

Crystal Crop Protection Limited

[CIN: U72100GJ1994PLC097033]

Registered Office: 206, 2nd Floor, Span Trade Centre,
Opp. Kochrab Gandhi Ashram, Near Paldi Char Rasta,
Ashram Road, Ellisbridge, Ahmedabad-380 006, Gujarat

E-mail: investor@crystalcrop.com;

Website: www.crystalcropprotection.com

Meeting of Secured Creditors of Crystal Crop Protection Limited scheduled to be held under the supervision of the Hon'ble National Company Law Tribunal

Day	Thursday
Date	22 nd December, 2022
Time	3:00 P.M.
Venue	B-95, Wazirpur Industrial Area, Delhi – 110052

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Contact Person for any clarification/assistance

Vikram Singh Company Secretary Crystal Crop Protection Limited	+91-11-2700-6800 investor@crystalcrop.com
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Sd/-
Rajeev K Goel, Advocate
Chairperson of the meeting

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BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD BENCH, AHMEDABAD
(ORIGINAL JURISDICTION)
CA (CAA) NO. 55/AHM/2022
IN THE MATTER OF THE COMPANIES ACT, 2013 (18 OF 2013)
SECTIONS 230 & 232
AND
IN THE MATTER OF SCHEME OF ARRANGEMENT
AND
IN THE MATTER OF

CRYSTAL CROP PROTECTION LIMITED

APPLICANT COMPANY/RESULTING COMPANY

NOTICE CONVENING MEETING

To

The Secured Creditors

of Crystal Crop Protection Limited

Take Notice that the Hon'ble National Company Law Tribunal, Ahmedabad Bench, Ahmedabad (the "Tribunal"), vide its Order dated, 1st November, 2022 (date of pronouncement), inter alia, directed for convening of the meetings of Secured Creditors and Unsecured Creditors of the Applicant Company-Crystal Crop Protection Limited for the purpose of considering and, if thought fit, approving, with or without modification(s), the proposed Scheme of Arrangement in the nature of Demerger of Demerged Undertaking, i.e., Agri Chemical and Equipment Business Undertaking of Aviral Crop Science Private Limited ("Demerged Company") into Crystal Crop Protection Limited ("Applicant Company"/"Resulting Company") and their respective shareholders and creditors ("Scheme of Arrangement/Scheme"); and other connected matters, if any. The following Special Business will be transacted in the aforesaid meeting:

To consider and, if thought fit, to pass, with or without modification(s), the following resolution with specific majority as provided under Sections 230 and 232 of the Companies Act, 2013, and other applicable provisions, if any:

***"Resolved that** pursuant to the provisions of sections 230& 232 of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the National Company Law Tribunal Rules, 2016, and other applicable provisions, if any, and subject to the approval of the Tribunal and/or other competent authorities, if any, consent of the Secured Creditors be and is hereby given for the proposed Scheme of Arrangement and other connected matters.*

***Resolved further that** the salient features/terms and conditions of the arrangement, as set out in the draft Scheme of Arrangement placed before the meeting, which, inter-alia, include the following:*

- ***"Appointed Date"** means 1st day of April, 2022 or such other date as may be agreed between the Board of Directors of the Demerged Company and the Resulting Company collectively and approved by NCLT (as defined hereinafter) or any other appropriate authority.*
- ***"Effective Date"** means the last of the dates on which certified copy of the order of the Tribunal sanctioning this Scheme is filed by the Companies with the Registrar of Companies, Ahmedabad and Bengaluru, respectively as required under the provisions of the Act. Any references in the Scheme to "upon the Scheme becoming effective" or "effectiveness of the Scheme" or "Scheme coming into effect" shall mean the "Effective Date".*
- ***Consideration***
 - a. *Upon this Scheme becoming effective and in consideration of and subsequent to the transfer of the Agri Chemical and Equipment Business Undertaking by the Demerged Company to the Resulting Company, without any further application, deed payment, consent, acts, instrument, the*

Resulting Company shall issue and allot equity shares (hereinafter referred to as the “New Equity Shares”) at par on a proportionate basis to each shareholder of the Demerged Company, whose name is recorded in the register of members of the Demerged Company as holding equity shares on the Record Date, in the ratio of 0.3253:1 i.e. 32.53 equity shares of Rs. 10 each of the Resulting Company to be issued for every 100 equity shares of Rs. 10 each of the Demerged Company, held by the shareholders of the Demerged Company.

- b. The New Equity Shares to be issued to the shareholders of the Demerged Company under Clause 17(a) shall be subject to the terms of the memorandum and article of association of the Resulting Company and shall rank pari passu with the existing shares of the Resulting Company in all respects.*
- c. No shareholder of the Demerged Company shall be issued or allotted any fractional shares consequent upon Demerger and all such fractional shares shall be rounded to the nearest integer.*
- On Demerger, all the employees of the Demerged Company employed in the activities relating to the Demerged Undertaking, in service on the Effective Date, if any, shall become the employees of the Resulting Company, on and from such date without any break or interruption in service and upon terms and conditions not less favorable than those applicable to them in the Demerged Undertaking, of the Demerged Company, on the Effective Date.*

Resolved further that subject to the approval of the Tribunal and/or other competent authorities, if any, the draft Scheme of Arrangement, as placed in the meeting, be and is hereby approved.

Resolved further that the Board of Directors of the Company be and is hereby authorized to take necessary steps to obtain necessary approval(s) for the aforesaid Scheme of Arrangement and for effective implementation of the same, including but not limited to, to agree to such conditions or modifications (including the appointed date(s), etc.) that may be imposed, required or suggested by the Tribunal or any other authorities or that may otherwise be deemed fit or proper by the Board and to do all other acts, deeds or things which may be ancillary or incidental to the above mentioned matter or which may otherwise be required for the aforesaid Scheme.”

Take Further Notice that in pursuance of the said order, a meeting of the Secured Creditors of Crystal Crop Protection Limited is scheduled to be held on Thursday, 22nd December, 2022, at 3:00 P.M. at B-95, Wazirpur Industrial Area, Delhi – 110052.

Take Further Notice that you may attend and vote at the said meeting in person or by proxy, provided that a proxy in the prescribed form, duly signed by you, is deposited at the registered office of the Company not later than 48 hours before the time fixed for the meeting.

The Tribunal has appointed Mr. Rajeev K Goel, Advocate as the Chairperson and Mr. Rajeev Kumar, Advocate as the Alternate Chairperson; and Mr. Shashank Pashine, Practicing Company Secretary, as the Scrutinizer, of the aforesaid meeting.

A copy each of the Explanatory Statement [under Sections 230, 232 and 102 of the Companies Act, 2013 and the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, and other applicable provisions, if any], the proposed Scheme of Arrangement, Form of Proxy, Attendance Slip and other documents, if any, are enclosed.

The proposed Scheme of Arrangement, if approved in the meeting(s), will be subject to the subsequent approval of the Hon'ble National Company Law Tribunal, Ahmedabad Bench, Ahmedabad.

Dated: November 14, 2022

Sd/-

Rajeev K Goel, Advocate
Chairperson of the meeting

Notes:

1. Only Secured Creditors of the Company may attend and vote (either in person or by proxy or by authorized representative as per Section 113 of the Companies Act, 2013) at the meeting of Secured Creditors. The authorized representative of a body corporate which is a Secured Creditor of the Company may attend and vote at the Secured 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 time fixed for convening the meeting, authorizing such representative to attend and vote at the meeting; or appropriate authorization for such purpose is produced at the time of attending the meeting.
2. **A SECURED CREDITOR OF THE COMPANY, ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF/ITSELF AND SUCH PROXY NEED NOT BE A CREDITOR OF THE COMPANY. THE FORM OF PROXY DULY COMPLETED AND SIGNED SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE TIME FIXED FOR CONVENING THE MEETING.**
3. **Please note that a person can act as a proxy on behalf of Secured Creditors not exceeding 50 (fifty) in number and holding in aggregate not more than 10 (ten) percent of the total value of Secured debt/votes in the Company. Further, Secured Creditors holding more than 10 (ten) percent of the total value of Secured debt/votes in the Company may appoint a single person as proxy and such person shall not act as proxy for any other Secured Creditor.**
4. All the alterations, made in the Proxy Form, must be initialed.
5. The voting rights of Secured Creditors shall be in proportion to the principal amount due to them as on closure of business hours on 31st July 2022 ("Cut-off Date"), as reflected in the books of account of the Applicant Company.
6. Notice of the meeting is being sent to all such Secured Creditors as on Cut-off Date.
7. In terms of the directions contained in the Order, the notice convening the aforesaid meeting will be published through advertisement in English Daily, Financial Express and in Gujarati Language, Financial Express (both having circulation in Ahmedabad) as well as in English Daily, Business Standard and in Hindi Language, Business Standard, (both having circulation in Delhi), indicating the day, date, time and place of the Meeting and stating that the copies of the Scheme of Arrangement, the Explanatory Statement, the form of Proxy, and other relevant documents can be obtained free of charge on all working days (except Saturday) during 11:00 A.M. to 05:00 P.M. from the Registered Office of the Company.
8. All the persons attending the meeting are advised to carry their original photo identity proof for verification.
9. Notice of the meeting, Explanatory Statement and other documents are also being placed on the following website(s):

