>Closing accumulated amortisation</b>	<b>58</b>
Closing net carrying amount	26

<b>Note 5 Financial assets</b>	<b>31 March 2017</b>	<b>31 March 2016</b>	<b>1 April 2015</b>
<b>5(a) Trade receivables</b>			
Trade receivables	45,284	42,021	38,045
Less: Allowance for doubtful debts	-	-	(398)
<b>Total receivables</b>	<b>45,284</b>	<b>42,021</b>	<b>37,647</b>
Current portion	45,284	42,021	37,647
Non-current portion	-	-	-

<b>Break-up of security details</b>	<b>31 March 2017</b>	<b>31 March 2016</b>	<b>1 April 2015</b>
Unsecured, considered good	45,284	42,021	37,647
Unsecured, considered doubtful	-	-	398
<b>Total</b>	<b>45,284</b>	<b>42,021</b>	<b>38,045</b>
Allowance for doubtful debts	-	-	(398)
<b>Total trade receivables</b>	<b>45,284</b>	<b>42,021</b>	<b>37,647</b>

<b>5(b) Cash and cash equivalents</b>	<b>31 March 2017</b>	<b>31 March 2016</b>	<b>1 April 2015</b>
<b>Balances with banks</b>			655
-in current accounts	703	993	*
-in fixed deposit account*	*	*	4
-Cheques in hand	-	-	-
<b>Total Cash and cash equivalents</b>	<b>703</b>	<b>993</b>	<b>659</b>

\* Given on lien to the Excise and Commercial Tax officer. Amount below the rounding off norms of the Company.

**Notes to Balance Sheet (Cont.)**

All amounts in Rs. Lakhs unless otherwise stated

\* Given on lien to the Excise and Commercial Tax officer. Amount below the rounding off norms of the Company.

**5(c) Other financial assets**

	31 March 2017		31 March 2016		1 April 2015	
	Current	Non-current	Current	Non-current	Current	Non-current
Security Deposits	-	835	-	1,034	406	904
Receivable from a related party	-	-	116	-	666	-
Receivables from group companies	1,096	-	1,680	-	2,249	-
Amounts recoverable from PF trust *	-	-	1,412	-	-	-
Amounts recoverable from gratuity trust *	128	-	770	-	110	-
<b>Total financial assets</b>	<b>1,224</b>	<b>835</b>	<b>3,978</b>	<b>1,034</b>	<b>3,431</b>	<b>904</b>

\* Represents amounts paid by the company to its employees on behalf of the trust and which are recoverable from the trust.

**Note 6: Other non-current assets**

	31 March 2017	31 March 2016	1 April 2015
Capital advances	17	1	5
Balance with government authorities*	5,110	1,728	1,135
Advance income tax	3,861	2,303	3,554
Prepaid Rent	209	92	185
Unamortised lease premium	865	885	905
<b>Total other non-current assets</b>	<b>10,062</b>	<b>5,009</b>	<b>5,784</b>

\* Includes income tax paid under dispute of Rs. 1,740 Lakhs (2016: Rs. 915 Lakhs, 2015: Rs. 800 Lakhs)

**Note 7: Other current assets**

	31 March 2017	31 March 2016	1 April 2015
Other advances	9	36	52
Advances to creditors	1,161	847	623
Balances with government authorities	7,948	5,866	4,074
Unbilled revenue	1,888	4,821	2,930
Prepaid Rent	72	93	102
Unamortised lease premium	20	20	20
<b>Total other current assets</b>	<b>11,098</b>	<b>11,683</b>	<b>7,801</b>

**Note 8: Inventories**

	31 March 2017	31 March 2016	1 April 2015
Raw materials [Includes in transit: Rs 18,437.29 Lakhs (2016: Rs 14,737.23 Lakhs; 2015: Rs 10,585.50 Lakhs)]	36,131	27,560	17,336
Work in progress	2,308	2,358	459
Finished goods	29,908	23,822	11,595
Traded goods [Includes in transit Rs. 4,624.48 Lakhs (2016: Rs 3,985.46 Lakhs; 2015: Rs 3,640.55 Lakhs)]	13,413	13,196	10,305
Packing materials [Includes in transit Rs. 8.10 Lakhs (2016: Rs 19.36 Lakhs; 2015: Rs 78.55 Lakhs)]	759	734	1,060
Stores and spares	573	526	511
<b>Total inventories</b>	<b>83,092</b>	<b>68,196</b>	<b>41,266</b>



Notes to Balance Sheet (Cont.)

All amounts in Rs. Lakhs unless otherwise stated

**Note 9: Equity share capital and other equity**

**9 (a) Equity share capital**

**Authorised equity share capital**

	Number of shares	Amount
<b>As at 1st April 2015</b>	250,000,000	25,000
Increase during the year	-	-
<b>As at 31st March 2016</b>	250,000,000	25,000
Increase during the year	-	-
<b>As at 31st March 2017</b>	250,000,000	25,000

**Authorised preference share capital**

	Number of shares	Amount
<b>As at 1st April 2015</b>	500,000	500
Increase during the year	-	-
<b>As at 31st March 2016</b>	500,000	500
Increase during the year	-	-
<b>As at 31st March 2017</b>	500,000	500

(i) Movements in equity share capital

	Number of shares	Amount
<b>As at 1st April 2015</b>	56,132,664	5,613
Shares issued during the year	-	-
<b>As at 31st March 2016</b>	56,132,664	5,613
Shares issued during the year	2000	*
Buy back of shares during the year	(184,784)	(18)
<b>As at 31st March 2017</b>	55,947,880	5,595

\* Amount is below the rounding off norms of the Company

**Terms and rights attached to equity shares**

The Company has only one class of issued, subscribed and paid up equity shares having a par value of Rs.10/- each per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to their shareholding after distribution of all preferential amounts.

**Terms and rights attached to preference shares**

The company has only one class of Preference Shares which are redeemable. The Board has the power to increase or decrease rate of dividend payable on Preference Shares and issue the shares under the non-cumulative or cumulative dividend payout.

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

	31 March 2017		31 March 2016		1 April 2015	
	Number of shares	% holding	Number of shares	% holding	Number of shares	% holding
<b>Equity shares of Rs. 10/- each fully paid-up</b>						
DuPont India Ltd, USA, the holding company	55,947,880	99.996%	55,947,880	99.67%	55,947,880	99.67%

(iii) Shares held by holding/ ultimate holding company and subsidiary of ultimate holding company

	31 March 2017		31 March 2016		1 April 2015	
	Number of shares	% holding	Number of shares	% holding	Number of shares	% holding
<b>Equity shares of Rs. 10/- each fully paid-up</b>						
DuPont India Ltd, USA, the holding company	55,947,880	99.996%	55,947,880	99.67%	55,947,880	99.67%
E.I. Dupont De Nemours and Company, USA, the ultimate holding company	-	0.00%	184,764	0.33%	184,764	0.33%
Dupont Far East Inc. USA, subsidiary of the ultimate holding company	-	0.00%	20	0.00%	20	0.00%
DuPont Chemical and Energy Operations . USA, subsidiary of the ultimate holding company	2,000	0.00%	-	0.00%	-	0.00%

## Notes to Balance Sheet (Cont.)

All amounts in Rs. Lakhs unless otherwise stated

**9 (b) Reserves and surplus**

	31 March 2017	31 March 2016	1 April 2015
General Reserves	1,563	1,563	1,563
Retained Earnings	70,331	54,826	44,643
Securities premium	4	-	-
Capital Redemption Reserve	18	-	-
<b>Total reserves and surplus</b>	<b>71,916</b>	<b>56,389</b>	<b>46,206</b>

**(i) General Reserves**

	31 March 2017	1 April 2016
Opening Balance	1,563	1,563
Add/(Less) movement during the year	-	-
<b>Closing Balance</b>	<b>1,563</b>	<b>1,563</b>

**(ii) Retained Earnings**

	31 March 2017	1 April 2016
Opening Balance	54,826	44,643
Add: Net profit for the year	16,522	10,083
Appropriations:		
Less: Transfer to capital redemption reserve on account of buy back	(18)	-
Less: Premium paid on Buy back of shares	(353)	-
Items of other comprehensive income recognised directly in retained earnings		
-Remeasurement of Post employment benefit obligation, net of tax	(646)	100
<b>Closing Balance</b>	<b>70,331</b>	<b>54,826</b>

**(iii) Securities premium**

	31 March 2017	1 April 2016
Opening Balance	-	-
Add/(Less) movement during the year		
Share Premium on issue of shares	4	-
<b>Closing Balance</b>	<b>4</b>	<b>-</b>

**(iv) Capital Redemption Reserve**

	31 March 2017	1 April 2016
Opening Balance	-	-
Add/(Less) movement during the year		
Capital Redemption Reserve on buy back of shares	18	-
<b>Closing Balance</b>	<b>18</b>	<b>-</b>

**Note 10: Financial liabilities****10 (a) Non-current borrowings**

	Maturity Date	Terms of repayment	Coupon/ interest rate	31 March 2017	31 March 2016	1 April 2015
<b>Unsecured</b>						
External commercial borrowing from holding company	March, 2021	Bullet repayment in March 2021	Six month USD LIBOR +0.375%	7,161	7,316	6,897
<b>Total non-current borrowings</b>				<b>7,161</b>	<b>7,316</b>	<b>6,897</b>
Less: Interest accrued				29	20	15
<b>Non-current borrowings (as per balance sheet)</b>				<b>7,132</b>	<b>7,296</b>	<b>6,882</b>



Notes to Balance Sheet (Cont.)

All amounts in Rs. Lakhs unless otherwise stated

10 (b) Current borrowings

	Maturity Date	Terms of repayment	Coupon/ interest rate	31 March 2017	31 March 2016	1 April 2015
<b>Unsecured</b>						
Loans from a related party repayable on demand	Revolving working capital loan	Repayable on Demand	RBI Rate +4%	17,792	27,803	29,489
<b>Total Current Borrowings</b>				<b>17,792</b>	<b>27,803</b>	<b>29,489</b>
Less: Interest accrued				-	-	313
<b>Current borrowings (as per balance sheet)</b>				<b>17,792</b>	<b>27,803</b>	<b>29,176</b>

Note 10 (c) : Other financial liabilities

	31 March 2017		31 March 2016		1 April 2015	
	Current	Non-current	Current	Non-current	Current	Non-current
Creditors for capital goods	1	-	337	-	282	-
Interest accrued but not due on long term borrowings	29	-	20	-	15	-
Interest accrued and due on short term borrowings	-	-	-	-	313	-
Unearned guarantee commission on financial guarantees	94	-	71	-	74	-
<b>Total</b>	<b>124</b>	<b>-</b>	<b>428</b>	<b>-</b>	<b>684</b>	<b>-</b>

10 (d) Trade payables

	31 March 2017	31 March 2016	1 April 2015
Total outstanding dues of micro enterprises and small enterprises (Refer note 34)	81	65	30
Total outstanding dues of creditors other than micro enterprises and small enterprises	83,320	73,467	48,418
<b>Total</b>	<b>83,401</b>	<b>73,532</b>	<b>48,448</b>

Note 11: Provisions

	31 March 2017		31 March 2016		1 April 2015	
	Current	Non-current	Current	Non-current	Current	Non-current
Provision for sales returns	796	-	856	-	406	-
Provision for discounts	2,172	-	2,406	-	1,685	-
Provision for claims	-	-	-	-	666	-
<b>Total</b>	<b>2,968</b>	<b>-</b>	<b>3,262</b>	<b>-</b>	<b>2,757</b>	<b>-</b>

The provision for sales returns represents margins on estimated sales returns expected against the goods sold by the Company. The provision is based on the historic data/estimated figures.

The provision for discounts represents discounts on various schemes estimated on the basis of the goods sold by the Company. The provision is based on the scheme wise historic data/estimated figures.

Provision for claims represent provision made in respect of certain claims against the Company from its indirect customers in respect of one of its product, which the company settled as an extended customer support though the Company does not consider there to be any qualitative issue in its product. The said provision is recovered from the group company.

(i) Movements in provisions

Movements in each class of provision during the financial year, are set out below:

	Provision for sales returns	Provision for discounts	Provision for claims
<b>As at 1 April 2015</b>	<b>406</b>	<b>1,685</b>	<b>666</b>
Additional Provision recognised	856	2,816	31
Amounts used/ unused amounts reversed	406	2,095	697
<b>As at 31 March 2016</b>	<b>856</b>	<b>2,406</b>	<b>-</b>
Additional Provision recognised	796	8,478	-
Amounts used/ unused amounts reversed	856	8,712	-
<b>As at 31 March 2017</b>	<b>796</b>	<b>2,172</b>	<b>-</b>



**Notes to Balance Sheet (Cont.)**

All amounts in Rs. Lakhs unless otherwise stated

**Note 12: Employee benefit obligations**

	31 March 2017		31 March 2016		1 April 2015	
	Current	Non-current	Current	Non-current	Current	Non-current
Provision for encashable compensated absences	22	1,149	17	843	20	887
Provision for gratuity	1,715	-	310	-	162	-
Provision for non-encashable leave balances	113	-	156	-	175	-
Other employee benefits payable	1,193	-	1,733	-	1,882	-
<b>Total</b>	<b>3,043</b>	<b>1,149</b>	<b>2,216</b>	<b>843</b>	<b>2,239</b>	<b>887</b>

**(i) Leave obligations**

The amount of the provision of Rs. 134.61 Lakhs (31 March 2016 Rs. 172.27 Lakhs , 1 April 2015 Rs.195.14 Lakhs ) towards earned leaves is presented as current, since the company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be take nor paid within the next 12 months.

	31 March 2017	31 March 2016	1 April 2015
Current leave obligations expected to be settled within the next 12 months	135	173	195

**(ii) Post-employment obligations****Gratuity**

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement / termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan, managed by a trust set up by the Company. The Company makes contributions to Life Insurance Corporation of India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

Provident Fund: The company has a provident fund plan which is administered through a trust. The trust deed provides for the company to make good any deficiency in the interest to be paid by the trust to its members and the income earned by it. Accordingly the plan is a defined benefit plan. The Company contributes 12% of the basic salary as contribution to the trust.

**Defined Contribution Plans**

The Company makes annual contribution to the super annuation trust set up by the Company. The trust has entered into a scheme with the Life Insurance Corporation of India (LIC). Upon retirement/ resignation of the employee, LIC shall make the pension/commuted amount payment to the employee based on the employee corpus with LIC and trust and the Company shall not be liable for any kind of charge/ interest to the employee. The expense recognised during the period towards super annuation fund is Rs. 237.54 Lakhs (31 March, 2016-Rs. 239.64 Lakhs).

**Balance sheet amounts- Gratuity**

The amounts recognised in the balance sheet and the movements in the defined benefit obligation over the year are as follows:

	31 March 2017			31 March 2016		
	Present value of obligation	Fairvalue of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
Opening balance	2,614	(2,304)	310	2,871	(2,709)	162
Interest expense/(income)	209	(184)	25	222	(210)	13
Current Service Cost	392	-	392	297	-	297
<b>Total amount recognised in profit or loss</b>	<b>601</b>	<b>(184)</b>	<b>417</b>	<b>519</b>	<b>(210)</b>	<b>309</b>
Remeasurements						
(Gain)/loss from change in demographic assumptions	-	-	-	-	-	-
(Gain)/loss from change in financial assumptions	380	-	380	(79)	-	(79)
(Gain)/loss from change in experience	594	14	608	(34)	(40)	(74)
<b>Total amount recognised in other comprehensive income</b>	<b>974</b>	<b>14</b>	<b>988</b>	<b>(113)</b>	<b>(40)</b>	<b>(153)</b>
Employer contributions	-	-	-	-	(8)	(8)
Benefit payments	(535)	535	-	(664)	664	-
<b>Closing Balance</b>	<b>3,654</b>	<b>(1,939)</b>	<b>1,715</b>	<b>2,614</b>	<b>(2,304)</b>	<b>310</b>



**Notes to Balance Sheet (Cont.)**

All amounts in Rs. Lakhs unless otherwise stated

**The net liability disclosed above relates to funded plan, as follows:**

	31 March 2017	31 March 2016	1 April 2015
Present value of funded obligations	3,654	2,614	2,871
Fair value of plan assets	(1,939)	(2,304)	(2,709)
<b>Deficit of funded plan</b>	<b>1,715</b>	<b>310</b>	<b>162</b>

**Balance sheet amounts- Provident Fund**

The amounts recognised in the balance sheet and the movements in the defined benefit obligation over the year are as follows:

	31 March 2017			31 March 2016		
	Present value of obligation	Fairvalue of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
Opening balance	16,691	(16,691)	-	16,553	(16,553)	-
Interest expense/(income)	1,335	(1,335)	-	1,283	(1,283)	-
Current Service Cost	814	-	814	879	-	879
<b>Total amount recognised in profit or loss</b>	<b>2,150</b>	<b>(1,335)</b>	<b>814</b>	<b>2,162</b>	<b>(1,283)</b>	<b>879</b>
Remeasurements			-			-
(Gain)/loss from change in demographic assumptions	-	-	-	-	-	-
Change in asset ceiling excluding amounts included in interest expense	-	-	-	-	-	-
(Gain)/loss from change in financial assumptions	7	(7)	-	(2)	2	-
Experience (gains)/losses	-	-	-	-	-	-
(Gain)/loss from change in experience	174	(174)	-	131	(131)	-
<b>Total amount recognised in other comprehensive income</b>	<b>181</b>	<b>(181)</b>	<b>-</b>	<b>130</b>	<b>(130)</b>	<b>-</b>
Employer contributions	-	(814)	(814)	-	(879)	(879)
Employee contributions	1,253	(1,253)	-	1,361	(1,361)	-
Other transfers	100	(100)	-	82	(82)	-
Benefit payments	(2,305)	2,305	-	(3,597)	3,597	-
<b>Closing Balance</b>	<b>18,068</b>	<b>(18,068)</b>	<b>-</b>	<b>16,691</b>	<b>(16,691)</b>	<b>-</b>

**Actuarial gain / (loss) on Provident Fund**

	31 March 2017	31 March 2016
Actuarial gain / (loss) for the year on projected benefit obligation	(181)	(130)
Actuarial gain /(loss) for the year on plan assets	181	130
<b>Unrecognized actuarial gain/(loss) for the year</b>	<b>-</b>	<b>-</b>

**The net liability disclosed above relates to funded plan, as follows:**

	31 March 2016	31 March 2016	1 April, 2015
Present value of funded obligations	18,068	16,691	16,553
Fair value of plan assets *	(18,068)	(16,691)	(16,553)
<b>Deficit/(Excess) of funded plan</b>	<b>-</b>	<b>-</b>	<b>-</b>

\* the fair value of plan assets is after considering asset ceiling of Rs 174.41 Lakhs, Rs 200.03 Lakhs, Rs 125.75 Lakhs respectively for the year ended 31-March-2017, 31-March-2016 and 31-March-2015

## Notes to Balance Sheet (Cont.)

All amounts in Rs. Lakhs unless otherwise stated

**(iii) Significant estimates: actuarial assumptions**

The significant actuarial assumptions for defined benefit obligations are as follows:

	31 March 2016	31 March 2016	1 April, 2015
Discount rate	7.07%	8%	7.75%
Expected statutory interest rate for PF trust ledger balance	8.65%	8.80%	8.75%
Expected short fall in interest earnings on PF trust fund	0.05%	0.05%	0.05%
Salary escalation rate	7%	7%	7%
Employee attrition rate			
Up to 30 Years	3%	3%	3%
From 31 to 44 years	2%	2%	2%
Above 44 years	1%	1%	1%

Assumptions regarding mortality rate are set based on actuarial advice in accordance with published statistics.

**(iv) Sensitivity analysis**

The sensitivity of the obligation towards gratuity to changes in the weighted principal assumptions is:

Impact on defined benefit obligation								
Change in assumption			Increase in assumption			Decrease in assumption		
	31 March 2017	31 March 2016		31 March 2017	31 March 2016		31 March 2017	31 March 2016
Discount rate	0.5%	0.5%	Decrease by	210	149	Increase by	227	161
Salary escalation rate	0.5%	0.5%	Increase by	226	162	Decrease by	211	151

The sensitivity of the obligation towards provident fund to changes in the weighted principal assumptions is:

Impact on defined benefit obligation								
Change in assumption			Increase in assumption			Decrease in assumption		
	31 March 2017	31 March 2016		31 March 2017	31 March 2016		31 March 2017	31 March 2016
Discount rate	0.5%	0.5%	Decrease by	4	3	Increase by	4	3

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

**(v) The major categories of plan assets are as follows**

	Quoted/ Unquoted	31 March 2016	In %	31 March 2016	In %	1 April, 2015	In %
<b>Gratuity</b>							
Funds managed by Life Insurance Corporation of India	Unquoted	1,939	100%	2,304	100%	2,709	100%
<b>Total</b>		<b>1,939</b>		<b>2,304</b>		<b>2,709</b>	
<b>Investments for provident fund trust</b>							
Special Deposit Scheme- RBI	Unquoted	38	0%	38	0%	38	0%
Mutual funds	Quoted	160	1%	74	0%	-	0%
Debt instruments-							
Central Government bonds	Quoted	2,995	16%	3,299	20%	3,763	23%
Private Sector bonds	Quoted	1,126	6%	1,269	8%	1,236	7%
Public Sector Bonds	Quoted	8,527	47%	8,296	49%	7,375	44%
State Government bonds	Quoted	4,564	25%	3,981	24%	3,489	21%
Cash and cash equivalents		833	5%	(66)	0%	779	5%
<b>Total</b>		<b>18,243</b>		<b>16,891</b>		<b>16,679</b>	

**Notes to Balance Sheet (Cont.)**

All amounts in Rs. Lakhs unless otherwise stated

**(vi) Risk exposure**

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow -

- Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- Discount Rate : Reduction in discount rate in subsequent valuations can increase the plan's liability.
- Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

**(vii) Defined benefit liability and employer contributions**

The weighted average duration of the defined benefit obligation is 17.36years (2016- 17.95years, 2015- 18.12years). Expected contributions to post-employment benefit plans for the year ending 31 March 2017 are Rs. 1565.30 Lakhs

The expected maturity analysis of gratuity and provident fund on an undiscounted basis is as follows:

	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
<b>31 March, 2017</b>					
Gratuity	73	190	588	2,803	3,654
Provident fund	4,825	-	867	12,377	18,068
<b>Total</b>	<b>4,898</b>	<b>190</b>	<b>1,455</b>	<b>15,180</b>	<b>21,722</b>
<b>31 March, 2016</b>					
Gratuity	47	97	219	2,251	2,614
Provident fund	4,136	-	227	12,331	16,694
<b>Total</b>	<b>4,183</b>	<b>97</b>	<b>446</b>	<b>14,582</b>	<b>19,308</b>
<b>1 April, 2015</b>					
Gratuity	73	333	393	2,072	2,871
Provident fund	3,764	-	33	12,759	16,557
<b>Total</b>	<b>3,837</b>	<b>333</b>	<b>426</b>	<b>14,831</b>	<b>19,428</b>

**Note 13: Deferred tax liabilities**

The balance comprises temporary difference attributable to:

	31 March 2016	31 March 2016	1 April, 2015
Depreciation	3,581	3,178	2,832
<b>Set off of deferred tax asset</b>			
Provision for doubtful debts and advances	-	-	138
Employee benefits	999	405	370
Other timing differences	545	524	824
<b>Net deferred tax liabilities</b>	<b>2,037</b>	<b>2,249</b>	<b>1,500</b>

## Notes to Balance Sheet (Cont.)

All amounts in Rs. Lakhs unless otherwise stated

## Movement in deferred tax liabilities/(assets)

	Depreciation	Provision for doubtful debts and advances	Employee benefits	Other timing differences	Total
<b>At 1 April, 2015</b>					
<b>Charged/(credited)</b>	2,832	(138)	(370)	(824)	<b>1,500</b>
-to profit or loss	346	138	(88)	300	<b>696</b>
-to other comprehensive income	-	-	53	-	<b>53</b>
<b>At 31 March 2016</b>	<b>3,178</b>	-	<b>(405)</b>	<b>(524)</b>	<b>2,249</b>
<b>At 1 April, 2016</b>	3,178	-	(405)	(524)	<b>2,249</b>
<b>Charged/(credited)</b>					
-to profit or loss	403	-	(252)	(21)	<b>130</b>
-to other comprehensive income	-	-	(342)	-	<b>(342)</b>
<b>At 31 March 2017</b>	<b>3,581</b>	-	<b>(999)</b>	<b>(545)</b>	<b>2,037</b>

## Note 14: Other current liabilities

	31 March 2016	31 March 2016	1 April, 2015
Deferred Revenue	-	153	1,147
Advances from customers	269	114	1,165
Statutory dues (including provident fund and tax deducted at source)	1,926	2,292	1,334
Rent equalisation reserve	118	49	50
Deferred Government Grant (Refer Note 15 (a))	170	168	163
<b>Total</b>	<b>2,483</b>	<b>2,776</b>	<b>3,859</b>

## Note 15: Other non-current liabilities

	31 March 2016	31 March 2016	1 April, 2015
Rent equalisation reserve	522	687	649
Deferred Government Grant (Refer Note 15 (a))	752	906	988
<b>Total</b>	<b>1,274</b>	<b>1,593</b>	<b>1,637</b>

## Note 15 (a) : Government Grant

Government grants relate to waiver of duties on import of property, plant and equipment located in DuPont Knowledge Centre, Hyderabad. There are no unfulfilled conditions or other contingencies attaching to these grants.

	31 March 2017	1 April, 2015
Opening balance	1,074	1,150
Grants during the year	16	87
Less: Released to profit or loss	168	163
<b>Total</b>	<b>922</b>	<b>1,074</b>

	31 March 2017	31 March 2016	1 April, 2015
Current Portion	170	168	163
Non-Current Portion	752	906	988
<b>Total</b>	<b>922</b>	<b>1,074</b>	<b>1,151</b>

**Notes to Statement of profit and loss**

All amounts in Rs. Lakhs unless otherwise stated

**Note 16: Revenue from operations \***

	31 March 2017	31 March 2016
Sale of products (including excise duty)		
- Finished goods	219,845	169,041
- Traded goods	77,734	73,320
Sale of services		
- Consultancy services	4,501	9,029
- Service income	17,842	24,207
Other operating revenue		
- Income from pre sales support services	4,303	3,374
- Scrap sales	231	125
<b>Total revenue from operations</b>	<b>324,456</b>	<b>279,096</b>

\* The Company sells majority of its crop protection products to super distributors who in turn sell the products to distributors and others. The Company has assessed that its relationship with the super distributors is on a 'principal to principal basis' and therefore recognises revenue once the goods are sold to the super distributors. In making this assessment the Company has exercised judgments in relation to identifying the party that is the primary obligor in the arrangement and the party that bears all the risks.

**Note 17: Other income**

	31 March 2017	31 March 2016
Interest income received from a related party	92	286
Interest accrued on security deposits	104	96
Commission on financial guarantees	982	631
Amortisation of Government grant on import of capital goods (Refer Note 15 (a) & Note a below)	168	163
Liabilities no longer required written back *	50	-
Miscellaneous income	74	104
Foreign exchange Gain (net)	2,635	-
Net profit on sale of fixed assets	54	-
<b>Total other income</b>	<b>4,159</b>	<b>1,280</b>

\* Earlier years, company has received excess funds from one of its group companies. Company has raised credit note to the extent of amount received in excess. However during FY 2016-17, the group company has confirmed that company need not refund this amount, so this amount has been written back in company books.

**Note a:** The company has received government grants in the form of advance duty licenses wherein the company imports raw materials without any payment of duty and with corresponding obligation to export the final produce on which no duties are levied. The amount of import duties amounting to Rs. 540.61 Lakhs (2016: Rs. 155.89 Lakhs) has been treated as revenue grant and have been presented on net basis in the financial statements.

**Note b:** Government grants relate to waiver of duties on import of property, plant and equipment located in DuPont Knowledge Centre, Hyderabad. There are no unfulfilled conditions or other contingencies attaching to these grants.

The Company did not benefit from any other forms of government assistance, other than those mentioned in (a) and (b) above.

**Note 18: Cost of materials consumed**

	31 March 2017	31 March 2016
<b>Raw materials consumed</b>		
Opening inventory	27,560	17,336
<b>Add:</b> Purchases	132,842	113,814
<b>Less:</b> Inventory at the end of the year	36,131	27,560
<b>Cost of raw material consumed during the year</b>	<b>124,271</b>	<b>103,590</b>
<b>Packing material consumed</b>		
Opening Inventory	732	1,059
<b>Add:</b> Purchases	5,041	4,486
<b>Less:</b> Inventory at the end of the year	759	732
<b>Cost of packing material consumed during the year</b>	<b>5,014</b>	<b>4,813</b>

	31 March 2017	31 March 2016
<b>Other production overheads:</b>		
Processing charges*	2,931	2,729
Power and fuel charges	550	614
Stores, spares and consumables	423	418
<b>Total other production overhead</b>	<b>3,904</b>	<b>3,761</b>
<b>Total cost of material consumed</b>	<b>133,189</b>	<b>112,164</b>

\* The Company has arrangements with its job workers, a part of which may be treated as having lease component in consonance with Appendix C to IndAS 17. In absence of contractual arrangement and obligation, the company is unable to determine the component of lease charge included in the processing charges above. As per the terms of agreement with job workers, the Company is liable to pay processing charges and accordingly, the entire expense is disclosed as processing charges.

#### Note 19: Changes in inventories of work-in-progress, stock-in-trade and finished goods

	31 March 2017	31 March 2016
<b>Opening balance</b>		
Finished goods	23,822	11,595
Stock in trade	13,196	10,305
Work in progress	2,358	459
<b>Total opening balance</b>	<b>39,376</b>	<b>22,359</b>
	31 March 2017	31 March 2016
<b>Closing balance</b>		
Finished goods	29,908	23,822
Stock in trade	13,413	13,196
Work in progress	2,308	2,358
<b>Total closing balance</b>	<b>45,629</b>	<b>39,376</b>
Increase/(decrease) of excise duty on finished goods	771	2,752
<b>Total changes in inventories of work-in-process and finished goods</b>	<b>(5,482)</b>	<b>(14,265)</b>

#### Note 20: Employee benefit expense

	31 March 2017	31 March 2016
<b>Salaries, wages and bonus</b>	20,093	20,466
Employee share based payment expense	416	112
Contribution to provident and other funds	1,187	1,327
Leave encashment	503	130
Gratuity	417	309
Staff training expenses	15	50
Staff welfare expenses	306	562
<b>Total employee benefit expense*</b>	<b>22,937</b>	<b>22,956</b>

\* net of reimbursements - Rs. 1,879.66 Lakhs (2016: Rs. 1,787.64 Lakhs)

#### Note 21: Depreciation and amortisation expense

	31 March 2017	31 March 2016
<b>Depreciation of property, plant and equipment</b>	5,093	5,004
Amortisation of intangible assets	24	43
<b>Total depreciation and amortisation expense</b>	<b>5,117</b>	<b>5,047</b>

**Note 22: Other expenses \***

	31 March 2017	31 March 2016
Distribution expenses	4,126	4,364
Travelling	3,333	4,294
Legal, professional and consultancy	5,756	7,471
Business Support Services	4,900	5,429
IT Support Services	487	984
Safety Consultancy Services	519	1,437
Treasury Support Services	7	18
Staff recruitment and relocation expenses	171	113
Rates and taxes	3,023	719
Insurance	195	203
Repair and maintenance		
-Building	273	347
-Plant and Machinery	592	922
-Others	98	25
Advertising and publicity expenses	7,223	6,567
Payment to auditors (excluding Service Tax)		
Audit fees (includes Rs. 35.25 Lakhs relating to previous year)	91	40
Tax audit fees	3	3
Certification	4	2
Reimbursement of expenses	4	1
Rent	1,904	2,410
Amortisation of lease premium for leasehold land	20	20
Marketing and promotion expenses	8,106	6,075
Sales commission	305	276
Printing and stationery	97	82
Postage, telephone and other communication expenses	1,282	1,447
Fixed assets written off	513	1,026
Loss on Sale of Fixed Assets (Net)	-	4
Royalty	-	41
Foreign exchange loss (net)	-	1,607
Laboratory expenses **	2,236	2,733
Bank charges	38	50
Expenditure towards Corporate Social Responsibility	290	87
Miscellaneous expenses	409	905
<b>Total other expenses</b>	<b>46,005</b>	<b>49,702</b>

\* net of reimbursements Rs. 1202.19 Lakhs (2016: Rs. 884.41 Lakhs)

\*\* includes power and fuel charges amounting to Rs. 1338.94 Lakhs (2016: Rs. 1366.42 Lakhs)

**Note 22 (a): Corporate social responsibility expenditure**

	31 March 2017	31 March 2016
Amount required to be spent as per section 135 of the Act	298	262
<b>Amount spent during the year on</b>		
(i) Construction/acquisition of an asset	-	-
(ii) On purpose other than (i) above	290	87

During the year, the Company has undertaken measures on Corporate Social Responsibility on identified projects around promoting women empowerment, health care and environmental sustainability programs. Towards this the company has spent an amount of Rs.289.60 Lakhs during the year out of Rs. 298.18 Lakhs computed as per the requirements of Section 135 of the Companies Act, 2013 read with Schedule VII.



**Note 23: Finance costs**

	31 March 2017	31 March 2016
Interest on short term borrowing from a related party	1,004	3,577
Interest on external commercial borrowings (Refer Note 23 (a) & (b) below)	-	477
Commission on financial guarantee contract given by company	1,005	628
Others	192	328
<b>Total</b>	<b>2,201</b>	<b>5,010</b>

**Note 23 (a):** For the financial year 2016-17, the interest expense on external commercial borrowing of Rs 104.45 Lakhs being less than foreign exchange gain of Rs 164.37 Lakhs, the total interest expense has been reduced from foreign exchange gain mentioned in Note 17 by virtue of para 6(e) of IndAS 23 on Borrowing Costs.

**Note 23 (b):** For the financial year 2015-16, total interest expense includes foreign exchange loss amounting to Rs. 411.63 Lakhs arising on the external commercial borrowing. This amount represents the interest component of the exchange loss determined as per the requirements of para 6(e) of IndAS 23 on Borrowing Costs.

**Note 24: Income tax expense**

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

	31 March 2017	31 March 2016
<b>(a) Income tax expense</b>		
<b>Current tax</b>		
Current tax on profits for the year	9,203	5,012
<b>Total current tax expense</b>	<b>9,203</b>	<b>5,012</b>
<b>Deferred tax</b>		
(Decrease)/ increase in deferred tax assets	403	346
Decrease/(increase) in deferred tax liabilities	(615)	403
<b>Total deferred tax expense/(credit)</b>	<b>(212)</b>	<b>749</b>
<b>Income tax expense</b>	<b>8,991</b>	<b>5,761</b>
Expense recognised in profit or loss		
- Current tax	9,203	5,012
- Deferred tax	130	696
	<b>9,333</b>	<b>5,708</b>
Expense recognised in Other comprehensive income		
- Current tax	-	-
- Deferred tax	(342)	53
	<b>(342)</b>	<b>53</b>

**(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:**

	31 March 2017	31 March 2016
Profit/(loss) from continuing operations before income tax expenses	25,712	15,346
<b>Tax at the Indian tax rate of 34.608% (2015-16 -34.608%)</b>	<b>8,898</b>	<b>5,311</b>
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Donations	148	33
Sale and write off of fixed assets, not admissible for tax purposes	513	356
Others	(226)	8
<b>Income tax expense</b>	<b>9,333</b>	<b>5,708</b>

## Financial instruments and risk management

### Note 25: Fair value measurements

Financial instruments by category	31 March 2017			31 March 2016			1 April 2015		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost	FVPL	VOCI	Amortised Cost
Financial Assets									
Trade receivables	-	-	45,284	-	-	42,021	-	-	37,647
Cash and cash equivalents	-	-	703	-	-	993	-	-	659
Security Deposits	-	-	835	-	-	1,034	-	-	1,310
Receivable from a related party	-	-	-	-	-	116	-	-	666
Receivables from group companies	-	-	1,096	-	-	1,680	-	-	2,249
Amounts recoverable from PF Trust	-	-	-	-	-	1,412	-	-	-
Amounts recoverable from Gratuity Trust	-	-	128	-	-	770	-	-	110
<b>Total Financial Assets</b>	-	-	<b>48,046</b>	-	-	<b>48,026</b>	-	-	<b>42,641</b>
<b>Financial Liabilities</b>									
Borrowings (including accrued interest)	-	-	24,953	-	-	35,119	-	-	36,386
Trade payables	-	-	83,401	-	-	73,532	-	-	48,448
Financial guarantee liabilities	-	-	94	-	-	71	-	-	74
Others	-	-	-	-	-	-	-	-	-
Capital creditors	-	-	1	-	-	337	-	-	282
<b>Total Financial Liabilities</b>	-	-	<b>108,449</b>	-	-	<b>109,059</b>	-	-	<b>85,190</b>
<b>(i) Fair value hierarchy</b>	<b>Level 1</b>			<b>Level 2</b>			<b>Level 3</b>		
Financial instruments by category	March 31 2017	March 31 2016	April 1, 2015	March 31 2017	March 31 2016	April 1, 2015	March 31 2017	March 31 2016	April 1, 2015
Financial Assets									
Trade receivables	-	-	-	-	-	-	45,284	42,021	37,647
Cash and cash equivalents	-	-	-	-	-	-	703	993	659
Security Deposits	-	-	-	-	-	-	835	1,034	1,310
Receivable from a related party	-	-	-	-	-	-	-	116	666
Receivables from group companies	-	-	-	-	-	-	1,096	1,680	2,249
Amounts recoverable from PF Trust	-	-	-	-	-	-	-	1,412	-
Amounts recoverable from Gratuity Trust	-	-	-	-	-	-	128	770	110
<b>Total Financial Assets</b>	-	-	-	-	-	-	<b>48,046</b>	<b>48,026</b>	<b>42,641</b>
Financial Liabilities									
Borrowings (including accrued interest)	-	-	-	-	-	-	4,953	5,119	36,386
Trade payables	-	-	-	-	-	-	83,401	73,532	48,448
Financial guarantee liabilities	-	-	-	-	-	-	94	71	74
Capital creditors	-	-	-	-	-	-	1	337	282
<b>Total Financial Liabilities</b>	-	-	-	-	-	-	<b>108,449</b>	<b>109,059</b>	<b>85,190</b>

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The main level 3 input is the discount rate determined such that the rate reflects expected market assessments of the time value of money and the risk specific to the asset. However, the discount rate is not considered as a significant unobservable input.