Particulars	Website
Crystal Crop Protection Limited	www.crystalcropprotection.com

Encl.: As above

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Crystal Crop Protection Limited

[CIN: U72100GJ1994PLC097033]

Registered Office: 206, 2nd Floor, Span Trade Centre,
Opp. Kochrab Gandhi Ashram, Near Paldi Char Rasta,
Ashram Road, Ellisbridge, Ahmedabad-380 006, Gujarat

E-mail: investor@crystalcrop.com;

Website: www.crystalcropprotection.com

PROXY FORM

Name of Secured Creditor(s)	
Registered Address	
E-mail id	

I/We, being **Secured Creditor(s)** of Crystal Crop Protection Limited, hereby appoint the following person(s) as my/our proxy(ies):

1.	Name of Proxy holder	
	Address	
	E-mail id	

or failing him/her

2.	Name of Proxy holder	
	Address	
	E-mail id	

or failing him/her

3.	Name of Proxy holder	
	Address	
	E-mail id	

to attend and vote (on a poll) for me/us and on my/our behalf at the meeting of the **Secured Creditors of Crystal Crop Protection Limited scheduled to be held on Thursday, 22nd December, 2022, at 3:00 P.M. at corporate office of the Company located at B-95, Wazirpur Industrial Area, Delhi – 110 052**, and at any adjournment thereof for the purpose of considering and, if thought fit, approving, with or without modification, the proposed Scheme of Arrangement in the nature of Demerger of Demerged Undertaking, i.e., Agri Chemical and Equipment Business Undertaking of Aviral Crop Science Private Limited ("Demerged Company") into Crystal Crop Protection Limited ("Applicant Company"/"Resulting Company") and their respective shareholders and creditors ("Scheme of Arrangement/Scheme"); and other connected matters, if any.

Signed this _____ day of _____, 2022

Signature of the Secured Creditor(s):	Affix Revenue Stamp of appropriate value
---------------------------------------	--

Signature of the Proxy holder(s)	1.
	2.
	3.

Notes:

1. Please affix revenue stamp and cancel the Stamp by signing across the Stamp or otherwise.
2. **This Form of Proxy, in order to be effective, must be deposited at the registered office of the Company not later than 48 hours before the time fixed for convening the Meeting.**
3. Please note that a person can act as a proxy on behalf of Secured Creditors not exceeding 50 (fifty) in number and holding in aggregate not more than 10 (ten) percent of the total value of Secured debt/votes in the Company. Further, a Secured Creditor holding more than 10 (ten) percent of the total value of Secured debt/votes in the Company may appoint a single person as proxy and such person shall not act as proxy for any other Secured Creditor.
4. All the alterations, made in the Proxy Form, must be initialed.
5. Proxy need not be a member/creditor of the Company.
6. **All the persons attending the meeting are advised to carry their original photo identity proof for verification.**

Crystal Crop Protection Limited
[CIN: U72100GJ1994PLC097033]
Registered Office: 206, 2nd Floor, Span Trade Centre,
Opp. Kochrab Gandhi Ashram, Near Paldi Char Rasta,
Ashram Road, Ellisbridge, Ahmedabad-380 006, Gujarat
E-mail: investor@crystalcrop.com;
Website: www.crystalcropprotection.com

Attendance Slip

Name of Secured Creditor(s)	
Name of Proxy/ Authorized Rep., if any	
I hereby record my presence at the meeting of the Secured Creditors of Crystal Crop Protection Limited being held on Thursday, 22nd December, 2022, at 3:00 P.M. at corporate office of the Company located at B-95, Wazirpur Industrial Area, Delhi – 110052, under the supervision of the Hon'ble National Company Law Tribunal, Ahmedabad Bench, Ahmedabad for the purpose of considering and, if thought fit, approving, with or without modification, the proposed Scheme of Arrangement in the nature of Demerger of Agri Chemical and Equipment Business Undertaking of Aviral Crop Science Private Limited into Crystal Crop Protection Limited and their respective shareholders and creditors; and other connected matters, if any	

Signature

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BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

AHMEDABAD BENCH, AHMEDABAD

(ORIGINAL JURISDICTION)

CA (CAA) NO. 55/AHM/2022

IN THE MATTER OF THE COMPANIES ACT, 2013 (18 OF 2013)

SECTIONS 230 & 232

AND

IN THE MATTER OF SCHEME OF ARRANGEMENT

AND

IN THE MATTER OF

CRYSTAL CROP PROTECTION LIMITED

APPLICANT COMPANY/RESULTING COMPANY

EXPLANATORY STATEMENT TO THE NOTICE OF THE MEETING OF SECURED CREDITORS OF CRYSTAL CROP PROTECTION LIMITED UNDER SECTIONS 230, 232 AND 102 OF THE COMPANIES ACT, 2013 AND THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016, AND OTHER APPLICABLE PROVISIONS, IF ANY

1. Pursuant to the Order dated 1st November, 2022 (date of pronouncement) passed by the Ahmedabad Bench of the Hon'ble National Company Law Tribunal ("NCLT") in CA (CAA)/55/AHM/2022, the meeting of Secured Creditors of the Applicant Company-Crystal Crop Protection Limited is being convened and held for the purpose of considering and, if thought fit, approving with or without modification(s), the proposed Scheme of Arrangement in the nature of Demerger of Demerged Undertaking of Demerged Company into Resulting Company and their respective Shareholders and Creditors ("the Scheme") under Sections 230 & 232 of the Companies Act, 2013 ("Act") (including any statutory modification or re-enactment or amendment thereof) read with the rules issued thereunder and provisions of the Companies Act, 2013 as may be applicable.
2. A copy of the Scheme setting out in detail the terms and conditions, which has been approved by the Board of Directors of the Applicant Company at its meeting held on 21st June, 2022 is attached to this Explanatory Statement.
3. **Background of the Companies involved in the Scheme is as under:**

A. Crystal Crop Protection Limited ('the Applicant Company')

- i. Applicant Company was incorporated on 13th day of July, 1994, was originally incorporated as a private company limited by shares, with the name and style as 'Jai Bharat Crop Chemical Private Limited' vide Certificate of Incorporation issued by the Registrar of Companies, Ahmedabad. Then the name of the Applicant Company was changed to 'Crystal Crop Protection Private Limited' in the year 2010. Subsequently, it was converted into a public company pursuant to which, the name was changed to 'Crystal Crop Protection Limited' in the year 2018. The CIN of the Applicant Company is U72100GJ1994PLC097033. The Applicant Company is engaged in the business of manufacturing and distribution of various products ranging from agro-chemicals, seeds and farm equipment. The main objects of the Resulting Company are mentioned in its Memorandum of Association under Clause III (A).
- ii. The registered office of Resulting Company is presently located at 206, 2nd Floor, Span Trade Centre, Opp. Kochrab Gandhi Ashram, Near Paldi Char Rasta Ashram Road, Ellisbridge Ahmedabad, Gujarat - 380006.
- iii. The details of the authorized, issued, subscribed and paid-up share capital of the Applicant Company as on 31st March 2022, were as under:

Share Capital	Amount (in Rs.)
<u>Authorised Share Capital</u>	
31,16,50,000 Equity Shares of Rs.10/- each	311,65,00,000
TOTAL	311,65,00,000
<u>Issued, subscribed and paid-up Share Capital</u>	
13,39,19,311 Equity Shares of Rs.10/- each	133,91,93,110
Total	133,91,93,110

There has been no change in the capital structure of the Applicant Company subsequent to 31st March 2022.

- iv. The main objects of Applicant Company are set out in the Memorandum of Association of the Applicant Company as under:
- (i) To manufacture, formulate, produce, refine, process, buy, sell, export, Import or otherwise deal in all type of Agrochemicals.
 - (ii) To carry on the business of manufactures, producers, sellers, importers, exporters, distributors, commission agents, wholesale dealers in all kinds of pesticides including Insecticides and weedicides and all kinds of organic and Inorganic chemicals and allied chemicals including petroleum and petrochemicals and based products, drugs and all kinds of fertilizers and mineral powders.
 - (iii) To conduct Agriculture Research Equipments of pesticides or crops, about their efficacy safety and chemical composition, develop such research firm with cultivation of various crops and also to assist others in research of various pesticides and fertilizers on cost or free of cost basis.
 - (iv) To carry on the business of manufacturers, producers, refiners, processors, exporters, importers, distributors, traders, merchants, dealers, representatives, selling agents, buying agents, repackers, buyers, sellers, wholesalers, supplier and stockist of all kinds and varieties of surgical, medical, dental and scientific equipments, machines, instruments, accessories, and diagnostic kits and diagnostic equipments, healthcare aids and accessories, healthcare products and instruments and all other products of medical and surgical nature and providing them on lease, hire purchase basis to any person, firm, company or institutions carrying on or engaged in any business or transaction.
 - (v) To establish, run and maintain hospitals, diagnostic centers, nursing homes, maternity and family planning units, pathological laboratories, optician shops, mobile medical service centers and any medical and healthcare institutions and to promote research and development in these areas and providing them on lease, hire purchase basis to any person, firm or company carrying on or engaged in any business or transaction.
 - (vi) To buy, sell, import, export and generally deal either on cash, deferred payment installments or hire purchase basis in all plants and machinery, implements, accessories, tools, materials, substances, goods or things of any description including tractors, power tillers, sprayers, dusters, mist bowlers and all types of modern agricultural implements and equipments, and all type of plant protection chemicals, fishing boats, crafts and trawlers, fishing nets, cold storages, deep freeze equipments and all types of equipments required for forestry, animal husbandry, poultry farming, pisciculture, sericulture, agricultural produce and all other food materials including materials of animal origin, fuel oils, lubricants and such other articles, equipments, plant and machineries allied to above and providing them on lease, hire purchase basis to any person, firm, company or institutions carrying on or engaged in any business or transaction.
 - (vi) (a) To establish, setup, run, operate, manage and carry out the business of television broadcasting, T. V. Channels, relay transmission, re-broadcasting, media network, closed circuit television, direct satellite broad casting, television shows/programs, video productions and to setup television stations in various cities in India, subject to approval/ permission/ license issued by relevant Government authorities.

- (vi) (b) To produce, manage and acquire programmers for television relating to current affairs, Agriculture, sports, history, social/cultural, economic, technological, environmental, legal, marketing, management issues, as well as those in the entertainment segment including, but not limited to, the cinematic productions”.
- (vii) To develop, grow, produce, process, buy, sell, export, import, distribution, transportation and deal in agriculture seeds including seeds of cereals, oilseeds, vegetables, fiber, flower, spices, herbs, medicinal plants and all other kinds of seeds.
 - (viii) To develop, grow, produce, buy, sell, export, import and deal in all kinds of flowers, green plants & other similar products.
 - (ix) To carry on the business of experts, consultants and advisors in the field of agro-inputs and seed production.
 - (x) To enter into agreement with individuals, co-operative Societies, Companies, Corporation and other Government agencies in growing, processing, storing, distributing, transporting and selling of agricultural seeds.
 - (xi) To carry on business as manufactures, exporters, importers, wholesalers and dealers in all types of agri-inputs, like fertilizers, micronutrients, plant growth regulators, hormones, veterinary, live stock feeds and feed supplements, fish feeds and its supplements and agricultural machineries and their spare parts including seed packaging materials.
 - (xii) To acquire on outright purchase or on leasehold basis lands for its operations, construction of greenhouse, production of seeds and other related activities.
 - (xiii) To carry on in India or elsewhere the business to manufacture, process, produce, formulate, mix, disinfect, clean, wash, dilute, concentrate, compound, segregate, pack, repack, add, remove, heat grade, freeze, fermentate, reduce, improve, buy, sell, resell, import, export, barter, transport, store, forward, distribute, dispose, develop, handle, manipulate, market, procure, supply, treat, work and to act as agent, broker, representative consultants, collaborators, stockists, liaisoner, job workers, or otherwise to deal in all kinds of fertilizers and chemicals whether nitrogenous, phosphates, potash or otherwise such as single super phosphate, triple super phosphate, phosphate rock, sodium silica flouride, lime rock phosphate, urea, sulphur, gypsum, silicon flouride, vanadium pentoxide, oleum, sulphuric acid, zinc sulphate, silicon dioxide, phosphoric acid, nitric acid, hydrochloric acid, soda ash, caustic soda, chlorine based chemicals, diammonium phosphate, calcium chloride and other organic salts, by products, derivatives, compounds, residues, waste, whether straight, complex or mixed and whether granulated or otherwise and to do all incidental acts and things as may be necessary for the attainment of above object.
 - (xiv) To develop, implement, export, import, purchase, sell or lease and otherwise deal in software including conducting trainings and undertaking turnkey assignments in developing and training of all types of software.
 - (xv) To provide consultancy services on retainership or otherwise for training, development, all matters relating to management, marketing, manufacturing, personnel, systems and procedures and to develop, trade, export, import and also act as agents, collaborators with Indian and/or foreign parties for software and also to support and service the installed software.
 - (xvi) To carry on the business of providing solutions and services related to Web-Technologies, Internet and E-commerce, including to design, develop, maintain, operate, own, establish, install, host, provide, create, facilitate, supply, sale, purchase, licence or otherwise deal in Internet portals, Internet networks, Media Portals, Internet solutions, Internet gateways, Internet service providers, E-commerce, Web-site designing, Web based and Web enabled services and applications, E-commerce service provider, E-commerce solutions, E-commerce platforms, E-commerce education, E-commerce technologies and E-business solutions.

- (xvii) To undertake the business of advertisement and communication in digital media or in any other media including telecommunication solutions, wireless, data, Electronic article surveillance, GPS, transformation of video, audio or other related services on online mode or on any other mode in India or elsewhere.

B. Aviral Crop Science Private Limited ('the Demerged Company')

- i. Demerged Company was incorporated on 18th day of December, 2009, was originally incorporated as a private company limited by shares with the name and style as 'Toonz Retail India Private Limited' vide Certificate of Incorporation issued by the Registrar of Companies, Karnataka. Then the name of the Demerged Company was changed to 'ToonzRetaail India Private Limited' in the year 2010. Then the name was again changed to 'Toonz Retail India Private Limited' in the year 2012. Subsequently, the name was changed to present name in the year 2020 as 'Aviral Crop Science Private Limited'. The CIN of the Demerged Company is U18204KA2009PTC051872. The Demerged Company is primarily engaged in the business of trading of agri chemicals and agriequipments along with supply of manpower and technical support services to group entities. The main objects of the Demerged Company are mentioned in its Memorandum of Association under Clause III (A).
- ii. The registered office of Demerged Company is presently located at 320/02, Flower Garden, K.H. Ranganatha Colony, Opp. BHEL, Mysore Road Bangalore, Karnataka - 560026. Registered office of the Demerged Company was changed twice in past 5 years. In January 2020, Registered Office of the Demerged Company was changed from 16th B Cross Yelhanka New Town Opp. Bus Stand Bengaluru 560064, Karnataka to First Floor 64/3, Lakshmi Krupa, Shankar Mutt Road, Basavanagudi, Bengaluru 560004, Karnataka which was further changed in August 2020 to the current registered address.
- iii. The details of the authorized, issued, subscribed and paid-up share capital of the Demerged Company as on 31st March 2022, was as under:

Share Capital	Amount (in Rs.)
<u>Authorised Share Capital</u>	
20,00,000 Equity Shares of Rs.10/- each	2,00,00,000
TOTAL	2,00,00,000
<u>Issued, subscribed and paid-up Share Capital</u>	
20,00,000 Equity Shares of Rs.10/- each	2,00,00,000
Total	2,00,00,000

There has been no change in the capital structure of the Demerged Company subsequent to 31st March 2022.

- iv. The main objects of Demerged Company are set out in the Memorandum of Association of the Demerged Company as under:
 - i. To carry on India or elsewhere the business as manufacturers, contract manufacturers ,dealers, producers, processors, importers, exporters, merchandisers,, agents, sub-agents, brokers, whole sellers, franchisees, consignees, showroom owners, retailers, distributors, exchangers, traders, buyers, sellers, job workers, stockiest and to market, promote, organize, design, develop, cut sort and grade or otherwise to deal in all shapes, sizes, varieties, specifications, descriptions, applications of goods, merchandise, products, stationary items, beauty products, bags, footwear and clothes made of leather, leather of all types and kinds and articles made of the same and combinations thereof such as footwear, boxes, dresses, boots, shoes, clogs, lasts, gloves, fashion wears, men's wears, ladies wear, children wears, ropes, wallets, purses, key purses, belts, pouches, straps, colors, ropes, saddles, saddlery, harness, traveling bags, gaiters, heels, protectors, suitcases, briefcases, beddings, variety bags, horse riding equipment's, caps, fancy goods, jeweler, antiques, artifacts, cosmetics, healthcare products, toys, sculptures, models, articles or things, garments for men, women and children including sportswear and other allied goods made from cotton, silk, synthetic, jute, velvet, wool, rexin or any combination thereof etc., and their raw materials, components, ingredients, accessories and fittings and to do all incidental acts and things necessary for the attainment of the

above objects and also to appoint master franchisees, franchisees, agents, distributors, take licenses, sublease licenses and to open, run, franchisees, branches all over India and abroad, chain of retail stores for the above mentioned objects.