The company's policy is to recognise transfers in and transfers out of fair value hierarchy levels as at the end of the reporting period.

#### (ii) Valuation technique used to determined fair value

The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the loan contract covered under the guarantees given by the company and the payments that would be required in absence of the guarantee. For other non-current financial assets and liabilities, the fair value is the same as the amortised cost, measured using the discount rate at the time of initial recognition of financial assets and liabilities.

A one percent change in the unobservable inputs used in fair valuation of level 3 assets and liabilities does not have a significant impact in its value.

#### (iii) Valuation process

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the finance controller. Discussions of valuation processes and

results are held between the finance controller and the valuation team at least once every three months, in line with the company's quarterly reporting periods.

**(iv) Fair value of financial assets and liabilities measured at amortised cost**

The carrying amount of the current financial assets and current financial liabilities are considered to be same as their fair values, due to their short term nature. The non-current borrowings and security deposits are carried at amortised cost, which is considered as their fair value.

**Note 26: Financial Risk Management**

The Company activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

<b>Risk</b>	<b>Exposure arising from</b>	<b>Measurement</b>	<b>Management</b>
Credit Risk	Cash and cash equivalents, trade receivables, financials assets, intercorporate deposits measured at amortised cost	Ageing analysis Credit ratings of customers and fellow subsidiaries	Diversification of bank deposits and credit limits.
Liquidity Risk	Borrowings and intercorporate deposits	Rolling cash flow forecasts managed by central treasury team	Working capital management through treasury team. Lines of credit from intercorporate deposits and external commercial borrowings are in place to handle the working capital cycle.
Market Risk - foreign currency risk	Future commercial transactions Recognised financial assets and liabilities not denominated in Rupees	Cash flow forecasting	Working capital management through treasury team to ensure there is adequate liquidity to cover any changes coming from foreign currency fluctuations.
Market Risk - interest rate	External commercial borrowings at variable rate of interest	Sensitivity analysis	The Company has external commercial borrowings which has a variable rate of interest

The company's risk management is carried out by a central treasury department under policies approved by the board of directors. Company treasury identifies the financial risk in close cooperation with company's operating units. The Board provides guiding principles for overall risk management, as well as policies covering specific areas such as interest rate risk, credit risk and investment of excess liquidity.

**Credit Risk**

**(i) Credit Risk Management**

Credit risk arises from default on a debt that may arise from a Customers/distributors failing to make required payments against the goods/ services purchased from the Company, as well as credit exposures to customers including outstanding receivables.

Credit risk is managed by centralized team of the DuPont group. All classes of customer will be classified as High, Medium and Low Risk customers and Segment them as A,B and C, based on an internal Scorecard evaluation mechanism. All customers will be subject to credit check before shipment. Credit check will be performed for the exposure exceeding credit limit amount and the amount past due tolerance set for the High, Medium and Low Risk customers per policy. For other financial assets, the Company assesses and manages credit risk based on internal credit rating system.

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

- internal credit rating
- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations.
- actual or expected significant changes in the operating results of the borrower.
- significant increase in credit risk on other financial instruments of the same borrower.
- significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of the borrower in the Company and changes in operating results of the borrower.

Macro economic information (such as Market Developments, Regulatory Trends & Industry growth rates) is incorporated as part of the internal rating model. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due (this may not applicable for Government subsidised agencies). This definition of default is determined by considering the business environment in which the entity operates and other macro-economic factors.

**(ii) Provision for expected credit losses**

The Company provides for expected credit loss based on the following:

Risk	Exposure arising from	Basis for recognition of expected credit loss provision		
		Investments	Loans and deposits	Trade receivables
High quality assets, low credit risk	Assets where there is low risk of default and where the counter party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past	12-month expected credit losses	12-month expected credit losses	Life time expected credit losses
Medium risk, moderate credit risk	Assets where the probability of default is considered moderate, counter party where the capacity to meet the obligation is not strong	12-month expected credit losses	12-month expected credit losses	Life time expected credit losses
Doubtful assets, credit impaired	Assets are written off when there is no reasonable expectation of recovery, such as a debt or declaring bankruptcy or failing to engage in a payment plan with the Company. The company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 180 days past due. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss	Asset is written off		

**Expected credit losses for deposits and other financial assets, excluding trade receivables**

Particulars	Asset Group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
<b>Loss allowance measured at 12 month expected credit losses</b> - Financial assets for which credit risk has not increased significantly since initial recognition	Security Deposits	835	0%	-	835
	Other financial assets	1,224	0%	-	1,224

**Year Ended March 31, 2016**
**Expected credit losses for deposits and other financial assets, excluding trade receivables**

Particulars	Asset Group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
<b>Loss allowance measured at 12 month expected credit losses</b> - Financial assets for which credit risk has not increased significantly since initial recognition	Security Deposits	1,034	0%	-	1,034
	Other financial assets	3,978	0%	-	3,978

**As at April 1, 2015**
**Expected credit losses for deposits and other financial assets, excluding trade receivables**

Particulars	Asset Group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
<b>Loss allowance measured at 12 month expected credit losses</b> - Financial assets for which credit risk has not increased significantly since initial recognition	Security Deposits	1,310	0%	-	1,310
	Other financial assets	3,025	0%	-	3,025

**Expected credit loss for trade receivables under simplified approach****Year ended March 31, 2017**

<b>Ageing</b>	<b>Less than 180 days</b>	<b>More than 180 days</b>	<b>Total</b>
Gross carrying amount	45,264	20	45,284
Expected loss rate	0%	0%	0%
Expected credit loss (loss allowance provision)	-	-	-

**Year ended March 31, 2016**

<b>Ageing</b>	<b>Less than 180 days</b>	<b>More than 180 days</b>	<b>Total</b>
Gross carrying amount	41,637	384	42,021
Expected loss rate	0%	0%	0%
Expected credit loss (loss allowance provision)	-	-	-

**As at April 1, 2015**

<b>Ageing</b>	<b>Less than 180 days</b>	<b>More than 180 days</b>	<b>Total</b>
Gross carrying amount	36,806	1,239	38,045
Expected loss rate	0%	32%	1%
Expected credit loss (loss allowance provision)	-	398	398

The gross carrying amount of trade receivables is Rs. 45283.63 Lakhs (March 31, 2016 -Rs. 42020.55 Lakhs; April 1, 2015- Rs. 38044.73 Lakhs). Expected credit loss for the years ending 31-March-2016 and 31-March-2017 is considered as Nil as the management does not expect any loss on account of time value of money and the company has no recent history of bad debts. The expected credit loss as on 1-April-2015 has also been reversed during the year ended 31-March-2016.

**Reconciliation of loss allowance provision- Trade receivables**

<b>Loss allowance on 1 April 2015</b>	398
Amounts Reversed	(398)
<b>Loss allowance on 31 March 2016</b>	-
Changes in loss allowance	-
<b>Loss allowance on 31 March 2017</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.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

**(i) Financing arrangements**

The Company has no undrawn borrowing facilities at the end of the reporting period.

**(ii) Maturities of financial liabilities**

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual cash flows						
31 March, 2017	Carrying amount	Total	1 years	1-2 years	2-5 years	More than 5 years
External commercial borrowing	7,132	7,132	-	-	7,132	-
Short term borrowings	17,792	17,792	17,792	-	-	-
Trade Payables	83,401	83,401	83,401	-	-	-
Capital creditors	1	1	1	-	-	-
Other financial liabilities	123	123	123	-	-	-
	<b>108,449</b>	<b>108,449</b>	<b>101,317</b>	-	<b>7,132</b>	-

Contractual cash flows						
31 March 2016	Carrying amount	Total	1 years	1-2 years	2-5 years	More than 5 years
External commercial borrowing	<b>7,296</b>	7,296	-	-	7,296	-
Short term borrowings	<b>27,803</b>	27,803	<b>27,803</b>	-	-	-
Trade Payables	<b>73,532</b>	73,532	<b>73,532</b>	-	-	-
Capital creditors	<b>337</b>	337	<b>337</b>	-	-	-
Other financial liabilities	<b>91</b>	91	<b>91</b>	-	-	-
	<b>109,059</b>	109,059	<b>101,763</b>	-	7,296	-

Contractual cash flows						
1 April 2015	Carrying amount	Total	1 years	1-2 years	2-5 years	More than 5 years
External commercial borrowing	6,882	6,882	-	-	-	<b>6,882</b>
Short term borrowings	29,176	29,176	29,176	-	-	-
Trade Payables	48,448	48,448	48,448	-	-	-
Capital creditors	282	282	282	-	-	-
Other financial liabilities	402	402	402	-	-	-
	<b>85,190</b>	<b>85,190</b>	<b>78,308</b>	-	-	<b>6,882</b>

#### (a) Market Risk - Foreign currency risk

The company imports most of its raw materials and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD and EUR. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not company's functional currency (Rs.). The Company does not hedge any of its foreign currency exposure as most of the exposure is with the group companies.

#### Foreign currency risk exposure

Purpose	As at March 31, 2017		As at March 31, 2016		April 1, 2015	
	Amount in Foreign Currency	Amount in Rs.	Amount in Foreign Currency	Amount in Rs.	Amount in Foreign Currency	Amount in Rs.
Trade Payables and Borrowings						
USD	1,173	76,087	1,055	69,969	717	44,843
BDT	31	1,800	-	-	5	4
EUR	*	31	*	17	*	33
Trade and other Receivables						
USD	96	6,207	131	8,700	140	8,786
EUR	*	17	*	44	-	-
CHF	*	*	-	-	-	-
BDT	-	-	-	-	6	5

\* Amount is below the rounding off norm adopted by the Company.

**Sensitivity**

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments, as detailed below

<b>Ageing</b>	<b>Impact on loss after tax 31 March, 2017</b>	<b>Impact on profit after tax 31 March, 2016</b>
Strengthening of USD by 4 % (March 31, 2016- 4 %)	(2,795)	(2,451)
Weakening of USD by 4 % (March 31, 2016- 4 %)	2,795	2,451
Strengthening of EUR by 8 % (March 31, 2016- 8 %)	(1)	2
Weakening of EUR by 8 % (March 31, 2016- 8 %)	1	(2)
Strengthening of BDT by 2 % (March 31, 2016- 2 %)	(36)	-
Weakening of BDT by 2 % (March 31, 2016- 2 %)	36	-
The impact on profit after tax on account of fluctuations in foreign exchange rates for CHF currency is not expected to be material.		

**(b) Market Risk - Interest rate risk**

The Company's main interest rate risk arises from borrowings with variable rates, which exposes the company to cash flow interest rate risk. The Company's policy is to borrow only from holding and group companies, so that the interest rate risk at group level is nullified. During the year ended March 31, 2017 and March 31, 2016, the company's external commercial borrowings at variable rate were denominated in USD and the short term borrowings at variable rates were denominated in Indian rupees.

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

	<b>31 March 2017</b>	<b>31 March 2016</b>	<b>1 April 2015</b>
Variable rate long term borrowings	7,132	7,296	6,882
Variable rate short term borrowings	17,792	27,803	29,176
<b>Total borrowings</b>	<b>24,924</b>	<b>35,099</b>	<b>36,058</b>

At the end of the reporting period, the company had the following variable rate borrowings outstanding:

	31 March 2017			31 March 2016			1 April 2015		
	Weighted Average Interest rate %	Balance	% of total loans	Weighted Average Interest rate %	Balance	% of total loans	Weighted Average Interest rate %	Balance	% of total loans
<b>Financial Liabilities</b>									
External commercial borrowing from holding company (interest rate is as on USD balances)	1.13%	7,161	29%	0.89%	7,296	21%	0.71%	6,882	19%
Loans from a related party repayable on demand	10.93%	17,792	71%	12.04%	27,803	79%	12.93%	29,176	81%
Net exposure		24,953	100%		35,099	100%		36,058	100%

**Sensitivity**

The profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

	<b>Impact on profit after tax</b>	
	<b>31 March 2017</b>	<b>31 March 2016</b>
Interest rate - Increases by 100 basis points	(163)	(230)
Interest rate - Decreases by 100 basis points	163	230

The Company does not have any investments in equity securities and therefore, is not exposed to any price risk arising out of fluctuations in market prices of the equity instruments.

**Note 27: Capital management****(a) Risk Management**

The company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor and creditors' confidence. The management and the Board of Directors monitors the return on capital as well as the level of dividends to shareholders. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

**(b) Dividends**

No interim or final dividends have been declared by the company during the financial year ended March 31, 2017 and March 31, 2016

## Notes to the financial statements (cont.)

### 28 Segment reporting

#### Description of segments and principal activities

The Company's senior leadership team comprising Managing Director, Finance Director, Financial Controller and Tax manager examines the Company's performance both from a product and geographic perspective and has identified five reportable segments of its business:

- Agriculture and Nutrition segment comprises of Crop Protection business.
- Performance Materials segment comprises Performance Polymers and Packaging and Industrial Polymers businesses.
- Electronics and Communications segment comprises of Imaging Technologies business.
- Safety and Protection segment comprises of Sustainable Solutions, Protection Technologies and Building Innovation businesses.
- Dupont knowledge Center (DKC) segment comprises of knowledge center in Hyderabad.

The Company's senior leadership team comprising Managing Director, Finance Director, Financial Controller and Tax manager primarily uses a measure of operating profit/loss to assess the performance of the operating segments.

However, the company's senior leadership team comprising Managing Director, Finance Director, Financial Controller and Tax manager also receives information about the segments' revenue and assets on a monthly basis.

#### Operating profit/loss

Operating profit/loss excludes discontinued operations, if any, and the effects of significant items of income and expenditure which may have an impact on the quality of the earnings.

It also excludes the effects of gains or losses on financial instruments. Interest income and finance costs are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash position of the DuPont group.

Year ended March 31, 2017

All amounts in Rs. Lakhs unless otherwise stated

	Agriculture & Nutrition	Performance Materials	Electronic & Communication	Safety & Protection	Dupont Knowledge Center	Total
<b>Revenue:</b>						
Sales including service income	194,896	61,691	6,606	40,712	13,177	317,082
Income from other operations	1,658	3,752	903	769	-	7,082
Other income	937	27	11	69	230	1,274
						<b>325,438</b>
<b>Unallocated income</b>						
Service Income						2,840
Others						337
<b>Total</b>						<b>328,615</b>
<b>Operating Profit / (Loss) *</b>						
Add: Unallocated income (shown above)	25,370	8,108	248	4,891	1,328	39,945
Less:						3,177
Unallocated expenses *						
Financial charges						16,198
Current tax						2,200
Income tax relating to earlier years						9,203
Deferred tax						(143)
Net profit after tax as per Statement of Profit and Loss						(212)
<b>Net profit after tax as per Statement of Profit and Loss</b>						<b>15,876</b>



## Operating profit/loss (Cont.)

Year ended March 31, 2017

All amounts in Rs. Lakhs unless otherwise stated

	Agriculture & Nutrition	Performance Materials	Electronic & Communication	Safety & Protection	Dupont Knowledge Center	Total
* Depreciation adjusted / included under Operating Profit / (Loss)	507	324	18	35	3,572	4,456
Unallocated Expenses						661
<b>Assets:</b>						
Segment assets ( including capital work in progress)	104,405	22,154	4,299	13,723	43,299	187,880
Unallocated assets						11,034
<b>Total assets</b>						<b>198,914</b>
<b>Liabilities:</b>						
Segment liabilities	51,531	16,254	2,651	10,701	1,908	83,045
Unallocated liabilities						38,358
<b>Total liabilities</b>						<b>121,403</b>

Year ended March 31, 2017

### Information about geographical areas

#### (1) Composition of Geographical Areas:

For the purpose of geographical area the revenue and assets are divided into two segments, i.e.. India and outside India.

Geographical segment - Outside India mainly includes the following countries:

United States of America	Canada	China	Germany	Australia	Belgium	Hong Kong	Japan
United Kingdom	Luxembourg	Mexico	Netherlands	Singapore	Switzerland	Taiwan	Korea
New Zealand	Thailand	Malaysia	Europe	Vietnam	France	Indonesia	Philippines

(2) Segment Revenues, Results and other information:

All amounts in Rs. Lakhs unless otherwise stated

Geographical Area	India	Outside India	Total
Revenues	297,686	30,929	328,615
Total Assets	192,689	6,225	198,914

### Information about major customers

Sales to two of the customers of the company exceed 10% of the total revenue of company individually. These sales are covered under Agriculture & Nutrition segment of the company. The revenue from each of the customers is disclosed below:

Amounts in Rs. Lakhs

	31 March 2017
Customer 1	49,289
Customer 2	46,814



**Operating profit/loss (Cont.)**

Previous year ended March 31, 2016

All amounts in Rs. Lakhs unless otherwise stated

	Agriculture & Nutrition	Performance Materials	Electronic & Communication	Safety & Protection	Dupont Knowledge Center	Total
Revenue:						
Sales including service income	149,925	56,130	6,118	41,111	17,422	270,706
Income from other operations	28	2,622	522	312	-	3,484
Other income	5	16	-	2	163	186
						274,376
<b>Unallocated income</b>						
Service Income						4,890
Others						1,110
Total						280,376
<b>Operating Profit / (Loss) *</b>	16,740	6,878	581	6,458	2,194	32,851
Add: Unallocated income (shown above)						6,000
Less:						
Unallocated expenses *						18,342
Financial charges						5,010
Current tax						5,012
Income tax relating to earlier years						(445)
Deferred tax						749
<b>Net profit after tax as per Statement of Profit and Loss</b>						<b>10,183</b>
* Depreciation adjusted / included under						
Operating Profit / (Loss)	425	318	15	23	3,728	4,509
Unallocated Expenses						538
<b>Assets:</b>						
Segment assets ( including capital work in progress)	82,109	20,380	3,201	14,336	47,964	167,990
Unallocated assets						16,010
<b>Total assets</b>						<b>184,000</b>
<b>Liabilities:</b>						
Segment liabilities	49,082	15,099	1,892	9,859	1,683	77,615
Unallocated liabilities						44,383
<b>Total liabilities</b>						<b>121,998</b>

**Previous year ended March 31, 2016**

**Information about geographical areas**

**(1) Composition of Geographical Areas:**

For the purpose of geographical area the revenue and assets are divided into two segments, i.e.. India and outside India.

Geographical segment - Outside India mainly includes the following countries:

United States of America	Canada	China	Germany	Australia	Belgium	Hong Kong	Japan
United Kingdom	Luxembourg	Mexico	Netherlands	Singapore	Switzerland	Taiwan	Korea
New Zealand	Thailand	Malaysia	Europe	Vietnam	France	Indonesia	Philippines

**(2) Segment Revenues, Results and other information:**

All amounts in Rs. Lakhs unless otherwise stated

Geographical Area	India	Outside India	Total
Revenues	247,782	32,594	280,376
Total Assets	175,256	8,744	184,000

**Information about major customers**

Sales to two of the customers of the company exceed 10% of the total revenue of company individually. These sales are covered under Agriculture & Nutrition segment of the company. The revenue from each of the customers is disclosed below:

Amounts in Rs. Lakhs

	31 March 2017
Customer 1	39,574
Customer 2	41,185



As at April 1, 2015

All amounts in Rs. Lakhs unless otherwise stated

	Agriculture & Nutrition	Performance Materials	Electronic & Communication	Safety & Protection	Dupont Knowledge Center	Total
<b>Assets:</b>						
Segment assets ( including capital work in progress)	51,577	19,305	2,730	11,619	49,997	135,228
Unallocated assets						14,660
<b>Total assets</b>						<b>149,888</b>
<b>Liabilities:</b>						
Segment liabilities	31,631	9,584	1,134	8,243	2,602	53,194
Unallocated liabilities						44,875
<b>Total liabilities</b>						<b>98,069</b>

(2) Segment Revenues, Results and other information:

All amounts in Rs. Lakhs unless otherwise stated

Geographical Area	India	Outside India	Total
Total Assets	141,097	8,791	149,888



**29 Related Party Disclosures**

Name	Type	Place of incorporation	Ownership Interest		
			31 March 2017	31 March 2016	31 March 2015
DuPont India Ltd, USA	Immediate parent entity	USA	99.9964%	99.67%	99.67%
E.I. Dupont De Nemours and Company, USA	Ultimate holding entity	USA	0.00%	0.33%	0.33%
Dupont Far East Inc. USA	Group entity	USA	0.00%	0.00%	0.00%
DuPont Chemical and Energy Operations . USA	Group entity	USA	0.004%	0.00%	0.00%

**(a) Names of Related parties and description of relationships.**

**Holding Company:**

DuPont India Limited

United States of America

**Ultimate Holding Company:**

E.I.DuPont de Nemours & Co. Inc.

United States of America

Fellow Subsidiaries:			
Du Pont China Limited.	Hong Kong	DuPont Specialty Products Kabushiki Kaisha	Japan
PT Du Pont Agricultural Products Indonesia	Indonesia	Invista Singapore Fibres	Singapore
Danisco USA Inc.	USA	Pioneer Hi-Bred International, Inc	USA
DuPont Pakistan Operations (Pvt.) Limited	Pakistan	E. I. DuPont Services Center India Private Limited	India
Du Pont de Nemours (Belgium) BVBA	Belgium	DPE NETHERLANDS	Netherlands
Du Pont Far East Inc.	Philippines	Pioneer Hi-Bred Services GmbH	Austria
DuPont (New Zealand) Limited	New Zealand	Coastal Training Philippines, Corp.	Philippines
DuPont Filaments - Europe B.V.	Netherlands	DANISCO (CHINA) CO. LTD.	China
Du Pont de Nemours (Deutschland) GmbH	Germany	DANISCO (CHINA) HOLDING CO., LTD.	China
Du Pont Teijin Advanced Papers (Asia) Limited	Hong Kong	Belco Technologies Corporation	USA
Du Pont Vietnam Limited	Vietnam	DuPont S.A. de C.V.	Mexico
Du Pont do Brasil S.A.	Brazil	DuPont QFC LLC	Qatar
DuPont International Operations Sarl	Switzerland	DuPont Science and Technologies LLC	Russian Fed.
MECS India Private Limited	India	DUPONT SAUDI ARABIA LLC	Saudi Arabia
DuPont Surfaces (Guangzhou) Co., Ltd.	China	DuPont de Nemours International Sarl	Switzerland
ACS Shanghai Co. Ltd.	China	DuPont-MRC Company, Ltd.	Japan
ACS India Private Limited	India	DUP (CHANGSHU)	China
PHI SEEDS PRIVATE LIMITED	India	E. I. DuPont Bangladesh Liaison Office	Bangladesh
Coastal Training Technologies India Pvt Ltd.	India	DuPont Lanka (Private) Limited	Sri Lanka
Du Pont Apollo (Shenzhen) Limited	China	DuPont Shineway Luohe Protein Company Limited	China
Du Pont de Nemours (Nederland) B.V.	Netherlands	PT DuPont Indonesia	Indonesia
Du Pont Agricultural Chemicals Ltd., Shanghai	China	Du Pont Far East, Inc.	USA
DuPont DACI Beteiligungs GmbH	Austria	E.I. Du Pont India Private Limited	India
DANISCO INDIA PVT. LTD.	India	DuPont Asia Pacific Limited	USA
DuPont Agricultural Caribe Industries, Ltd.	Puerto Rico	DuPont Performance Coatg (TH)	Thailand
PIONEER HI-BRED PVT LTD	India	Du Pont de Colombia, S.A.	Colombia
Solae L.L.C.	USA	DANISCO SINGAPORE PTE LTD.	Singapore
Du Pont de Nemours Nigeria Limited	Nigeria	Du Pont Products S.A.	Switzerland
Danisco Australia Pty Limited	Australia	Enhance Packaging Technologies	Canada
Du Pont China Holding Company Ltd.	China	Pioneer Overseas Corporation	USA
ACS Germany GmbH	Germany	DuPont Titanium Tech (TWN) Ltd	Taiwan
DuPont (China) Research & Development and Management Co., Ltd.	China	DuPont Far East(India Br)	India
DuPont de Nemours (Luxembourg) SARL	Luxembourg	DuPont Peroxide Holdings Ltd	New Zealand
DuPont Malaysia SDN BHD	Malaysia	Du Pont (U.K.) Ltd.	United Kingdom
ACS Austria GmbH	Austria	DU PONT MEXICANA S. DE R.L. DE C.V.	Mexico
DuPont Asturias, S.L.	Spain	DUPONT (HONG KONG) ELECTRONIC MATERIALS LIMITED	Hong Kong
E. I. du Pont Canada Company	Canada	ACS France SAS	France
Du Pont Taiwan Limited	Taiwan	Danisco Cultor Sweden AB	Sweden
DuPont Trading (Shanghai) Co., Ltd.	China	Du Pont Teijin Advanced Papers (Japan) Limited	Japan
DuPont (Shenzhen) Industrial Company Ltd.	China	DuPont Protein Tech	USA
Du Pont (Korea) Inc.	Korea Republic	PTI US	USA
DuPont Filaments - Americas, LLC	USA	INVISTA S.à r.l.	USA
ANTEC INTL LTD	United Kingdom	DuPont De Nemours (France) S.A.S.	France
DuPont Xingda Filaments Company Limited	China	DuPont Authentication, Inc.	USA

**29 Related Party Disclosures (Cont.)**

Fellow Subsidiaries:			
ACS Powder USA Inc. Du Pont (Australia) PTY LTD. Du Pont Company (Singapore) Pte Ltd. Du Pont Kabushiki Kaisha DuPont (Thailand) Limited P.T. Herbets Indonesia SOLD DUP PKG SAS DUP MITSUI FLUOR	USA Australia Singapore Japan Thailand Indonesia France Japan	Coastal Training Technologies Corp. Solae Do Brasil Industria E Comercio De Alimentos Ltda. Solae Europe S.A. ACS Huajia Powder DISSOLVED DUP ENGG PROD S Genencor International, B.V. DuPont Int'l Trading Herberts Pulverlack GmbH&Co.KG	USA Brazil Switzerland China Luxembourg Netherlands USA Germany

**Key Management Personnel:**

Mr. Anurag Srivastava	Director
Mr. Ram K Mudholkar	Director
Ms Sanjit Kaur Batra	Director
Vijay kumar Srivasatava	Director
Mr. Samar Bhatia	Company Secretary

(b) Transactions during the year and balances outstanding as at the year end in respect of transactions in the ordinary course of business with the related parties are as follows:

Name of the related party	Purchase of Raw Material and Finished Goods	Purchase of Fixed Assets / (CWIP)	Sale of Finished Goods	Income from Pre Sales Support Services	Income from Services	Inter company service expenses	Loan Taken	Loan Repaid	Recovery/ Reimbursement of expenses	Sale of Fixed assets	Remuneration	Interest Paid / Payable	Loan Given	Loan Receipts	Interest Earned	Royalty Paid / Payable	Outstanding Balances	(figures in Rs) As at March 31, 2017
<b>Fellow Subsidiaries</b>																		
DuPont China Limited	412,089,978	-	40,355,461	83,802,265	22,349,341	9,050,187			-	-							Receivables	15,839,983
Dupont Asia Pacific Limited	-	-	-	-	-	-			-	-							Payables	(105,723,556)
PT Dupont Agricultural Products Indonesia	43,342,764	-	366,573,493	-	2,266,981	-			172,449	-							Receivables	69,475,933
Electronic Materials Du Pont Dongguan Limited	-	-	-	-	-	-			20,503	1,420,116							Payables	-
Du Pont Teijin Advanced Papers (Asia) Limited	-	-	-	-	-	-			-	-							Receivables	19,543
DuPont Performance Elastomers B.V.	-	-	-	-	-	-			-	-							Payables	-
DuPont Pakistan Operations (Pvt.) Limited	-	-	-	-	-	-			-	-							Receivables	-
DuPont International Trading, Inc.	-	-	-	-	-	-			-	-							Payables	-
Dupont Trading (Shanghai) Co Limited	251,696,765	-	47,065,328	3,930,236	-	-			-	-							Receivables	5,417,423
DuPont Agricultural Caribe Industries Limited.	186,486,683	-	-	-	2,246,673	-			-	-							Payables	(34,497,919)
DuPont (New Zealand) Limited	480,187	-	2,433,067	-	299,673	-			-	-							Receivables	282,691
Antec International Limited	-	-	-	-	-	-			-	-							Payables	(115,006,920)
Dupont Vietnam Company Limited	-	-	5,009,627	-	857,788	-			-	-							Receivables	0
DuPont DACI Beteiligungs GmbH	-	-	-	-	-	-			-	-							Payables	2,850,132
DUPONT SA DE CV	-	-	-	-	2,072,964	-			-	-							Receivables	-
Pioneer Hi-Bred International, Inc	-	-	-	-	-	-			-	-							Payables	2,023,983
DUPONT AGRICULTURAL CHEMICALS Limited	-	-	-	-	-	-			-	-							Receivables	-
DuPont Authentication, Inc.	-	-	-	-	-	-			-	-							Payables	537,745
Pioneer Overseas Corporation	-	565,799	-	-	729,158,408	134,323			-	-							Receivables	-
PHI Seeds Limited	-	-	-	-	-	-	13,029,246,531	14,030,387,292	342,652	-		2,362,932	4,892,619,852	4,892,619,852	9,206,272		Payables	128,913,848
																	Receivables	(2,615,218)
																	Loan Payable Outstanding (including interest)	(1,779,187,667)
Inpaco Corporation	-	-	-	-	-	-			-	-							Receivables	-
SOLAE LLC	-	-	-	-	-	-			-	-							Payables	-
MECS INDIA PVT LTD	-	-	-	-	-	-			6,747,384	-							Receivables	(0)
																	Payables	-
Dupont Filaments - Americas, LLC	4,317,527	-	-	22,684,647	-	-			-	-							Loan Payable Outstanding (including interest)	-
																	Receivables	7,847,191
																	Payables	-



**29 Related Party Disclosures (Cont.)**

Name of the related party	Purchase of Raw Material and Finished Goods	Purchase of Fixed Assets / (CWIP)	Sale of Finished Goods	Income from Pre Sales Support Services	Income from Services	Inter company service expenses	Loan Taken	Loan Repaid	Recovery/ Reimbursement of expenses	Sale of Fixed assets	Remuneration	Interest Paid/ Payable	Loan Given	Loan Receipts	Interest Earned	Royalty Paid/ Payable	Outstanding Balances	(figures in Rs)	
																		As at March 31, 2017	As at March 31, 2017
DUPONT FILAMENTS EUROPE BV	-	-	-	2,171,522	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	797,750	-
DuPont Xingda Filaments Company Limited	282,934,790	-	363,443	16,267,952	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-	-
Danisco Singapore PTE Limited	3,562,532	-	-	-	-	(0)	-	-	-	-	-	-	-	-	-	-	Receivables	-	(75,745,730)
DuPont (China) Research & Development Co Limited	-	-	-	-	-	55,606,598	-	-	-	-	-	-	-	-	-	-	Payables	-	-
DuPont Performance Elastomers L.L.C.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	4,897,641	(10,493,265)
DuPont Surfaces (Guangzhou) Co., Limited.	127,843,845	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-	-
DuPont International Operations Sarl	1,071,980,694	-	16,747	21,914,454	45,326,364	4,644,300	-	-	(726)	-	-	-	-	-	-	-	Receivables	(27,770,316)	4,261,411
DUPONT SPECIALTY PRODUCTS K.K.	82,299,304	-	-	1,274,216	-	-	-	-	-	-	-	-	-	-	-	-	Payables	(250,708,238)	87,450
DUPONT SPECIALTY PRODUCTS K.K.	-	-	-	-	-	1,198,187	-	-	-	-	-	-	-	-	-	-	Receivables	(76,970,713)	-
DUPONT SCIENCE AND TECHNOLOGIES LLC	-	-	-	-	2,194,659	-	-	-	4,283,115	-	-	-	-	-	-	-	Payables	-	6,225,263
DuPont (Shenzhen) Industrial Company Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	-	-
DuPont -MRC CO Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-	-
Belco Technologies Corporation	-	-	-	-	-	6,697,380	-	-	-	-	-	-	-	-	-	-	Receivables	-	-
DuPont (Changshu) Fluoro Technology Co.,	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-	-
DuPont Asturias Industrial S.L.	-	-	-	-	-	4,732,306	-	-	-	-	-	-	-	-	-	-	Receivables	-	-
DuPont Titanium Technology (Taiwan) Co.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	(4,415,351)	-
DuPont Apollo Limited	-	-	-	-	-	-	-	-	120,000	-	-	-	-	-	-	-	Receivables	-	116,564
DuPont Lanka Private Limited	-	-	-	-	-	5,224,936	-	-	-	-	-	-	-	-	-	-	Payables	-	-
Coastal Training Technologies India Private Limited	-	-	-	-	-	7,004,758	-	-	-	-	-	-	-	-	-	-	Receivables	(1,582,263)	-
Du Pont (Australia) Limited.	1,395,920	-	89,449,484	-	3,199,564	30,948,362	-	-	-	-	-	-	-	-	-	-	Payables	(2,204,764)	(0)
DuPont Mexico S.A. de C.V.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	-	(1,434,994)
E.I. du Pont Canada Company	-	-	-	6,822,085	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-	548,940
DuPont China Holding Company Limited	21,664,677	-	-	21,609	27,298,881	15,592,436	-	-	-	-	-	-	-	-	-	-	Receivables	21,189	(14,702,599)
DUP DE COLOMBIA SA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	-	-
DuPont De Nemours (France) S.A.S	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-	-
Du Pont de Nemours (Belgium) BVBA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	-	-
Du Pont de Nemours (Nederland) B.V.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	(0)	-
Du Pont de Nemours (Deutschland) GmbH	273,018,810	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	-	-
DuPont de Nemours (Luxembourg) SARL	73,118,253	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	(39,002,798)	-
Du Pont de Nemours International SA	12,400,575	-	-	-	1,127,865	-	-	-	-	-	-	-	-	-	-	-	Receivables	1,099,648	-
Du Pont Company (Singapore) Pte Limited.	9,138,358,260	-	7,239,812	171,296,982	6,671,997	97,590,933	-	-	4,397,598	-	-	-	-	-	-	-	Payables	(3,035,294)	42,784,540
Du Pont Far East, Inc	-	-	-	-	492,127	-	-	-	-	-	-	-	-	-	-	-	Receivables	-	(0)
DuPont Malaysia SDN BHD	800,080	-	21,385,463	-	11,551,263	5,722,246	-	-	388,702	-	-	-	-	-	-	-	Payables	8,128,483	(1,110,274)
Du Pont Far East (Philippines Branch)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	-	-
Du Pont do Brasil S.A.	15,485,804	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-	-
Du Pont Kabushiki Kaisha	236,453,874	-	139,347	41,957,167	14,388,343	13,611,036	-	-	-	-	-	-	-	-	-	-	Receivables	4,374,965	-
Du Pont (Korea) Inc	549,058,898	-	-	3,290,397	14,820,065	15,527,388	-	-	498,519	-	-	-	-	-	-	-	Payables	(35,186,436)	-
Du Pont Taiwan Limited	41,809,644	-	26,157,200	8,776,178	4,682,167	4,062,333	-	-	135,329	-	-	-	-	-	-	-	Receivables	3,352,887	(130,329,431)
Du Pont (Thailand) Limited	61,220,921	-	10,601,419	-	13,012,466	2,097,147	-	-	19,983,859	-	-	-	-	-	-	-	Payables	(19,014,141)	16,175,855
Danisco US Inc.	-	-	-	-	71,712,055	-	-	-	-	5,816,248	-	-	-	-	-	-	Receivables	(13,327,183)	19,165,554
DuPont Holographics Inc.	78,140,859	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-	-
Du Pont Apollo (Shenzhen) Limited	201,551,097	-	15,031	302,356	982,433	2,337,413	-	-	-	-	-	-	-	-	-	-	Receivables	(14,588,536)	1,258,847
Solae Company India Private Limited	-	-	-	-	10,945,520	-	-	-	5,185,376	-	-	-	-	-	-	-	Payables	(51,234,466)	3,173,331
Danisco India Pvt. Limited	-	-	-	-	41,208,683	-	-	-	166,328,239	-	-	-	-	-	-	-	Receivables	28,791,474	-
E.I. DuPont Services Centre India Private Limited	-	-	-	-	-	285,251,329	-	-	49,238,282	1,450,258	-	-	-	-	-	-	Payables	-	17,575,906
Pioneer Hi-Bred Pvt Ltd	-	-	-	-	-	-	-	-	322,496	-	-	-	-	-	-	-	Receivables	34,797,726	-
DUPONT SAUDI ARABIA LLC	-	-	-	-	-	-	-	-	78,260	-	-	-	-	-	-	-	Payables	-	78,260
DUPONT QFC LLC	-	-	-	-	-	-	-	-	185,910	-	-	-	-	-	-	-	Receivables	-	176,945
Danisco Malaysia Sdn. Bhd.	-	-	-	-	5,417,212	-	-	-	586,148	-	-	-	-	-	-	-	Receivables	-	1,451,652
DANISCO SWETENERS (ANYANG) CO., LTD	-	-	-	-	-	-	-	-	(0)	-	-	-	-	-	-	-	Payables	-	-
DANISCO (ZHANGJIAGANG) TECTURAL ING	-	-	-	-	-	-	-	-	300,302	-	-	-	-	-	-	-	Receivables	-	-
Du Pont Products S.A.	-	-	-	-	-	2,495,076	-	-	692,423	-	-	-	-	-	-	-	Payables	-	0

## 29 Related Party Disclosures (Cont.)

Name of the related party	Purchase of Raw Material and Finished Goods	Purchase of Fixed Assets / (CWP)	Sale of Finished Goods	Income from Pre Sales Support Services	Income from Services	Inter company service expenses	Loan Taken	Loan Repaid	Recovery/ Reimbursement of expenses	Sale of Fixed assets	Remuneration	Interest Paid/ Payable	Loan Given	Loan Receipts	Interest Earned	Royalty Paid/ Payable	Outstanding Balances	(figures in Rs)	
																		As at March 31, 2017	As at March 31, 2017
Danisco (China) Co. Ltd.	-	-	-	-	-	1,918,912	-	-	-	-	-	-	-	-	-	-	Receivables	-	-
DuPont Shineway Luohe Protein Company LT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-	-
Solae Europe S.A.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	-	-
COASTAL TRAIN PHILIP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-	-
Du Pont de Nemours Nigeria Limited	-	-	-	-	-	-	-	-	668,935	-	-	-	-	-	-	-	Receivables	-	-
DuPont Nutrition Biosciences ApS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	(8,848)	-
Danisco Australia Pty Limited	-	-	-	-	3,931,149	-	-	-	1,431,494	-	-	-	-	-	-	-	Receivables	-	2,197,673
Danisco (China) Holding Co. Ltd.	-	-	-	-	-	-	-	-	-	20,213,279	-	-	-	-	-	-	Payables	-	19,634,422
Ultimate Holding Co.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	-	-
EI.DuPont de Nemours & Co. Inc., USA	2,727,624,649	-	3,469	45,757,984	745,943,239	127,374,631	-	-	46,078,334	-	-	-	-	-	-	-	Receivables	192,745,586	-
Holding Company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-	(1,094,616,079)
DuPont India Limited, USA	-	-	-	-	-	-	-	-	-	-	-	10,445,227	-	-	-	-	Loan Payable (including Interest)	(716,103,662)	-
Key Management Personnel **	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-	-
Mr. Ram K Mudholkar	-	-	-	-	-	-	-	-	-	-	25,859,938	-	-	-	-	-	Payables	-	-
Mr. Anurag Srivastava	-	-	-	-	-	-	-	-	-	-	16,932,190	-	-	-	-	-	Payables	-	-
Ms Sanjit Kaur Batra	-	-	-	-	-	-	-	-	-	-	6,812,031	-	-	-	-	-	Payables	-	-
Mr. Vijay Kumar Srivastava	-	-	-	-	-	-	-	-	-	-	9,133,945	-	-	-	-	-	Payables	-	-
Mr. Samar Bhatia	-	-	-	-	-	-	-	-	-	-	3,532,605	-	-	-	-	-	Payables	-	-
430,270,050	784,157,882	698,822,216	13,029,246,531	14,030,387,292	308,185,581	28,899,901	62,270,709	12,808,159	4,892,619,852	4,892,619,852	9,206,272	-	-	-	-	-	Receivables	-	-

(c). Transactions during the year and balances outstanding as at the year end March 31, 2016 in respect of transactions in the ordinary course of business with the related parties are as follows:

Name of the related party	Purchase of Raw Material and Finished Goods	Purchase of Fixed Assets / (CWP)	Sale of Finished Goods	Income from Pre Sales Support Services	Income from Services	Inter company service expenses	Loan Taken	Loan Repaid	Recovery/ Reimbursement of expenses	Sale of Fixed assets	Remuneration	Interest Paid / Payable	Loan Given	Loan Receipts	Interest Earned	Royalty Paid/ Payable	Outstanding Balances	(figures in Rs)	
																		As at March 31, 2017	As at March 31, 2017
Fellow Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	19,933,192	-
DuPont China Limited	398,898,516	-	8,046,092	65,249,203	20,418,641	23,617,907	-	-	-	-	-	-	-	-	-	-	Payables	-	124,701,317
DuPont Asia Pacific Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	-	-
PT Dupont Agricultural Products Indonesia	62,260,837	-	157,652,263	-	6,470,806	1,839,192	-	-	419,188	-	-	-	-	-	-	-	Receivables	15,389,090	-
Electronic Materials Du Pont Dongguan Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-	622,505
Du Pont Teijin Advanced Papers (Asia) Limited	807,869,307	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	-	-
DuPont Performance Elastomers B.V.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-	-
DuPont Pakistan Operations (Pvt) Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	-	-
DuPont International Trading, Inc.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-	-
DuPont Trading (Shanghai) Co Limited*	246,722,211	-	4,557,636	1,726,027	-	1,897,485	-	-	-	-	-	-	-	-	-	-	Receivables	-	4,853,389
DuPont Agricultural Caribe Industries Limited.	20,089,871	-	-	-	2,224,220	-	-	-	-	-	-	-	-	-	-	-	Payables	-	76,229,639
DuPont (New Zealand) Limited	-	-	-	-	568,094	-	-	-	-	-	-	-	-	-	-	-	Receivables	-	426,348
Antec International Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-	19,633,260
DuPont Vietnam Company Limited	-	-	-	-	1,284,727	-	-	-	-	-	-	-	-	-	-	-	Receivables	-	132,459
DuPont DACI Beteiligungs GmbH	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-	-
DUPONT SA DE CV	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	-	-
Pioneer Hi-Bred International, Inc	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-	-
DUPONT AGRICULTURAL CHEMICALS Limited	-	-	-	-	-	-	-	-	549,747	-	-	-	-	-	-	-	Receivables	-	379,151
DuPont Authentication, Inc.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-	-
Pioneer Overseas Corporation	-	2,673,484	-	-	796,803,406	-	-	-	531,756	-	-	-	-	-	-	-	Receivables	-	183,499,513
PHI Seeds Limited	-	-	-	-	2,407,023	1,012,977	-	-	1,858,946	-	-	-	-	-	-	-	Payables	-	2,731,912
Liqui-Box Corporation	-	-	-	-	-	-	19,463,874,507	19,601,139,483	-	-	-	100,510,913	2,729,941,988	2,729,941,988	9,206,272	-	Loan Payable (including Interest)	-	1,779,187,667
First Chemical Corporation***	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	-	-
Impaco Corporation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-	-
SOLAE LLC	-	-	-	-	2,481,893	-	-	-	-	-	-	-	-	-	-	-	Receivables	-	498,989
MECS INDIA PVT LTD	-	-	-	-	-	-	-	-	5,388,903	-	-	-	-	-	-	-	Receivables	-	593,198



29 Related Party Disclosures (Cont.)

Name of the related party	Purchase of Raw Material and Finished Goods	Purchase of Fixed Assets / (CWIP)	Sale of Finished Goods	Income from Pre Sales Support Services	Income from Services	Inter company service expenses	Loan Taken	Loan Repaid	Recovery/ Reimbursement of expenses	Sale of Fixed assets	Remuneration	Interest Paid / Payable	Loan Given	Loan Receipts	Interest Earned	Royalty Paid / Payable	Outstanding Balances	(figures in Rs) As at March 31, 2017
	-	-	-	-	-	-			-	-							Loan Payable	-
																	Outstanding (including Interest)	-
Dupont Filaments - Americas, LLC	8,071,943	-	-	15,831,199	-	-			-	-							Receivables	3,420,717
DUPONT FILAMENTS EUROPE, BV	-	-	-	401,039	-	-			-	-							Payables	2,424,676
DuPont Xingda Filaments Company Limited	271,745,338	-	-	15,282,968	-	-			-	-							Receivables	422,228
Danisco Singapore PTE Limited	2,388,470	-	-	-	-	-			-	-							Payables	8,328,980
DuPont (China) Research & Development Co Limited	-	-	-	-	2,900,106	89,437,036			9,023,718	-							Receivables	93,184,615
DuPont Performance Elastomers L.L.C.	-	-	-	-	-	-			-	-							Payables	688,279
DuPont Surfaces (Guangzhou) Co., Limited.	159,986,815	-	-	-	48,967	-			-	-							Receivables	5,016,567
DuPont International Operations Sarl	924,719,070	-	-	9,788,169	38,347,709	52,851,127			1,608,499	-							Payables	31,935,349
DuPont (Shenzhen) Industrial Company Limited	-	-	-	-	-	-			-	-							Receivables	-
DuPont -MRC CO Limited	-	-	-	-	-	-			-	-							Payables	-
Belco Technologies Corporation	-	-	-	-	-	-			-	-							Receivables	-
DuPont (Changsha) Fluoro Technology Co.***	-	-	-	-	-	-			-	-							Payables	-
DuPont Asturias Industrial S.L.	-	-	-	-	-	7,030,446			-	-							Receivables	-
DuPont Titanium Technology (Taiwan) Co.***	-	-	-	-	-	-			-	-							Payables	1,816,735
DuPont Apollo Limited	-	-	-	-	-	-			-	-							Receivables	-
DuPont Lanka Private Limited	-	-	-	-	-	23,114,281			-	-							Payables	-
Coastal Training Technologies India Private Limited	-	-	-	-	-	2,145,187			-	-							Receivables	13,359,202
Du Pont (Australia) Limited.	7,694,870	-	14,135,689	-	6,839,847	85,845,720			217,800	-							Payables	1,116,986
DuPont Mexico S.A. de C.V.	-	-	-	-	-	-			-	-							Receivables	1,418,208
E.I. du Pont Canada Company	-	-	-	2,778,736	-	-			-	-							Payables	29,875,579
Dupont China Holding Company Limited*	183,108,549	-	-	2,581,740	55,872,284	36,675,369			1,339,193	-							Receivables	789,596
DUP DE COLOMBIA SA	-	-	-	-	-	-			-	-							Payables	-
DuPont De Nemours (France) S.A.S	-	-	-	-	-	-			-	-							Receivables	-
Du Pont de Nemours (Belgium) BVBA	-	-	-	-	-	-			-	-							Payables	-
Du Pont de Nemours (Nederland) B.V.	-	-	-	-	-	-			-	-							Receivables	-
Du Pont de Nemours (Deutschland) GmbH	196,194,325	-	-	-	-	-			-	-							Payables	-
DuPont de Nemours (Luxembourg) SARL	27,069,028	-	-	-	-	-			-	-							Receivables	107,044,194
Du Pont de Nemours International S.A	5,140,057	-	-	-	-	-			-	-							Payables	7,652,586
Du Pont Company (Singapore) Pte Limited.	8,403,185,715	3,368,338	2,289,300	139,201,966	15,265,363	165,824,363			10,842,792	-							Advances Received	4,837,963
Du Pont Far East, Inc	-	-	-	-	3,423,526	-			-	-							Receivables	5,065,200
DuPont Malaysia SDN BHD	64,442	-	15,425,834	-	12,632,934	14,961,473			1,872,565	-							Payables	30,344,548
Du Pont Far East (Philippines Branch)	-	-	-	-	-	1,659,579			-	-							Receivables	3,814,089,618
Du Pont do Brasil S.A.	-	-	-	-	-	-			-	-							Payables	217,525
Du Pont Kabushiki Kaisha	241,602,920	-	168,453	44,574,366	20,447,023	26,082,274			1,243,020	-							Receivables	9,685,688
Du Pont (Korea) Inc	584,572,726	-	-	2,610,272	13,936,757	23,102,010			890,437	-							Payables	6,656,610
Du Pont Taiwan Limited	35,500,437	-	23,917,219	2,527,199	6,807,038	13,680,530			786,791	-							Receivables	241,800
Du Pont (Thailand) Limited	48,028,764	-	5,433,116	-	14,209,186	6,968,373			17,069,728	-							Payables	14,445,672
DU PONT MITSUI FLUORO-CHEMICALS***	-	-	-	-	-	-			-	-							Receivables	89,157,217
Danisco US Inc.	-	-	-	-	232,614,955	-			-	-							Payables	4,510,184
DuPont Holographics Inc.	80,027,437	-	-	-	-	-			-	-							Receivables	163,816,949
Du Pont Apollo (Shenzhen) Limited	26,078	-	-	-	48,967	-			-	-							Payables	36,934,776
Solae Company India Private Limited	-	-	-	-	10,625,419	-			3,710,427	-							Receivables	8,989,615
Danisco India Pvt. Limited	-	-	-	-	51,208,174	-			115,943,261	488,702							Payables	14,244,360
E.I. DuPont Services Centre India Private Limited	-	109,973	-	-	3,887,908	208,867,512			70,084,652	1,131,486							Receivables	102,422,530
The Chemours Company Fc, Llc***	-	-	-	-	-	-			-	-							Payables	89,251,535
Chemours Netherlands BV***	-	-	-	-	-	-			-	-							Receivables	-
The Chemours Company Tl, Llc***	-	-	-	-	-	-			-	-							Payables	-
The Chemours Chemical (Shanghai) Company Limited***	-	-	-	-	166,982	-			-	-							Receivables	-
Chemours Kabushiki Kaisha***	-	-	-	-	166,982	-			-	-							Payables	-
Chemours Korea Inc.***	-	-	-	-	166,982	-			-	-							Receivables	-
The Chemours Company Singapore Pte.***	-	-	-	-	166,982	-			-	-							Payables	-



## 29 Related Party Disclosures (Cont.)

Name of the related party	Purchase of Raw Material and Finished Goods	Purchase of Fixed Assets / (CWIP)	Sale of Finished Goods	Income from Pre Sales Support Services	Income from Services	Inter company service expenses	Loan Taken	Loan Repaid	Recovery/ Reimbursement of expenses	Sale of Fixed assets	Remuneration	Interest Paid / Payable	Loan Given	Loan Receipts	Interest Earned	Royalty Paid / Payable	Outstanding Balances	(figures in Rs)	
																		As at March 31, 2017	As at March 31, 2017
The Chemours (Taiwan) Company Limited***	-	-	-	-	166,982	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-
The Chemours India Private Limited ***	-	-	-	-	10,611,609	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	-
The Chemours Company (Australia) Pty Ltd***	-	-	-	-	133,535	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-
Chemours Hong Kong Holding Limited***	-	-	-	-	133,535	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	-
The Chemours Malaysia Sdn Bhd***	-	-	-	-	133,535	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-
The Chemours (Thailand) Company Limited***	-	-	-	-	133,535	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	-
Pioneer Hi-Bred Pvt Ltd	-	-	-	-	-	-	-	-	729,363	-	-	-	-	-	-	-	-	Receivables	73,027,089
Danisco Malaysia Sdn. Bhd.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-
Du Pont Products S.A.	-	-	-	-	-	2,563,492	-	-	-	-	-	-	-	-	-	-	-	Receivables	-
Danisco (China) Co. Ltda.	-	-	-	-	-	4,116,403	-	-	203,978	-	-	-	-	-	-	-	-	Payables	2,050,794
DuPont Shineway Luohe Protein Company LT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	205,034
Solae Europe S.A.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	2,227,372
COASTAL TRAIN PHILIP	-	-	-	-	-	-	-	-	79,919	-	-	-	-	-	-	-	-	Receivables	2,846
Du Pont de Nemours Nigeria Limited	-	-	-	-	43,664	-	-	-	882,889	-	-	-	-	-	-	-	-	Payables	-
DuPont Nutrition Biosciences ApS	-	-	-	-	-	-	-	-	3,234,737	-	-	-	-	-	-	-	-	Receivables	927,629
Danisco Australia Pty Limited	-	-	-	-	318,919	-	-	-	380,071	-	-	-	-	-	-	-	-	Payables	-
Danisco (China) Holding Co. Ltd.	-	-	-	-	-	-	-	-	611,932	-	-	-	-	-	-	-	-	Receivables	87,352
Ultimate Holding Co.	-	-	-	-	-	-	-	-	1,513,247	-	-	-	-	-	-	-	-	Payables	615,100
EIDuPont de Nemours & Co. Inc., USA	2,080,871,147	-	-	34,802,014	1,086,555,891	124,632,057	-	-	17,233,178	-	-	-	-	-	-	4,097,245	-	Receivables	290,250,472
Holding Company DuPont India Limited, USA	-	-	-	-	-	-	-	-	-	-	-	10,445,227	-	-	-	-	-	Payables	915,593,483
Key Management Personnel **	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Loan Payable	716,103,662
Mr. Balvinder Singh Kalsi	-	-	-	-	-	-	-	-	-	-	51,516,421	-	-	-	-	-	-	Outstanding (including interest)	-
Mr. Ram K Mudholkar	-	-	-	-	-	-	-	-	-	-	20,695,155	-	-	-	-	-	-	Payables	-
Mr. Anurag Srivastava	-	-	-	-	-	-	-	-	-	-	14,193,849	-	-	-	-	-	-	Payables	-
Ms Karen A Crossan	-	-	-	-	-	-	-	-	-	-	19,795,239	-	-	-	-	-	-	Payables	-
Ms Sanjit Kaur Batra	-	-	-	-	-	-	-	-	-	-	4,734,627	-	-	-	-	-	-	Payables	-
Mr. Samar Bhatia	-	-	-	-	-	-	-	-	-	-	3,120,255	-	-	-	-	-	-	Payables	-
Mr. Vijay kumar Srivastava	-	-	-	-	-	-	-	-	-	-	1,513,247	-	-	-	-	-	-	Payables	-
Relative of Director	-	-	-	-	-	-	-	-	-	-	4,541,123	-	-	-	-	-	-	Payables	-
Mr. Angad Singh Kalsi	-	-	-	-	-	-	-	-	-	-	120,109,916	-	-	-	-	-	-	Payables	-
<b>Total</b>	<b>14,795,838,873</b>	<b>6,151,795</b>	<b>231,625,602</b>	<b>337,354,898</b>	<b>2,420,674,106</b>	<b>917,924,793</b>	<b>19,463,874,507</b>	<b>19,601,139,483</b>	<b>267,204,990</b>	<b>1,620,188</b>	<b>4,541,123</b>	<b>110,956,140</b>	<b>2,729,941,988</b>	<b>2,729,941,988</b>	<b>9,206,272</b>	<b>4,097,245</b>			

\* Income from Services does not include certain contra adjustments amounting to Rs. 124,613,846 between Dupont Trading (Shanghai) Co Limited and Dupont China Holding Company Limited.

\*\* Amounts disclosed are for periods from and upto which they were key management personnel. As gratuity and compensated absences are computed for all the employees of the Company in aggregate, the amounts relating to the Key Management Personnel cannot be individually identified.

\*\*\* Ceased to be a related party effective 1st July 2015

(d) Transactions during the year and balances outstanding as at the year end March 31, 2015 in respect of transactions in the ordinary course of business with the related parties are as follows:

Name of the related party	Purchase of Raw Material and Finished Goods	Purchase of Fixed Assets / (CWIP)	Sale of Finished Goods	Income from Pre Sales Support Services	Income from Services	Inter company service expenses	Loan Taken	Loan Repaid	Recovery/ Reimbursement of expenses	Sale of Fixed assets	Remuneration	Interest Paid / Payable	Loan Given	Loan Receipts	Interest Earned	Royalty Paid / Payable	Outstanding Balances	(figures in Rs)		
																		As at March 31, 2017	As at March 31, 2017	
Fellow Subsidiaries																				
DuPont China Limited	205,365,636	-	2,204,113	70,585,734	21,429,907	39,908,222	-	-	140,772	-	-	-	-	-	-	-	-	Receivables	4,204,156	
DuPont Asia Pacific Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	61,379,497	
PT Dupont Agricultural Products Indonesia	62,507,773	-	96,694,894	-	10,760,433	1,404,532	-	-	(295,326)	-	-	-	-	-	-	-	-	Receivables	41,696,387	
Electronic Materials Du Pont Dongguan Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	435,438	
Du Pont Teijin Advanced Papers (Asia) Limited	570,890,680	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	-	
DuPont Performance Elastomers B.V.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-	
DuPont Pakistan Operations (Pvt) Limited	-	-	114,390	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	-	
DuPont International Trading, Inc.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-	
DuPont Trading (Shanghai) Co Limited	212,887,268	-	1,611,685	4,982,290	104,521,504	2,956,919	-	-	-	-	-	-	-	-	-	-	-	Receivables	121,245,424	
DuPont Agricultural Caribe Industries Limited.	186,717,608	-	-	-	2,551,880	-	-	-	2,240,008	-	-	-	-	-	-	-	-	Payables	71,211,196	
DuPont Performance Coatings Austria GmbH	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	453,576	
DuPont Powder Coatings France SAS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	185,347,983	
																		Receivables	-	



29 Related Party Disclosures (Cont.)

Name of the related party	Purchase of Raw Material and Finished Goods	Purchase of Fixed Assets / (CWIP)	Sale of Finished Goods	Income from Pre Sales Support Services	Income from Services	Inter company service expenses	Loan Taken	Loan Repaid	Recovery/ Reimbursement of expenses	Sale of Fixed assets	Remuneration	Interest Paid / Payable	Loan Given	Loan Receipts	Interest Earned	Royalty Paid / Payable	Outstanding Balances	(figures in Rs) As at March 31, 2017
DuPont (New Zealand) Limited	-	-	-	-	868,457	-	-	-	-	-	-	-	-	-	-	-	Receivables	157,030
Antec International Limited	-	-	-	1,789,390	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-
DuPont Vietnam Company Limited	-	-	-	-	1,898,571	-	-	-	-	-	-	-	-	-	-	-	Payables	57,252
DuPont DACI Beteiligungs GmbH	-	-	-	-	2,206,086	-	-	-	(2,206,086)	-	-	-	-	-	-	-	Receivables	301,516
DuPont Powder Coatings (Malaysia) Sdb.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-
PT DuPont Powder Coatings Indonesia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	-
DuPont Powder Coatings USA, Inc.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-
DUPONT SA DE CV	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	-
Pioneer Hi-Bred International, Inc	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-
DUPONT AGRICULTURAL CHEMICALS Limited	-	-	-	(254,989)	-	-	-	-	(366)	-	-	-	-	-	-	-	Receivables	-
DuPont Authentication, Inc.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-
Pioneer Overseas Corporation	-	11,669,783	-	-	921,179,323	61,968	-	-	123,614	-	-	-	-	-	-	-	Receivables	131,769,761
PHI Seeds Limited	-	-	-	-	4,035,274	597,778	15,999,295,049	16,314,195,754	3,181,318	-	-	373,707,946	-	-	-	-	Receivables	11,833,303
Liqui-Box Corporation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	5,690,955
First Chemical Corporation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	597,778
Incaco Corporation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Loan Payable Outstanding (including Interest)	2,948,905,390
SOLAE LLC	-	-	-	308,633	-	-	-	-	2,469,069	-	-	-	-	-	-	-	Receivables	-
MECS INDIA PVT LTD	-	-	-	38,875	-	-	-	-	2,320,685	-	-	-	-	-	-	-	Payables	2,810,320
DuPont Filaments - Americas, LLC	7,115,291	-	-	12,350,363	-	(122,348)	-	-	-	-	-	-	-	-	-	-	Receivables	196,630
DUPONT FILAMENTS EUROPE, BV	-	-	-	166,934	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-
DuPont Xingda Filaments Company Limited	277,486,736	-	1,176,561	24,051,783	-	-	-	-	22,107,876	-	-	-	-	-	-	-	Receivables	5,247,729
Danisco Singapore PTE Limited	-	-	-	-	-	1,268,573	-	-	-	-	-	-	-	-	-	-	Payables	1,781,592
DuPont Performance Coatings (Chang Chun) Co. Limited.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	-
DuPont 3F Fluorochemicals (Changshu) Company, Limited	66,340,249	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	80,309,113
DuPont Performance Coatings (Shanghai) Co	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	323,862
DuPont (China) Research & Development Co Limited	-	-	-	2,424,414	107,277,306	-	-	-	11,308,122	-	-	-	-	-	-	-	Payables	26,923,170
DuPont Performance Elastomers L.L.C.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	2,773,844
DuPont Surfaces (Guangzhou) Co., Limited.	117,611,539	-	-	245,423	-	-	-	-	-	-	-	-	-	-	-	-	Payables	20,990,565
DuPont International Operations Sarl	1,718,964,254	-	88,596	10,463,617	31,104,008	37,302,148	-	-	2,143,514	-	-	-	-	-	-	-	Receivables	82,666
DuPont (Shenzhen) Industrial Company Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	27,936,054
DuPont -MRC CO Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	8,002,064
Belco Technologies Corporation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	117,438,795
DuPont (Changshu) Fluoro Technology Co.,	17,653,042	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	-
DuPont Asturias Industrial S.L.	-	-	-	-	7,817,147	-	-	-	586,269	-	-	-	-	-	-	-	Payables	586,269
DuPont Titanium Technology (Taiwan) Co.	-	-	-	-	6,664	-	-	-	-	-	-	-	-	-	-	-	Receivables	1,795,208
DuPont Apollo Limited	-	-	-	279,814	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-
DuPont Lanka Private Limited	-	-	-	-	23,761,842	-	-	-	-	-	-	-	-	-	-	-	Receivables	-
Coastal Training Technologies India Private Limited	-	-	-	76,049	6,878,296	-	-	-	(15,894)	-	-	-	-	-	-	-	Payables	4,689,254
Du Pont (Australia) Limited.	-	-	12,789,066	-	8,427,782	137,164,176	-	-	271,090	-	-	-	-	-	-	-	Receivables	3,251,853
DuPont Mexico S.A. de C.V.	10,357,100	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	12,506,105
E.I. du Pont Canada Company	43,104	-	-	1,715,831	-	1,228,658	-	-	-	-	-	-	-	-	-	-	Receivables	23,729,568
DuPont China Holding Company Limited	338,130,450	-	9,736,530	12,260,740	(49,108,618)	30,873,841	-	-	-	-	-	-	-	-	-	-	Payables	941,443
DUP DE COLOMBIA SA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	(1,248,799)
DuPont De Nemours (France) S.A.S	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	123,143,738
Du Pont de Nemours (Belgium) BVBA	15,113,772	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	-
Du Pont de Nemours (Nederland) B.V.	144,453,447	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-
Du Pont de Nemours (Deutschland) GmbH	100,741,118	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	-
DuPont de Nemours (Luxembourg) SARL	26,211,939	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	23,898,924
																	Receivables	(81,133)
																	Payables	5,689,129

## 29 Related Party Disclosures (Cont.)

Name of the related party	Purchase of Raw Material and Finished Goods	Purchase of Fixed Assets / (CWIP)	Sale of Finished Goods	Income from Pre Sales Support Services	Income from Services	Inter company service expenses	Loan Taken	Loan Repaid	Recovery/ Reimbursement of expenses	Sale of Fixed assets	Remuneration	Interest Paid / Payable	Loan Given	Loan Receipts	Interest Earned	Royalty Paid / Payable	Outstanding Balances	(figures in Rs)	
																		As at March 31, 2017	
Du Pont de Nemours International SA	1,667,234	-	-	5,065,028	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	1,534,304
Du Pont Company (Singapore) Pte Limited.	6,949,569,538	-	4,297,073	226,821,248	22,126,869	205,850,504	-	-	9,069,489	-	-	-	-	-	-	-	-	Payables	-
Du Pont Far East, Inc	-	-	-	-	5,859,016	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	64,122,573
DuPont Malaysia SDN BHD	6,191,077	-	22,726,892	911,204	15,392,229	16,758,961	-	-	1,449,886	-	-	-	-	-	-	-	-	Payables	1,790,767,407
Du Pont Far East (Philippines Branch)	-	-	-	-	-	954,589	-	-	-	-	-	-	-	-	-	-	-	Receivables	1,266,461
Du Pont do Brasil SA.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-
Du Pont Kabushiki Kaisha	230,883,763	-	1,241,579	37,039,930	22,852,596	39,312,190	-	-	486,888	-	-	-	-	-	-	-	-	Receivables	15,288,778
Du Pont (Korea) Inc	425,761,603	-	365,525	2,303,485	15,217,333	36,079,858	-	-	527,739	-	-	-	-	-	-	-	-	Payables	3,199,388
Du Pont Taiwan Limited	21,203,482	-	15,970,353	97,309	9,814,590	22,612,177	-	-	-	(331,130)	-	-	-	-	-	-	-	Receivables	415,408
Du Pont (Thailand) Limited	31,459,289	-	7,310,078	-	18,279,943	7,616,900	-	-	9,584,630	-	-	-	-	-	-	-	-	Receivables	7,109,894
DUPONT MITSUI FLUORO-CHEMICALS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	62,245,813
Danisco US Inc.	-	-	-	-	142,921,355	-	-	-	41,003	-	-	-	-	-	-	-	-	Receivables	4,246,279
DuPont Holographics Inc.	68,519,364	-	-	-	-	604,275	-	-	-	-	-	-	-	-	-	-	-	Payables	111,056,492
Du Pont Apollo (Shenzhen) Limited	-	-	-	-	153,101	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	1,418,814
Solae Company India Private Limited	-	-	-	-	9,919,097	-	-	-	2,973,507	-	-	-	-	-	-	-	-	Payables	13,718,550
Danisco India Pvt. Limited	-	71,325	-	-	14,417,876	10,283,081	-	-	79,350,895	-	-	-	-	-	-	-	-	Receivables	7,695,422
E.I. DuPont Services Centre India Private Limited	-	1,190,602	-	-	(212,310)	158,176,287	-	-	48,270,000	-	-	-	-	-	-	-	-	Payables	8,153,332
Axalta Coating Systems India Private Limited (formerly known as DuPont Performance Coatings India Private Limited)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	8,153,332
The Chemours Company Fc, Llc	486,362	-	-	16,752,826	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	35,001,091
Chemours Netherlands B.V.	17,625,605	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	17,526,174
The Chemours Company Tl, Llc	-	-	-	3,945,694	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	153,101
The Chemours Chemical (Shanghai) Company Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	1,094,638
Chemours Kabushiki Kaisha	-	-	-	-	-	-	-	-	82,154	-	-	-	-	-	-	-	-	Payables	25,669,952
Chemours Korea Inc.	-	-	-	-	-	-	-	-	82,154	-	-	-	-	-	-	-	-	Receivables	1,239,615
The Chemours Company Singapore Pte.	-	-	-	-	-	-	-	-	82,154	-	-	-	-	-	-	-	-	Payables	13,246,401
The Chemours (Taiwan) Company Limited	-	-	-	-	-	-	-	-	82,154	-	-	-	-	-	-	-	-	Receivables	29,744,565
The Chemours India Private Limited *	-	-	-	-	-	-	-	-	6,373,160	-	-	-	-	-	-	-	-	Payables	-
The Chemours Company (Australia) Pty Ltd	-	-	-	-	-	-	-	-	65,066	-	-	-	-	-	-	-	-	Receivables	16,752,826
Chemours Hong Kong Holding Limited	-	-	-	-	-	-	-	-	65,066	-	-	-	-	-	-	-	-	Payables	-
The Chemours Malaysia Sdn Bhd	-	-	-	-	-	-	-	-	65,066	-	-	-	-	-	-	-	-	Receivables	65,699
The Chemours (Thailand) Company Limited	-	-	-	-	-	-	-	-	65,066	-	-	-	-	-	-	-	-	Payables	65,699
Pioneer Hi-Bred Pvt Ltd	-	-	-	-	-	-	-	-	-	72,297,727	-	-	-	-	-	-	-	Receivables	65,699
Danisco Malaysia Sdn. Bhd.	-	-	-	-	-	-	-	-	270,099	-	-	-	-	-	-	-	-	Payables	65,699
Du Pont Products S.A.	-	-	-	-	-	69,512	-	-	-	-	-	-	-	-	-	-	-	Receivables	65,699
Axalta Coating Systems Belgium BVBA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	65,699
Ultimate Holding Co.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	65,699
E.I. DuPont de Nemours & Co. Inc., USA	2,923,962,429	-	1,377,378	247,261,742	987,540,325	281,274,506	-	-	83,674,479	13,572,276	-	-	-	-	-	6,635,551	-	Receivables	72,297,727
Holding Company DuPont India Limited, USA	-	-	-	-	-	-	-	722,040,000	-	-	-	6,063,557	-	-	-	-	-	Payables	901,659,987
Key Management Personnel **	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Loan Payable Outstanding (including Interest)	689,735,533
Mr. Balvinder Singh Kalsi	-	-	-	-	-	-	-	-	-	-	53,750,849	-	-	-	-	-	-	Payables	-
Mr. Rajeev Vaidya	-	-	-	-	-	-	-	-	-	-	8,960,801	-	-	-	-	-	-	Payables	-
Mr. Ram K Mudholkar	-	-	-	-	-	-	-	-	-	-	19,392,831	-	-	-	-	-	-	Payables	-
Mr. Anurag Srivastava	-	-	-	-	-	-	-	-	-	-	13,885,490	-	-	-	-	-	-	Payables	-
Ms. Karen A Crossan	-	-	-	-	-	-	-	-	-	-	14,345,060	-	-	-	-	-	-	Payables	-
Ms. Sanjit Kaur Batra	-	-	-	-	-	-	-	-	-	-	1,517,087	-	-	-	-	-	-	Payables	-
Ms. Rajinder Sharma	-	-	-	-	-	-	-	-	-	-	5,091,967	-	-	-	-	-	-	Payables	-
Ms. Homi C Bhedwar	-	-	-	-	-	-	-	-	-	-	23,845,608	-	-	-	-	-	-	Payables	-
Mr. Vijender Jain	-	-	-	-	-	-	-	-	-	-	3,662,746	-	-	-	-	-	-	Payables	-
Mr. Samar Bhatia	-	-	-	-	-	-	-	-	-	-	162,510	-	-	-	-	-	-	Payables	-
Relative of Director Mr. Angad Singh Kalsi	-	-	-	-	-	-	-	-	-	-	4,768,930	-	-	-	-	-	-	Payables	-
<b>Total</b>	<b>14,755,920,752</b>	<b>12,891,710</b>	<b>177,704,713</b>	<b>678,565,148</b>	<b>2,327,274,846</b>	<b>1,177,978,562</b>	<b>15,959,295,049</b>	<b>17,036,235,754</b>	<b>286,786,344</b>	<b>85,870,003</b>	<b>149,383,879</b>	<b>379,771,503</b>	-	-	-	<b>6,635,551</b>	-		

\*\* Amounts disclosed are for periods from and upto which they were key management personnel. As gratuity and compensated absences are computed for all the employees of the Company in aggregate, the amounts relating to the Key Management Personnel cannot be individually identified.