- ii. To manufacture, formulate, produce, refine, process, buy, sell, export, Import or otherwise deal in all type of Agrochemicals.
- iii. To carry on the business of manufactures, producers, sellers, importers, exporters, distributors, commission agents, wholesale dealers in all kinds of pesticides including Insecticides and weedicides and all kinds of organic and Inorganic chemicals and allied chemicals including petroleum and petrochemicals and based products, drugs and all kinds of fertilizers and mineral powders.
- iv. To develop, grow, produce, process, buy, sell, export, import, distribution, transportation and deal in agriculture seeds including seeds of cereals, oilseeds, vegetables, fiber, flower, spices, herbs, medicinal plants and all other kinds of seeds.
- v. To develop, grow, produce, buy, sell, export, import and deal in all kinds of flowers, green plants & other similar products.
- vi. To carry on the business of experts, consultants and advisors in the field of agro inputs and seed production.
- vii. To carry on in India or elsewhere the business to manufacture, process, produce, formulate, mix, disinfect, clean, wash, dilute, concentrate, compound, segregate, pack, repack, add, remove, heat grade, freeze, fermentate, reduce, improve, buy, sell, resell, import, export, barter, transport, store, forward, distribute, dispose, develop, handle, manipulate, market, procure, supply, treat, work and to act as agent, broker representative consultants, collaborators, stockists, liaisoner, job workers, or otherwise to deal in all kinds of fertilizers and chemicals whether nitrogenous, phosphates, potash or otherwise such as single super phosphate, triple super phosphate, phosphate rock, sodium silica flouride, lime rock phosphate, urea, sulphur, gypsum, silicon flouride, vanadium pentoxide, oleuim, sulphuric acid, zinc sulphate, silicon dioxide, phosphoric acid, nitric acid, hydrochloric acid, soda ash, caustic soda, chlorine based chemicals, diammonium phosphate, calcium chloride and other organic salts, by products, derivatives, compounds, residues, waste, whether straight, complex or mixed and whether granulated or otherwise and to do all incidental acts and things as may be necessary for the attainment of above object.
- viii. To carry on the business of providing Manpower placement, manpower consultancy and recruiting, selecting, interviewing, training and employing all types of executives, middle management staff, junior level staff, workers, labourers skilled/ unskilled etc. required to individuals, bodies, corporate, societies, undertakings, institutions, associations, government, local authorities etc.
- ix. To carry on the business of providing services as human resource managers, consultants and advisors and to provide contractual advise and guidance on employment matters and other human resource services associated with contractual services including termination and outplacement required to individuals, bodies, corporate, societies, undertakings, institutions, associations, government, local authorities etc.
- x. To carry on in India or elsewhere the business to provide, commercialize, control, develop, establish, handle, operate, organize, promote, service, supervise, represent and to act as consultants or deal in all types of job placement and employment listings that are geared toward recruiters and job seekers.
- xi. To carry on the business of providing recruitment and placement of all kind of personnel including managers, professionals, executives, skilled, semi-skilled, un-skilled workers, labourers & other technical personnel in India and abroad.
- xii. To provide manpower for industry and labour contractors, for security services, security guards, bodyguards and to provide training to security personals, guards, industrial labour/manpower.

4. Rationale of the Scheme

- (a) The Demerger of the Demerged Undertaking from the Demerged Company to the Resulting Company shall result in the following benefits:
- (i) The Agri Chemical and Equipment Business Undertaking of Demerged Company is similar to the business of Resulting Company and both Demerged Company and Resulting Company are part of the same promoter group. The Scheme would enable the promoter group to consolidate its agri-chemical and equipment business at one level i.e., the Resulting Company. Hence, the Scheme will create enhanced value for shareholders and allow a focused strategy in operations, which would be in the best interest of all the stakeholders.
 - (ii) Consolidating Demerged Undertaking with the Demerged Company will result in achieving synergies in operations and optimal utilisation of resources, thereby reducing operating costs of running the Demerged Undertaking; and
 - (iii) Reducing the *inter se* transactions between the Demerged Company and the Resulting Company, thereby reducing administrative costs and achieving efficiencies.
 - (iv) The Scheme would facilitate focused growth, operational efficiencies, business synergies, increased operational and customer focus in relation to the Demerged Undertaking in the Resulting Company. The Scheme would thus provide a platform for having a concentrated approach towards growth and development of the Demerged Undertaking.
 - (v) The financial position of the Demerged Company and the Resulting Company shall not be adversely affected by this Scheme. The said companies will continue to remain strong and will be able to meet and pay their debts as and when they arise.
 - (vi) There is no likelihood that the interests of any shareholder or creditor of either the Demerged Company or the Resulting Company would be prejudiced as a result of the Scheme. The demerger, transfer and vesting of the Demerged Undertaking will not impose any additional burden on the members of the Demerged Company or the Resulting Company. The Scheme is not prejudicial or against public interest in any manner and would serve the interest of all shareholders, creditors and other stakeholders of the Demerged Company and the Resulting Company.

Thus, the proposed Scheme would be in interest of the Demerged Company, the Resulting Company and their respective shareholders and other stakeholders (including employees) and will not be prejudicial to the interests of any concerned shareholders or creditors or general public at large.

5. Salient features of the Scheme:

- This Scheme of Arrangement is presented pursuant to the provisions of Section 230 to Section 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 (as may be applicable) for Demerger of Demerged Undertaking, Demerged Company into Resulting Company.
- Both the Companies shall, as may be required, make applications and/or petitions under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, to the NCLT for sanction of the Scheme and all matters ancillary or incidental thereto.
- “**Appointed Date**” means 1st day of April, 2022 or such other date as may be agreed between the Board of Directors of the Demerged Company and the Resulting Company collectively and approved by NCLT (as defined hereinafter) or any other appropriate authority.
- “**Effective Date**” means the last of the dates on which certified copy of the order of the Tribunal sanctioning this Scheme is filed by the Companies with the Registrar of Companies, Ahmedabad and Bengaluru, respectively as required under the provisions of the Act. Any references in the Scheme to “upon the Scheme becoming effective” or “effectiveness of the Scheme” or “Scheme coming into effect” shall mean the “Effective Date”.
- **CONSIDERATION**
 - a. Upon this Scheme becoming effective and in consideration of and subsequent to the transfer of the Agri Chemical and Equipment Business Undertaking by the Demerged Company to the

Resulting Company, without any further application, deed payment, consent, acts, instrument, the Resulting Company shall issue and allot equity shares (hereinafter referred to as the “**New Equity Shares**”) at par on a proportionate basis to each shareholder of the Demerged Company, whose name is recorded in the register of members of the Demerged Company as holding equity shares on the Record Date, in the ratio of 0.3253:1 i.e. 32.53 equity shares of Rs. 10 each of the Resulting Company to be issued for every 100 equity shares of Rs. 10 each of the Demerged Company, held by the shareholders of the Demerged Company.

- b. The New Equity Shares to be issued to the shareholders of the Demerged Company under Clause 17(a) shall be subject to the terms of the memorandum and article of association of the Resulting Company and shall rank *pari passu* with the existing shares of the Resulting Company in all respects.
- c. Approval of this Scheme by the shareholders of the Resulting Company shall be deemed to mean that the said shareholders have also accorded all relevant consents under the Act for the issue and allotment of the New Equity Shares by the Resulting Company to the shareholders of the Demerged Company.
- d. No shareholder of the Demerged Company shall be issued or allotted any fractional shares consequent upon Demerger and all such fractional shares shall be rounded to the nearest integer.
- e. The issue and allotment of New Equity Shares by the Resulting Company to the members of the Demerged Company is an integral part of this Scheme and shall be deemed to have been carried out without any further act or deed, and the approval of the members of the Resulting Company to the Scheme shall be deemed to be due compliance of the provisions of Sections 42 and 62 and other relevant or applicable provisions of the Act.

• **ACCOUNTING TREATMENT FOR DEMERGER**

Accounting treatment in the books of Demerged Company

- (a) Upon this Scheme becoming effective and with effect from the Appointed Date, Demerged Company shall account for the Demerger in accordance with applicable accounting standard and Generally Accepted Accounting Principles as applicable and notified under section 133 of the Act read with relevant rules issued thereunder such that:
 - (i) All the assets, liabilities and allocated reserves of the Demerged Undertaking as appearing in the books of accounts of the Demerged Company shall stand transferred to and vested in the Resulting Company pursuant to the Scheme and shall be reduced from the respective book value of assets, liabilities, and reserves of the Demerged Company.
 - (ii) Inter-company loans and advances, receivables, payables, and other dues outstanding between the Demerged Company and the Resulting Company relating to the Demerged Undertaking will stand cancelled and there shall be no further obligation / outstanding in that behalf.
 - (iii) The difference, if any, between the book value of assets of the Demerged Undertaking of the Demerged Company transferred to Resulting Company less the book value of the liabilities of the Demerged Undertaking of the Demerged Company transferred to the Resulting Company, shall be recognized in Capital Reserve Account.