**Note 30: Contingent Liabilities**

All amounts in Rs. Lakhs unless otherwise stated

	31 March 2017	31 March 2016
(i) Claims against the company not acknowledged as debts:		
- Demands from Government authorities, being contested by the Company		
a) Income tax matters	16,842	
b) Sales tax matters	394	
c) Excise, customs and service tax matters	5,562	
- Other legal matters* ( Rs. 164.05 lakhs paid under protest included in Note 6)	899	
(ii) Guarantees issued by the Company to banks for loan taken by others (to the extent of loan guaranteed to the bank)	9,792	

The amounts stated in item (i) above represent the best possible estimates arrived at on the basis of available information and are shown at gross basis without considering the refunds adjusted by the tax authority. The uncertainties and possible reimbursements are dependent on the outcome of the different legal processes which have been invoked by the company or the claimants as the case may be, and therefore cannot be predicted accurately.

The amounts stated in item (ii) above represent the outstanding balances of facilities as at March 31, 2017 utilised by third party borrowers under the Channel Financing Scheme. The total limit of the guarantee is Rs.15,500 Lakhs (2016: Rs. 16,596 Lakhs)

\* Besides the matters included above, there are certain other cases filed against the company which are presently sub-judice and the amounts involved are not ascertainable.

**Note 31: Commitments**

	31 March 2017	31 March 2016
<b>(Capital commitments)</b>		
Capital expenditure contracted towards property, plant and equipment at the end of the reporting period but not recognised as liabilities [Net of Advances Rs 16.92 Lakhs (2016 Rs 1.11 Lakhs, 2015: Rs 4.50 Lakhs)]	236	197

**Non cancellable operating leases**

The Company has entered into operating lease transactions for office premises for periods ranging between 1-9 years. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated.

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable, is as follows:

	31 March 2017	31 March 2016	1 April, 2015
Within one year	825	1,543	1,226
Later than one year but not later than 5 years	1283	2,109	3,523
Later than 5 years	-	-	-
	<b>2,109</b>	<b>3,652</b>	<b>4,749</b>

<b>Rental expense relating to operating leases</b>	<b>31 March 2017</b>	<b>31 March 2016</b>
(Minimum lease payments)	1,511	1,511
Total rental expense relating to operating leases	1,540	1,823

**Note 32: Share based payments**

- a) The employees of the Company are entitled to certain Restricted stock units (RSU), Non Qualified Stock Options (NQO) under a scheme of E.I.DuPont de Nemours & Co Inc USA ("the ultimate holding company"). This scheme is managed and administered by the ultimate holding company and the compensation benefits in respect of scheme are also assessed and accounted by the ultimate holding company except to the extent of certain cross charge made to the Company each year. During the year, the company has been cross charged Rs.296.58 Lakhs (2016: Rs. 193.81 Lakhs) towards the above and this has been charged in the statement of profit and loss under the head Employee benefits. The shares of the ultimate holding company are traded on the New York Stock Exchange.

<b>Restricted Stock Units (RSU)</b>		
The movement in the RSU's in number of units is as follows:		
	March 31, 2017	March 31, 2016
Beginning balance	4,451	4,124
Granted	2,348	2,505
Exercised	3,022	2,178
Transferred in	1,369	-
Forfeited	-	-
<b>Ending balance</b>	<b>5,146</b>	<b>4,451</b>

### Some of the relevant information in respect of the grant is given below

Date of Grant	No. of units granted	"Weighted Average Grant Date Value (in USD)"
6-Feb-14	2,216	61.9
4-Feb-15	2,164	73.74
3-Feb-16	2,505	58.76
2-Feb-17	2,348	76.17

### Non Qualified Stock Options (NQO) Annual Grant

The movement in the NQO's is as follows:

	March 31, 2017	March 31, 2016
Beginning balance	2,912	2,912
Granted	-	-
Exercised	14,606	-
Transfer in	30,229	-
Forfeited	-	-
<b>Ending balance</b>	<b>18,535</b>	<b>2,912</b>

b) Certain employees of the company are eligible to receive Share Appreciation Rights (SAR) under a scheme which is managed and administered by the ultimate holding company. During the year, certain employees exercised their SARs based on which the company has recognised an expense of Rs. 119.07 Lakhs (2016: Rs. 89.72 Lakhs) under the head Employee expense. Further in respect of the outstanding SARs as at March 31, 2017, the company has recognised a liability of Rs. 200.44 Lakhs (2016: Rs. 89.72 Lakhs) based on the closing price of the equity shares of the ultimate holding company as at March 31, 2017.

### Share Appreciation Rights (SAR)

The movement in the SARs in number of units is as follows:

	March 31, 2017
Beginning balance	26,538
Granted	2,166
Exercised	3,632
Transfer in	-
Forfeited	-
<b>Ending balance</b>	<b>25,072</b>

c) Since the above mentioned schemes (covered under note 32(a) and (b) above) are administered by the ultimate holding company, the Company has presented information to extent available to them.

**Note 33: Earnings per share**

	March 31, 2017	March 31, 2016
<b>(a) Basic earnings/(loss) per share</b>		
From continuing operations attributable to the equity holders of the company	29.48	17.96
<b>Total basic earnings/(loss) per share attributable to the equity holders of the company</b>	<b>29.48</b>	<b>17.96</b>
<b>(b) Diluted earnings/(loss) per share</b>		
From continuing operations attributable to the equity holders of the company	29.48	17.96
<b>Total diluted earnings/(loss) per share attributable to the equity holders of the company</b>	<b>29.48</b>	<b>17.96</b>
<b>(c) Reconciliations of earnings/(loss) used in calculating earnings per share</b>		
Basic earnings/(loss) per share		
Profit/(loss) attributable to the equity holders of the company used in calculating basic earnings/(loss) per share:		
From continuing operations	16,522	10,083
<b>Profit/(loss) attributable to the equity holders of the company used in calculating basic earnings/(loss) per share:</b>	<b>16,522</b>	<b>10,083</b>
<b>Diluted earnings/(loss) per share</b>		
Profit/(loss) attributable to the equity holders of the company used in calculating diluted earnings/(loss) per share:		
Used in calculating basic earnings/(loss) per share	16,522	10,083
Adjustments, if any	-	-
Used in calculating diluted earnings/(loss) per share	16,522	10,083
<b>Profit/(loss) attributable to the equity holders of the company used in calculating diluted earnings/(loss) per share</b>	<b>16,522</b>	<b>10,083</b>
<b>(d) Weighted average number of shares used as the denominator</b>		
	No. of shares	No. of shares
Weighted average number of equity shares used as the denominator in calculating basic earnings/(loss) per share	560	561
<b>Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share</b>	<b>560</b>	<b>561</b>

**Note 34 Dues to micro and small enterprises**

The company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act").

The disclosures pursuant to the said MSMED Act, to the extent the information is available with the company, are as follows:

	March 31, 2017	March 31, 2016	1 April, 2015
A Principal amount remaining unpaid	81	65	30
B Interest due thereon	*	*	*
C Interest paid by the company in term of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the suppliers beyond the appointed day during the year	-	-	-
D Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	1	-	-
E 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 Micro, Small and Medium Enterprises Development Act, 2006	*	*	6
F Interest accrued and remaining unpaid	1	*	6
G 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	57	57	58

\* Amounts are below the rounding off norms adopted by the Company.

**Note 35: Specified bank notes**

The company did not have any holdings or dealings in specified bank notes during the period from 8th November 2016 to 30th December 2016.

**Note 36:**

In earlier years, the company had entered into transactions with companies with common directors relating to sale and purchase of services/goods aggregating to Rs. 1,019.82 Lakhs and Rs.382.89 Lakhs respectively. The Company had filed applications for Compounding of offence under section 621A of the Companies Act, 1956 ('the Act') for contravention under section 297 of the Act. The response to these applications were received after the balance sheet date and the penalty did not materially impact the financial statements of the company.

**Note 37:**

On November 1, 2017, company has sold certain assets related to Herbicides, Insecticides and Research & Development of Crop Protection business to M/s FMC India Pvt Ltd in pursuant to Asset Transfer Agreement entered by the company and M/S FMC India Pvt Ltd. This is a non-adjusting post balance sheet event as per Ind AS 10 on "Events after reporting period".

**Note 38: First-time adoption of Ind AS  
Transition to Ind AS**

These are the company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 March 2016, the comparative information presented in these financial statements in the preparation of an opening Ind AS balance sheet at 1 April, 2015 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows is set out in the following tables and notes.

**A. Exemptions and exceptions availed**

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to IndAS.

**A.1 Ind AS optional exemptions****A.1.1 Deemed cost**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities, if any. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets. Accordingly, the company has elected to measure all of its property, plant and equipment, intangible assets at their previous GAAP carrying value.

**A.1.2 Leases**

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material.

The company has elected to apply this exemption for such contracts/arrangements.

## A.2 Ind AS mandatory exceptions

### A.2.1 Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS as at the date of transition as these were not required under previous GAAP:

- Fair valuation of financial guarantee contract
- Security deposits carried at amortised cost
- Decommissioning obligation for leased assets

### A.2.2 De-recognition of financial assets and liabilities

Ind AS 101 requires a first time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions. The Company has elected to apply the derecognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

## B: Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

<b>Reconciliation of total equity as at 31 March 2016 and 1 April, 2015</b>	All amounts in Rs. Lakhs unless otherwise stated		
	Notes to first time adoption	March 31, 2016	1 April, 2015
Total equity (shareholder's funds) as per previous GAAP		62,063	51,878
Adjustments:			
Impact on fair valuation of security deposits as at 1 April, 2015	1	(22)	(15)
Impact on fair valuation of channel financing guarantees as at 1 April, 2015	2	(74)	(74)
Fair valuation of financial guarantees	2	3	-
Deferred tax asset on above adjustments	12	32	30
<b>Total adjustments</b>		<b>(60)</b>	<b>(59)</b>
<b>Total equity as per Ind AS</b>		<b>62,002</b>	<b>51,819</b>



All amounts in Rs. Lakhs unless otherwise stated

<b>Reconciliation of total comprehensive income for the year ended 31 March, 2016</b>	Notes to first time adoption	31 March, 2016
Profit after tax as per previous GAAP		10,185
<b>Adjustments:</b>		
Unwinding of Interest on security deposits	1	96
Remeasurements of post-employment benefit obligations - taken to other comprehensive income	9	(153)
Amortisation of prepaid rent	1	(102)
Fair valuation of financial guarantees	2	3
Deferred tax expense on temporary differences	12	55
<b>Total adjustments</b>		<b>(102)</b>
<b>Profit after tax as per Ind AS</b>	<b>11</b>	<b>10,083</b>
<b>Other comprehensive income</b>	<b>6</b>	<b>100</b>
<b>Total comprehensive income as per Ind AS</b>		<b>10,183</b>

<b>Impact of Ind AS adoption on the statements of cash flows for the year ended 31 March, 2016</b>				
	Previous GAAP	Reclassification	Adjustments	Ind AS
Net cash flow from operating activities	10,321	-	-	10,321
Net cash flow from investing activities	(4,336)	-	-	(4,336)
Net cash used in financing activities	(5,651)	-	-	(5,651)
Net increase/decrease in cash and cash equivalents	334	-	-	334
Cash and cash equivalents as at April 1, 2015	659	-	-	659
<b>Cash and cash equivalents as at 31 March, 2016</b>	<b>993</b>	<b>-</b>	<b>-</b>	<b>993</b>

All amounts in Rs. Lakhs unless otherwise stated

**C: Notes to first-time adoption****Note 1: Security deposits**

Under the previous GAAP, interest free lease security deposits (that are refundable in cash on completion of the lease term) are recorded at transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly, the Company has fair valued these security deposits under Ind AS. Difference between the fair value and transaction cost has been recognised as prepaid rent. Consequent to this change, the amount of security deposits decreased by Rs. 206.41 Lakhs as at 31 March 2016 (1 April 2015- Rs. 302.09 Lakhs). The prepaid rent increased by Rs. 184.52 Lakhs as at March 31, 2016 (1 April, 2015- Rs. 286.80 Lakhs). Total equity decreased by Rs. 15.28 Lakhs as on April 1, 2015. The profit for the year and total equity as at 31 March 2016 decreased by Rs. 6.60 Lakhs due to amortisation of the prepaid rent of Rs. 102.28 Lakhs which is partially off-set by the notional interest income of Rs. 95.67 Lakhs recognised on security deposits.

**Note 2: Financial guarantee contract**

Under the previous GAAP, financial guarantee contracts were not accounted for where no commission is charged and were disclosed as commitment. Under Ind AS, such financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and amortised over the tenor of the loan. Consequently, the Company has recognised a financial liability of Rs. 70.63 Lakhs as at 31 March 2016 (1 April 2015- Rs. 73.75 Lakhs) towards the unearned guarantee commission. Finance cost and amortisation of the guarantees for the year ended March 31, 2017, amounting to Rs. 70.63 Lakhs and Rs. 73.75 Lakhs respectively, have been recognised in the statement of profit and loss as 'Finance Cost' and 'Other Income' of Rs. 628.06 Lakhs and Rs. 631.19 Lakhs respectively have been recognised in the statement of profit and loss. The profit for the year and total equity as at 31 March 2016 increased by Rs. 3.12 Lakhs due to amortisation of the liability amounting to Rs. 73.75 Lakhs which is partially off-set by the finance cost of Rs. 70.63 Lakhs. Total equity as at April 1, 2015 decreased by Rs. 73.75 Lakhs.

**Note 3: Leasehold land**

Under the previous GAAP, prepaid lease premium for lands held under operating lease were disclosed as tangible assets. Under Ind AS, such premium is to be shown as prepaid expense. Accordingly the leasehold land included under tangible assets has decreased by Rs. 905.19 Lakhs as at 31 March 2016 (1 April 2015- Rs 925.00 Lakhs) with corresponding increase in other non-current and other current assets. Depreciation for the year ended March 31, 2016 has decreased by Rs. 19.81 Lakhs with corresponding increase in Other Expenses. There is no impact on the total equity or profit as result of this adjustment.

**Note 4: Trade receivables**

As per Ind AS 109, the Company is required to apply expected credit loss model for recognising the allowance for doubtful debts. The impact on application of expected credit loss model has been estimated as not material and accordingly, no adjustment has been made on the date of transition and for the year ended 31 March 2016."

**Note 5: Provisions no longer required written back.**

Under the previous GAAP, provisions no longer required and written back were disclosed as other income. Under Ind AS, such write backs are offset with the respective expenses. This has resulted in decline in other income and cost of goods sold by Rs. 181.06 Lakhs. There is no impact on the total equity or profit as result of this adjustment.

**Note 6: Excise Duty**

Under the previous GAAP, revenue from sales of products was presented exclusive of excise duty. Under Ind AS, revenue from sales of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses. This change has resulted in an increase in total revenue and total expense for the year ended 31 March 2016 by Rs. 21,734.47 Lakhs. There is no impact on the total equity and profit.

**Note 7: Provision for sales returns**

Under the previous GAAP, provision for sales returns, representing net margin on sales, was reversed within revenue. Under Ind AS, the provision for sales return is presented by reversing gross revenue and cost of goods sold of inventory expected to be returned. This change has resulted in decrease of revenue by Rs. 3,816.41 Lakhs with corresponding decrease in cost of raw materials consumed for year ended 31-March-2016. There is no impact on the total equity and profit.

**Note 8: Sales to job workers**

Under the previous GAAP, the sale of raw materials to job workers were disclosed as revenue and the purchase of processed goods from job workers were disclosed as purchase of stock in trade. Under Ind AS, the difference between the amount of purchases and revenue is shown as net processing charges and is disclosed as Processing charges under the head 'Cost of materials consumed'. On account of this adjustment, the revenue has decreased by Rs. 1,471.82 Lakhs purchase of stock in trade has reduced by Rs. 1,933.99 Lakhs and cost of materials consumed has increased by Rs. 462.17 Lakhs for the year ended 31-March-2016. There is no impact on the total equity and profit.

**Note 9: Government Grants**

The Company has received government grant in the form of waiver of import duties on capital goods imported under Export Promotion Capital Goods scheme. Under the previous GAAP, the aforesaid waiver of duties were not required to be accounted. Under Ind AS, such duty benefit is in the nature of capital grant which is capitalised and depreciated over the useful life of the respective assets. The corresponding government grant is credited to the Statement of Profit and Loss as and when the asset is depreciated. Consequent to this change, the property, plant and equipment has increased by Rs. 1,073.93 Lakhs as at March 31, 2016 (April 01, 2015: Rs. 1,150.03 Lakhs) with corresponding increase in deferred income. Depreciation on capitalised import duties amounting to Rs. 162.51 Lakhs is completely off-set by the amortisation of government grant of equal amount having no impact on profit for the year and total equity as at March 31, 2016.

**Note 10: Re-measurements of post-employment benefit obligations**

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. As a result of this change, the profit for the year ended March 31, 2016 increased by Rs. 152.69 Lakhs. There is no impact on the total equity as at 31 March 2016.

**Note 11: Other comprehensive income**

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

**Note 11: Deferred tax**

Under previous GAAP, deferred tax expense/credit were recognised on timing differences between book profits and taxable profits. Under Ind AS, deferred tax is required to be recognised on all temporary differences. The management has recognised deferred tax asset of Rs. 32.02 Lakhs as at 31 March, 2016 (1 April, 2015- Rs. 30.26 Lakhs) on fair valuation of financial guarantee contract and discounting of security deposits. The resultant deferred tax credit has been recognised in the profit or loss for the period and other comprehensive income for the year-ended 31 March, 2016.

Consequent to the above, the deferred tax expense as at 31 March, 2016 have decreased by Rs. 1.75 Lakhs and profit for the year-ended 31 March, 2016 increased by Rs. 1.75 Lakhs."

**Note 12: Retained earnings**

Retained earnings as at April 1, 2015 has been adjusted consequent to the above Ind AS transition adjustments.

**Note 13: Reclassifications**

The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements.

**For Price Waterhouse & Co Chartered Accountants LLP**

Firm Registration No. 304026E/E-300009

**For and on behalf of the Board of Directors**

**Sunit Kumar Basu**

Partner

Membership Number: 55000

**Mahesh Jain**

Director

**Sanjit Kaur Batra**

Director

**Samar Bhatia**

Company Secretary

Place: Hyderabad

Date: 16-11-2017

Place: Gurgaon

Date: 16-11-2017



## Provisional Balance sheet

All amounts in Rs. Lakhs unless otherwise stated

	Notes	31 March, 2018	31 March, 2017
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	39,793	46,052
Capital work-in-progress	3	562	538
Intangible assets	4	53	26
Financial assets			
(i) Other financial assets	5 (c)	1,191	835
Deferred Tax Assets, Net	13	2,626	-
Other non-current assets	6	10,283	10,062
<b>Total non-current assets</b>		<b>54,508</b>	<b>57,513</b>
<b>Current assets</b>			
Inventories	8	70,159	83,092
Financial assets			
(i) Trade receivables	5(a)	88,938	45,284
(ii) Cash and cash equivalents	5(b)	1,043	703
(iii) Other financial assets	5 (c)	144	1,224
Other current assets	7	23,511	11,098
Assets Classified as Held for sale	3 (v)	3,295	-
<b>Total current assets</b>		<b>187,090</b>	<b>141,401</b>
<b>Total assets</b>		<b>241,598</b>	<b>198,914</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	9 (a)	5,595	5,595
<b>Other Equity</b>			
Reserves and Surplus	9 (b)	113,210	71,916
<b>Total equity</b>		<b>118,805</b>	<b>77,511</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
(i) Borrowings	10 (a)	7,148	7,132
(ii) Other financial liabilities	10 (c)	-	-
Employee benefit obligations	12	1,010	1,149
Deferred tax liabilities, net	13	-	2,037
Other non-current liabilities	15	1,107	1,274
<b>Total non-current liabilities</b>		<b>9,265</b>	<b>11,592</b>
<b>Current liabilities</b>			
Financial liabilities			
(i) Borrowings	10 (b)	1,905	17,792
(ii) Trade payables	10 (d)	97,026	83,401
(iii) Other financial liabilities	10 (c)	98	124
Provisions	11	4,731	2,968
Employee benefit obligations	12	2,233	3,043
Other current liabilities	14	7,535	2,483
<b>Total current liabilities</b>		<b>113,528</b>	<b>109,811</b>
<b>Total liabilities</b>		<b>122,793</b>	<b>121,403</b>
<b>Total equity and liabilities</b>		<b>241,598</b>	<b>198,914</b>

The above balance sheet should be read in conjunction with the accompanying notes.

**Provisional Statement of profit and loss**

All amounts in Rs. Lakhs unless otherwise stated

	Notes	Year ended 31 March, 2018	Year ended 31 March, 2017
Revenue from operations	16	351,335	324,456
Other income	17	38,808	4,159
<b>Total income</b>		<b>390,143</b>	<b>328,615</b>
<b>Expenses</b>			
Cost of materials consumed	18	173,750	133,189
Purchases of stock-in-trade		90,900	71,514
Changes in inventories of work-in-progress, stock-in-trade and finished goods	19	(6,981)	(5,482)
Excise duty		10,846	27,422
Employee benefit expense	20	24,449	22,937
Depreciation and amortisation expense	21	4,479	5,117
Other expenses	22	39,736	46,005
Finance costs	23	2,464	2,201
<b>Total expenses</b>		<b>339,643</b>	<b>302,903</b>
<b>Profit/(Loss) before tax</b>		<b>50,500</b>	<b>25,712</b>
Income tax expense			
-Current tax	24	13,966	9,203
-Current tax pertaining to earlier years		-	(143)
-Deferred tax	24	(4,697)	130
<b>Total tax expense</b>		<b>9,269</b>	<b>9,190</b>
<b>Profit/(Loss) for the year</b>		<b>41,231</b>	<b>16,522</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
Remeasurement of post-employment benefit obligations		97	(988)
Deferred income tax relating to this item	24	(34)	342
<b>Other comprehensive income/(loss) for the year</b>		<b>63</b>	<b>(646)</b>
<b>Total comprehensive income/(loss) for the year</b>		<b>41,294</b>	<b>15,876</b>
<b>Earnings/(loss) per equity share attributable to owners of E.I. DuPont India Private Limited</b>			
Basis earnings/(loss) per share	33	73.69	29.48
Diluted earnings/(loss) per share	33	73.69	29.48
<b>Total expenses</b>		<b>339,643</b>	<b>302,903</b>
<b>Profit/(Loss) before tax</b>		<b>50,500</b>	<b>25,712</b>

The above statement of profit and loss should be read in conjunction with the accompanying notes.

**Provisional Statement of profit and loss****A. Equity share capital**

	Notes	Amount
<b>As at 31 March 2017</b>		<b>5,595</b>
<b>Changes in equity share capital</b>	<b>9 (a) (i)</b>	<b>-</b>
<b>As at 31 March 2018</b>		<b>5,595</b>

**B. Other equity**

	Notes	Attributable to owners of E.I. DuPont India Private Limited				Total other equity
		General Reserve	Retained earnings	Securities premium	Capital Redemption Reserve	
Balance at 31 March 2017	9 (b)	1,563	70,331	4	18	71,916
Profit for the year		-	41,231	-	-	41,231
Other comprehensive income		-	63	-	-	63
Total comprehensive income for the year		-	41,294	-	-	41,294
<b>Balance at 31 March 2018</b>		<b>1,563</b>	<b>111,625</b>	<b>4</b>	<b>18</b>	<b>113,210</b>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

**Provisional Statement of cash flows**

All amounts in Rs. Lakhs unless otherwise stated

	<b>Year ended 31 March, 2018</b>	<b>Year ended 31 March, 2017</b>
<b>Cash flow from operating activities</b>		
Profit/(loss) before income tax	50,500	25,712
Adjustments for:		
Depreciation and amortisation expense	4,479	5,117
Provision for sales return (net of reversals adjusted with revenue)	737	(60)
Interest income classified as investing cash flows	(111)	(92)
Interest income on fair valuation of security deposits	(81)	(104)
Interest income on fair amortisation of government grant	(169)	(168)
Interest income on fair valuation of guarantees	(1,005)	(982)
Finance costs	1,492	1,196
Finance cost on guarantees	972	1,005
Fixed assets written off	265	513
Liabilities no longer required written back	-	(50)
Loss on Sale of Fixed Assets	-	-
Gain on Sale of Fixed Assets	(37,426)	(54)
Rent equalisation reserve	1	(96)
Amortisation of lease premium and prepaid rent	59	125
Unrealised foreign exchange loss/(gain) (net)	793	(3,050)
<b>Change in operating assets and liabilities</b>		
(Increase)/decrease in trade receivables	(48,366)	(3,292)
(Increase) decrease in inventories	12,933	(14,896)
(Increase)/decrease in other financial assets	805	3,057
(Increase)/decrease in other current and non-current assets	(13,787)	(3,019)
Increase/(decrease) in trade payables	12,545	12,743
Increase/(decrease) in employee benefit obligations	(852)	145
Increase/(decrease) in provisions	1,026	(234)
Increase/(decrease) in other current and non-current liabilities	5,052	(364)
<b>Cash generated from operations</b>	<b>(10,138)</b>	<b>23,152</b>
<b>Income taxes paid</b>	<b>(11,192)</b>	<b>(10,618)</b>
<b>Net cash inflow from operating activities</b>	<b>(21,330)</b>	<b>12,534</b>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment (including capital work in process)	(2,547)	(1,734)
Sale of tangible and intangible assets	41,477	292
Interest received	111	92
<b>Net cash outflow from investing activities</b>	<b>39,041</b>	<b>(1,350)</b>
<b>Cash flows from financing activities</b>		
Issuance of equity share capital	-	4
Buy back of equity share capital	-	(375)
Repayment of short term borrowings	(15,887)	(10,011)
Interest paid	(1,484)	(1,092)
<b>Net cash outflow from financing activities</b>	<b>(17,371)</b>	<b>(11,474)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>340</b>	<b>(290)</b>
Cash and cash equivalents at the beginning of the financial year	703	993
<b>Cash and cash equivalents at end of the year</b>	<b>1,043</b>	<b>703</b>
<b>Reconciliation of cash and cash equivalents as per the cash flow statement</b>		
	<b>31 March, 2018</b>	<b>31 March, 2017</b>
Cash and cash equivalents as per above comprise of the following:		
Cash and cash equivalents		
-in current accounts	1,043	703
-in fixed deposit account	*	*
<b>Balances per statement of cash flows</b>	<b>1,043</b>	<b>703</b>

\* Amounts below the rounding off norms adopted by the Company.

The above statement of cash flow should be read in conjunction with the accompanying notes.

## Notes to the Provisional Financial statements

### Background

The Company is interalia engaged in light processing and sale of agricultural chemicals; engineering polymer products, tynex etc. and distribution of DuPont proprietary products such as speciality chemicals, packaging and industrial products. The Company is also engaged in safety related consultancy services in India and in providing administrative and other support services to DuPont entities world wide.

#### 1.1 Basis of preparation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements up to year ended 31 March 2016 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

These financial statements are the first financial statements of the Company under Ind AS. Refer Note 38 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

(ii) Historical cost convention

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

- certain financial assets and liabilities that are measured at fair value
- defined benefit plan-plan assets measured at fair value

#### 1.2 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Company's senior leadership team comprising Managing Director, Finance Director, Financial Controller and Tax manager has been identified as the chief operating decision makers. Refer Note 28 for the segment information presented.

#### 1.3 Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of its primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupees (Rs.), which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. Foreign exchange difference regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

#### 1.4 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

##### **Sale of goods**

**Timing of recognition:** Revenue from the sale of goods is recognised when the Company sells a product to the customer.

**Measurement of revenue:** It is the Company's policy to sell its products to the end customer with a right of return. Accumulated experience is used to estimate and provide for such returns at the time of sale.

Revenue from Services- Consulting

**Timing of recognition:** Income from consultancy services and service income are recognised as and when services are rendered and invoiced as per the terms of the agreements.

**Measurement of revenue:** In contracts involving consultancy services, revenue is measured using the proportionate completion method when no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering the service and are recognised net of service tax.

Revenue from presale support services

Pre sale support service income in respect of eligible products as per the terms of the agreement is accrued on invoicing of goods by the seller based on orders procured by the Company.

#### 1.5 Research and Development (R&D)

Revenue expenditure incurred for R&D is charged to the Statement of Profit and Loss. Fixed Assets purchased for R&D activities are capitalised in the year the same are put to use.

#### 1.6 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a systematic basis over the expected lives of the related assets and presented within other income.

#### 1.7 Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company operates and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in



which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

## **1.8 Leases**

As a lessee

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

## **1.9 Impairment of assets**

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely

independent of the cash flows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

#### **1.10 Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

#### **1.11 Trade receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

#### **1.12 Inventories**

Inventories are stated at lower of cost and net realisable value. Cost is determined on weighted average basis. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

#### **1.13 Investments and other financial assets**

##### **(i) Classification**

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

##### **(ii) Measurement**

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 26 details how the Company determines whether there has been a significant increase in credit risk.

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

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

### 1.14 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

### 1.15 Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 37 and the amount initially recognised less cumulative amortisation, where appropriate. The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

### **1.16 Property, plant and equipment**

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

#### **Transition to Ind AS**

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

#### **Depreciation methods, estimated useful lives and residual value**

Depreciation on fixed assets is provided on straight line method at the rates and in the manner prescribed by Schedule II to the Companies Act, 2013 which are in line with the internal technical evaluation of the useful lives of the fixed assets carried out by the management.

Assets costing Rs. 5,000 or less are fully depreciated in the year of purchase. Residual value of assets is considered as 5% of gross block.

Leasehold improvements are being depreciated over the primary lease period.

The property, plant and equipment acquired under the finance lease is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the group will obtain at the end of the lease term.

Gains or losses arising from the retirement or disposal of a tangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised as income or expense in the Statement of Profit and Loss. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

### **1.17 Intangible assets**

#### **(i) Computer software**

Computer software are stated at cost, less accumulated amortisation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Software below Rs 1,000,000 are charged off to Statement of Profit or Loss.

#### **(ii) Amortisation methods and periods**

Intangible assets are amortised on a straight line basis over their estimated useful lives which range from 3 to 5 years. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

#### **(iii) Transition to Ind AS**

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

### **1.18 Trade and other payables**

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid as per mutually agreed

terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

### **1.19 Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

### **1.20 Borrowing Cost**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

### **1.21 Provisions**

Provisions for legal claims, volume discounts and returns are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and

the risks specific to the liability. The increase in the provisions due to the passage of time is recognized as interest expense.

## **1.22 Employee benefits**

### **(i) Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services upto the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

### **(ii) Other long-term employee benefit obligations**

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

### **(iii) Post-employment obligations**

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity and provident fund; and
- (b) defined contribution plans such as superannuation fund

### **Gratuity obligations**

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

The present value of the defined benefit obligation denominated in Rs. is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

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

**Provident fund obligations**

The Company pays provident fund contributions to trust administered by the Company. The Company's liability is actuarially determined at the end of the year and any shortfall in the fund size maintained by the Trust set up by the Company is additionally provided for.

**Defined contribution plans**

Superannuation Scheme (administered through a 'Superannuation Trust' formed by the Company) and provident fund are defined contribution plans, where the Company has no further obligations under these plans beyond its monthly/ quarterly contributions. The Superannuation Trust has taken a policy with Life Insurance Corporation of India (LIC) to cover the liability towards superannuation for eligible employees.

The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

**(iv) Bonus plans**

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

**(v) Termination Benefits**

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognizes termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the entity recognizes costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefit are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

**1.23 Contributed Equity**

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

**1.24 Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

**1.25 Earnings per share****(i) Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company;
- by the weighted average number of equity shares outstanding during the financial year.

**(ii) Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity

shares, and

- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

### **1.26 Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs of rupees as per the requirement of Schedule III, unless otherwise stated.

### **Standards issued but not yet effective**

The standard issued, but not yet effective up to the date of issuance of the Company's financial statements is disclosed below. The Company intends to adopt these standards when it becomes effective.

"Amendments to Ind AS 102 Share-based Payments-

The amendment is on the following:

- a) Measurement of cash settled awards: The amendment requires measurement of fair value of the cash settled share-based payment transactions on initial recognition and at the end of each reporting period until settled, by applying an option pricing model, taking into account the terms and conditions on which the share-appreciation rights were granted and the extent to which the employees have rendered service to date.
- b) Classification of awards settled net of tax withholdings: For share based payment transaction with employees with net-settlement feature (i.e., wherein the entity withholds the number of equity instruments equal to the monetary value of the employee's tax obligation from the total equity instruments that otherwise would have been issued to the employee upon vesting), the amendment to the Standard requires classification of the transactions as equity settled if the transaction would have been classified as equity settled transaction in the absence of net settlement feature.
- c) Modification of a share-based payment transaction from cash-settled to equity-settled: The amendment clarifies that, if the terms and conditions of a cash-settled share based payment transaction are modified, with the result that it becomes an equity-settled share based payment transaction, the transaction is accounted for as an equity settled transaction from the date of the modification. The aforesaid amendments are not expected to have material impact on the financial position of the company. The amendments are effective for annual periods beginning on or after 1 April 2017."

### **Amendments to Ind AS 7 Cash Flow Statement**

The amendment requires an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The amendment requires an entity to disclose the following changes in liabilities arising from financing activities:

- a. changes from financing cash flows;
- b. changes arising from obtaining or losing control of subsidiaries or other businesses;
- c. the effect of changes in foreign exchange rates;
- d. changes in fair values; and
- e. other changes.

In addition to above, the amendment requires to disclose changes in financial assets if cash flows from those financial assets were, or future cash flows will be, included in cash flows from financing activities. The amendment requires to provide a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from



financing activities. The amendment requires to disclose the changes in liabilities arising from financing activities separately from changes in those other assets and liabilities, if an entity provides above disclosure in combination with disclosures of changes in other assets and liabilities. The amendment is effective for annual periods beginning on or after 1 April 2017.

**Note 2: Critical estimates and judgements**

The areas involving critical estimates or judgements are:

- Estimation of defined benefit obligation, refer note no. 12
- Useful life of fixed assets, refer note no. 1.16
- Recognition of revenue, refer note no. 16
- Expected credit loss of financial assets, refer note no. 26
- Uncertain tax positions, refer note no. 30

**Notes to Provisional Balance Sheet**
**Notes to Provisional Balance Sheet**  
**Note 3: Property, plant and equipment**

All amounts in Rs. Lakhs unless otherwise stated

	Freehold land	Leasehold land (refer note iii)	Buildings	Leasehold improvements	Plant and machinery	Office equipment	Computers	Furniture and fixtures	Vehicles	Grand Total	Capital work-in-progress
<b>Year ended 31 March 2017</b>											
<b>Gross carrying amount</b>											
Opening Gross carrying amount	297	206	19,427	2,076	27,078	2,170	1,421	2,542	9	55,192	686
Additions	-	-	131	29	1,116	48	116	60	21	1,521	1,409
Disposals	-	-	23	361	445	68	117	233	-	1,247	1,557
<b>Closing gross carrying amount</b>	<b>297</b>	<b>206</b>	<b>19,535</b>	<b>1,744</b>	<b>27,749</b>	<b>2,150</b>	<b>1,420</b>	<b>2,369</b>	<b>30</b>	<b>55,466</b>	<b>538</b>
<b>Accumulated depreciation and impairment</b>											
Opening accumulated depreciation	-	18	502	175	3,038	458	384	255	3	4,817	-
Depreciation charge during the year	-	2	489	260	3,176	503	385	275	3	5,093	-
Disposals	-	-	14	66	213	46	99	58	-	496	-
<b>Closing accumulated depreciation</b>	<b>-</b>	<b>20</b>	<b>977</b>	<b>369</b>	<b>6,001</b>	<b>915</b>	<b>670</b>	<b>472</b>	<b>6</b>	<b>9,414</b>	<b>-</b>
<b>Net carrying amount</b>	<b>297</b>	<b>186</b>	<b>18,558</b>	<b>1,375</b>	<b>21,748</b>	<b>1,235</b>	<b>750</b>	<b>1,897</b>	<b>24</b>	<b>46,052</b>	<b>538</b>
<b>Year ended 31 March 2018</b>											
<b>Gross carrying amount</b>											
Opening Gross carrying amount	297	206	19,535	1,744	27,749	2,150	1,420	2,369	30	55,500	538
Additions	-	-	519	0	1,496	202	146	139	-	2,502	562
Disposals	262	116	1,151	107	3,280	328	139	344	21	5,748	538
<b>Closing gross carrying amount</b>	<b>35</b>	<b>90</b>	<b>18,903</b>	<b>1,637</b>	<b>25,965</b>	<b>2,024</b>	<b>1,427</b>	<b>2,164</b>	<b>9</b>	<b>52,254</b>	<b>562</b>
<b>Accumulated depreciation and impairment</b>											
Opening accumulated depreciation	-	20	977	369	6,001	915	670	472	6	9,430	-
Depreciation charge during the year	-	-	371	241	2,917	380	291	260	3	4,463	-
Deductions/ Other adjustments	-	17	99	31	989	160	70	63	3	1,432	-
<b>Closing accumulated depreciation and impairment</b>	<b>-</b>	<b>3</b>	<b>1,249</b>	<b>579</b>	<b>7,929</b>	<b>1,135</b>	<b>891</b>	<b>669</b>	<b>6</b>	<b>12,461</b>	<b>-</b>
<b>Net carrying amount</b>	<b>35</b>	<b>87</b>	<b>17,654</b>	<b>1,058</b>	<b>18,036</b>	<b>889</b>	<b>536</b>	<b>1,495</b>	<b>3</b>	<b>39,793</b>	<b>562</b>

**Notes to Provisional Balance Sheet (Cont.)**

- (i) Contractual Obligations  
Refer to note 31 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- (ii) Capital work-in-progress  
Capital work-in-progress mainly comprises new plant and machinery for the existing plant and research centre.
- (iii) The lease term in respect of the leased land expires in 2095. Since the lease covers substantial period of time and present value of minimum lease payment at the inception of lease amounts to substantially the fair value of the land, the lease has classified lease as a finance lease.
- (iv) Government grant note: Net block of plant and machinery includes Rs. 753.33 Lakhs (2017: Rs. 921.87 Lakhs) capitalised on account of government grant received by the Company in the form of duty benefit on imported capital goods, depreciated over the period of the useful lives of the respective assets. Depreciation charged on the aforesaid grant amounts to Rs. 168.53 Lakhs (2017: Rs. 167.94 Lakhs).
- (v) On 1-Nov-2017, company has agreed to sell few assets to FMC India Pvt Ltd in future, therefore company has classified these assets that will be sold to FMC India Pvt Ltd as "Assets Held Sale" and accordingly removed from its block of assets from 1-Nov-2017

<b>Asset</b>	<b>Gross carrying amount</b>	<b>Accumulated depreciation and impairment</b>	<b>"Net carrying amount (Classified as "Asset Held for sale")"</b>
Plant and Machinery	1921	544	1377
Leasehold land	116	17	99
Buildings	1011	91	920
Furniture & Fixtures	188	23	165
Office equipment	107	32	75
Computers	64	11	53
Capital work-in-progress	606	0	606
<b>Total</b>	<b>4013</b>	<b>718</b>	<b>3295</b>

**Notes to Provisional Balance Sheet (Cont.)****Note 4: Intangible assets**

All amounts in Rs. Lakhs unless otherwise stated

	<b>Computer Software</b>
<b>Year ended 31 March 2017</b>	
<b>Gross carrying amount</b>	
Opening gross carrying amount	59
Additions	25
Disposals	-
<b>Closing gross carrying amount</b>	<b>84</b>
<b>Accumulated amortisation</b>	
Opening accumulated amortisation	34
Amortisation charge for the year	24
Disposals	-
<b>Closing accumulated amortisation</b>	<b>58</b>
<b>Year ended 31 March 2018</b>	
<b>Gross carrying amount</b>	
Opening gross carrying amount	84
Additions	43
Disposals	-
<b>Closing gross carrying amount</b>	<b>127</b>
<b>Accumulated amortisation</b>	
Opening accumulated amortisation	58
Amortisation charge for the year	16
Disposals	-
<b>Closing accumulated amortisation</b>	<b>74</b>
<b>Closing net carrying amount</b>	<b>53</b>

**Note 5 Financial assets****5(a) Trade receivables**

	<b>31 March 2018</b>	<b>31 March 2017</b>
Trade receivables	89,202	45,284
Less: Allowance for doubtful debts	(263)	-
<b>Total receivables</b>	<b>88,939</b>	<b>45,284</b>
Current portion	88,939	45,284
Non-current portion	-	-

**Break-up of security details**

	<b>31 March 2018</b>	<b>31 March 2017</b>
Unsecured, considered good	88,938	45,284
Unsecured, considered doubtful	263	-
Total	89,201	45,284
Allowance for doubtful debts	(263)	-
Total trade receivables	88,938	45,284

**5(b) Cash and cash equivalents**

	<b>31 March 2018</b>	<b>31 March 2017</b>
<b>Balances with banks</b>		
-in current accounts	1,043	703
-in fixed deposit account*	*	*
-Cheques in hand	-	-
<b>Total Cash and cash equivalents</b>	<b>1,043</b>	<b>703</b>

\* Given on lien to the Excise and Commercial Tax officer. Amount below the rounding off norms of the Company.

**Notes to Provisional Balance Sheet (Cont.)**

All amounts in Rs. Lakhs unless otherwise stated

**5(c) Other financial assets**

	31 March 2018		31 March 2017	
	Current	Non-current	Current	Non-current
Security Deposits	-	1,191	-	835
Receivables from group companies	116	-	1,096	-
Amounts recoverable from gratuity trust *	28	-	128	-
<b>Total financial assets</b>	<b>144</b>	<b>1,191</b>	<b>1,224</b>	<b>835</b>

\* Represents amounts paid by the company to its employees on behalf of the trust and which are recoverable from the trust.

**Note 6: Other non-current assets**

	31 March 2018	31 March 2017
Capital advances	10	17
Balance with government authorities*	6,487	5,110
Advance income tax	2,774	3,861
Prepaid Rent	166	209
Unamortised lease premium	846	865
<b>Total other non-current assets</b>	<b>10,283</b>	<b>10,062</b>

\* Includes income tax paid under dispute of Rs. 1,740 Lakhs (2017: Rs. 1,740 Lakhs)

**Note 7: Other current assets**

	31 March 2018	31 March 2017
Other advances	889	9
Advances to creditors	2,112	1,161
Balances with government authorities	18,540	7,948
Unbilled revenue	1,874	1,888
Prepaid Rent	76	72
Unamortised lease premium	20	20
<b>Total other current assets</b>	<b>23,511</b>	<b>11,098</b>

**Note 8: Inventories**

	31 March 2018	31 March 2017
Raw materials [Includes in transit: Rs 1,145.43 Lakhs (2017: Rs 18,437.29 Lakhs)]	7,525	36,131
Work in progress	37,851	2,308
Finished goods	12,255	29,908
Traded goods [Includes in transit Rs. 5,146.32 Lakhs (2017: Rs 4,624.48 Lakhs)]	11,134	13,413
Packing materials [Includes in transit Rs. 2.30 Lakhs (2017: Rs 8.10 Lakhs; 2015: Rs 78.55 Lakhs)]	753	759
Stores and spares	641	573
<b>Total inventories</b>	<b>70,159</b>	<b>83,092</b>

**Notes to Provisional Balance Sheet (Cont.)**

All amounts in Rs. Lakhs unless otherwise stated

**Note 9: Equity share capital and other equity****9 (a) Equity share capital****Authorised equity share capital**

	Number of shares	Amount
<b>As at 31st March 2017</b>	250,000,000	25,000
Increase during the year	-	-
<b>As at 31st March 2018</b>	250,000,000	25,000

**Authorised preference share capital**

	Number of shares	Amount
<b>As at 31st March 2017</b>	500,000	500
Increase during the year	-	-
<b>As at 31st March 2018</b>	500,000	500

**(i) Movements in equity share capital**

	Number of shares	Amount
<b>As at 31st March 2017</b>	55,949,880	5,595
Shares issued during the year	-	-
Buy back of shares during the year	-	-
<b>As at 31st March 2018</b>	55,949,880	5,595

\* Amount is below the rounding off norms of the Company

**Terms and rights attached to equity shares**

The Company has only one class of issued, subscribed and paid up equity shares having a par value of Rs.10/- each per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to their shareholding after distribution of all preferential amounts.

**Terms and rights attached to preference shares**

The company has only one class of Preference Shares which are redeemable. The Board has the power to increase or decrease rate of dividend payable on Preference Shares and issue the shares under the non-cumulative or cumulative dividend payout.

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

	31 March 2018		31 March 2017	
	Number of shares	% holding	Number of shares	% holding
<b>Equity shares of Rs. 10/- each fully paid-up</b>				
DuPont India Ltd, USA, the holding company	55,947,880	99.996%	55,947,880	99.996%

**(iii) Shares held by holding/ ultimate holding company and subsidiary of ultimate holding company**

	31 March 2018		31 March 2017	
	Number of shares	% holding	Number of shares	% holding
<b>Equity shares of Rs. 10/- each fully paid-up</b>				
DuPont India Ltd, USA, the holding company	55,947,880	99.99%	55,947,880	99.99%
DuPont Chemical and Energy Operations . USA, subsidiary of the ultimate holding company	2,000.00	0.00%	2,000	0.00%

## Notes to Provisional Balance Sheet (Cont.)

All amounts in Rs. Lakhs unless otherwise stated

**9 (b) Reserves and surplus**

	31 March 2018	31 March 2017
General Reserves	1,563	1,563
Retained Earnings	111,625	70,331
Securities premium	4	4
Capital Redemption Reserve	18	18
<b>Total reserves and surplus</b>	<b>113,210</b>	<b>71,916</b>

**(i) General Reserves**

	31 March 2018	31 March 2017
Opening Balance	1,563	1,563
Add/(Less) movement during the year	-	-
<b>Closing Balance</b>	<b>1,563</b>	<b>1,563</b>

**(ii) Retained Earnings**

	31 March 2018	31 March 2017
Opening Balance	70,331	54,826
Add: Net profit for the year	41,231	16,522
<u>Appropriations:</u>		
Less: Transfer to capital redemption reserve on account of buy back	-	(18)
Less: Premium paid on Buy back of shares	-	(353)
Items of other comprehensive income recognised directly in retained earnings		
-Remeasurement of Post employment benefit obligation, net of tax	63	(646)
<b>Closing Balance</b>	<b>111,625</b>	<b>70,331</b>

**(iii) Securities premium**

	31 March 2018	31 March 2017
Opening Balance	4	-
Add/(Less) movement during the year		
Share Premium on issue of shares	-	4
<b>Closing Balance</b>	<b>4</b>	<b>4</b>

**(iv) Capital Redemption Reserve**

	31 March 2018	31 March 2017
Opening Balance	18	-
Add/(Less) movement during the year		
Capital Redemption Reserve on buy back of shares	-	18
<b>Closing Balance</b>	<b>18</b>	<b>18</b>

**Note 10: Financial liabilities****10 (a) Non-current borrowings**

	Maturity Date	Terms of repayment	Coupon/interest rate	31 March 2018	31 March 2017
<b>Unsecured</b>					
External commercial borrowing from holding company	March, 2021	Bullet repayment in March 2021	Six month USD LIBOR +0.375%	7,185	7,161
Total non-current borrowings				<b>7,185</b>	<b>7,161</b>
<b>Less: Interest accrued</b>				<b>37</b>	<b>29</b>
<b>Non-current borrowings (as per balance sheet)</b>				<b>7,148</b>	<b>7,132</b>



All amounts in Rs. Lakhs unless otherwise stated

**10 (b) Current borrowings**

	<b>Maturity Date</b>	<b>Terms of repayment</b>	<b>Coupon/interest rate</b>	<b>31 March 2018</b>	<b>31 March 2017</b>
<b>Unsecured</b>					
Loans from a related party repayable on demand	Revolving working capital loan	Repayable on Demand	RBI Rate +4%	1,905	17,792
<b>Total Current Borrowings</b>				<b>1,905</b>	<b>17,792</b>
Less: Interest accrued				-	-
<b>Current borrowings (as per balance sheet)</b>				<b>1,905</b>	<b>17,792</b>

**Note 10 (c): Other financial liabilities**

	<b>31 March 2018</b>		<b>31 March 2017</b>	
	<b>Current</b>	<b>Non-current</b>	<b>Current</b>	<b>Non-current</b>
Creditors for capital goods	-	-	1	-
Interest accrued but not due on long term borrowings	37	-	29	-
Interest accrued and due on short term borrowings	-	-	-	-
Unearned guarantee commission on financial guarantees	61	-	94	-
<b>Total</b>	<b>98</b>	<b>-</b>	<b>124</b>	<b>-</b>

**10 (d) Trade payables**

	<b>31 March 2018</b>	<b>31 March 2017</b>
Total outstanding dues of micro enterprises and small enterprises (Refer note 34)	55	81
Total outstanding dues of creditors other than micro enterprises and small enterprises	96,972	83,320
<b>Total</b>	<b>97,026</b>	<b>83,401</b>

**Note 11: Provisions**

	<b>31 March 2018</b>		<b>31 March 2017</b>	
	<b>Current</b>	<b>Non-current</b>	<b>Current</b>	<b>Non-current</b>
Provision for sales returns	1,533	-	796	-
Provision for discounts	3,198	-	2,172	-
Provision for claims	-	-	-	-
<b>Total</b>	<b>4,731</b>	<b>-</b>	<b>2,968</b>	<b>-</b>

The provision for sales returns represents margins on estimated sales returns expected against the goods sold by the Company. The provision is based on the historic data/estimated figures.

The provision for discounts represents discounts on various schemes estimated on the basis of the goods sold by the Company. The provision is based on the scheme wise historic data/estimated figures.

Provision for claims represent provision made in respect of certain claims against the Company from its indirect customers in respect of one of its product, which the company settled as an extended customer support though the Company does not consider there to be any qualitative issue in its product. The said provision is recovered from the group company.

## (i) Movements in provisions

Movements in each class of provision during the financial year, are set out below:

	<b>Provision for sales returns</b>	<b>Provision for discounts</b>	<b>Provision for claims</b>
<b>As at 31 March 2017</b>	<b>796</b>	<b>2,172</b>	<b>-</b>
Additional Provision recognised	1,533	3,198	-
Amounts used/ unused amounts reversed	796	2,172	-
<b>As at 31 March 2018</b>	<b>1,533</b>	<b>3,198</b>	<b>-</b>



**Note 12: Employee benefit obligations**

	31 March 2018		31 March 2017	
	Current	Non-current	Current	Non-current
Provision for encashable compensated absences	17	1,010	22	1,149
Provision for gratuity	1,097	-	1,715	-
Provision for non-encashable leave balances	81	-	113	-
Other employee benefits payable	1,038	-	1,193	-
<b>Total</b>	<b>2,233</b>	<b>1,010</b>	<b>3,043</b>	<b>1,149</b>

**(i) Leave obligations**

The amount of the provision of Rs. 98.25 Lakhs (2017 Rs. 134.61 Lakhs) towards earned leaves is presented as current, since the company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be take nor paid within the next 12 months.

	31 March 2018	31 March 2017
Current leave obligations expected to be settled within the next 12 months	98	135

**(ii) Post-employment obligations****Gratuity**

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement / termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan, managed by a trust set up by the Company. The Company makes contributions to Life Insurance Corporation of India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

**Provident Fund:** The company has a provident fund plan which is administered through a trust. The trust deed provides for the company to make good any deficiency in the interest to be paid by the trust to its members and the income earned by it. Accordingly the plan is a defined benefit plan. The Company contributes 12% of the basic salary as contribution to the trust.

**Defined Contribution Plans**

The Company makes annual contribution to the super annuation trust set up by the Company. The trust has entered into a scheme with the Life Insurance Corporation of India (LIC). Upon retirement/ resignation of the employee, LIC shall make the pension/commuted amount payment to the employee based on the employee corpus with LIC and trust and the Company shall not be liable for any kind of charge/interest to the employee. The expense recognised during the period towards super annuation fund is Rs. 165.16 Lakhs (2017-Rs. 237.54 Lakhs).

**Balance sheet amounts- Gratuity**

The amounts recognised in the balance sheet and the movements in the defined benefit obligation over the year are as follows:

All amounts in Rs. Lakhs unless otherwise stated

\* Given on lien to the Excise and Commercial Tax officer. Amount below the rounding off norms of the Company.

**5(c) Other financial assets**

	31 March 2018			31 March 2017		
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
Opening balance	3,654	(1,939)	1,715	2,614	(2,304)	310
Interest expense/(income)	258	(173)	85	209	(184)	25
Current Service Cost	334	-	334	392	-	392
<b>Total amount recognised in profit or loss</b>	<b>592</b>	<b>(173)</b>	<b>420</b>	<b>601</b>	<b>(184)</b>	<b>417</b>
Remeasurements						
(Gain)/loss from change in demographic assumptions	-	-	-	-	-	-
(Gain)/loss from change in financial assumptions	-	-	-	380	-	380
(Gain)/loss from change in experience	133	-	133	594	14	608
<b>Total amount recognised in other comprehensive income</b>	<b>133</b>	<b>-</b>	<b>133</b>	<b>974</b>	<b>14</b>	<b>988</b>
Employer contributions	-	(1,170)	(1,170)	-	-	-
Benefit payments	(1,315)	1,315	-	(535)	535	-
<b>Closing Balance</b>	<b>3,065</b>	<b>(1,968)</b>	<b>1,097</b>	<b>3,654</b>	<b>(1,939)</b>	<b>1,715</b>

The net liability disclosed above relates to funded plan, as follows:

	31 March 2017	31 March 2016	1 April, 2015
Present value of funded obligations	3,065	3,654	2,614
Fair value of plan assets	(1,968)	(1,939)	(2,304)
<b>Deficit of funded plan</b>	<b>1,097</b>	<b>1,715</b>	<b>310</b>

**Balance sheet amounts- Provident Fund**

The amounts recognised in the balance sheet and the movements in the defined benefit obligation over the year are as follows:

	31 March 2018			31 March 2017		
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
<b>Opening balance</b>	<b>18,068</b>	<b>(18,068)</b>	-	<b>16,691</b>	<b>(16,691)</b>	-
Interest expense/(income)	1,277	(1,277)	-	1,335	(1,335)	-
Current Service Cost	829	-	829	814	-	814
<b>Total amount recognised in profit or loss</b>	<b>2,106</b>	<b>(1,277)</b>	<b>829</b>	<b>2,150</b>	<b>(1,335)</b>	<b>814</b>
Remeasurements						
(Gain)/loss from change in demographic assumptions	-	-	-	-	-	-
Change in asset ceiling excluding amounts included in interest expense	-	-	-	-	-	-
(Gain)/loss from change in financial assumptions	-	-	-	7	(7)	-
Experience (gains)/losses	-	-	-	-	-	-
(Gain)/loss from change in experience	213	(213)	-	174	(174)	-
<b>Total amount recognised in other comprehensive income</b>	<b>213</b>	<b>(213)</b>	<b>-</b>	<b>181</b>	<b>(181)</b>	<b>-</b>
Employer contributions	-	(829)	(829)	-	(814)	(814)
Employee contributions	1,297	(1,297)	-	1,253	(1,253)	-
Other transfers	63	(63)	-	100	(100)	-
Benefit payments	(2,516)	2,516	-	(2,305)	2,305	-
<b>Closing Balance</b>	<b>19,231</b>	<b>(19,231)</b>	<b>-</b>	<b>18,068</b>	<b>(18,068)</b>	<b>-</b>

## Actuarial gain / (loss) on Provident Fund

	31 March 2018	31 March 2017
Actuarial gain / (loss) for the year on projected benefit obligation	(213)	(181)
Actuarial gain / (loss) for the year on plan assets	213	181
Unrecognized actuarial gain/(loss) for the year	-	-

The net liability disclosed above relates to funded plan, as follows:

	31 March 2018	31 March 2017
Present value of funded obligations	19,231	18,068
Fair value of plan assets *	(19,231)	(18,068)
Deficit/(Excess) of funded plan	-	-

\* the fair value of plan assets is after considering asset ceiling of Rs 282.88 Lakhs, Rs 174.41 Lakhs respectively for the year ended 31-March-2018, 31-March-2017.

### (iii) Significant estimates: actuarial assumptions

The significant actuarial assumptions for defined benefit obligations are as follows:

	31 March 2018	31 March 2017
Discount rate	7.07%	7.07%
Expected statutory interest rate for PF trust ledger balance	8.55%	8.65%
Expected short fall in interest earnings on PF trust fund	0.05%	0.05%
Salary escalation rate	7%	7%
Employee attrition rate		
Up to 30 Years	3%	3%
From 31 to 44 years	2%	2%
Above 44 years	1%	1%
Assumptions regarding mortality rate are set based on actuarial advice in accordance with published statistics.		

### (iv) Sensitivity analysis

The sensitivity of the obligation towards gratuity to changes in the weighted principal assumptions is:

	Impact on defined benefit obligation							
	Change in assumption		Increase in assumption		Decrease in assumption			
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017		
Discount rate	0.5%	0.5%	Decrease by	182	210	Increase by	197	227
Salary escalation rate	0.5%	0.5%	Increase by	196	226	Decrease by	183	211

The sensitivity of the obligation towards provident fund to changes in the weighted principal assumptions is:

	Impact on defined benefit obligation							
	Change in assumption		Increase in assumption		Decrease in assumption			
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017		
Discount rate	0.5%	0.5%	Decrease by	4	4	Increase by	4	4

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

All amounts in Rs. Lakhs unless otherwise stated

**(v) The major categories of plan assets are as follows**

	Quoted/ Unquoted	31 March 2018	In %	31 March 2017	In %
Gratuity Funds managed by Life Insurance Corporation of India	Unquoted	1,968	100%	1,939	100%
<b>Total</b>		<b>1,968</b>		<b>1,939</b>	
<b>Investments for provident fund trust</b>					
Special Deposit Scheme- RBI	Unquoted	38	0%	38	0%
Mutual funds	Quoted	288	1%	160	1%
Debt instruments-					
Central Government bonds	Quoted	2,953	15%	2,995	16%
Private Sector bonds	Quoted	785	4%	1,126	6%
Public Sector Bonds	Quoted	8,963	46%	8,527	47%
State Government bonds	Quoted	5,721	29%	4,564	25%
Cash and cash equivalents		766	4%	833	5%
<b>Total</b>		<b>19,514</b>		<b>18,243</b>	

**(vi) Risk exposure**

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow -

- Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- Discount Rate : Reduction in discount rate in subsequent valuations can increase the plan's liability.
- Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

**(vii) Defined benefit liability and employer contributions**

The weighted average duration of the defined benefit obligation is 17.30years (2016- 17.36years). Expected contributions to post-employment benefit plans for the year ending 31 March 2017 are Rs. 1565.30 Lakhs

The expected maturity analysis of gratuity and provident fund on an undiscounted basis is as follows:

	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
<b>31 March, 2018</b>					
Gratuity	52	53		2,666	3,065
Provident fund	3,764	-	294	12,759	16,557
			33		
<b>Total</b>	<b>3,816</b>	<b>53</b>	<b>328</b>	<b>15,425</b>	<b>19,622</b>
<b>31 March, 2017</b>					
Gratuity	73	190	588	2,803	3,654
Provident fund	4,825	-	867	12,377	18,068
<b>Total</b>	<b>4,898</b>	<b>190</b>	<b>1,455</b>	<b>15,180</b>	<b>21,722</b>

Note 13: Deferred tax liabilities / (assets)

**The balance comprises temporary difference attributable to:**

	31 March 2018	31 March 2017
Depreciation	442	3,581
<b>Set off of deferred tax asset</b>		
Provision for doubtful debts and advances	263	-
Employee benefits	2,205	999
Other timing differences	599	545
<b>Net deferred tax liabilities / (assets)</b>	<b>(2,626)</b>	<b>2,037</b>

**Movement in deferred tax liabilities/(assets)**

	Depreciation	Provision for doubtful debts and advances	Employee benefits	Other timing differences	Total
<b>At 1 April, 2016</b>	3,178	-	(405)	(524)	<b>2,249</b>
<b>Charged/(credited)</b>					
-to profit or loss	403	-	(252)	(21)	<b>130</b>
-to other comprehensive income	-	-	(342)	-	<b>(342)</b>
<b>At 31 March 2017</b>	<b>3,581</b>	<b>-</b>	<b>(999)</b>	<b>(545)</b>	<b>2,037</b>
<b>At 1 April, 2017</b>	3,581	-	(999)	(545)	<b>2,037</b>
<b>Charged/(credited)</b>					
-to profit or loss	(3,139)	(263)	(1,240)	(54)	<b>(4,697)</b>
-to other comprehensive income	-	-	34	-	<b>34</b>
<b>At 31 March 2018</b>	<b>442</b>	<b>(263)</b>	<b>(2,205)</b>	<b>(599)</b>	<b>(2,626)</b>

**Note 14: Other current liabilities**

	31 March 2018	31 March 2017
Deferred Revenue	-	-
Advances from customers	67	269
Statutory dues (including provident fund and tax deducted at source)	7,180	1,926
Rent equalisation reserve	119	118
Deferred Government Grant (Refer Note 15 (a))	169	170
<b>Total</b>	<b>7,535</b>	<b>2,483</b>

**Note 15: Other non-current liabilities**

	31 March 2018	31 March 2017
Rent equalisation reserve	522	522
Deferred Government Grant (Refer Note 15 (a))	585	752
<b>Total</b>	<b>1,107</b>	<b>1,274</b>

**Note 15 (a) : Government Grant**

Government grants relate to waiver of duties on import of property, plant and equipment located in DuPont Knowledge Centre, Hyderabad. There are no unfulfilled conditions or other contingencies attaching to these grants.

	31 March 2018	31 March 2017
Opening balance	922	1,074
Grants during the year	-	16
Less: Released to profit or loss	169	168
<b>Total</b>	<b>754</b>	<b>922</b>

	31 March 2018	31 March 2017
Current Portion	169	170
Non-Current Portion	585	752
<b>Total</b>	<b>754</b>	<b>922</b>

**Notes to Provisional Statement of profit and loss**
**Note 16: Revenue from operations \***

	31 March 2018	31 March 2017
Sale of products (including excise duty)		
- Finished goods	238,179	216,889
- Traded goods	86,738	80,690
Sale of services		
- Consultancy services	4,861	4,501
- Service income	19,661	17,842
Other operating revenue		
- Income from pre sales support services	1,700	4,303
- Scrap sales	196	231
<b>Total revenue from operations</b>	<b>351,335</b>	<b>324,456</b>

\* The Company sells majority of its crop protection products to super distributors who in turn sell the products to distributors and others. The Company has assessed that its relationship with the super distributors is on a 'principal to principal basis' and therefore recognises revenue once the goods are sold to the super distributors. In making this assessment the Company has exercised judgments in relation to identifying the party that is the primary obligor in the arrangement and the party that bears all the risks.

**Note 17: Other income**

	31 March 2018	31 March 2017
Interest income received from a related party	111	92
Interest accrued on security deposits	81	104
Commission on financial guarantees	1,005	982
Amortisation of Government grant on import of capital goods (Refer Note 15 (a) & Note a below)	169	168
Liabilities no longer required written back *	-	50
Miscellaneous income	16	74
Foreign exchange Gain (net)	-	2,635
Net profit on sale of fixed assets	37,426	54
<b>Total other income</b>	<b>38,808</b>	<b>4,159</b>

\* Earlier years, company has received excess funds from one of its group companies. Company has raised credit note to the extent of amount received in excess. However during FY 2016-17, the group company has confirmed that company need not refund this amount, so this amount has been written back in company books.

**Note a:** The company has received government grants in the form of advance duty licenses wherein the company imports raw materials without any payment of duty and with corresponding obligation to export the final produce on which no duties are levied. The amount of import duties amounting to Rs. 155.89 Lakhs (2017: Rs. 540.61 Lakhs) has been treated as revenue grant and have been presented on net basis in the financial statements.

**Note b:** Government grants relate to waiver of duties on import of property, plant and equipment located in DuPont Knowledge Centre, Hyderabad. There are no unfulfilled conditions or other contingencies attaching to these grants.

The Company did not benefit from any other forms of government assistance, other than those mentioned in (a) and (b) above.

**Note 18: Cost of materials consumed**

	31 March 2018	31 March 2017
<b>Raw materials consumed</b>		
Opening inventory	36,131	27,560
<b>Add</b> : Purchases	135,293	132,842
<b>Less</b> : Inventory at the end of the year	7,525	36,131
<b>Cost of raw material consumed during the year</b>	<b>163,899</b>	<b>124,271</b>
<b>Packing material consumed</b>		
Opening Inventory	759	732
Add : Purchases	5,444	5,041
Less: Inventory at the end of the year	753	759
<b>Cost of packing material consumed during the year</b>	<b>5,450</b>	<b>5,014</b>
<b>Other production overheads:</b>		
Processing charges*	3,349	2,931
Power and fuel charges	594	550
Stores, spares and consumables	457	423
<b>Total other production overhead</b>	<b>4,400</b>	<b>3,904</b>
<b>Total cost of material consumed</b>	<b>173,750</b>	<b>133,189</b>

\* The Company has arrangements with its job workers, a part of which may be treated as having lease component in consonance with Appendix C to IndAS 17. In absence of contractual arrangement and obligation, the company is unable to determine the component of lease charge included in the processing charges above. As per the terms of agreement with job workers, the Company is liable to pay processing charges and accordingly, the entire expense is disclosed as processing charges.

**Note 19: Changes in inventories of work-in-progress, stock-in-trade and finished goods**

	31 March 2018	31 March 2017
<b>Opening balance</b>		
Finished goods	29,908	23,822
Stock in trade	13,413	13,196
Work in progress	2,308	2,358
<b>Total opening balance</b>	<b>45,629</b>	<b>39,376</b>
<b>Closing balance</b>		
Finished goods	12,255	29,908
Stock in trade	11,134	13,413
Work in progress	37,851	2,308
<b>Total closing balance</b>	<b>61,240</b>	<b>45,629</b>
Increase/(decrease) of excise duty on finished goods	8,630	771
<b>Total changes in inventories of work-in-process and finished goods</b>	<b>(6,981)</b>	<b>(5,482)</b>

**Note 20: Employee benefit expense**

	31 March 2018	31 March 2017
Salaries, wages and bonus	22,076	20,093
Employee share based payment expense	18	416
Contribution to provident and other funds	1,093	1,187
Leave encashment	232	503
Gratuity	668	417
Staff training expenses	46	15
Staff welfare expenses	316	306
<b>Total employee benefit expense*</b>	<b>24,449</b>	<b>22,937</b>

\* net of reimbursements - Rs. 1,657.23 Lakhs (2017: Rs. 1,879.66 Lakhs)

All amounts in Rs. Lakhs unless otherwise stated

**Note 21: Depreciation and amortisation expense**

	31 March 2018	31 March 2017
Depreciation of property, plant and equipment	4,463	5,093
Amortisation of intangible assets	16	24
<b>Total depreciation and amortisation expense</b>	<b>4,479</b>	<b>5,117</b>

**Note 22: Other expenses \***

	31 March 2018	31 March 2017
Distribution expenses	4,752	4,126
Travelling	4,575	3,333
Legal, professional and consultancy	4,181	5,756
Business Support Services	3,646	4,900
IT Support Services	362	487
Safety Consultancy Services	386	519
Treasury Support Services	5	7
Staff recruitment and relocation expenses	281	171
Rates and taxes	(55)	3,023
Insurance	168	195
Repair and maintenance		
-Building	205	273
-Plant and Machinery	759	592
-Others	125	98
Advertising and publicity expenses	7,016	7,223
Payment to auditors (excluding GST /Service Tax)		
Audit fees	91	91
Tax audit fees	3	3
Certification	4	4
Reimbursement of expenses	4	4
Rent	2,161	1,904
Amortisation of lease premium for leasehold land	20	20
Marketing and promotion expenses	4,728	8,106
Sales commission	475	305
Printing and stationery	45	97
Postage, telephone and other communication expenses	957	1,282
Provision for doubtful debts	263	-
Fixed assets written off	265	513
Loss on Sale of Fixed Assets (Net)	-	-
Royalty	-	-
Foreign exchange loss (net)	1,120	-
Laboratory expenses **	2,515	2,236
Bank charges	42	38
Expenditure towards Corporate Social Responsibility	319	290
Miscellaneous expenses	318	409
<b>Total other expenses</b>	<b>39,736</b>	<b>46,005</b>

\* net of reimbursements Rs. 986.72 Lakhs (2017: Rs. 1,202.19 Lakhs)

\*\* includes power and fuel charges amounting to Rs. 1325.67 Lakhs (2017: Rs. 1338.94 Lakhs)

**Note 22 (a): Corporate social responsibility expenditure**

	31 March 2018	31 March 2017
Amount required to be spent as per section 135 of the Act	321	298
Amount spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purpose other than (i) above	319	290

During the year, the Company has undertaken measures on Corporate Social Responsibility on identified projects around promoting women empowerment, health care and environmental sustainability programs. Towards this the company has spent an amount of Rs.321.10 Lakhs during the year out of Rs. 319.28 Lakhs computed as per the requirements of Section 135 of the Companies Act, 2013 read with Schedule VII.



**Note 23: Finance costs**

	<b>31 March 2018</b>	<b>31 March 2017</b>
Interest on short term borrowing from a related party	1,421	1,004
Interest on external commercial borrowings (Refer Note 23 (a) below)	135	-
Commission on financial guarantee contract given by company	972	1,005
Others	(64)	192
<b>Total</b>	<b>2,464</b>	<b>2,201</b>

**Note 23 (a):** For the financial year 2016-17, the interest expense on external commercial borrowing of Rs 104.45 Lakhs being less than foreign exchange gain of Rs 164.37 Lakhs, the total interest expense has been reduced from foreign exchange gain mentioned in Note 17 by virtue of para 6(e) of IndAS 23 on Borrowing Costs.

**Note 24: Income tax expense**

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

	<b>31 March 2018</b>	<b>31 March 2017</b>
<b>(a) Income tax expense</b>		
<b>Current tax</b>		
Current tax on profits for the year	13,966	9,203
<b>Total current tax expense</b>	<b>13,966</b>	<b>9,203</b>
<b>Deferred tax</b>		
(Decrease)/ increase in deferred tax assets	(3,139)	403
Decrease/(increase) in deferred tax liabilities	(1,524)	(615)
<b>Total deferred tax expense/(credit)</b>	<b>(4,663)</b>	<b>(212)</b>
<b>Income tax expense</b>	<b>9,303</b>	<b>8,991</b>
Expense recognised in profit or loss		
- Current tax	13,966	9,203
- Deferred tax	(4,697)	130
	9,269	9,333
Expense recognised in Other comprehensive income		
- Current tax	-	-
- Deferred tax	34	(342)
	34	(342)

**Financial instruments and risk management**
**Note 25: Fair value measurements**

Financial instruments by category	31 March 2018			31 March 2017		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
<b>Financial Assets</b>						
Trade receivables	-	-	88,939	-	-	45,284
Cash and cash equivalents	-	-	1,043	-	-	703
Security Deposits	-	-	1,191	-	-	835
Receivable from a related party	-	-	-	-	-	-
Receivables from group companies	-	-	116	-	-	1,096
Amounts recoverable from PF Trust	-	-	-	-	-	-
Amounts recoverable from Gratuity Trust	-	-	28	-	-	128
<b>Total Financial Assets</b>	-	-	<b>91,317</b>	-	-	<b>48,046</b>
<b>Financial Liabilities</b>						
Borrowings (including accrued interest)	-	-	9,090	-	-	24,953
Trade payables	-	-	97,026	-	-	83,401
Financial guarantee liabilities	-	-	61	-	-	94
Others	-	-	-	-	-	-
Capital creditors	-	-	-	-	-	1
<b>Total Financial Liabilities</b>	-	-	<b>106,178</b>	-	-	<b>108,449</b>

Financial instruments by category	Level 1		Level 2		Level 3	
	March 31 2018	March 31 2017	March 31 2018	March 31 2017	March 31 2018	March 31 2018
<b>Financial Assets</b>						
Trade receivables	-	-	-	-	88,939	45,284
Cash and cash equivalents	-	-	-	-	1,043	703
Security Deposits	-	-	-	-	1,191	835
Receivable from a related party	-	-	-	-	-	-
Receivables from group companies	-	-	-	-	116	1,096
Amounts recoverable from PF Trust	-	-	-	-	-	-
Amounts recoverable from Gratuity Trust	-	-	-	-	28	128
<b>Total Financial Assets</b>	-	-	-	-	<b>91,317</b>	<b>48,046</b>
<b>Financial Liabilities</b>						
Borrowings (including accrued interest)	-	-	-	-	9,090	24,953
Trade payables	-	-	-	-	97,026	83,401
Financial guarantee liabilities	-	-	-	-	61	94
Capital creditors	-	-	-	-	-	1
<b>Total Financial Liabilities</b>	-	-	-	-	<b>106,178</b>	<b>108,449</b>

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The main level 3 input is the discount rate determined such that the rate reflects expected market assessments of the time value of money and the risk specific to the asset. However, the discount rate is not considered as a significant unobservable input. The company's policy is to recognise transfers in and transfers out of fair value hierarchy levels as at the end of the reporting period.