Accounting treatment in the books of Resulting Company

- (a) Upon this Scheme becoming effective the Resulting Company shall account for the Demerger of Demerged Undertaking in accordance with “Pooling of interest method” as laid down under Appendix C of Indian accounting Standard – 103 on Business Combinations notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standard) Rules, 2015 such that:
 - (i) All the assets, liabilities and allocated reserves of the Demerged Undertaking as appearing in the books of the Demerged Company shall be accounted in the books of the Resulting Company their respective carrying values in the same form as appearing in the books of the Demerged Company.

- (ii) All inter-company loans and advances, investments, receivables, payables, and other dues outstanding between the Demerged Company and the Resulting Company relating to the Demerged Undertaking will stand cancelled and there shall be no further obligation / outstanding in that behalf.
 - (iii) The Resulting Company shall credit to its Equity Share Capital account the aggregate face value of the Equity Shares, issued, and allotted by it to the shareholders of the Resulting Company pursuant to Clause 17 of this Scheme.
 - (iv) The difference, surplus, arising between the carrying value of the assets, liabilities and allocated reserves of the Demerged Undertaking, after taking the effect of clause 19.2(b), acquired pursuant to this Scheme by the Resulting Company, and amount credited to the Equity Share Capital under clause 19.2(c) above shall be credited to the Capital reserve in the books of the Resulting Company and would be presented separately from other capital reserves with disclosure of its nature and purpose in the notes to the financial statements of the Resulting Company. If such difference is a deficit, then the same shall be adjusted with existing revenue reserves of the Resulting Company in absence of any capital reserves.
 - (v) In case of any differences in accounting policies between the Demerged Company and the Resulting Company, the accounting policies followed by the Resulting Company shall prevail and the impact of such differences shall be adjusted in the revenue reserves of Resulting Company, to ensure that the financial statements reflect the financial position on the basis of consistent accounting policies.
 - (vi) The financial information in the financial statements of Resulting Company in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if the common control has been established after the beginning of the preceding period in the financial statements, the prior period information shall be restated only from that date.
- **The Scheme is conditional upon and subject to:**
 - (i) The Scheme being agreed to by the requisite majority in number and value of such classes of persons including the respective shareholders and Secured and Unsecured creditors of each of the Demerged Company and the Resulting Company, except to the extent exempted by the Tribunal.
 - (ii) Approval of this Scheme by the Hon'ble NCLT, whether with any modification or amendment as the NCLT may deem appropriate or otherwise; and
 - (iii) Filing of the certified copies of the order of the Tribunal sanctioning the Scheme under the applicable provisions of the Act with the Registrar of Companies.

6. Directors and Promoters:

- a) The Directors, Promoters and Key Managerial Personnel ("KMP") of the Applicant Company and Demerged Company and their relatives may be deemed to be concerned and/or interested in the Scheme only to the extent of their shareholding in the Applicant Company and Demerged Company, or to the extent the said directors/promoters/KMP are the partners, directors, members of the Companies, firms, association of persons, bodies corporate and/or beneficiary of trust that hold shares in the Applicant Company and Demerged Company. The effect of the Scheme on interests of the directors or promoters or KMPs or their relatives, is not different from the effect of the Scheme on like interests of other persons.
- b) The details of the present Directors / KMPs and Promoters are as follows:

Present list of Directors / KMPs of the Applicant Company :

Sr. No.	Name of Director	Residential Address	DIN/PAN
1	Mr. Nand Kishore Aggarwal	A-88, Ashok Vihar, Phase-1, Delhi- 110052	00074107
2	Mr. Ankur Aggarwal	A-88, Ashok Vihar, Phase-1, Delhi- 110052	00074325
3	Mr. Sartaj Sewa Singh	401, Brigade Coronet, 16 Palace Road, High Grounds, Bangalore - 560052	01820913
4	Mr. Anil Jain	Z 203/204, Callalily, Nahar Amrit Shakti, Chandivali Andheri East, Mumbai-400072	02649494
5	Mr. Mohit Kumar Goel	Flat No. 64, SIDCO Residential Complex, Birpur, Bari Brhamana, Jammu & Kashmir - 181133	03098959
6	Mr. Chetan Rameshchandra Desai	901, Matoshree Kunj, Tanhaji Malusare Marg, Vile Parle West, Mumbai – 400056	03595319
7	Mr. Sangeeta Kapil Jit Singh	9A, Harbour Heights "A", N A Sawant Marg, Colaba, Mumbai 400005	06920906
8	Vikram Singh	H-No. 14/10 Third Floor, Subhash Nagar, Delhi-110027	DTWPS3159A
9	Nitin Agarwal	E-302, 3 rd Floor, Prateek Stylome, Sector-45, Noida, Gautam Budhha Nagar, Uttar Pradesh-201301	AEOPA3038C

Present list of Directors / KMP's of the Demerged Company:

Sr. No.	Name of Director	Residential Address	DIN
1	Mr. Ankur Aggarwal	A-88, Ashok Vihar, Phase-1, Delhi- 110052	00074325
2	Mr. Ajay Kumar Gupta	H.no. B-3/57, Ground Floor, Ashok Vihar, Phase 2, Delhi-110052	09490268

List of Promoters of the Applicant Company:

Sr. No.	Name of Promoter	Residential Address
1	Kanak Aggarwal	A-88, Ashok Vihar, Phase-1, Delhi- 110052
2	Nand Kishore Aggarwal	A-88, Ashok Vihar, Phase-1, Delhi- 110052
3	Ankur Aggarwal	A-88, Ashok Vihar, Phase-1, Delhi- 110052
4.	Nand Kishore Aggarwal, Karta, Nand Kishore Aggarwal (HUF)	A-88, Ashok Vihar, Phase-1, Delhi- 110052
5.	Komal Aggarwal	A-88, Ashok Vihar, Phase-1, Delhi- 110052
6.	Kanak Nand Kishore Aggarwal Family Trust	A-88, Ashok Vihar, Phase-1, Delhi- 110052

List of Promoters of the Demerged Company:

Sr. No.	Name of Promoter	Residential Address
1	Ankur Aggarwal	A-88, Ashok Vihar, Phase-1, Delhi- 110052
2	Redson Retail and Realty Private Limited	A-88, Ashok Vihar, Phase-1, Delhi- 110052

7. **Statement disclosing details of the arrangement as per sub-section 3 of Section 230 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.**

Sr. No	Particulars	Details	
(i)	Details of the order of the NCLT directing the calling, convening and conducting of the meeting :-		
A	Date of the order	1st November 2022 (Date of Pronouncement)	
B	Date, time and venue of the meeting	For Secured Creditors of Applicant Company 22nd December 2022, 3:00 PM B-95, Wazirpur Industrial Area, Delhi – 110052 For Unsecured Creditors of Applicant Company 22nd December 2022, 4:00 PM B-95, Wazirpur Industrial Area, Delhi – 110052	
(ii)	Details of the Company		
		Applicant Company	Demerged Company
A	Corporate Identification Number (CIN)	U72100GJ1994PLC097033	U18204KA2009PTC051872
B	Permanent Account Number (PAN)	AABCJ3574E	AADCT3251E
C	Name of Company	Crystal Crop Protection Limited	Aviral Crop Science Private Limited
D	Date of Incorporation	13 th July 1994	18 th December 2009
E	Type of Company	Public Unlisted Company	Private Unlisted Company
F	Registered Office Address	206, 2 nd Floor, Span Trade Centre, Opp. Kochrab Gandhi Ashram, Near Paldi Char Rasta, Ashram Road, Ellisbridge, Ahmedabad-380 006	320/02, Flower Garden, K.H. Ranganatha Colony, Opp. BHEL, Mysore Road Bangalore, Karnataka – 560026
g	Summary of main object as per the Memorandum of association; and main business carried on by the Company	Please refer para 3(A)(IV) of the Explanatory Statement.	Please refer para 3(B)(IV) of the Explanatory Statement.
h	Details of change of name, Registered Office and objects of the Company during the last five years	<u>Applicant Company:</u> <u>Change of Name:</u> Name of the Applicant Company was changed from Crystal Crop Protection Private Limited to Crystal Crop Protection Limited in the year 2018. <u>Change in Registered Office:</u> Registered Office of the Resulting Company has not changed in past 5 years. <u>Change in Objects:</u> The shareholders of the Applicant Company has passed the special resolution in extraordinary general meeting held on June 21, 2022 for alteration in the object clause of MOA of the Applicant Company. <u>Demerged Company:</u> <u>Change of Name:</u> Name of the Demerged Company was changed from Toonz Retail India Private Limited to Aviral Crop Science Private Limited in the year 2020. <u>Change in Registered Office:</u> Registered office of the Demerged Company was changed twice in past 5 years. In January 2020, Registered Office of the Demerged Company was changed from 16 th B Cross Yelhanka New Town Opp. Bus Stand Bengaluru 560064, Karnataka to First Floor 64/3, Lakshmi Krupa, Shankar Mutt Road, Basavanagudi, Bengaluru 560004, Karnataka which was further changed in August 2020 to the current registered address. <u>Change in Objects:</u> The shareholders of the Demerged Company have passed the special resolutions in extraordinary general meetings held on March 20, 2022, and August 05, 2022 for alteration in the object clause of MOA of the Demerged Company.	