**(ii) Valuation technique used to determined fair value**

The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the loan contract covered under the guarantees given by the company and the payments that would be required in absence of the guarantee. For other non-current financial assets and liabilities, the fair value is the same as the amortised cost, measured using the discount rate at the time of initial recognition of financial assets and liabilities.

A one percent change in the unobservable inputs used in fair valuation of level 3 assets and liabilities does not have a significant impact in its value.

**(iii) Valuation process**

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the finance controller. Discussions of valuation processes and

All amounts in Rs. Lakhs unless otherwise stated

results are held between the finance controller and the valuation team at least once every three months, in line with the company's quarterly reporting periods.

**(iv) Fair value of financial assets and liabilities measured at amortised cost**

The carrying amount of the current financial assets and current financial liabilities are considered to be same as their fair values, due to their short term nature. The non-current borrowings and security deposits are carried at amortised cost, which is considered as their fair value.

**Note 26: Financial Risk Management**

The Company activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables, financial assets, intercorporate deposits measured at amortised cost	Ageing analysis Credit ratings of customers and fellow subsidiaries	Diversification of bank deposits and credit limits.
Liquidity Risk	Borrowings and intercorporate deposits	Rolling cash flow forecasts managed by central treasury team	Working capital management through treasury team. Lines of credit from intercorporate deposits and external commercial borrowings are in place to handle the working capital cycle.
Market Risk - foreign currency risk	Future commercial transactions Recognised financial assets and liabilities not denominated in Rupees	Cash flow forecasting	Working capital management through treasury team to ensure there is adequate liquidity to cover any changes coming from foreign currency fluctuations.
Market Risk - interest rate	External commercial borrowings at variable rate of interest	Sensitivity analysis	The Company has external commercial borrowings which has a variable rate of interest

The company's risk management is carried out by a central treasury department under policies approved by the board of directors. Company treasury identifies the financial risk in close cooperation with company's operating units. The Board provides guiding principles for overall risk management, as well as policies covering specific areas such as interest rate risk, credit risk and investment of excess liquidity.

**Credit Risk**

**(i) Credit Risk Management**

Credit risk arises from default on a debt that may arise from a Customers/distributors failing to make required payments against the goods/ services purchased from the Company, as well as credit exposures to customers including outstanding receivables.

Credit risk is managed by centralized team of the DuPont group. All classes of customer will be classified as High, Medium and Low Risk customers and Segment them as A,B and C, based on an internal Scorecard evaluation mechanism. All customers will be subject to credit check before shipment. Credit check will be performed for the exposure exceeding credit limit amount and the amount past due tolerance set for the High, Medium and Low Risk customers per policy. For other financial assets, the Company assesses and manages credit risk based on internal credit rating system.

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

- internal credit rating
- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations.
- actual or expected significant changes in the operating results of the borrower.
- significant increase in credit risk on other financial instruments of the same borrower.
- significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of the borrower in the Company and changes in operating results of the borrower.

Macro economic information (such as Market Developments, Regulatory Trends & Industry growth rates) is incorporated as part of the internal rating model. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due (this may not applicable for Government subsidised agencies). This definition of default is determined by considering the business environment in which the entity operates and other macro-economic factors.

**(ii) Provision for expected credit**

The Company provides for expected credit loss based on the following:

Category	Description of category	Basis for recognition of expected credit loss provision		
		Investments	Loans and deposits	Trade receivables
High quality assets, low credit risk	Assets where there is low risk of default and where the counter party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past	12-month expected credit losses	12-month expected credit losses	Life time expected credit losses
Medium risk, moderate credit risk	Assets where the probability of default is considered moderate, counter party where the capacity to meet the obligation is not strong	12-month expected credit losses	12-month expected credit losses	Life time expected credit losses
Low quality assets, very high risk	Assets where there is a high probability of default. In general, assets where contractual payments are more than 30 days past due are categorised as low quality assets. Also includes assets where the credit risk of counter party has increased significantly though payments may not be more than 30 days past due.	Life time expected credit losses	Life time expected credit losses	Life time expected credit losses
Doubtful assets, credit impaired	Assets are written off when there is no reasonable expectation of recovery, such as a debt or declaring bankruptcy or failing to engage in a payment plan with the Company. The company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 180 days past due. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss	Asset is written off		

**Expected credit losses for deposits and other financial assets, excluding trade receivables  
Year Ended March 31, 2018**

Particulars	Asset Group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
<b>Loss allowance measured at 12 month expected credit losses</b> - Financial assets for which credit risk has not increased significantly since initial recognition	Security Deposits	1,191	0%	-	1,191
	Other financial assets	144	0%	-	144

**Year Ended March 31, 2017**

Particulars	Asset Group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
<b>Loss allowance measured at 12 month expected credit losses</b> - Financial assets for which credit risk has not increased significantly since initial recognition	Security Deposits	835	0%	-	835
	Other financial assets	1,224	0%	-	1,224

**Expected credit loss for trade receivables under simplified approach****Year ended March 31, 2018**

Ageing	Less than 180 days	More than 180 days	Total
Gross carrying amount	88,938	263	89,201
Expected loss rate	0%	100%	0.29%
Expected credit loss (loss allowance provision)	-	263	263

**Year ended March 31, 2017**

Ageing	Less than 180 days	More than 180 days	Total
Gross carrying amount	45,264	20	45,284
Expected loss rate	0%	0%	0%
Expected credit loss (loss allowance provision)	-	-	-

The gross carrying amount of trade receivables is Rs. 8,921.18 Lakhs (March 31, 2017 -Rs. 45283.63 Lakhs)

Expected credit loss for the years ending 31-March-2018 and 31-March-2017 is considered as Rs 263.47 Lakhs and Nil respectively.

**Reconciliation of loss allowance provision- Trade receivables**

<b>Loss allowance on 31 March 2017</b>	-
Changes in loss allowance	263
<b>Loss allowance on 31 March 2018</b>	263

**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.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

**(i) Financing arrangements**

The Company has no undrawn borrowing facilities at the end of the reporting period.

**(ii) Maturities of financial liabilities**

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual cash flows						
31 March, 2018	Carrying amount	Total	1 years	1-2 years	2-5 years	More than 5 years
External commercial borrowing	7,148	7,148	-	-	7,148	-
Short term borrowings	1,905	1,905	1,905	-	-	-
Trade Payables	97,026	97,026	97,026	-	-	-
Capital creditors	-	-	-	-	-	-
Other financial liabilities	98	98	98	-	-	-
	<b>106,177</b>	<b>106,177</b>	<b>99,029</b>	-	<b>7,148</b>	-

Contractual cash flows						
31 March 2017	Carrying amount	Total	1 years	1-2 years	2-5 years	More than 5 years
External commercial borrowing	7,132	7,132	-	-	7,132	-
Short term borrowings	17,792	17,792	17,792	-	-	-
Trade Payables	83,401	83,401	83,401	-	-	-
Capital creditors	1	1	1	-	-	-
Other financial liabilities	123	123	123	-	-	-
	<b>108,449</b>	<b>108,449</b>	<b>101,317</b>	-	<b>7,132</b>	-

All amounts in Rs. Lakhs unless otherwise stated

**(a) Market Risk - Foreign currency risk**

The company imports most of its raw materials and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD and EUR. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not company's functional currency (Rs.). The Company does not hedge any of its foreign currency exposure as most of the exposure is with the group companies.

Foreign currency risk exposure			All figures in Lakhs	
Purpose	As at March 31, 2018		As at March 31, 2017	
	Amount in Foreign Currency	Amount in Rs.	Amount in Foreign Currency	Amount in Rs.
<b>Trade Payables and Borrowings</b>				
USD	1,365	91,449	1,173	76,087
BDT	-	-	31	1,800
EUR	*	*	*	31
<b>Trade and other Receivables</b>				
USD	47	3,173	96	6,207
EUR	*	*	*	17
CHF	*	*	*	*
BDT	-	-	-	-

\* Amount is below the rounding off norm adopted by the Company.

**Sensitivity**

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments, as detailed below

	Impact on loss after tax 31 March, 2018	Impact on profit after tax 31 March, 2017
Strengthening of USD by 4 % (March 31, 2017- 4 %)	(3,531)	(2,795)
Weakening of USD by 4 % (March 31, 2017- 4 %)	3,531	2,795
Strengthening of EUR by 8 % (March 31, 2017- 8 %)		
Weakening of EUR by 8 % (March 31, 2017- 8 %)	*	-1
Strengthening of BDT by 2 % (March 31, 2017- 2 %)	*	1
Weakening of BDT by 2 % (March 31, 2017- 2 %)		-
The impact on profit after tax on account of fluctuations in foreign exchange rates for CHF currency is not expected to be material.	*	(36)
		36

**(b) Market Risk - Interest rate risk**

The Company's main interest rate risk arises from borrowings with variable rates, which exposes the company to cash flow interest rate risk. The Company's policy is to borrow only from holding and group companies, so that the interest rate risk at group level is nullified. During the year ended March 31, 2017 and March 31, 2016, the company's external commercial borrowings at variable rate were denominated in USD and the short term borrowings at variable rates were denominated in Indian rupees.

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

	31 March 2018	31 March 2017
Variable rate long term borrowings	7,148	7,132
Variable rate short term borrowings	1,905	17,792
<b>Total borrowings</b>	<b>9,053</b>	<b>24,924</b>

All amounts in Rs. Lakhs unless otherwise stated

At the end of the reporting period, the company had the following variable rate borrowings outstanding:						
	31 March 2018			31 March 2017		
	Weighted Average Interest rate %	Balance	% of total loans	Weighted Average Interest rate %	Balance	% of total loans
<b>Financial Liabilities</b>						
External commercial borrowing from holding company (interest rate is as on USD balances)	0.89%	7,148	79%	1.13%	7,161	29%
Loans from a related party repayable on demand	12.04%	1,905	21%	10.93%	17,792	71%
<b>Net exposure</b>		<b>9,053</b>	<b>100%</b>		<b>24,953</b>	<b>100%</b>

**Sensitivity**

The profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

	Impact on profit after tax	
	31 March 2018	31 March 2017
Interest rate - Increases by 100 basis points	(59)	(163)
Interest rate - Decreases by 100 basis points	59	163

The Company does not have any investments in equity securities and therefore, is not exposed to any price risk arising out of fluctuations in market prices of the equity instruments.

**Note 27: Capital management****(a) Risk Management**

The company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor and creditors' confidence. The management and the Board of Directors monitors the return on capital as well as the level of dividends to shareholders. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

**(b) Dividends**

No interim or final dividends have been declared by the company during the financial year ended March 31, 2018 and March 31, 2017

**Notes to the financial statements (cont.)**
**28 Segment reporting**
**Description of segments and principal activities**

The Company's senior leadership team comprising Managing Director, Finance Director, Financial Controller and Tax manager examines the Company's performance both from a product and geographic perspective and has identified five reportable segments of its business:

- Agriculture and Nutrition segment comprises of Crop Protection business.
- Performance Materials segment comprises Performance Polymers and Packaging and Industrial Polymers businesses.
- Electronics and Communications segment comprises of Imaging Technologies business.
- Safety and Protection segment comprises of Sustainable Solutions, Protection Technologies and Building Innovation businesses.
- Dupont knowledge Center (DKC) segment comprises of knowledge center in Hyderabad.

The Company's senior leadership team comprising Managing Director, Finance Director, Financial Controller and Tax manager primarily uses a measure of operating profit/loss to assess the performance of the operating segments.

However, the company's senior leadership team comprising Managing Director, Finance Director, Financial Controller and Tax manager also receives information about the segments' revenue and assets on a monthly basis.

**Operating profit/loss**

Operating profit/loss excludes discontinued operations, if any, and the effects of significant items of income and expenditure which may have an impact on the quality of the earnings.

It also excludes the effects of gains or losses on financial instruments. Interest income and finance costs are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash position of the DuPont group.

Year ended March 31, 2018

All amounts in Rs. Lakhs unless otherwise stated

	Agriculture & Nutrition	Performance Materials	Electronic & Communication	Safety & Protection	Dupont Knowledge Center	Total
<b>Revenue:</b>						
Sales including service income	219,184	62,577	7,269	38,377	13,335	340,742
Income from other operations	2,756	3,424	261	244	-	6,685
Other income	37,425	-	59	-	-	37,484
						<b>384,911</b>
<b>Unallocated income</b>						
Service Income						3,850
Others						1,382
<b>Total</b>						<b>390,143</b>
<b>Operating Profit / (Loss) *</b>	45,048	8,225	273	4,611	1,344	59,499
Add: Unallocated income (shown above)						5,232
Less:						
Unallocated expenses *						11,704
Financial charges						2,464
Current tax						13,966
Income tax relating to earlier years						-
Deferred tax						(4,697)
<b>Net profit after tax as per Statement of Profit and Loss</b>						<b>41,294</b>



## Operating profit/loss (Cont.)

Year ended March 31, 2018

All amounts in Rs. Lakhs unless otherwise stated

	Agriculture & Nutrition	Performance Materials	Electronic & Communication	Safety & Protection	Dupont Knowledge Center	Total
* Depreciation adjusted / included under Operating Profit / (Loss) Unallocated Expenses	444	283	16	30	3,127	3,900 579
<b>Assets:</b>						
Segment assets ( including capital work in progress) Unallocated assets	135,523	26,714	16,028	10,685	38,152	227,102 14,496
<b>Total assets</b>						<b>241,598</b>
<b>Liabilities:</b>						
Segment liabilities Unallocated liabilities	57,148	11,947	7,168	4,779	2,456	83,499 39,294
<b>Total liabilities</b>						<b>122,793</b>

Year ended March 31, 2018

### Information about geographical areas

#### (1) Composition of Geographical Areas:

For the purpose of geographical area the revenue and assets are divided into two segments, i.e.. India and outside India.

Geographical segment - Outside India mainly includes the following countries:

United States of America	Canada	China	Germany	Australia	Belgium	Hong Kong	Japan
United Kingdom	Luxembourg	Mexico	Netherlands	Singapore	Switzerland	Taiwan	Korea
New Zealand	Thailand	Malaysia	Europe	Vietnam	France	Indonesia	Philippines

#### (2) Segment Revenues, Results and other information:

All amounts in Rs. Lakhs unless otherwise stated

Geographical Area	India	Outside India	Total
Revenues	355,029.00	35,114	390,143
Total Assets	234,350.00	7,248	241,598

#### Information about major customers

Sales to two of the customers of the company exceed 10% of the total revenue of company individually. These sales are covered under Agriculture & Nutrition segment of the company. The revenue from each of the customers is disclosed below:

Amounts in Rs. Lakhs

	31 March 2018
Customer 1	59,147
Customer 2	56,177



**Operating profit/loss (Cont.)**

Year ended March 31, 2017

All amounts in Rs. Lakhs unless otherwise stated

	Agriculture & Nutrition	Performance Materials	Electronic & Communication	Safety & Protection	Dupont Knowledge Center	Total
<b>Revenue:</b>						
Sales including service income	194,896	61,691	6,606	40,712	13,177	317,082
Income from other operations	1,658	3,752	903	769	-	7,082
Other income	937	27	11	69	230	1,274
						<b>325,438</b>
<b>Unallocated income</b>						
Service Income						2,840
Others						337
Total						328,615
<b>Operating Profit / (Loss) *</b>	25,370	8,108	248	4,891	1,328	39,945
Add: Unallocated income (shown above)						3,177
Less:						
Unallocated expenses *						16,198
Financial charges						2,200
Current tax						9,203
Income tax relating to earlier years						(143)
Deferred tax						(212)
<b>Net profit after tax as per Statement of Profit and Loss</b>						<b>15,876</b>
* Depreciation adjusted / included under Operating Profit / (Loss)	507	324	18	35	3,572	4,456
Unallocated Expenses						661
<b>Assets:</b>						
Segment assets ( including capital work in progress)	104,405	22,154	4,299	13,723	43,299	187,880
Unallocated assets						11,034
<b>Total assets</b>						<b>198,914</b>
<b>Liabilities:</b>						
Segment liabilities	51,531	16,254	2,651	10,701	1,908	83,045
Unallocated liabilities						38,358
<b>Total liabilities</b>						<b>121,403</b>

Year ended March 31, 2017

**Information about geographical areas**

**(1) Composition of Geographical Areas:**

For the purpose of geographical area the revenue and assets are divided into two segments, i.e.. India and outside India.

Geographical segment - Outside India mainly includes the following countries:

United States of America	Canada	China	Germany	Australia	Belgium	Hong Kong	Japan
United Kingdom	Luxembourg	Mexico	Netherlands	Singapore	Switzerland	Taiwan	Korea
New Zealand	Thailand	Malaysia	Europe	Vietnam	France	Indonesia	Philippines

**(2) Segment Revenues, Results and other information:**

All amounts in Rs. Lakhs unless otherwise stated

Geographical Area	India	Outside India	Total
Revenues	297,686	30,929	328,615
Total Assets	192,689	6,225	198,914

**Information about major customers**

Sales to two of the customers of the company exceed 10% of the total revenue of company individually. These sales are covered under Agriculture & Nutrition segment of the company. The revenue from each of the customers is disclosed below:

Amounts in Rs. Lakhs

	31 March 2017
Customer 1	49,289
Customer 2	46,814

## Notes to the Provisional financial statements (cont.)

### Note No. 29 Related Party Disclosures

Names of Related parties and description of relationships.

Name	Type	Place of incorporation	Ownership Interest		
			31 March 2017	31 March 2016	31 March 2015
DuPont India Ltd, USA	Immediate parent entity	USA	99.9964%	99.67%	99.67%
E.I. Dupont De Nemours and Company, USA	Ultimate holding entity	USA	0.00%	0.33%	0.33%
Dupont Far East Inc. USA	Group entity	USA	0.00%	0.00%	0.00%
DuPont Chemical and Energy Operations . USA	Group entity	USA	0.004%	0.00%	0.00%

#### (a) Names of Related parties and description of relationships.

##### Holding Company:

DuPont India Limited

United States of America

##### Ultimate Holding Company:

E.I.DuPont de Nemours & Co. Inc.

United States of America

Fellow Subsidiaries:			
Du Pont China Limited.	Hong Kong	DuPont Specialty Products Kabushiki Kaisha	Japan
PT Du Pont Agricultural Products Indonesia	Indonesia	Invista Singapore Fibres	Singapore
Danisco USA Inc.	USA	Pioneer Hi-Bred International, Inc	USA
DuPont Pakistan Operations (Pvt.) Limited	Pakistan	E. I. DuPont Services Center India Private Limited	India
Du Pont de Nemours (Belgium) BVBA	Belgium	DPE NETHERLANDS	Netherlands
Du Pont Far East Inc.	Philippines	Pioneer Hi-Bred Services GmbH	Austria
DuPont (New Zealand) Limited	New Zealand	Coastal Training Philippines, Corp.	Philippines
DuPont Filaments - Europe B.V.	Netherlands	DANISCO (CHINA) CO. LTD.	China
Du Pont de Nemours (Deutschland) GmbH	Germany	DANISCO (CHINA) HOLDING CO., LTD.	China
Du Pont Teijin Advanced Papers (Asia) Limited	Hong Kong	Belco Technologies Corporation	USA
Du Pont Vietnam Limited	Vietnam	DuPont S.A. de C.V.	Mexico
Du Pont do Brasil S.A.	Brazil	DuPont QFC LLC	Qatar
DuPont International Operations Sarl	Switzerland	DuPont Science and Technologies LLC	Russian Fed.
MECS India Private Limited	India	DUPONT SAUDI ARABIA LLC	Saudi Arabia
DuPont Surfaces (Guangzhou) Co., Ltd.	China	DuPont de Nemours International Sarl	Switzerland
ACS Shanghai Co. Ltd.	China	DuPont-MRC Company, Ltd.	Japan
ACS India Private Limited	India	DUP (CHANGSHU)	China
PHI SEEDS PRIVATE LIMITED	India	E. I. DuPont Bangladesh Liaison Office	Bangladesh
Coastal Training Technologies India Pvt Ltd.	India	DuPont Lanka (Private) Limited	Sri Lanka
Du Pont Apollo (Shenzhen) Limited	China	DuPont Shineway Luohe Protein Company Limited	China
Du Pont de Nemours (Nederland) B.V.	Netherlands	PT DuPont Indonesia	Indonesia
Du Pont Agricultural Chemicals Ltd., Shanghai	China	Du Pont Far East, Inc.	USA
DuPont DACI Beteiligungs GmbH	Austria	E.I. Du Pont India Private Limited	India
DANISCO INDIA PVT. LTD.	India	DuPont Asia Pacific Limited	USA
DuPont Agricultural Caribe Industries, Ltd.	Puerto Rico	DuPont Performance Coatg (TH)	Thailand
PIONEER HI-BRED PVT LTD	India	Du Pont de Colombia, S.A.	Colombia
Solae L.L.C.	USA	DANISCO SINGAPORE PTE LTD.	Singapore
Du Pont de Nemours Nigeria Limited	Nigeria	Du Pont Products S.A.	Switzerland
Danisco Australia Pty Limited	Australia	Enhance Packaging Technologies	Canada
Du Pont China Holding Company Ltd.	China	Pioneer Overseas Corporation	USA
ACS Germany GmbH	Germany	DuPont Titanium Tech (TWN) Ltd	Taiwan
DuPont (China) Research & Development and Management Co., Ltd.	China	DuPont Far East(India Br)	India
DuPont de Nemours (Luxembourg) SARL	Luxembourg	DuPont Peroxide Holdings Ltd	New Zealand
DuPont Malaysia SDN BHD	Malaysia	Du Pont (U.K.) Ltd.	United Kingdom
ACS Austria GmbH	Austria	DU PONT MEXICANA S. DE R.L. DE C.V.	Mexico
DuPont Asturias, S.L.	Spain	DUPONT (HONG KONG) ELECTRONIC MATERIALS LIMITED	Hong Kong
E. I. du Pont Canada Company	Canada	ACS France SAS	France
Du Pont Taiwan Limited	Taiwan	Danisco Cultor Sweden AB	Sweden
DuPont Trading (Shanghai) Co., Ltd.	China	Du Pont Teijin Advanced Papers (Japan) Limited	Japan
DuPont (Shenzhen) Industrial Company Ltd.	China	DuPont Protein Tech	USA
Du Pont (Korea) Inc.	Korea Republic	PTI US	USA
DuPont Filaments - Americas, LLC	USA	INVISTA S.à r.l.	USA
ANTEC INTL LTD	United Kingdom	DuPont De Nemours (France) S.A.S.	France
DuPont Xingda Filaments Company Limited	China	DuPont Authentication, Inc.	USA



**29 Related Party Disclosures (Cont.)**

Fellow Subsidiaries:			
ACS Powder USA Inc. Du Pont (Australia) PTY LTD. Du Pont Company (Singapore) Pte Ltd. Du Pont Kabushiki Kaisha DuPont (Thailand) Limited P.T. Herberts Indonesia SOLD DUP PKG SAS DUP MITSUI FLUOR	USA Australia Singapore Japan Thailand Indonesia France Japan	Coastal Training Technologies Corp. Solae Do Brasil Industria E Comercio De Alimentos Ltda. Solae Europe S.A. ACS Huajia Powder DISSOLVED DUP ENGG PROD S Genencor International, B.V. DuPont Int'l Trading Herberts Pulverlack GmbH&Co.KG	USA Brazil Switzerland China Luxembourg Netherlands USA Germany

**Key Management Personnel:**

Mr. Girish Vidya	Director
Mr. Sheril Vidyan	Director
Ms Sanjit Kaur Batra	Director
Mr. Mahesh Jain	Director
Mr. Samar Bhatia	Company Secretary

(b) Transactions during the year and balances outstanding as at the year end in respect of transactions in the ordinary course of business with the related parties are as follows:

Name of the related party	Purchase of Raw Material and Finished Goods	Purchase of Fixed Assets / (CWIP)	Sale of Finished Goods	Income from Pre Sales Support Services	Income from Services	Inter company service expenses	Loan Taken	Loan Repaid	Recovery/ Reimbursement of expenses	Sale of Fixed assets	Remuneration	Interest Paid / Payable	Loan Given	Loan Receipts	Interest Earned	Royalty Paid / Payable	Outstanding Balances	As at March 31, 2018	
Fellow Subsidiaries																			
DuPont China Limited	412,089,978	-	40,355,461	83,802,265	22,349,341	9,050,187			-	-							Receivables	15,839,983	
Dupont Asia Pacific Limited	-	-	-	-	-	-			-	-								Payables	(105,723,556)
PT Dupont Agricultural Products Indonesia	43,342,764	-	366,573,493	-	2,266,981	-			172,449	-								Receivables	69,475,933
Electronic Materials Du Pont Dongguan Limited	-	-	-	-	-	-			20,503	1,420,116								Receivables	19,543
Du Pont Teijin Advanced Papers (Asia) Limited	-	-	-	-	-	-			-	-								Receivables	-
DuPont Performance Elastomers B.V.	-	-	-	-	-	-			-	-								Payables	-
DuPont Pakistan Operations (Pvt.) Limited	-	-	-	-	-	-			-	-								Receivables	-
DuPont International Trading, Inc.	-	-	-	-	-	-			-	-								Payables	-
Dupont Trading (Shanghai) Co Limited	251,696,765	-	47,065,328	3,930,236	-	-			-	-								Receivables	5,417,423
DuPont Agricultural Caribe Industries Limited.	186,486,683	-	-	-	2,246,673	-			-	-								Payables	(34,497,919)
DuPont (New Zealand) Limited	480,187	-	2,433,067	-	299,673	-			-	-								Receivables	282,691
Antec International Limited	-	-	-	-	-	-			-	-								Payables	(115,006,920)
Dupont Vietnam Company Limited	-	-	5,009,627	-	857,788	-			-	-								Receivables	0
DuPont DACI Beteiligungs GmbH	-	-	-	-	-	-			-	-								Payables	2,850,132
DUPONT SA DE CV	-	-	-	-	2,072,964	-			-	-								Receivables	-
Pioneer Hi-Bred International, Inc	-	-	-	-	-	-			-	-								Payables	2,023,983
DUPONT AGRICULTURAL CHEMICALS Limited	-	-	-	-	-	-			-	-								Receivables	-
DuPont Authentication, Inc.	-	-	-	-	-	-			-	-								Payables	537,745
Pioneer Overseas Corporation	-	565,799	-	-	729,158,408	134,323			-	-								Receivables	-
PHI Seeds Limited	-	-	-	-	-	-			342,652	-		#REF!	4,892,619,852	4,892,619,852	9,206,272			Payables	128,913,848
Inpaco Corporation	-	-	-	-	-	-			-	-								Loan Payable Outstanding (including Interest)	(1,779,187,667)
SOLAE LLC	-	-	-	-	-	-			-	-								Receivables	-
MECS INDIA PVT LTD	-	-	-	-	-	-			6,747,384	-								Payables	(0)
Dupont Filaments - Americas, LLC	4,317,527	-	-	22,684,647	-	-			-	-								Receivables	-

## 29 Related Party Disclosures (Contd.)

- (c). Transactions during the year and balances outstanding as at the year end March 31, 2016 in respect of transactions in the ordinary course of business with the related parties are as follows:

Name of the related party	Purchase of Raw Material and Finished Goods	Purchase of Fixed Assets / (CWP)	Sale of Finished Goods	Income from Pre-Sales Support Services	Income from Services	Inter company service expenses	Loan Taken	Loan Repaid	Recovery/ Reimbursement of expenses	Sale of Fixed assets	Remuneration	Interest Paid / Payable	Loan Given	Loan Receipts	Interest Earned	Royalty Paid/ Payable	Outstanding Balances	(figures in ₹) As at March 31, 2017
DUPONT FILAMENTS EUROPE BV	-	-	-	2,171,522	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	797,750
DuPont Xingda Filaments Company Limited	282,934,790	-	363,443	16,267,952	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-
Danisco Singapore PTE Limited	3,562,532	-	-	-	-	(0)	-	-	-	-	-	-	-	-	-	-	Receivables	3,265,621
DuPont (China) Research & Development Co Limited	-	-	-	-	-	55,606,598	-	-	-	-	-	-	-	-	-	-	Payables	(75,745,730)
DuPont Performance Elastomers L.L.C.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	-
DuPont Surfaces (Guangzhou) Co., Limited.	127,843,845	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	4,897,641
DuPont International Operations Sarl	1,071,980,694	-	16,747	21,914,454	45,326,364	4,644,300	-	-	(726)	-	-	-	-	-	-	-	Receivables	(10,493,265)
DUPONT SPECIALTY PRODUCTS K.K.	82,299,304	-	-	1,274,216	-	-	-	-	-	-	-	-	-	-	-	-	Payables	(27,770,316)
DUPONT SPECIALTY PRODUCTS K.K.	-	-	-	-	-	1,198,187	-	-	-	-	-	-	-	-	-	-	Receivables	4,261,411
DUPONT SCIENCE AND TECHNOLOGIES LLC	-	-	-	-	2,194,659	-	-	-	4,283,115	-	-	-	-	-	-	-	Payables	(250,708,238)
DuPont (Shenzhen) Industrial Company Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	87,450
DuPont -MRC CO Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	(76,970,713)
Belco Technologies Corporation	-	-	-	-	-	6,697,380	-	-	-	-	-	-	-	-	-	-	Receivables	-
DuPont (Changshu) Fluoro Technology Co.,	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-
DuPont Asturias Industrial S.L.	-	-	-	-	-	4,732,306	-	-	-	-	-	-	-	-	-	-	Receivables	-
DuPont Titanium Technology (Taiwan) Co.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	(4,415,351)
DuPont Apollo Limited	-	-	-	-	-	-	-	-	120,000	-	-	-	-	-	-	-	Receivables	-
DuPont Lanka Private Limited	-	-	-	-	-	5,224,936	-	-	-	-	-	-	-	-	-	-	Payables	116,564
Coastal Training Technologies India Private Limited	-	-	-	-	-	7,004,758	-	-	-	-	-	-	-	-	-	-	Receivables	-
DuPont (Australia) Limited.	1,395,920	-	89,449,484	-	3,199,564	30,948,362	-	-	-	-	-	-	-	-	-	-	Payables	(1,582,263)
DuPont Mexico S.A. de C.V.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	-
E.I. du Pont Canada Company	-	-	-	6,822,085	-	-	-	-	-	-	-	-	-	-	-	-	Payables	(2,204,764)
DuPont China Holding Company Limited	21,664,677	-	-	21,609	27,298,881	15,592,436	-	-	-	-	-	-	-	-	-	-	Receivables	(0)
DUP DE COLOMBIA SA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	(1,434,994)
DuPont De Nemours (France) SAS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	-
Du Pont de Nemours (Belgium) BVBA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-
Du Pont de Nemours (Nederland) B.V.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	-
Du Pont de Nemours (Deutschland) GmbH	273,018,810	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	(0)
DuPont de Nemours (Luxembourg) SARL	73,118,253	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	-
Du Pont de Nemours International S.A	12,400,575	-	-	-	1,127,865	-	-	-	-	-	-	-	-	-	-	-	Payables	(133,299,350)
Du Pont Company (Singapore) Pte Limited.	9,138,358,260	-	7,239,812	171,296,982	6,671,997	97,590,933	-	-	4,397,598	-	-	-	-	-	-	-	Receivables	(39,002,798)
Du Pont Far East, Inc	-	-	-	-	492,127	-	-	-	-	-	-	-	-	-	-	-	Payables	1,099,648
DuPont Malaysia SDN BHD	800,080	-	21,385,463	-	11,551,263	5,722,246	-	-	388,702	-	-	-	-	-	-	-	Receivables	(3,035,294)
Du Pont Far East (Philippines Branch)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	42,784,540
Du Pont do Brasil SA.	15,485,804	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	(4,356,653,182)
Du Pont Kabushiki Kaisha	236,453,874	-	139,347	41,957,167	14,388,343	13,611,036	-	-	-	-	-	-	-	-	-	-	Payables	(0)
Du Pont (Korea) Inc	549,058,898	-	-	3,290,397	14,820,065	15,527,388	-	-	498,519	-	-	-	-	-	-	-	Receivables	8,128,483
Du Pont Taiwan Limited	41,809,644	-	26,157,200	8,776,178	4,682,167	4,062,333	-	-	135,329	-	-	-	-	-	-	-	Payables	(1,110,274)
Du Pont (Thailand) Limited	61,220,921	-	10,601,419	-	13,012,466	2,097,147	-	-	19,983,859	-	-	-	-	-	-	-	Receivables	-
Danisco US Inc.	-	-	-	-	71,712,055	-	-	-	-	5,816,248	-	-	-	-	-	-	Payables	-
DuPont Holographics Inc.	78,140,859	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	-
Du Pont Apollo (Shenzhen) Limited	201,551,097	-	15,031	302,356	982,433	2,337,413	-	-	-	-	-	-	-	-	-	-	Payables	(14,588,536)
Solae Company India Private Limited	-	-	-	-	10,945,520	-	-	-	5,185,376	-	-	-	-	-	-	-	Receivables	1,258,847
Danisco India Pvt. Limited	-	-	-	-	41,208,683	-	-	-	166,328,239	-	-	-	-	-	-	-	Payables	(51,234,466)
E.I. DuPont Services Centre India Private Limited	-	-	-	-	285,251,329	-	-	-	49,238,282	1,450,258	-	-	-	-	-	-	Receivables	3,173,331
Pioneer Hi-Bred Pvt Ltd	-	-	-	-	-	-	-	-	322,496	-	-	-	-	-	-	-	Payables	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	34,797,726
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-



**29 Related Party Disclosures (Cont.)**

Name of the related party	Purchase of Raw Material and Finished Goods	Purchase of Fixed Assets / (CWIP)	Sale of Finished Goods	Income from Pre Sales Support Services	Income from Services	Inter company service expenses	Loan Taken	Loan Repaid	Recovery/ Reimbursement of expenses	Sale of Fixed assets	Remuneration	Interest Paid / Payable	Loan Given	Loan Receipts	Interest Earned	Royalty Paid / Payable	Outstanding Balances	(figures in Rs)	
																		As at March 31, 2017	As at March 31, 2017
DUPONT SAUDI ARABIA LLC	-	-	-	-	-	-	-	-	78,260	-	-	-	-	-	-	-	Receivables	-	78,260
DUPONT QFC LLC	-	-	-	-	-	-	-	-	185,910	-	-	-	-	-	-	-	Payables	-	-
Danisco Malaysia Sdn. Bhd.	-	-	-	-	5,417,212	-	-	-	586,148	-	-	-	-	-	-	-	Receivables	-	1,451,652
DANISCO SWEETENERS (ANYANG) CO., LTD	-	-	-	-	-	-	-	-	(0)	-	-	-	-	-	-	-	Payables	-	-
DANISCO (ZHANGJIAGANG) TECTURAL ING	-	-	-	-	-	-	-	-	300,302	-	-	-	-	-	-	-	Receivables	-	-
Du Pont Products S.A.	-	-	-	-	-	2,495,076	-	-	692,423	-	-	-	-	-	-	-	Payables	-	-
Danisco (China) Co. Ltda.	-	-	-	-	-	1,918,912	-	-	-	-	-	-	-	-	-	-	Receivables	-	-
DuPont Shineway Luohe Protein Company LT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-	-
Solae Europe S.A.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	-	-
COASTAL TRAIN PHILIP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-	0
Du Pont de Nemours Nigeria Limited	-	-	-	-	-	-	-	-	668,935	-	-	-	-	-	-	-	Receivables	-	-
DuPont Nutrition Biosciences ApS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-	(8,848)
Danisco Australia Pty Limited	-	-	-	-	3,931,149	-	-	-	1,431,494	-	-	-	-	-	-	-	Receivables	-	2,197,673
Danisco (China) Holding Co. Ltd.	-	-	-	-	-	-	-	-	-	20,213,279	-	-	-	-	-	-	Receivables	-	19,634,422
Ultimate Holding Co.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-	-
E.I. DuPont de Nemours & Co. Inc., USA	2,727,624,649	-	3,469	45,757,984	745,943,239	127,374,631	-	-	46,078,334	-	-	-	-	-	-	-	Receivables	-	192,745,586
Holding Company DuPont India Limited, USA	-	-	-	-	-	-	-	-	-	-	10,445,227	-	-	-	-	-	Payable	-	(716,103,662)
Key Management Personnel **	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Outstanding (including interest)	-	-
Mr. Girish Vidya	-	-	-	-	-	-	-	-	-	-	25,859,938	-	-	-	-	-	Payables	-	-
Mr. Sheril Vidyant	-	-	-	-	-	-	-	-	-	-	16,932,190	-	-	-	-	-	Payables	-	-
Ms. Sanjit Kaur Batra	-	-	-	-	-	-	-	-	-	-	6,812,031	-	-	-	-	-	Payables	-	-
Mr. Mahesh Jain	-	-	-	-	-	-	-	-	-	-	9,133,945	-	-	-	-	-	Payables	-	-
Mr. Samar Bhatia	-	-	-	-	-	-	-	-	-	-	3,532,605	-	-	-	-	-	Payables	-	-
<b>Total</b>	<b>15,899,137,391</b>	<b>565,799</b>	<b>616,808,390</b>	<b>430,270,050</b>	<b>1,784,157,882</b>	<b>698,822,216</b>	<b>13,029,246,531</b>	<b>14,030,387,292</b>	<b>308,185,581</b>	<b>28,899,901</b>	<b>62,270,709</b>	<b>#REF!</b>	<b>4,892,619,852</b>	<b>4,892,619,852</b>	<b>9,206,272</b>	<b>-</b>			

(b) Transactions during the year and balances outstanding as at the year end in respect of transactions in the ordinary course of business with the related parties are as follows:

Name of the related party	Purchase of Raw Material and Finished Goods	Purchase of Fixed Assets / (CWIP)	Sale of Finished Goods	Income from Pre Sales Support Services	Income from Services	Inter company service expenses	Loan Taken	Loan Repaid	Recovery/ Reimbursement of expenses	Sale of Fixed assets	Remuneration	Interest Paid / Payable	Loan Given	Loan Receipts	Interest Earned	Royalty Paid / Payable	Outstanding Balances	(figures in Rs)	
																		As at March 31, 2017	As at March 31, 2017
<b>Fellow Subsidiaries</b>																			
DuPont China Limited	412,089,978	-	40,355,461	83,802,265	22,349,341	9,050,187	-	-	-	-	-	-	-	-	-	-	Receivables	-	15,839,983
DuPont Asia Pacific Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-	(105,723,556)
PT Dupont Agricultural Products Indonesia	43,342,764	-	366,573,493	-	2,266,981	-	-	-	172,449	-	-	-	-	-	-	-	Receivables	-	0
Electronic Materials Du Pont Dongguan Limited	-	-	-	-	-	-	-	-	20,503	1,420,116	-	-	-	-	-	-	Payables	-	69,475,933
Du Pont Teijin Advanced Papers (Asia) Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	-	19,543
DuPont Performance Elastomers B.V.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-	-
DuPont Pakistan Operations (Pvt.) Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	-	-
DuPont International Trading, Inc.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-	-
Dupont Trading (Shanghai) Co Limited	251,696,765	-	47,065,328	3,930,236	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	-	5,417,423
DuPont Agricultural Caribe Industries Limited.	186,486,683	-	-	-	2,246,673	-	-	-	-	-	-	-	-	-	-	-	Payables	-	(34,497,919)
DuPont (New Zealand) Limited	480,187	-	2,433,067	-	299,673	-	-	-	-	-	-	-	-	-	-	-	Receivables	-	282,691
Antec International Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-	(115,006,920)
DuPont Vietnam Company Limited	-	-	5,009,627	-	857,788	-	-	-	-	-	-	-	-	-	-	-	Receivables	-	0
DuPont DACI Beteiligungs GmbH	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-	-
DUPONT SA DE CV	-	-	-	-	2,072,964	-	-	-	-	-	-	-	-	-	-	-	Receivables	-	2,850,132
Pioneer Hi-Bred International, Inc	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-	-
DUPONT AGRICULTURAL CHEMICALS Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Receivables	-	-
DuPont Authentication, Inc.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-	-
Pioneer Overseas Corporation	-	565,799	-	-	729,158,408	134,323	-	-	-	-	-	-	-	-	-	-	Receivables	-	2,023,983
PHI Seeds Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-	-
							13,029,246,531	14,030,387,292	342,652			2,362,932	4,892,619,852	4,892,619,852	9,206,272		Receivables	-	128,913,848
																	Payables	-	(2,615,218)



**29 Related Party Disclosures (Cont.)**

Name of the related party	Purchase of Raw Material and Finished Goods	Purchase of Fixed Assets / (CWIP)	Sale of Finished Goods	Income from Pre Sales Support Services	Income from Services	Inter company service expenses	Loan Taken	Loan Repaid	Recovery/ Reimbursement of expenses	Sale of Fixed assets	Remuneration	Interest Paid / Payable	Loan Given	Loan Receipts	Interest Earned	Royalty Paid / Payable	Outstanding Balances	(figures in Rs)
																		As at March 31, 2017
																		(1,779,187,667)
Inpaco Corporation	-	-	-	-	-	-			-	-								Loan Payable Outstanding (including interest)
SOLAE LLC	-	-	-	-	-	-			-	-								Receivables
MECS INDIA PVT LTD	-	-	-	-	-	-			6,747,384	-								Payables
									-	-								Receivables
Dupont Filaments - Americas, LLC	4,317,527	-	-	22,684,647	-	-			-	-								Payables
DUPONT FILAMENTS EUROPE, BV	-	-	-	2,171,522	-	-			-	-								Receivables
DuPont Xingda Filaments Company Limited	282,934,790	-	363,443	16,267,952	-	-			-	-								Payables
Danisco Singapore PTE Limited	3,562,532	-	-	-	-	(0)			-	-								Receivables
DuPont (China) Research & Development Co Limited	-	-	-	-	-	55,606,598			-	-								Payables
DuPont Performance Elastomers L.L.C.	-	-	-	-	-	-			-	-								Receivables
DuPont Surfaces (Guangzhou) Co., Limited.	127,843,845	-	-	-	-	-			-	-								Payables
DuPont International Operations Sarl	1,071,980,694	-	16,747	21,914,454	45,326,364	4,644,300			(726)	-								Receivables
DUPONT SPECIALTY PRODUCTS K.K.	82,299,304	-	-	1,274,216	-	-			-	-								Payables
DUPONT SPECIALTY PRODUCTS K.K.	-	-	-	-	-	1,198,187			-	-								Receivables
DUPONT SCIENCE AND TECHNOLOGIES LLC	-	-	-	-	2,194,659	-			4,283,115	-								Payables
DuPont (Shenzhen) Industrial Company Limited	-	-	-	-	-	-			-	-								Receivables
DuPont -MRC CO Limited	-	-	-	-	-	-			-	-								Payables
Belco Technologies Corporation	-	-	-	-	-	6,697,380			-	-								Receivables
DuPont (Changshu) Fluoro Technology Co.,	-	-	-	-	-	-			-	-								Payables
DuPont Asturias Industrial S.L.	-	-	-	-	-	4,732,306			-	-								Receivables
DuPont Titanium Technology (Taiwan) Co.	-	-	-	-	-	-			-	-								Payables
DuPont Apollo Limited	-	-	-	-	-	-			120,000	-								Receivables
DuPont Lanka Private Limited	-	-	-	-	-	5,224,936			-	-								Payables
Coastal Training Technologies India Private Limited	-	-	-	-	-	7,004,758			-	-								Receivables
Du Pont (Australia) Limited.	1,395,920	-	89,449,484	-	3,199,564	30,948,362			-	-								Payables
DuPont Mexico S.A. de C.V.	-	-	-	-	-	-			-	-								Receivables
E.I. du Pont Canada Company	-	-	-	6,822,085	-	-			-	-								Payables
Dupont China Holding Company Limited	21,664,677	-	-	21,609	27,298,881	15,592,436			-	-								Receivables
DUP DE COLOMBIA SA	-	-	-	-	-	-			-	-								Payables
DuPont De Nemours (France) S.A.S	-	-	-	-	-	-			-	-								Receivables
Du Pont de Nemours (Belgium) BVBA	-	-	-	-	-	-			-	-								Payables
Du Pont de Nemours (Nederland) B.V.	-	-	-	-	-	-			-	-								Receivables
Du Pont de Nemours (Deutschland) GmbH	273,018,810	-	-	-	-	-			-	-								Payables
DuPont de Nemours (Luxembourg) SARL	73,118,253	-	-	-	-	-			-	-								Receivables
Du Pont de Nemours International S.A	12,400,575	-	-	-	1,127,865	-			-	-								Payables
Du Pont Company (Singapore) Pte Limited.	9,138,358,260	-	7,239,812	171,296,982	6,671,997	97,590,933			4,397,598	-								Receivables
Du Pont Far East, Inc	-	-	-	-	492,127	-			-	-								Payables
DuPont Malaysia SDN BHD	800,080	-	21,385,463	-	11,551,263	5,722,246			388,702	-								Receivables
Du Pont Far East (Philippines Branch)	-	-	-	-	-	-			-	-								Payables
Du Pont do Brasil S.A.	15,485,804	-	-	-	-	-			-	-								Receivables
Du Pont Kabushiki Kaisha	236,453,874	-	139,347	41,957,167	14,388,343	13,611,036			-	-								Payables
Du Pont (Korea) Inc	549,058,898	-	-	3,290,397	14,820,065	15,527,388			498,519	-								Receivables
Du Pont Taiwan Limited	41,809,644	-	26,157,200	8,776,178	4,682,167	4,062,333			135,329	-								Payables
Du Pont (Thailand) Limited	61,220,921	-	10,601,419	-	13,012,466	2,097,147			19,983,859	-								Receivables
Danisco US Inc.	-	-	-	-	71,712,055	-			-	5,816,248								Payables
DuPont Holographics Inc.	78,140,859	-	-	-	-	-			-	-								Receivables
Du Pont Apollo (Shenzhen) Limited	201,551,097	-	15,031	302,356	982,433	2,337,413			-	-								Payables
Solae Company India Private Limited	-	-	-	-	10,945,520	-			5,185,376	-								Receivables
Danisco India Pvt. Limited	-	-	-	-	41,208,683	-			166,328,239	-								Payables



**29 Related Party Disclosures (Cont.)**

Name of the related party	Purchase of Raw Material and Finished Goods	Purchase of Fixed Assets / (CWP)	Sale of Finished Goods	Income from Pre Sales Support Services	Income from Services	Inter company service expenses	Loan Taken	Loan Repaid	Recovery/ Reimbursement of expenses	Sale of Fixed assets	Remuneration	Interest Paid / Payable	Loan Given	Loan Receipts	Interest Earned	Royalty Paid / Payable	(figures in Rs)		
																	Outstanding Balances	As at March 31, 2017	
E.I. DuPont Services Centre India Private Limited	-	-	-	-	-	285,251,329	-	-	49,238,282	1,450,258	-	-	-	-	-	-	-	Payables Receivables	- 17,575,906
Pioneer Hi-Bred Pvt Ltd	-	-	-	-	-	-	-	-	322,496	-	-	-	-	-	-	-	-	Payables Receivables	- 34,797,726
DUPONT SAUDI ARABIA LLC	-	-	-	-	-	-	-	-	78,260	-	-	-	-	-	-	-	-	Payables Receivables	- 78,260
DUPONT QFC LLC	-	-	-	-	-	-	-	-	185,910	-	-	-	-	-	-	-	-	Payables Receivables	- 176,945
Danisco Malaysia Sdn. Bhd.	-	-	-	-	5,417,212	-	-	-	586,148	-	-	-	-	-	-	-	-	Payables Receivables	- 1,451,652
DANISCO SWETENERS (ANYANG) CO., LTD	-	-	-	-	-	-	-	-	(0)	-	-	-	-	-	-	-	-	Payables Receivables	- -
DANISCO (ZHANGJIAGANG) TECTURAL ING	-	-	-	-	-	-	-	-	300,302	-	-	-	-	-	-	-	-	Payables Receivables	- -
Du Pont Products S.A.	-	-	-	-	-	2,495,076	-	-	692,423	-	-	-	-	-	-	-	-	Payables Receivables	- 0
Danisco (China) Co. Ltda.	-	-	-	-	-	1,918,912	-	-	-	-	-	-	-	-	-	-	-	Payables Receivables	- -
DuPont Shineway Luohe Protein Company LT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables Receivables	- -
Solae Europe S.A.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables Receivables	- -
COASTAL TRAIN PHILIP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables Receivables	- 0
Du Pont de Nemours Nigeria Limited	-	-	-	-	-	-	-	-	668,935	-	-	-	-	-	-	-	-	Payables Receivables	- -
DuPont Nutrition Biosciences ApS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables Receivables	- (8,848)
Danisco Australia Pty Limited	-	-	-	-	3,931,149	-	-	-	1,431,494	-	-	-	-	-	-	-	-	Payables Receivables	- 2,197,673
Danisco (China) Holding Co. Ltd.	-	-	-	-	-	-	-	-	-	20,213,279	-	-	-	-	-	-	-	Payables Receivables	- 19,634,422
Ultimate Holding Co.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Payables	-
E.I.DuPont de Nemours & Co. Inc., USA	2,727,624,649	-	3,469	45,757,984	745,943,239	127,374,631	-	-	46,078,334	-	-	-	-	-	-	-	-	Receivables Payables	192,745,586 (1,094,616,079)
Holding Company DuPont India Limited, USA	-	-	-	-	-	-	-	-	-	-	10,445,227	-	-	-	-	-	-	Loan Payable Outstanding (including Interest)	- (716,103,662)
Key Management Personnel **																			
Mr. Ram K Mudholkar	-	-	-	-	-	-	-	-	-	-	25,859,938	-	-	-	-	-	-	Payables	-
Mr. Anurag Srivastava	-	-	-	-	-	-	-	-	-	-	16,932,190	-	-	-	-	-	-	Payables	-
Ms Sanjit Kaur Batra	-	-	-	-	-	-	-	-	-	-	6,812,031	-	-	-	-	-	-	Payables	-
Mr. Vijay kumar Srivasatava	-	-	-	-	-	-	-	-	-	-	9,133,945	-	-	-	-	-	-	Payables	-
Mr. Samar Bhatia	-	-	-	-	-	-	-	-	-	-	3,532,605	-	-	-	-	-	-	Payables	-
<b>Total</b>	<b>15,899,137,391</b>	<b>565,799</b>	<b>616,808,390</b>	<b>430,270,050</b>	<b>1,784,157,882</b>	<b>698,822,216</b>	<b>13,029,246,531</b>	<b>14,030,387,292</b>	<b>308,185,581</b>	<b>28,899,901</b>	<b>62,270,709</b>	<b>12,808,159</b>	<b>4,892,619,852</b>	<b>4,892,619,852</b>	<b>9,206,272</b>	<b>-</b>	<b>-</b>		



**Notes to the Provisional financial statements (Cont.)****Note 30: Contingent Liabilities**

All amounts in Rs. Lakhs unless otherwise stated

	31 March 2018	31 March 2017
(i) Claims against the company not acknowledged as debts:		
- Demands from Government authorities, being contested by the Company		
a) Income tax matters	16,964	16,842
b) Sales tax matters	422	394
c) Excise, customs and service tax matters	5,512	5,562
- Other legal matters* ( Rs. 164.05 lakhs paid under protest included in Note 6)	943	899
(ii) Guarantees issued by the Company to banks for loan taken by others (to the extent of loan guaranteed to the bank)	7,126	9,792

The amounts stated in item (i) above represent the best possible estimates arrived at on the basis of available information and are shown at gross basis without considering the refunds adjusted by the tax authority. The uncertainties and possible reimbursements are dependent on the outcome of the different legal processes which have been invoked by the company or the claimants as the case may be, and therefore cannot be predicted accurately.

The amounts stated in item (ii) above represent the outstanding balances of facilities as at March 31, 2018 utilised by third party borrowers under the Channel Financing Scheme. The total limit of the guarantee is Rs.15,500 Lakhs (2017: Rs. 15,500 Lakhs)

\* Besides the matters included above, there are certain other cases filed against the company which are presently sub-judice and the amounts involved are not ascertainable.

**Note 31: Commitments**

	31 March 2018	31 March 2017
<b>Capital commitments</b>		
Capital expenditure contracted towards property, plant and equipment at the end of the reporting period but not recognised as liabilities [Net of Advances Rs 10.01 Lakhs (2017 Rs 16.92 Lakhs)]	189	236

**Non cancellable operating leases**

The Company has entered into operating lease transactions for office premises for periods ranging between 1-9 years. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated.

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable, is as follows:

	31 March 2018	31 March 2017
Within one year	1,235	825
Later than one year but not later than 5 years	1,687	1,283
Later than 5 years	-	-
	<b>2,922</b>	<b>2,109</b>
<b>Rental expense relating to operating leases</b>		
Minimum lease payments	1,730	1,511
Total rental expense relating to operating leases	2,162	1,540

**Note 32: Share based payments**

a) The employees of the Company are entitled to certain Restricted stock units (RSU), Non Qualified Stock Options (NQO) under a scheme of E.I.DuPont de Nemours & Co Inc USA ("the ultimate holding company"). This scheme is managed and administered by the ultimate holding company and the compensation benefits in respect of scheme are also assessed and accounted by the ultimate holding company except to the extent of certain cross charge made to the Company each year. During the year, the company has been cross charged Rs. Nil (2017: Rs. 296.58 Lakhs) towards the above and this has been charged in the statement of profit and loss under the head Employee benefits. The shares of

All amounts in Rs. Lakhs unless otherwise stated

the ultimate holding company are traded on the New York Stock Exchange.

<b>Restricted Stock Units (RSU)</b>		
The movement in the RSU's in number of units is as follows:		
	March 31, 2018	March 31, 2017
Beginning balance	4,451	4,451
Granted	1,200	2,348
Exercised	3,512	3,022
Transferred in	-	1,369
Forfeited	-	-
<b>Ending balance</b>	<b>5,146</b>	<b>4,451</b>

Some of the relevant information in respect of the grant is given below

Date of Grant	No. of units granted	"Weighted Average Grant Date Value (in USD)"
6-Feb-14	2,216	61.9
4-Feb-15	2,164	73.74
3-Feb-16	2,505	58.76
2-Feb-17	2,348	76.17
2-Feb-18	1,200	70.11

### **Non Qualified Stock Options (NQO) Annual Grant**

The movement in the NQO's is as follows:

	March 31, 2017	March 31, 2016
Beginning balance	18,535	2,912
Granted	-	-
Exercised	-	14,606
Transfer in	-	30,229
Forfeited	-	-
<b>Ending balance</b>	<b>18,535</b>	<b>18,535</b>

- b) Certain employees of the company are eligible to receive Share Appreciation Rights (SAR) under a scheme which is managed and administered by the ultimate holding company. During the year, certain employees exercised their SARs based on which the company has recognised an expense of Rs. 17.9 Lakhs (2017: Rs. 119.07 Lakhs) under the head Employee expense. Further in respect of the outstanding SARs as at March 31, 2018, the company has recognised a liability of Rs. 180.12 Lakhs (2017: Rs. 200.44 Lakhs) based on the closing price of the equity shares of the ultimate holding company as at March 31, 2018.

### **Share Appreciation Rights (SAR)**

The movement in the SARs in number of units is as follows:

	March 31, 2018
Beginning balance	25,702
Granted	1,125
Exercised	750
Transfer in	-
Forfeited	-
<b>Ending balance</b>	<b>26,077</b>

All amounts in Rs. Lakhs unless otherwise stated

- c) Since the above mentioned schemes (covered under note 32(a) and (b) above) are administered by the ultimate holding company, the Company has presented information to extent available to them.

**Note 33: Earnings per share**

	31 March 2018	31 March 2017
<b>(a) Basic earnings/(loss) per share</b>		
From continuing operations attributable to the equity holders of the company	73.69	29.48
<b>Total basic earnings/(loss) per share attributable to the equity holders of the company</b>	<b>73.69</b>	<b>29.48</b>
<b>(b) Diluted earnings/(loss) per share</b>		
From continuing operations attributable to the equity holders of the company	73.69	29.48
<b>Total diluted earnings/(loss) per share attributable to the equity holders of the company</b>	<b>73.69</b>	<b>29.48</b>
<b>(c) Reconciliations of earnings/(loss) used in calculating earnings per share</b>		
Basic earnings/(loss) per share		
Profit/(loss) attributable to the equity holders of the company used in calculating basic earnings/(loss) per share:		
From continuing operations	41,231	16,522
<b>Profit/(loss) attributable to the equity holders of the company used in calculating basic earnings/(loss) per share:</b>	<b>41,231</b>	<b>16,522</b>
<b>Diluted earnings/(loss) per share</b>		
Profit/(loss) attributable to the equity holders of the company used in calculating diluted earnings/(loss) per share:		
Used in calculating basic earnings/(loss) per share	41,231	16,522
Adjustments, if any	-	-
Used in calculating diluted earnings/(loss) per share	41,231	16,522
<b>Profit/(loss) attributable to the equity holders of the company used in calculating diluted earnings/(loss) per share</b>	<b>41,231</b>	<b>16,522</b>
<b>(d) Weighted average number of shares used as the denominator</b>	No. of shares	No. of shares
Weighted average number of equity shares used as the denominator in calculating basic earnings/(loss) per share	560	560
<b>Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share</b>	<b>560</b>	<b>560</b>

**Note 34 Dues to micro and small enterprises**

The company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act"). The disclosures pursuant to the said MSMED Act, to the extent the information is available with the company, are as follows:

	March 31, 2018	March 31, 2017
A Principal amount remaining unpaid	55	81
B Interest due thereon	*	*
C Interest paid by the company in term of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the suppliers beyond the appointed day during the year	1	*
D Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	1
E 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 Micro, Small and Medium Enterprises Development Act, 2006	0	*
F Interest accrued and remaining unpaid	0	1
G 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	47	57

\* Amounts are below the rounding off norms adopted by the Company.



**Note 35**

On November 1, 2017, company has sold certain assets related to Herbicides, Insecticides and Research & Development of Crop Protection business to M/s FMC India Pvt Ltd in pursuant to Asset Transfer Agreement entered by the company and M/S FMC India Pvt Ltd. Certain assets are transferred on November 1, 2017 and certain are agreed to transfer in subsequent periods. The certain assets that are agreed to be transferred in subsequent periods are reported as "Assets Held For Sale" - refer to Note 3(v)

**Provisional Balance sheet**

All amounts in Rs. Lakhs unless otherwise stated

	<b>30 June, 2018</b>
<b>ASSETS</b>	
<b>Non-current assets</b>	
Property, plant and equipment	35,287
Capital work-in-progress	510
Intangible assets	40
Financial assets	
(i) Other financial assets	1,191
Deferred Tax Assets, Net	3,049
Other non-current assets	10,107
<b>Total non-current assets</b>	<b>50,184</b>
<b>Current assets</b>	
Inventories	72,684
Financial assets	
(i) Trade receivables	71,935
(ii) Cash and cash equivalents	50,975
(iii) Other financial assets	1,498
Other current assets	20,249
Assets Classified as Held for sale	3,295
<b>Total current assets</b>	<b>220,636</b>
<b>Total assets</b>	<b>270,820</b>
<b>EQUITY AND LIABILITIES</b>	
<b>Equity</b>	
Equity share capital	5,595
<b>Other Equity</b>	
Reserves and Surplus	108,523
<b>Total equity</b>	<b>114,118</b>
<b>Liabilities</b>	
<b>Non-current liabilities</b>	
Financial liabilities	
(i) Borrowings	7,548
(ii) Other financial liabilities	-
Employee benefit obligations	909
Deferred tax liabilities, net	
Other non-current liabilities	1,128
<b>Total non-current liabilities</b>	<b>9,585</b>
<b>Current liabilities</b>	
Financial liabilities	
(i) Borrowings	47,000
(ii) Trade payables	87,323
(iii) Other financial liabilities	88
Provisions	2,745
Employee benefit obligations	2,010
Other current liabilities	7,950
<b>Total current liabilities</b>	<b>147,117</b>
<b>Total liabilities</b>	<b>156,702</b>
<b>Total equity and liabilities</b>	<b>270,820</b>



All amounts in Rs. Lakhs unless otherwise stated

**Provisional Statement of profit and loss**

	<b>Period ended 30 June, 2018</b>
<b>Revenue from operations</b>	99,167
<b>Other income</b>	-
<b>Total income</b>	<b>99,167</b>
<b>Expenses</b>	
Cost of materials consumed	36,890
Purchases of stock-in-trade	1,439
Changes in inventories of work-in-progress, stock-in-trade and finished goods	46,400
Excise duty	-
Employee benefit expense	5,042
Depreciation and amortisation expense	975
Exchange Gain or Loss	4,944
Other expenses	8,322
Finance costs	133
<b>Total expenses</b>	<b>104,145</b>
<b>Profit/(Loss) before tax</b>	<b>(4,978)</b>
Income tax expense	
-Current tax	132
-Current tax pertaining to earlier years	-
-Deferred tax	(423)
<b>Total tax expense</b>	<b>(291)</b>
<b>Profit/(Loss) for the year</b>	<b>(4,687)</b>
<b>Other comprehensive income</b>	
Items that will not be reclassified to profit or loss	
Remeasurement of post-employment benefit obligations	-
Deferred income tax relating to this item	-
<b>Other comprehensive income/(loss) for the year</b>	<b>-</b>
<b>Total comprehensive income/(loss) for the year</b>	<b>(4,687)</b>

**INDEPENDENT AUDITORS' REPORT****To the Members of Performance Specialty Products (India) Private Limited****Report on the Financial Statements****INDEPENDENT AUDITORS' REPORT****To the members of Performance Specialty Products (India) Private Limited****Report on the Financial Statements**

1. We have audited the accompanying standalone financial statements of Performance Specialty Products (India) Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements to give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Opinion**

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the 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 March 31, 2017, and its loss for the year ended on that date.

**INDEPENDENT AUDITORS' REPORT****To the Members of Performance Specialty Products (India) Private Limited****Report on the Financial Statements****Report on Other Legal and Regulatory Requirements**

9. This report does not contain a statement on the matters specified in paragraphs 3 and 4 of 'the Companies (Auditor's Report) Order, 2016' issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act as, in our opinion, and according to the information and explanations given to us, the Order is not applicable in the case of the Company.
10. As required by Section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) Clause (i) of section 143(3) is not applicable pursuant to notification G.S.R. 583 dated 13 June 2017.
  - (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
    - i. The Company does not have any pending litigations as at March 31, 2017 which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts as at March 31, 2017.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017.
    - iv. The Company did not have any holdings or dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 – Refer Note 6.

For Price Waterhouse & Co Chartered Accountants LLP  
Firm Registration Number: 304026E/E-300009  
Chartered Accountants

Place: Hyderabad  
Date: 28-09-2017

Sunit Kumar Basu  
Partner  
Membership number: 55000





## PERFORMANCE SPECIALTY PRODUCTS (INDIA) PRIVATE LIMITED

### BALANCE SHEET

	Notes	As at March 31, 2017
<b>EQUITY AND LIABILITIES</b>		
Shareholders' Funds		
Share Capital	3	100,000
Reserves and Surplus	4	(100,375)
Current Liabilities		
Other Current Liabilities	5	100,000
<b>TOTAL</b>		<b>99,625</b>
<b>ASSETS</b>		
Cash and Cash Equivalents	6	99,625
<b>TOTAL</b>		<b>99,625</b>

The notes are an integral part of these financial statements.

This is the Balance Sheet referred to in our report of even date.

For Price Waterhouse & Co Chartered Accountants LLP  
Firm Registration Number: 304026E/E-300009

Sunit Kumar Basu  
Partner  
Membership No: 55000

Place: Hyderabad  
Date: 28-09-2017

Anshul Saharan  
Director

Place: Gurgaon  
Date: 28-09-2017

For and on behalf of the Board of Directors

Nepal Pal  
Director

**PERFORMANCE SPECIALTY PRODUCTS (INDIA) PRIVATE LIMITED****STATEMENT OF PROFIT AND LOSS**

	Notes	Year ended March 31, 2017
<b>Revenue</b>		
Income from operations		-
<b>Total revenue</b>		-
<b>Expenditure</b>		
Other expenses	7	100,375
Total expenses		<b>100,375</b>
Profit before tax		(100,375)
<b>Tax expense</b>		
Current tax		-
Deferred tax		-
<b>Loss for the year</b>		<b>(100,375)</b>
<b>Earnings per equity share [Nominal Value per share: Rs. 10</b>		
Basic and Diluted	8	(10.04)

The notes are an integral part of these financial statements.

This is the Statement of Profit and Loss referred to in our report of even date.

For Price Waterhouse & Co Chartered Accountants LLP  
Firm Registration Number: 304026E/E-300009

Sunit Kumar Basu  
Partner  
Membership No: 55000

Place: Hyderabad  
Date: 28-09-2017

Anshul Saharan  
Director

Place: Gurgaon  
Date: 28-09-2017

For and on behalf of the Board of Directors

Nepal Pal  
Director

## PERFORMANCE SPECIALTY PRODUCTS (INDIA) PRIVATE LIMITED

### CASH FLOW STATEMENT

	Year ended March 31, 2017
<b>A. Cash flow from operating activities:</b>	
Net profit before tax	(100,375)
Operating profit before working capital changes	(100,375)
Adjustments for changes in working capital :	
Increase / (Decrease) in Other Current Liabilities	100,000
<b>Cash generated from operations</b>	<b>(375)</b>
Less: Income Tax paid (including TDS and net of refunds received)	-
<b>Net cash generated from operating activities</b>	<b>(A) (375)</b>
<b>B. Cash flow from Investing activities:</b>	
Purchase of Fixed Assets	-
Sale of Tangible Assets	-
Interest Received	-
<b>Net cash used in investing activities</b>	<b>(B) -</b>
<b>C. Cash flow from financing activities:</b>	
Proceeds from issuance of Shaers	100,000
Repayment of short term borrowings	-
Interest Paid	-
<b>Net cash generated from financing activities</b>	<b>(C) 100,000</b>
Net Increase/(Decrease) in Cash & Cash Equivalents [(A) + (B) + (C)]	99,625
Cash and cash equivalents as at beginning of the year	-
<b>Cash and cash equivalents as at end of the year</b>	<b>99,625</b>
<b>1. Notes :</b>	
Cash and cash equivalents comprise	
Balances with scheduled banks in Current Account	99,625
<b>Total</b>	<b>99,625</b>

- 2.** The above Cash flow statement has been prepared under the indirect method as set out in the Accounting Standard 3 on cash flow statements.

This is the cashflow statement referred to in our report of even date

For Price Waterhouse & Co Chartered Accountants LLP  
Firm Registration Number: 304026E/E-300009

For and on behalf of the Board of Directors

Sunit Kumar Basu  
Partner  
Membership No: 55000

Anshul Saharan  
Director

Nepal Pal  
Director

Place: Hyderabad  
Date: 28-09-2017

Place: Gurgaon  
Date: 28-09-2017

# PERFORMANCE SPECIALTY PRODUCTS (INDIA) PRIVATE LIMITED

## Notes to the financial statements

### 1 GENERAL INFORMATION

PERFORMANCE SPECIALTY PRODUCTS (INDIA) PRIVATE LIMITED (the “company”) is engaged in the business of manufacturing, marketing, distributing, packing, processing, producing, preserving, importing, exporting, buying, selling, providing consultancy or other dealing in nutrition and health, industrial bioscience, electronics and communications, protection technologies, building innovations and sustainable solutions businesses including any pre-commercial activities associated with such businesses.

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 ACCOUNTING CONVENTION

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the Standards of Accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.

The Ministry of Corporate Affairs(MCA) has notified the Companies (Accounting Standards) Amendment Rules,2016.The said notification read with rule 3(2) of the Companies (Accounting Standard) Rule,2006 is applicable to accounting period commencing on or after the date of notification i.e, April 1,2016.

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

#### 2.2 USE OF ESTIMATES

The preparation of the financial statements in conformity with generally accepted accounting principles in India requires the management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

#### 2.3 TAXATION

- a) Tax expense for the year comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with taxation laws prevailing.
- b) Deferred tax is recognised on timing differences between the accounting income and the taxable income for the year and quantified using the tax rates and tax laws enacted or substantively enacted

as on the Balance Sheet date. Deferred tax assets are recognised and carried forward to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets in respect of unabsorbed depreciation or carry forward losses are recognised only to the extent there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. The carrying amount of deferred tax assets is reviewed at each balance sheet date for any write down or reversal, as considered appropriate.

- c) For units under Tax holiday, deferred tax is recognised only for such timing differences which originate during the tax holiday period but reverse after the tax holiday period.
- d) Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax.
- e) Minimum Alternate Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

#### **2.4 EARNINGS PER SHARE**

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

#### **2.5 CASH AND CASH EQUIVALENTS**

In the cash flow statement, cash and cash equivalents includes cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

#### **2.6 PROVISIONS AND CONTINGENCIES**

- a) Provisions: Provisions are recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.
- b) Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

**PERFORMANCE SPECIALTY PRODUCTS (INDIA) PRIVATE LIMITED**
**Notes to the financial statements (cont.)**
**3 Share Capital**

	<b>As at March 31, 2017</b>
Authorised	
10,000 equity shares of Rs 10 each	100,000
<b>Issued, subscribed and paid-up</b>	
10,000 Equity shares of Rs.10/- each fully paid up	<b>100,000</b>
	<b>100,000</b>

**a Reconciliation of Number of Shares**

During the year the Company has neither issued nor bought back any equity shares, nor there was any other movement in the number of shares. Hence no reconciliation of movement of shares outstanding at the beginning and at the end of the year is required to be given.

**b Terms / Rights attached to shares**

The Company has only one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

**c Shares held by Holding Company and subsidiary of Holding Company / Ultimate Holding Company**

	<b>As at March 31, 2017</b>
9,999 Equity Shares of Rs. 10 each are held by SP India LLC	99,990
1 Equity Shares of Rs. 10 each are held by DuPont Operations Inc	10
	<b>100,000</b>

**d Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company**

	<b>As at March 31, 2017</b>	
	<b>Number</b>	<b>% holding</b>
Equity shares: SP India LLC	9,999	99.99%

**Notes to the financial statements (cont.)****4 Reserves and Surplus**

	<b>As at March 31, 2017</b>
Surplus in Statement of Profit and Loss	
Balance as at the beginning of the year	-
Add: Profit for the year	(100,375)
<b>Balance as at the end of the year</b>	<b>(100,375)</b>

**5 Other Current Liabilities**

	<b>As at March 31, 2017</b>
Statutory Dues (Including Provident Fund and Tax Deducted At Source)	10,000
Other Liabilities	90,000
	<b>100,000</b>

**6 Cash and Cash Equivalents**

	<b>As at March 31, 2017</b>
Balances with Banks	
-In Current Accounts	99,625
	<b>99,625</b>

**7 Other Expenses**

	<b>Year Ended March 31, 2017</b>
Payment to Auditors (excluding Service Tax)	
As Auditors:	
Audit Fees	100,000
Tax Audit Fees	-
Certification	-
Others	-
Reimbursement of Expenses	-
Bank Charges	375
	<b>100,375</b>

**8 Earnings Per Share**

(a) Net Profit after tax as per Statement of Profit and Loss	(100,375)
(b) Weighted average number of shares of Rs.10 each outstanding	10,000
(c) Basic and Diluted Earnings Per Share [(a) / (b)]	(10.04)

There are no potentially dilutive equity shares outstanding as at the Balance Sheet date

- 9** The Company has prepared its financial statements for the first time for the period commencing from October 25, 2016 (date of incorporation) to March 31, 2017, hence, disclosure of comparative information is not applicable.

**PERFORMANCE SPECIALTY PRODUCTS (INDIA) PRIVATE LIMITED**

All amounts in Rupees, unless otherwise stated

**PROVISIONAL BALANCE SHEET**

	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Shareholders' Funds</b>		
Share Capital	100,000	100,000
Reserves and Surplus	(200,375)	(100,375)
<b>Current Liabilities</b>		
Short-term Borrowings	-	-
Other Current Liabilities	200,000	100,000
<b>TOTAL</b>	<b>99,625</b>	<b>99,625</b>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents	<b>99,625</b>	<b>99,625</b>
<b>TOTAL</b>	<b>99,625</b>	<b>99,625</b>

The notes are an integral part of these financial statements.  
This is the Balance Sheet referred to in our report of even date.



## PERFORMANCE SPECIALTY PRODUCTS (INDIA) PRIVATE LIMITED

All amounts in Rupees, unless otherwise stated

### PROVISIONAL STATEMENT OF PROFIT AND LOSS

	Note	As at March 31, 2018	As at March 31, 2017
<b>Revenue</b>			
Service Income		-	-
Other income		-	-
<b>Total revenue</b>		<b>-</b>	<b>-</b>
<b>Expenditure</b>			
Employee Benefits Expense		-	-
Finance Costs		-	-
Depreciation and amortisation expense		-	-
Other Expenses	7	100,000	100,375
<b>Total expenses</b>		<b>100,000</b>	<b>100,375</b>
<b>Profit Before Tax</b>		<b>(100,000)</b>	<b>(100,375)</b>
<b>Tax Expense :</b>			
Current Tax		-	-
Additional/(Reversal) of Income tax relating to earlier years		-	-
Deferred tax		-	-
<b>Profit for the year</b>		<b>(100,000)</b>	<b>(100,375)</b>
Earnings per equity share [Nominal Value per share: Rs. 10 (March 31, 2017 : Rs.10)]	8		
Basic and Diluted		(10.00)	(10.04)

The notes are an integral part of these financial statements.