I	Name of stock exchange(s) where securities of the Company are listed, if applicable	Unlisted	Unlisted
J	Details of capital structure – Authorized, Issued, subscribed and paid-up share capital	Please refer para 3(A)(iii) of the Explanatory Statement.	Please refer para 3(B)(iii) of the Explanatory Statement.
k	Names of the promoters and directors along with their addresses	Please refer para 6 of the Explanatory Statement	
(iii)	If the Scheme of Arrangement relates to more than one company, the fact and details of any relationship subsisting between such companies who are parties to such Scheme of Arrangement, including holding, subsidiary or associate companies	Mr. Ankur Aggarwal and Mr. Nand Kishore Aggarwal, by themselves and through their relatives, hold 100% shares in Redson Retail and Reality Private Limited, the holding Company of Demerged Company.	
(iv)	The date of board meeting at which the scheme was approved by the board of directors including the name of directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution	<p>Applicant Company:</p> <p>Date of Board Meeting: 21st June 2022</p> <p>The meeting was attended by the following Directors who voted in favour of the resolution unanimously:</p> <ol style="list-style-type: none">1. Mr. Chetan Rameshchandra Desai2. Mr. Sartaj Sewa Singh3. Ms. Sangeeta Kapiljit Singh4. Mr. Mohit Kumar Goel <p>Mr. Nand Kishore Aggarwal and Mr. Ankur Aggarwal, being interested in the item didn't participate or cast their vote on the aforesaid resolution(s)</p> <p>There was no other Director who voted against the resolution or did not participate on the resolution.</p> <p>(For list of directors, please refer para 6(b) of the Explanatory Statement.</p> <p>Demerged Company:</p> <p>Date of Board Meeting: 21st June 2022</p> <p>The meeting was attended by the following Directors who voted in favour of the resolution unanimously:</p> <ol style="list-style-type: none">1. Mr. Ankur Aggarwal2. Mr. Ajay Kumar Gupta <p>There was no other Director who voted against the resolution or did not participate on the resolution.</p>	
(v)	Explanatory Statement disclosing details of the scheme:-		
a	Parties involved in the Scheme of Arrangement	Crystal Crop Protection Limited– Applicant/ Resulting Company Aviral Crop Science Private Limited- Demerged Company	
	In case of arrangement, appointed Date		
	Appointed Date	April 1, 2022	
	Effective Date	Means the last of the dates on which a certified copy of the order of the Tribunal sanctioning this Scheme is filed by the Companies with the Registrar of Companies, Ahmedabad and Bengaluru, respectively as required under the provisions of the Act. Any references in the Scheme to "upon the Scheme becoming effective" or "effectiveness of the Scheme" or "Scheme coming into effect" shall mean the "Effective Date".	

b	Share Exchange Ratio and other considerations, if any	Resulting Company will issue 32.53 equity share of Rs. 10 each, credited as fully paid-up, to the shareholders of the Demerged Company for every 100 equity share of Rs. 10 each held in the Demerged Company, whose name is recorded in the register of members, as on the Record Date.
C	Summary of Valuation report (if applicable) including basis of valuation and fairness opinion of the registered valuer, if any, and the declaration that the valuation report is available for inspection at registered office of the Company	<p>Please refer Valuation Report on Share Swap Ratio attached herewith.</p> <p>The same is available for inspection at the Registered Office of the Applicant Company on all working days, except Saturdays, Sundays and Public Holidays, during business hours from Monday to Friday between 10.00 A.M. to 5.00 P.M. upto one day prior to the date of the meeting.</p>
d	Details of capital or debt restructuring, if any	NA
E	Rationale for the Scheme of Arrangement	Please refer clause 3 of the Scheme as annexe herewith and also refer para 4 of the Explanatory Statement.
F	Benefits of the arrangement as perceived by the Board of directors to the Company, members, creditors and others (as applicable)	Please refer clause 3 of the Scheme as annexe herewith and also refer para 4 of the Explanatory Statement.
g	Amount due to Secured and Unsecured Creditors of Applicant Company as on 31 st July, 2022 ("Cut-off date")	<p>Secured Creditors: Rs. 5,97,15,15,910/-</p> <p>Unsecured Creditors: Rs. 5,20,06,93,738/-</p>
(vi)	Disclosure about effect of the Scheme of Arrangement	
a	Key Managerial Personnel (KMP) and Directors	The effectiveness of the Scheme will have no impact on the KMPs and Directors of the Applicant Company and Demerged Company. The KMPs and Directors of the Applicant Company and Demerged Company shall continue to be the KMPs and Directors of the Applicant Company and Demerged Company, even after the effectiveness of the Scheme.
b	Promoters and Non-promoter members	<p>Upon the effectiveness of part III of the Scheme, the Resulting Company shall issue consideration to the equity shareholders of the Demerged Company in the abovementioned swap ratio. Post-demerger, shareholders of the Demerged Company will become the shareholders of the Resulting Company.</p> <p>The effectiveness of the Scheme shall have no adverse impact on the equity shareholders of the Applicant Company and Demerged Company.</p>
c	Depositors	Not Applicable
d	Creditors	The rights and interests of the Creditors of Applicant Company and Demerged Company will not be prejudicially affected by the Scheme as no sacrifice or waiver is, at all called from them nor their rights sought to be modified in any manner.
e	Debenture holders	Not Applicable
f	Deposit trustee & Debenture trustee	Not Applicable
g	Employees of the company	There shall be no adverse effect on the employees of the Applicant Company and Demerged Company
(vii)	Disclosure about effect of Scheme of Arrangement on material interest of Directors, Key Managerial Personnel (KMP) and debenture trustee	
	Directors	The proposed Scheme of Arrangement would not have any effect on the material interest of the directors of the Applicant Company and Demerged Company.

	Key Managerial Personnel	The proposed Scheme of Arrangement would not have any effect on the material interest of the KMP of the Applicant Company and Demerged Company.
	Debenture Trustee	Not Applicable
(viii)	investigation or proceedings, if any, pending against the company under the Act	No investigation or proceedings under Sections 210 to 227 of the Companies Act, 2013 have been instituted or are pending in relation to the Applicant Company and Demerged Company.
(ix)	Details of the availability of the following documents for obtaining an extract from or for making or obtaining copies of or inspection by the members and creditors, namely:	
a	Latest Audited Financial Statements of the Company	Available at the registered office of the said Company between 10:00 A.M. to 5:00 P.M. on all working days, except Saturdays, Sundays and Public Holidays, up to 1 (one) day prior to the date of the meeting.
b	Copy of the order of Tribunal in pursuance of which the meeting is to be convened or has been dispensed with	Available at the registered office of the said Companies between 10:00 A.M. to 5:00 P.M. on all working days, except Saturdays, Sundays and Public Holidays, up to 1 (one) day prior to the date of the meeting.
C	Copy of Scheme of Arrangement	Available at the registered office of the said Companies between 10:00 A.M. to 5:00 P.M. on all working days, except Saturdays, Sundays and Public Holidays, up to 1 (one) day prior to the date of the meeting.
d	Contracts or Agreements material to the Scheme of Arrangement	Not Applicable
E	The certificate issued by the Auditor of the company to the effect that the accounting treatment, if any, proposed in the Scheme of Arrangement is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013; and	Available at registered office of the said Companies between 10:00 A.M. to 5:00 P.M. on all working days, except Saturdays, Sundays and Public Holidays, up to 1 (one) day prior to the date of the meeting.
F	Such other information or documents as the Board or Management believes necessary and relevant for making decision things for or against the scheme	Please refer clause (c) of para 8 (General) at end of the Explanatory Statement.
(x)	Details of approvals, Sanctions no objection(s), if any, from regulatory or any other governmental authorities required, received or pending for the proposed Scheme of Arrangement	Not Applicable Further, notice under Section 230(5) of Companies Act, 2013 is being given to the, Registrar of Companies, Regional Director and jurisdictional Income-tax Authorities.
(xi)	A statement to the effect that the persons to whom the notice is sent may vote in the meeting either in person or by proxies, or where applicable, by voting through electronic means	Creditors to whom the notice is sent may vote in the meeting either in person or by proxies

5. General:

- a) The rights and interests of the Equity Shareholders and Creditors of Applicant Company will not be prejudicially affected by the Scheme as no sacrifice or waiver is, at all called from them nor their rights sought to be modified in any manner.

- b) There are no winding-up proceedings pending against the Applicant Company and Demerged Company as of date.
- c) The following additional documents will be open for inspection to the creditors of the Applicant Company at its Registered Office between 10:00 A.M. to 05:00 P.M. on all working days, except Saturdays, Sundays and Public Holidays, up to 1 (one) day prior to the date of the meeting:
- Papers and proceedings in Company Application No. C.A(CAA)/55/AHM/2022 including a certified copy of the Order of the Ahmedabad Bench of the National Company Law Tribunal in the said Company Application directing the convening and holding of the meeting of the Secured creditors of the Applicant Company;
 - Memorandum of Association and Articles of Association;
 - Register of Directors and Shareholders;
 - Copies of the resolutions passed by the Board of Directors approving the Scheme.
- d) Copies of the Scheme of Arrangement, the Explanatory Statement, the form of Proxy, and other relevant documents can be obtained free of charge on all working days (except Saturday) during 11:00 A.M.to 05:00 P.M. from the Registered Office of the Company or / and at the office of its Advocate, M/s. Thakkar and Pahwa Advocates - 71, New York Tower-A, ThaltejCross Roads, Thaltej, Ahmedabad – 380054.
- e) This statement may be treated as an Explanatory Statement under Sections 230& 232 of the Companies Act,2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and Section 102 and other applicable provisions of the Companies Act, 2013.

For and on behalf of the Board of Directors For Crystal Crop Protection Limited Sd/- Vikram Singh Company Secretary ICSI M.no.:F11620	For and on behalf of the Board of Directors For Aviral Crop Science Private Limited Sd/- Ajay Kumar Gupta Director DIN:09490268
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Dated: November 14, 2022

Place: Delhi

SCHEME OF ARRANGEMENT

(UNDER SECTION 230 TO 232 AND OTHER APPLICABLE PROVISIONS
OF THE COMPANIES ACT, 2013)

BETWEEN

AVIRAL CROP SCIENCE PRIVATE LIMITED
("Demerged Company")

AND

CRYSTAL CROP PROTECTION LIMITED
("Resulting Company")

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

The Scheme is divided into following Parts:

- Part I Deals with Preamble and Rationale of the Scheme**
- Part II Definitions, Interpretations of the Terms used in the Scheme; Compliance with Tax Laws; the Effective Date of the Scheme and the Share Capital Structure**
- Part III Deals with Demerger - Transfer and Vesting of the Agri Chemical and Equipment Business Undertaking of the Demerged Company, into the Resulting Company, as a going concern and**
- Part IV Deals with General and Other Terms and Conditions applicable to the Scheme**

PART I

PREAMBLE AND RATIONALE OF THE SCHEME

1. PREAMBLE

- (a) This Scheme of Arrangement (hereinafter referred to as "**Scheme**") is presented under Sections 230 to 232, read with other applicable provisions of the Companies Act, 2013 and the rules or regulations framed thereunder with statutory modification or re-enactment thereof, for the time being in force, and provides for the Demerger of 'Agri Chemical and Equipment Business Undertaking' (as defined hereinafter) from the Demerged Company as a going concern to the Resulting Company.

2. DESCRIPTION OF COMPANIES

- (a) **Aviral Crop Science Private Limited** (hereinafter referred to as "**Demerged Company**" or "**Transferor Company**") was incorporated on the 18th day of December 2009 as a private company limited by shares, with the Corporate Identification Number U18204KA2009PTC051872 ("hereinafter referred to as CIN"). The registered office of Demerged Company is presently located at 320/02, Flower Garden, K.H. Ranganatha



1

For AVIRAL CROP SCIENCE PRIVATE LIMITED


DIRECTOR

Colony, Opp. BHEL, Mysore Road Bangalore, Karnataka 560026. Name of Demerged Company was changed from Toonz Retail India Private Limited to its current name in the year 2020.

Registered office of the Demerged Company was changed twice in past 5 years. In January 2020, Registered Office of the Demerged Company was changed from 16th B Cross Yelhanka New Town Opp. Bus Stand Bengaluru 560064, Karnataka to First Floor 64/3, Lakshmi Krupa, Shankar Mutt Road, Basavanagudi, Bengaluru 560004, Karnataka which was further changed in August 2020 to the current registered address.

Demerged Company is primarily engaged in the business of trading of agri chemicals and agri equipments along with supply of manpower and technical support services to group entities. The main objects of the Demerged Company are mentioned in its Memorandum of Association under Clause III (A). The same are stated below:

- (i) To manufacture, formulate, produce, refine, process, buy, sell, export, Import or otherwise deal in all type of Agrochemicals.
- (ii) To carry on the business of manufactures, producers, sellers, importers, exporters, distributors, commission agents, wholesale dealers in all kinds of pesticides including Insecticides and weedicides and all kinds of organic and Inorganic chemicals and allied chemicals including petroleum and petrochemicals and based products, drugs and all kinds of fertilizers and mineral powders.
- (iii) To develop, grow, produce, process, buy, sell, export, import, distribution, transportation and deal in agriculture seeds including seeds of cereals, oilseeds, vegetables, fiber, flower, spices, herbs, medicinal plants and all other kinds of seeds.
- (iv) To carry on the business of experts, consultants and advisors in the field of agro inputs and seed production.
- (v) To carry on the business of providing Manpower placement, manpower consultancy and recruiting, selecting, interviewing, training and employing all types of executives, middle management staff, junior level staff, workers, labourers skilled/unskilled etc. required to individuals, bodies, corporate, societies, undertakings, institutions, associations, government, local authorities etc.
- (vi) To carry on the business of providing services as human resource managers, consultants and advisors and to provide contractual advise and guidance on employment matters and other human resource services associated with contractual services including termination and outplacement required to individuals, bodies, corporate, societies, undertakings, institutions, associations, government, local authorities etc.
- (vii) To carry on in India or elsewhere the business to provide, commercialize, control, develop, establish, handle, operate, organize, promote, service, supervise, represent and to act as consultants or deal in all types of job placement and employment listings that are geared toward recruiters and job seekers.
- (viii) To carry on the business of providing recruitment and placement of all kind of personnel including managers, professionals, executives, skilled, semi-skilled, un-skilled workers, labourers & other technical personnel in India and abroad.



For AVIRAL CROP SCIENCE PRIVATE LIMITED

DIRECTOR

- (ix) To provide manpower for industry and labour contractors, for security services, security guards, bodyguards and to provide training to security personals, guards, industrial labour / manpower.

- (b) **Crystal Crop Protection Limited** (hereinafter referred to as “**Resulting Company**” or “**Transferee Company**”) was incorporated on the 13th day of July, 1994, as a private company limited by shares, with CIN U01403GJ1994PLC097033. The registered office of Resulting Company is presently located at 206, 2nd Floor, Span Trade Centre, Opp. Kochrab Gandhi Ashram, Near Paldi Char Rasta Ashram Road, Ellisbridge Ahmedabad, Gujarat 380006. Name of the Resulting Company was changed from Crystal Crop Protection Private Limited to its current name in the year 2018. Registered office of the Resulting Company has not changed in past 5 years.

Resulting Company is engaged in the business of manufacturing and distribution of various products ranging from agro-chemicals, seeds and farm equipment. The main objects of the Resulting Company are mentioned in its Memorandum of Association under Clause III (A). The same are stated below:

- (i) To manufacture, formulate, produce, refine, process, buy, sell, export, Import or otherwise deal in all type of Agrochemicals.
- (ii) To carry on the business of manufactures, producers, sellers, importers, exporters, distributors, commission agents, wholesale dealers in all kinds of pesticides including Insecticides and weedicides and all kinds of organic and Inorganic chemicals and allied chemicals including petroleum and petrochemicals and based products, drugs and all kinds of fertilizers and mineral powders.
- (iii) To conduct Agriculture Research Equipments of pesticides or crops, about their efficacy safety and chemical composition, develop such research firm with cultivation of various crops and also to assist others in research of various pesticides and fertilizers on cost or free of cost basis.
- (iv) To buy, sell, import, export and generally deal either on cash, deferred payment installments or hire purchase basis in all plants and machinery, implements, accessories, tools, materials, substances, goods or things of any description including tractors, power tillers, sprayers, dusters, mist bowlers and all types of modern agricultural implements and equipments, and all type of plant protection chemicals, fishing boats, crafts and trawlers, fishing nets, cold storages, deep freeze equipments and all types of equipments required for forestry, animal husbandry, poultry farming, pisciculture, sericulture, agricultural produce and all other food materials including materials of animal origin, fuel oils, lubricants and such other articles, equipments, plant and machineries allied to above and providing them on lease, hire purchase basis to any person, firm, company or institutions carrying on or engaged in any business or transaction.



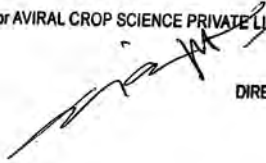
For AVIRAL CROP SCIENCE PRIVATE LIMITED

DIRECTOR

The Demerged Company and Resulting Company are part of the same group of companies held by the same promoter group.