**PERFORMANCE SPECIALTY PRODUCTS (INDIA) PRIVATE LIMITED**

All amounts in Rupees, unless otherwise stated

**PROVISIONAL CASH FLOW STATEMENT**

	Year ended March 31, 2018	Year ended March 31, 2017
<b>A. Cash flow from operating activities:</b>		
Net profit before tax	(100,000)	(100,375)
<b>Operating profit before working capital changes</b>	(100,000)	(100,375)
Adjustments for changes in working capital :		
Increase / (Decrease) in Other Current Liabilities	100,000	100,000
<b>Cash generated from operations</b>	-	(375)
Less: Income Tax paid (including TDS and net of refunds received)	-	-
<b>Net cash generated from operating activities (A)</b>	-	(375)
<b>B. Cash flow from Investing activities:</b>		
Purchase of Fixed Assets	-	-
Sale of Tangible Assets	-	-
Interest Received	-	-
<b>Net cash used in investing activities (B)</b>	-	-
<b>C. Cash flow from financing activities:</b>		
Proceeds from issuance of Shaers	-	100,000
Repayment of short term borrowings	-	-
Interest Paid	-	-
<b>Net cash generated from financing activities (C)</b>	-	100,000
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents [(A) + (B) + (C)]</b>	-	99,625
<b>Cash and cash equivalents as at beginning of the year</b>	99,625	-
<b>Cash and cash equivalents as at end of the year</b>	99,625	99,625

**Notes :**

<b>1.</b> Cash and cash equivalents comprise		
Cash in hand	-	-
Balances with Non Scheduled Banks in Current Account	-	-
Balances with Scheduled Banks in Current Account	99,625	99,625
<b>TOTAL</b>	<b>99,625</b>	<b>99,625</b>

- 2.** The above Cash flow statement has been prepared under the indirect method as set out in the Accounting Standard 3 on cash flow statements.

This is the cashflow statement referred to in our report of even date

## PERFORMANCE SPECIALTY PRODUCTS (INDIA) PRIVATE LIMITED

### Notes to the provisional financial statements

#### 1 GENERAL INFORMATION

PERFORMANCE SPECIALTY PRODUCTS (INDIA) PRIVATE LIMITED (the “company”) to carry on the business of manufacturing, marketing, distributing, packing, processing, producing, importing, exporting, buying and selling products.

#### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### 2.1 ACCOUNTING CONVENTION

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the Standards of Accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.

The Ministry of Corporate Affairs(MCA) has notified the Companies (Accounting Standards) Amendment Rules,2016.The said notification read with rule 3(2) of the Companies (Accounting Standard) Rule,2006 is applicable to accounting period commencing on or after the date of notification i.e, April 1,2016.

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

##### 2.2 USE OF ESTIMATES

The preparation of the financial statements in conformity with generally accepted accounting principles in India requires the management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

##### 2.3 TAXATION

- a) Tax expense for the year comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with taxation laws prevailing.
- b) Deferred tax is recognised on timing differences between the accounting income and the taxable income for the year and quantified using the tax rates and tax laws enacted or substantively enacted as on the Balance Sheet date. Deferred tax assets are recognised and carried forward to the extent that there is reasonable certainty that sufficient future taxable income will be available against which

such deferred tax assets can be realised. Deferred tax assets in respect of unabsorbed depreciation or carry forward losses are recognised only to the extent there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. The carrying amount of deferred tax assets is reviewed at each balance sheet date for any write down or reversal, as considered appropriate.

- c) For units under Tax holiday, deferred tax is recognised only for such timing differences which originate during the tax holiday period but reverse after the tax holiday period.
- d) Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax.
- e) Minimum Alternate Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

#### **2.4 EARNINGS PER SHARE**

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

#### **2.5 CASH AND CASH EQUIVALENTS**

In the cash flow statement, cash and cash equivalents includes cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

#### **2.6 PROVISIONS AND CONTINGENCIES**

- a) Provisions: Provisions are recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.
- b) Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

## PERFORMANCE SPECIALTY PRODUCTS (INDIA) PRIVATE LIMITED

### Notes to the provisional financial statements (Cont.)

All amounts in Rupees, unless otherwise stated

#### 3 Share Capital

	As at March 31, 2018	As at March 31, 2017
<b>Authorised</b>		
10,000 equity shares of Rs 10 each	100,000	100,000
<b>Issued, subscribed and paid-up</b>		
10,000 Equity shares of Rs.10/- each fully paid up	<b>100,000</b>	<b>100,000</b>
	<b>100,000</b>	<b>100,000</b>

#### a Reconciliation of Number of Shares

During the year the Company has neither issued nor bought back any equity shares, nor there was any other movement in the number of shares. Hence no reconciliation of movement of shares outstanding at the beginning and at the end of the year is required to be given.

#### b Terms / Rights attached to shares

The Company has only one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

#### c Shares held by Holding Company and subsidiary of Holding Company/Ultimate Holding Company

	As at March 31, 2018	As at March 31, 2017
9,999 Equity Shares of Rs. 10 each are held by SP India LLC	99,990	99,990
1 Equity Shares of Rs. 10 each are held by DuPont Operations Inc	10	10
	<b>100,000</b>	<b>100,000</b>

#### d Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at March 31, 2018		As at March 31, 2017	
	Nos.	% holding	Nos.	% holding
Equity shares: SP India LLC	9,999	99.99%	9,999	99.99%

**4 Reserves and Surplus**

	As at March 31, 2018	As at March 31, 2017
Surplus in Statement of Profit and Loss		
Balance as at the beginning of the year	-	-
Add: Profit for the year	(100,000)	(100,375)
<b>Balance as at the end of the year</b>	<b>(100,000)</b>	<b>(100,375)</b>

**5 Other Current Liabilities**

	As at March 31, 2018	As at March 31, 2017
Statutory Dues (Including Provident Fund and Tax Deducted At Source)	10,000	10,000
Other Liabilities	190,000	90,000
<b>Balance as at the end of the year</b>	<b>200,000</b>	<b>100,000</b>

**6 Cash and Cash Equivalents**

	As at March 31, 2018	As at March 31, 2017
Balances with Banks -In Current Accounts	99,625	99,625
	<b>99,625</b>	<b>99,625</b>

**7 Other Expenses**

	Year Ended March 31, 2018	Year Ended March 31, 2017
Payment to Auditors (excluding Service Tax)	-	-
As Auditors:		
Audit Fees	100,000	
Tax Audit Fees	-	100,000
Certification	-	-
Others	-	-
Reimbursement of Expenses	-	-
Bank Charges	-	-
		375
	<b>100,000</b>	<b>100,375</b>

**8 Earning Per Share**

	March 31, 2018	March 31, 2017
(a) Net Profit after tax as per Statement of Profit and Loss	(100,000)	(100,375)
(b) Weighted average number of shares of Rs.10 each outstanding	10,000	10,000
(c) Basic and Diluted Earnings Per Share [(a) / (b)]	(10.00)	(10.04)

There are no potentially dilutive equity shares outstanding as at the Balance Sheet date


**PERFORMANCE SPECIALTY PRODUCTS (INDIA) PRIVATE LIMITED**

All amounts in Rupees, unless otherwise stated

**PROVISIONAL BALANCE SHEET**

	<b>As at June 30, 2018</b>
<b>EQUITY AND LIABILITIES</b>	
<b>Shareholders' Funds</b>	
Share Capital	100,000
Reserves and Surplus	(200,375)
<b>Current Liabilities</b>	
Short-term Borrowings	-
Other Current Liabilities	200,000
<b>TOTAL</b>	<b>99,625</b>
<b>ASSETS</b>	
<b>Current Assets</b>	
Cash and Cash Equivalents	99,625
<b>TOTAL</b>	<b>99,625</b>

This is the Balance Sheet referred to in our report of even date.

**PERFORMANCE SPECIALTY PRODUCTS (INDIA) PRIVATE LIMITED**

All amounts in Rupees, unless otherwise stated

**PROVISIONAL STATEMENT OF PROFIT AND LOSS**

	<b>Period ended 30-Jun-18</b>
<b>Revenue</b>	
Service Income	-
Other income	-
<b>Total revenue</b>	-
<b>Expenditure</b>	
Employee Benefits Expense	-
Finance Costs	-
Depreciation and amortisation expense	-
Other Expenses	-
<b>Total expenses</b>	-
<b>Profit Before Tax</b>	-
<b>Tax Expense :</b>	
Current Tax	-
Additional/(Reversal) of Income tax relating to earlier years	-
Deferred tax	-
<b>Profit for the year</b>	-



**Date:** April 25, 2018

The Board of Directors  
EIDuPont India Private Limited,  
7th Floor, Tower C, DLF Cyber Greens,  
Sector-25A, DLF City, Phase III,  
Gurgaon - 122002, Haryana, India

**Sub: Recommendation of Equity Share Entitlement ratio for the proposed demerger of in connection with the demerger of SP Undertaking of E.I. Du Pont India Private Limited ("Demerged Undertaking") with Performance Specialty Products (India) Private Limited ("Transferee Company").**

Dear Sirs,

We refer to the engagement letter dated April 23, 2018 with Karvy Investor Services Limited ('KISL', 'we' or 'us'), wherein E.I. DuPont India Private Limited ("DuPont") has requested us to recommend a share Entitlement ratio of equity shares in connection with the proposed demerger of Demerged Undertaking with Transferee Company.

**SCOPE AND PURPOSE OF THE SWAP LETTER**

E.I. DuPont India Private Limited is a company incorporated under the Companies Act, 1956 having its registered office at 7th Floor, Tower C, DLF Cyber Greens, Sector-25-A, DLF City, Phase-III, Gurugram, Haryana 122 002, India ("Transferor Company"). The Company is inter alia engaged in light processing and sale of agricultural chemicals; engineering polymer products, tynex etc. and distribution of DuPont proprietary products such as specialty chemicals, packaging and industrial products. The Company is also engaged in safety related consultancy services in India and in providing administrative and other support services to DuPont entities worldwide.

Performance Specialty Products (India) Private Limited is a company incorporated under the Companies Act, 2013 having its registered office at 8th Floor, Tower-C DLF Cyber Greens, Sector-25A, DLF City Phase-III Gurgaon, Haryana 122 002 India ("Transferee Company"). The Transferee Company has been established as a private limited company to carry out the business of: (a) manufacturing, marketing, distributing, packing, processing, producing, buying, selling, importing and selling, trading, importing, exporting, providing consultancy or dealing in inter alia: in nutrition and health industries including food, beverage, dietary supplement and pharmaceutical; biotechnology and engineering solutions including enzymes, biomaterials, biocides and antimicrobial solutions; electronics and energy related industries including semiconductor, advanced chip packaging, circuit board, electronic and industrial finishing, photovoltaic, display, and digital and flexographic printing, wall coverings, high-performance fibers and foams, aramid papers and fibers, non-woven structures, membranes and filtration technologies, and protective garments; surface material, operations management consulting services and learning and development technologies to help improve the safety, productivity and sustainability of organizations; providing high-performance engineering resins, adhesives and lubricants or parts thereof in the transportation, electronics and medical markets.; and to do any pre-commercial activities associated with such businesses; (b) developing, improving, undertaking research stations and education programs, etc. for improvement and development of the company's products; and (c) acting as agents, distributors, wholesalers or dealing in goods and services which are produced by any Indian/foreign companies.

We understand that the management of Transferor and Transferee Company are considering a proposal to demerge Demerged undertaking with Transferee Company by implementing a Scheme of Arrangement under the provisions of Chapter XV of the Companies Act, 2013. As part of the proposed scheme, all assets and liabilities of Demerged Undertaking as on the appointed date (i.e 1-April-2019) shall eventually stand transferred to and vested with Transferee Company. As consideration for the transfer of Demerged Undertaking to Transferee Company, the Shareholders of Transferor Company will be issued equity shares of Transferee Company.

For this purpose, as requested, we are appointed to recommend the share Entitlement ratio in connection with the proposed demerger in the capacity of an Independent Merchant Banker registered with Securities and Entitlement Board of India.

This Swap Letter is our deliverable in respect of our recommendation of the share Entitlement ratio for the proposed demerger. This Swap Letter subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such, the Swap Letter is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

### **Sources of Information**

In connection with preparing this Swap Letter, we have received and relied upon the following sources of information from the Management of the Companies:

1. Management Representation Letter dated April 25, 2018 from Transferor and Transferee Company.
2. Shareholding pattern of Transferor and Transferee Company as on March 31, 2018.
3. Draft Scheme of Arrangement provided to us on April 24, 2018.
4. Discussions with and explanations given by the management/senior executives of Transferor Company on various issues.

### **SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS**

In accordance with the terms of our engagement, we have assumed and relied upon, without independent verification, (i) the accuracy of information (both written & verbal) made available to us by the Companies and (ii) the accuracy of the information that was publicly available, and formed substantial basis for this Swap letter. We have not carried out a due diligence or audit of the Companies, nor have we independently investigated or otherwise verified the data provided by the Companies. In rendering this Swap Letter, we have not provided legal, regulatory, tax accounting or actuarial advice and accordingly we do not assume any responsibility or liability in respect thereof. We do not express any opinion or offer any form of assurance that the explanations, financial information or other information as prepared and provided by the Companies is accurate and complete. Also, with respect to explanations and information sought from the Companies, we have been given to understand by the Companies that they have not omitted any relevant and material factors and that, in case of any doubt, they have checked the relevance or materiality of any specific information with respect to the present exercise with us.

Accordingly, we do not express any opinion or offer any form of assurance regarding its accuracy and completeness. Our conclusions are based on the assumptions and information given by/on behalf of the Companies. The respective Management of the Companies has indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our valuation analysis/results. Accordingly, we assume no responsibility for any errors in the information furnished by the Companies and their impact on the Swap Letter. However, nothing has come to our attention to indicate that the information provided was materially misstated/incorrect. We do not imply and it should not be construed that we have verified any of the information provided to us, or that our inquiries could have verified any manner, which a more extensive examination might disclose.

During the course of work, we have relied upon the management representation letter provided to us by the respective Management of the Companies.

Valuation work, by its very nature, cannot be regarded as an exact science and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgement. Given the same set of facts and using the same assumptions, expert opinion may differ due to number of separate judgement decisions, which have to be made. There can therefore be no standard formulae to establish an undisputable value, although certain formulae are helpful in assessing reasonableness. There is, therefore, no indisputable single Entitlement ratio. While we have provided our recommendation of the Share Entitlement Ratio based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion as to the Entitlement Ratio. You acknowledge and agree that you have the final responsibility for the determination of the Entitlement

Ratio at which the proposed Amalgamation shall take place and factors other than this Report will need to be taken into account in determining the Entitlement Ratio; these will include your own assessment of the proposed demerger and may include the inputs of other professional advisors.

This report and its contents is prepared for the Companies and to be used only for the specific engagement and regulatory reporting purposes (including to the National Company Law Tribunal) and must not be copied, disclosed or circulated or referred to or quoted in any correspondence, registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or discussion with any person. The report is confidential to the Companies and it is given on the express undertaking that will not be communicated, in whole or in part, to any third party without prior written consent of the valuer. Neither this report nor its contents may be used for any other purpose other than in connection with the proposed demerger without prior notice of the valuer.

This Swap Letter does not address the relative merits of the Transaction as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.

No investigation of the Companies' claim to title of assets has been made for the purpose of this Swap Letter and the Companies' claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of legal nature.

The fee for the Engagement is not contingent upon the results reported.

We owe responsibility to only the Board of Directors of Transferor Company which have retained us, and nobody else. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given to Transferor Company.

This Swap Letter is subject to laws of India. Karvy would not be referred as "expert" in any regulatory filings.

## **DISCLOSURE TO AUTHORITIES IN INDIA**

To the extent required under the applicable laws in relation to the Transaction, the Swap Letter can be shared with Shareholders of the Companies, Registrar of Companies, National Company Law Tribunal where registered offices of Companies are present and other relevant judicial, regulatory or government authorities as may be mandatorily required by the applicable laws, in connection with the Transaction outlined here. You may disclose the Swap Letter to your lawyers, statutory auditors, and advisors as long as you inform them, in advance, that we accept no liability to them and that no onward disclosure may be made. To the extent required by law / regulatory authorities, we will provide workings supporting our recommended share swap ratio. To extent required by any law or authority, Karvy will co-operate with the Companies to address the queries/comments of regulatory, governmental or judicial authorities.

## **METHODS OF VALUATION**

There are several methods for valuing the shares of a company, such as:

- (a) Capitalisation of Earnings Method;
- (b) Assets Based Valuation Method;
- (c) Market Price of Share Method;
- (d) Multiple based valuation techniques; and
- (e) Discounted Cash Flow ('DCF') Method.

## **APPROACH & METHODOLOGY OF SHARE ENTITLEMENT RATIO**

Arriving at the Share Entitlement Ratio for the proposed demerger would require the relative values of the concerned businesses. These values are to be determined independently but on a relative basis, and without considering the effect of the proposed demerger. The application of any method of valuation depends on the purposes for which the valuation is done. Although, different values may exist for different purposes, it cannot be too strongly emphasized

that a valuer can only arrive at one place for one purpose.

As per the Scheme, in consideration of the transfer of Demerged Undertaking with Transferee Company, Transferee Company shall issue & allot equity shares to the equity shareholders of Transferor Company based on the ratio of allotment of shares. For each Equity Share in the Transferor Company, the shareholders of Transferor Company shall be issued one Equity Share in the Transferee Company. Accordingly Transferee Company will issue 55,949,880 equity shares to the shareholders of Transferor Company based on their current shareholding in Transferor Company.

It should be understood that the valuation of any company or its assets is inherently subjective and is subject to certain uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made numerous assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the Companies. In addition, this valuation will fluctuate with changes in prevailing market conditions, the conditions and prospects, financial and otherwise, of the Companies, and other factors which generally influence the valuation of Companies and their assets.

Again, it is understood that this analysis does not represent a fairness opinion.

## **CONCLUSION**

In light of the above, and considering that all the shareholders of the Transferor Company will, upon the proposed Demerger, have their inter-se economic interests, rights and obligations in the Transferee Company in the same proportion as their economic interests, rights and obligations in the Transferor company, in our view, the Share Entitlement Ratio as proposed by the Management is fair in relation to the Proposed Demerger. Accordingly we consider that the Entitlement ratio of equity shares for the demerger of Demerged Undertaking with Transferee Company should be One (1) equity shares of Transferee Company of ₹10 Each fully paid up for every One (1) equity share of Transferor Company of ₹10 each fully paid up.

Our Swap Letter is based on the current equity share capital structure of the Companies. Any variation in the equity capital structures of the Companies prior to the Scheme of Arrangement becomes effective may have an impact on the swap ratio.

We appreciate the co-operation received by us from your executives during this assignment.

Thanking you,

Yours faithfully,

For and on Behalf of

**Karvy Investor Services Limited**

**M P Naidu**

**Assistant General Manager**

**REPORT UNDER SECTION 232(2)(C) OF THE COMPANIES ACT, 2013 ADOPTED BY THE BOARD OF DIRECTORS OF E. I. DUPONT INDIA PRIVATE LIMITED AT ITS MEETING HELD ON 27TH APRIL, 2018 EXPLAINING EFFECT OF THE SCHEME OF ARRANGEMENT ON MEMBERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS**

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The board of directors ("Board") of E. I. DuPont India Private Limited ("Transferor Company" or "Company") at its board meeting held on 27th April 2018 has approved the Scheme of Arrangement pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act 2013, as amended from time to time ("Act") and other applicable laws among the Company and Performance Specialty Products (India) Private Limited ("Transferee Company") (the "Scheme"). The Scheme is subject to requisite approval(s) of the National Company Law Tribunal, Bench at Chandigarh.

While deliberating on the Scheme, the Board of the Company had, inter alia, considered the following:

- Draft Scheme of Arrangement; and
- Share Entitlement Ratio report dated 25th April 2018 issued by Karvy Investor Services Limited, Merchant Bankers recommending the share entitlement ratio for issuance of equity shares by the Transferee Company to the members of the Transferor Company ("Valuation Report").

After considering the documents referred above, the Board of the Company approved the draft Scheme.

In accordance with Section 232(2)(c) of the Companies Act 2013, ("the Act") a report adopted by the directors of the Transferor Company explaining effect of scheme on each class of members, key managerial personnel ("KMP"), promoters and non-promoter shareholders is required to be circulated to the members or class of members or creditors or class of creditors, as the case may be, for the meeting of the creditors or class of creditors or members or class of members, as the case may be, along with the notice convening such meeting.

Therefore, in accordance with Section 232(2)(c) of the Act, the Board of the Company in its meeting held on 27th April 2018 took on record the following impact of the Scheme on the members and KMPs of the Company:

- (a) In the United States of America, E. I. du Pont de Nemours and Company ("DuPont"), the ultimate parent company of the Transferor Company and the Transferee Company, and The Dow Chemical Company ("Dow"), the ultimate parent company of the Dow group, have merged. The combined DowDuPont operations and assets have complementary portfolios of business in agriculture, material sciences and specialty products, which are proposed to be divided into three independent publicly traded companies, viz., an agriculture company, a material sciences company and a specialty products company, that will be more competitive than either company could be on its own and well equipped for science-driven, profitable and long-term growth. In light of the global realignment, the Transferor Company proposes to divest the SP Undertaking (as defined in the Scheme) to the Transferee Company under this Scheme. The demerger will lead to each vertical being better positioned than their predecessors to carry on its business and to continue driving innovation to provide superior solutions for customers, and better serve communities around the world making use of complementary portfolios, resources and capabilities.
- (b) Upon this Scheme coming into effect, the authorised share capital of the Transferee Company will be increased

in order to accommodate the issuance of share capital to the members of the Transferor Company and the memorandum of association of the Transferee Company shall stand modified and be substituted to reflect the increased authorised share capital.

- (c) Upon this Scheme coming into effect, in terms of Clause 3.5.3 of Part III of the Scheme, members of the Transferor Company shall be entitled to receive equity shares of Transferee Company. Accordingly, One (1) fully paid up equity share having face value of INR 10/- each of the Transferee Company will be issued for One (1) fully paid up equity share of INR 10/- each in Transferor Company.
- (d) The Share Entitlement Ratio report dated 25th April 2018 issued by Karvy Investor Services Limited, Merchant Bankers, recommending the share exchange ratio for issuance of equity shares by the Transferee Company to the members of the Transferor Company does not mention any special difficulties faced in the valuation.
- (e) The pre-Demerger and post-Demerger shareholding pattern of Transferee Company (as per shareholding pattern on 31st March 2018) based on the agreed share exchange ratio shall be as under:

S.no.	Name of Shareholder	Pre-Demerger		Post-Demerger	
		No. of shares	Shareholding as a %	No. of shares (Proposed/ Indicative)	Shareholding as a % (Proposed/ Indicative)
1.	Dupont India Limited, LLC USA	55,947,880	99.99%	55,947,880	99.99%
2.	Dupont Chemicals and Energy Operations, Inc., USA	2,000	0.01%	2,000	0.01%

Save as otherwise disclosed above and except being member of the companies involved in the Scheme, none of the directors or KMPs or their relatives, is concerned, or interested financial or otherwise in the Scheme.

There will be no adverse effect of the said Scheme on the members (the only class of members), KMPs, promoter and non-promoter shareholders of the Company.

#### FOR E. I. DUPONT INDIA PRIVATE LIMITED

**SANJIT KAUR BATRA**

**DIRECTOR**

**DIN:**

**PLACE: Gurgaon**

**DATE: 27.04.2018**



**FORM NO. MGT-11  
FORM OF PROXY**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

**Name of the Company:** E.I. DUPONT INDIA PRIVATE LIMITED

**CIN No.:** U24299HR1994PTC034086

**Registered Office:** 7TH FLOOR, TOWER C, DLF CYBER GREENS, SECTOR 25-A, DLF CITY, PHASE III, GURUGRAM, HARYANA 122 002, INDIA.

<b>Name of the Unsecured Creditor:</b>	
<b>Registered Address:</b>	
<b>Email ID:</b>	
<b>Amount of Unsecured Debt (Rs.)</b>	

I/We, being the Unsecured creditor representing INR \_\_\_\_\_ of the unsecured debt of the above named company, hereby appoint:

<b>Name</b>	
<b>Address</b>	
<b>Email ID</b>	
<b>Signature or failing him/her</b>	

Or failing him

<b>Name</b>	
<b>Address</b>	
<b>Email ID</b>	
<b>Signature or failing him/her</b>	

Or failing him

<b>Name</b>	
<b>Address</b>	
<b>Email ID</b>	
<b>Signature or failing him/her</b>	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the meeting of the Unsecured Creditors of the Company to be held on Saturday, the 13th day of October 2018, at 7th Floor, Tower C, DLF Cyber Greens, Sector 25-A, DLF City, Phase - III, Gurugram, Haryana 122 002, India at 10:30 AM and at any adjournment thereof in respect of such resolutions as are indicated below:

## Resolution No. 1

S. No	Resolution(s)	Vote	
		For	Against
1.	<p><b>“RESOLVED THAT</b> pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013, other applicable enactments, rules, regulations and guidelines, Memorandum and Articles of Association of the Company and subject to the sanction by the National Company Law Tribunal, Bench at Chandigarh (<b>“NCLT”</b>) and subject to other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the NCLT, the approval of the Unsecured Creditors of the Company be and is hereby accorded to the Scheme of Arrangement among E.I. Dupont India Private Limited and Performance Speciality Products (India) Private Limited.</p> <p><b>RESOLVED FURTHER THAT</b> the Board of Directors of the Transferor Company be and are hereby authorized to do and perform all such acts, deeds, matters and things, as may be considered requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangements embodied in the Scheme and to accept such modification, amendments, limitations and conditions, if any, which may be required and/or imposed by the NCLT and/or any other authorit(ies) while sanctioning the Scheme or by any authority under the law, or as may be required for the purpose of resolving any doubt or difficulties that may arise in giving effect to the Scheme, as the Board may be deem fit and proper”</p>		

Signed this \_\_\_\_\_ day of September/October, 2018

Affix  
Revenue  
Stamp

Signature of Unsecured Creditor

Signature of Proxy Holder

### Notes:

- (1) Please affix revenue stamp before putting signature.
- (2) The proxy must be deposited at the Registered Office of the Company at 7th Floor, Tower C, DLF Cyber Greens, Sector 25-A, DLF City, Phase III, Gurugram, Haryana 122 002 at least 48 hours before the commencement of the meeting.
- (3) Strike out which is not necessary.
- (4) All alterations made in the Form of Proxy should be initialed.
- (5) Bodies Corporate would be required to deposit certified copy of the Board Resolution/Power of Attorney, as the case may be, authorizing the Individuals named therein, to attend & vote at the meeting on its behalf. These documents must be deposited at the Registered Office of the Company at 7th Floor, Tower C, DLF Cyber Greens, Sector 25-A, DLF City, Phase III, Gurugram, Haryana 122 002, India at least 48 hours before the commencement of the meeting.
- (6) In case of multiple proxies, proxy later in time shall be accepted.





**E.I. DUPONT INDIA PRIVATE LIMITED**

[CIN NO. U24299HR1994PTC034086]

7th Floor, Tower C, DLF Cyber Greens, Sector 25-A, DLF City, Phase III, Gurugram, Haryana 122 002

**ATTENDANCE SLIP**

I/We, \_\_\_\_\_ hereby record my/our presence at the meeting of the Unsecured Creditors of E.I. Dupont India Private Limited convened pursuant to Order dated 30th August 2018 of the Hon'ble National Company Law Tribunal, Bench at Chandigarh, at the registered office of the Company at 7th Floor, Tower C, DLF Cyber Greens, Sector 25-A, DLF City, Phase - III, Gurugram, Haryana 122 002, India on Saturday, the 13th day of October, 2018 at 10:30 AM.

Name & Address of the Unsecured Creditor :

\_\_\_\_\_

Name & Address of the Authorized Representative/  
Proxy Holder:

\_\_\_\_\_

Signature of the Unsecured Creditor/ Signature of  
the Proxy Holder /Authorized Representative :

\_\_\_\_\_

**Notes:**

Unsecured Creditors attending the Meeting in Person or by Proxy or through Authorized Representative are requested to complete and bring the Attendance Slip with them and hand it over at the entrance of the Meeting Hall.

**E.I. DUPONT INDIA PRIVATE LIMITED**

[CIN NO.U24299HR1994PTC034086]

7th Floor, Tower C, DLF Cyber Greens, Sector 25-A, DLF City, Phase III, Gurugram, Haryana 122 002

Email: sanjit-kaur.batra@dupont.com, Website: www.dupont.co.in

Tel No. +91-124-4091818, Fax No. +91-124-2540889

**POSTAL BALLOT FORM**

Name of the Unsecured Creditor:

(in block letters)

Registered Address of the :

Unsecured Creditor

I/We hereby exercise my/our vote through Postal Ballot in respect of the Resolution to be passed at the Meeting convened by order dated 30th August, 2018 passed by the National Company Law Tribunal, Bench at Chandigarh for the business stated in the Notice dated 4th September, 2018 of the Company by conveying/ sending my/our assent or dissent to the said Resolution by placing tick (√) mark at the appropriate box below:

Description of the Resolution	Amount of Unsecured Debt (Rs)	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (Against)
<p>“RESOLVED THAT pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013, other applicable enactments, rules, regulations and guidelines, Memorandum and Articles of Association of the Company and subject to the sanction by the National Company Law Tribunal, Bench at Chandigarh (“NCLT”) and subject to other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the NCLT, the approval of the Unsecured Creditors of the Company be and is hereby accorded to the Scheme of Arrangement among E.I. Dupont India Private Limited and Performance Speciality Products (India) Private Limited.</p> <p>RESOLVED FURTHER THAT the Board of Directors of the Transferor Company be and are hereby authorized to do and perform all such acts, deeds, matters and things, as may be considered requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangements embodied in the Scheme and to accept such modification, amendments, limitations and conditions, if any, which may be required and/or imposed by the NCLT and/or any other authority(ies) while sanctioning the Scheme or by any authority under the law, or as may be required for the purpose of resolving any doubt or difficulties that may arise in giving effect to the Scheme, as the Board may be deem fit and proper”</p>			

Date:

Place:

\_\_\_\_\_  
(Signature of Unsecured Creditor)

**Notes:**

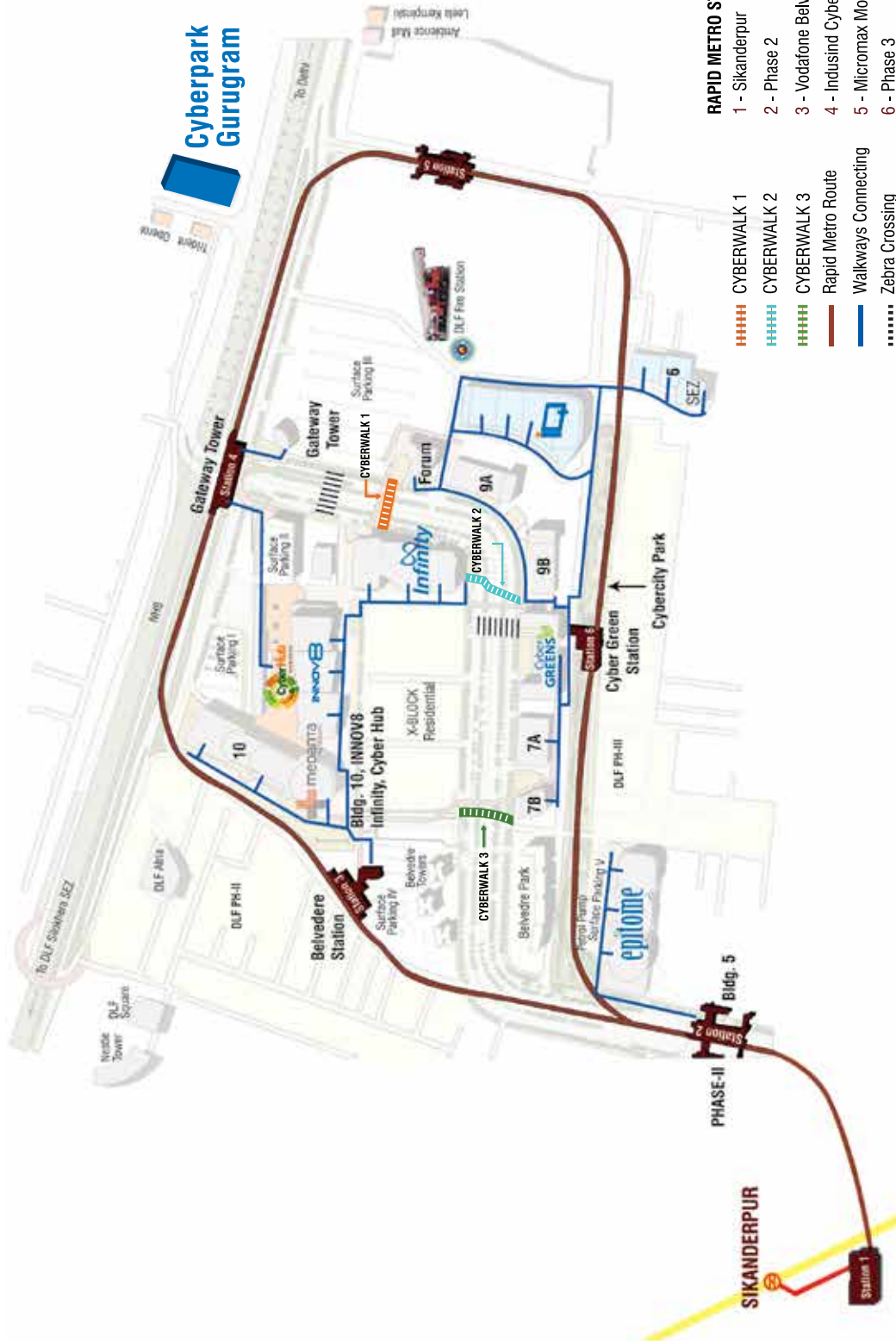
- 1) Please read the instructions carefully printed overleaf before exercising the vote and return this form to the scrutinizer by using the enclosed self addressed envelope.
- 2) Last date for receipt of Postal Ballot Form by the Scrutinizer: 12th October, 2018 upto 5:00 PM.

**Instructions**

1. An Unsecured Creditor desiring to exercise vote by postal ballot, may complete this Postal Ballot Form and send it to the scrutinizer in the attached postage pre-paid self-addressed envelope. However, envelopes containing Postal Ballot Form, if sent in person or by courier or registered post or speed post at the expense of the Unsecured Creditor will also be accepted.
2. The Postal Ballot Form should be completed and signed by the Unsecured Creditor.
3. An incomplete, unsigned, incorrectly completed, incorrectly ticked, defaced, torn, mutilated, over written, wrongly/unsigned Postal Ballot Form will be rejected.
4. Duly completed Postal Ballot Form should reach the scrutinizer not later than 5:00 P.M. 12th October, 2018. Any Postal Ballot Form received after this date, will be strictly treated as if reply from such Unsecured Creditor has not been received.
5. Unsecured Creditor are requested not to send any other paper along with the Postal Ballot as any extraneous paper found in such envelope would be destroyed by the scrutinizer and the Company would not be able to act on the same.
6. The Postal Ballot shall not be exercised by a Proxy.
7. There will be only one Postal Ballot form for every Unsecured Creditor.
8. An Unsecured Creditor can opt for only one mode of voting i.e. either through Postal Ballot or polling paper at Tribunal Convened Meeting. In case Unsecured Creditor cast his/her vote by more than one means of voting, then voting will be counted in the following sequence of priority, namely, (i) Postal Ballot, and (ii) Polling Paper at Tribunal Convened Meeting, as may be applicable.
9. Scrutinizer's decision on the validity of the Postal Ballot shall be final.

Map not to scale

# Cyberpark Gurugram



## RAPID METRO STATIONS

- 1 - Sikanderpur
- 2 - Phase 2
- 3 - Vodafone Belvedere Towers
- 4 - Indusind Cybercity
- 5 - Micromax Moulisari Avenue
- 6 - Phase 3

- ||||| CYBERWALK 1
- ||||| CYBERWALK 2
- ||||| CYBERWALK 3
- Rapid Metro Route
- Walkways Connecting
- ..... Zebra Crossing