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For AVIRAL CROP SCIENCE PRIVATE LIMITED



DIRECTOR



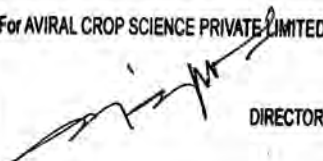
3. RATIONALE OF THE SCHEME

- (a) The Demerger of the 'Agri Chemical and Equipment Business Undertaking' (Demerged Undertaking) from the Demerged Company to the Resulting Company shall result in the following benefits:
- (i) The Agri Chemical and Equipment Business Undertaking of Demerged Company is similar to the business of Resulting Company and both Demerged Company and Resulting Company are part of the same promoter group. The Scheme would enable the promoter group to consolidate its agri-chemical and equipment business at one level i.e., Resulting Company. Hence, the Scheme will create enhanced value for shareholders and allow a focused strategy in operations, which would be in the best interest of all the stakeholders.
 - (ii) Consolidating Demerged Undertaking with the Transferee Company will result in achieving synergies in operations and optimal utilisation of resources, thereby reducing operating costs of running the Demerged Undertaking; and
 - (iii) Reducing the *inter se* transactions between the Demerged Company and the Resulting Company, thereby reducing administrative costs and achieving efficiencies.
 - (iv) The Scheme would facilitate focused growth, operational efficiencies, business synergies, increased operational and customer focus in relation to the Demerged Undertaking in the Resulting Company. The Scheme would thus provide a platform for having a concentrated approach towards growth and development of the Demerged Undertaking.
 - (v) The financial position of the Demerged Company and the Resulting Company shall not be adversely affected by this Scheme. The said companies will continue to remain strong and will be able to meet and pay their debts as and when they arise.
 - (vi) There is no likelihood that the interests of any shareholder or creditor of either the Demerged Company or the Resulting Company would be prejudiced as a result of the Scheme. The demerger, transfer and vesting of the Demerged Undertaking will not impose any additional burden on the members of the Demerged Company or the Resulting Company. The Scheme is not prejudicial or against public interest in any manner and would serve the interest of all shareholders, creditors and other stakeholders of the Demerged Company and the Resulting Company.

Thus, the proposed Scheme would be in interest of the Demerged Company, the Resulting Company and their respective shareholders and other stakeholders (including employees) and will not be prejudicial to the interests of any concerned shareholders or creditors or general public at large.



For AVIRAL CROP SCIENCE PRIVATE LIMITED


DIRECTOR

PART - II
DEFINITIONS AND SHARE CAPITAL

4. DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following words and expressions shall have the following meaning:

- (a) **"Act" or "the Act"** means Companies Act, 2013, the schedules, rules and regulations prescribed thereunder and shall include all amendment(s) and statutory modification(s) or re-enactment(s) thereof for the time being in force.
- (b) **"Appointed Date"** means 1st day of April, 2022 or such other date as may be agreed between the Board of Directors of the Demerged Company and the Resulting Company collectively and approved by NCLT (as defined hereinafter) or any other appropriate authority.
- (c) **"Board of Directors" or "Board"** in relation to the Demerged Company and / or the Resulting Company, as the case may be, shall mean their respective Board of Directors, and unless it is repugnant to the context or otherwise, shall include committee of directors or any person authorized by the Board of Directors or such committee of directors.
- (d) **"Book Value(s)"** means the value(s) of the assets and liabilities of the Demerged Undertaking (as defined hereunder), as appearing in the books of accounts of the Demerged Company at the close of business as on the day immediately preceding the Appointed Date and excluding any value arising out of revaluation of any assets.
- (e) **"Companies"** shall collectively mean and include the Demerged Company and the Resulting Company.
- (f) **"Demerger"** means the demerger of the Agri Chemical and Equipment Business Undertaking (as defined hereinafter) from the Demerged Company to the Resulting Company, under this Scheme, pursuant to the provisions of section 230 to 232, read with other applicable provisions of the Act and the provisions of Section 2(19AA) of the Income Tax Act, 1961 of the Demerged Company and the consequent issue of equity shares by the Resulting Company to the relevant members of the Demerged Company as set out in this Scheme.
- (g) **"Demerged Company"** means Aviral Crop Science Private Limited, a company incorporated on the 18th day of December, 2009 under the Companies Act, 1956 and having its registered office at 320/02, Flower Garden, K.H. Ranganatha Colony, Opp. BHEL, Mysore Road Bangalore, Karnataka 560026.
- (h) **"Effective Date"** means the last of the dates on which certified copy of the order of the Tribunal sanctioning this Scheme is filed by the Companies with the Registrar of Companies, Ahmedabad and Bengaluru, respectively as required under the provisions of the Act. Any references in the Scheme to "upon the Scheme becoming effective" or "effectiveness of the Scheme" or "Scheme coming into effect" shall mean the "Effective Date".

For AVIRAL CROP SCIENCE PRIVATE LIMITED



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- (i) "Employees" mean all the employees, staff and workers who are employed/engaged in respect of the Demerged Undertaking and as identified by the Board of Directors of the Demerged Company and the Resulting Company. It is hereby clarified that in case of an ambiguity about whether an employee is employed/engaged in respect of the Demerged Undertaking or the Remaining Business, the ambiguity would be resolved by the Board of Directors of the Demerged Company and the Resulting Company mutually;
- (j) **"Agri Chemical and Equipment Business Undertaking" or "Demerged Undertaking"** means and include the entire undertaking, activities, operations, properties, liabilities and business interests of whatsoever nature and kind, of the Demerged Company pertaining to its Agri Chemical and Equipment Business, and to be transferred to the Resulting Company as a going concern with effect from the Appointed Date. Without prejudice and limitation to the generality of the above, the Agri Chemical and Equipment Business Undertaking shall mean and include:
- (i) All the property and all assets, including all movable and immovable, freehold and leasehold, real and personal, tangible and intangible, corporeal and incorporeal, contracts with customers, suppliers, distributors, and other parties in possession, or in reversion, present and contingent of whatsoever nature, wherever situated, including all equipment, computers, furniture and fixtures, capital work in progress, vehicles, debtors, inventories, advances and security deposits, claims, other current assets, cash and bank balances, deposits, loans and advances, and other assets as on the Appointed Date pertaining to or relatable to the Agri Chemical and Equipment Business Undertaking;
- (ii) All rights and licenses, all assignments and grants thereof, all permits, clearances and registrations whether under Central, State or other laws, rights, non-disposal undertakings, certifications and approvals, entitlements, other licenses, consents, tenancies, investments and/ or interest (whether vested, contingent or otherwise), taxes, tax deducted at source, including but not limited to credits in respect Goods And Services Tax (GST) and other indirect taxes, deferred tax benefits and other benefits in respect of the Agri Chemical and Equipment Business Undertaking, recoverable, easements, advantages, financial assets, treasury investments, hire purchase and lease arrangements, privileges, all other claims, rights and benefits, powers and facilities of every kind, nature and description whatsoever, utilities, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the business of the Agri Chemical and Equipment Business Undertaking;
- (iii) All debts, liabilities, duties and obligations of the Demerged Company in relation to the Agri Chemical and Equipment Business Undertaking, whether present or future, whether secured or unsecured, including liabilities on account of loans, sundry creditors, bonus, gratuity and other liabilities pertaining to or relatable to the Agri Chemical and Equipment Business Undertaking as on the Appointed Date;
- (iv) All employees of the Demerged Company that are determined by the Board of the Demerged Company, to be substantially engaged in or in relation to the Agri Chemical and Equipment Business Undertaking, immediately preceding the Effective Date;



For AVIRAL CROP SCIENCE PRIVATE LIMITED

[Signature]
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- (v) All books, records, files, papers, computer software along with their licenses, manuals and backup copies, drawings, data catalogues, and other data and records, whether in physical or electronic form, directly or indirectly in connection with or relating to the Agri Chemical and Equipment Business Undertaking;
- (vi) All trademarks, trademark applications, trade names, patents and domain names, patent applications, copyrights, trade secrets, goodwill, and other intellectual property and all other interests relating to the Agri Chemical and Equipment Business Undertaking; and
- (vii) All contracts, deeds, bonds, lease deeds, agreements entered into with various persons, arrangements and other instruments of whatsoever nature relating exclusively to the Agri Chemical and Equipment Business Undertaking of the Demerged Company.

It is intended that the definition of the Agri Chemical and Equipment Business Undertaking under this Clause would enable the transfer of all properties, assets, liabilities, contracts, trademarks, regulatory and other approvals, licenses, agreements and employees relatable to the Agri Chemical and Equipment Business Undertaking of the Demerged Company, to the Resulting Company, pursuant to this Scheme.

Any issue as to whether any asset or liability pertains to or is relatable to the Agri Chemical and Equipment Business Undertaking or not shall be solely decided by the Board of Directors of the Demerged Company, on the basis of evidence that they may deem relevant for the purpose (including the books or records of the Demerged Company).

- (k) **"Generally Accepted Accounting Principles"** means a common set of accounting principles, standards and procedures used by companies to compile their financial statements.
- (l) **"Income Tax Act"** means the Income Tax Act, 1961, as amended or any statutory modification / re-enactment thereof.
- (m) **"NCLT"** or **"Tribunal"** means the National Company Law Tribunal, Ahmedabad Bench and /or National Company Law Tribunal, Bengaluru Bench and shall include, if applicable, such other forum or authority as may be vested with the powers of a tribunal for the purposes of Sections 230 to 232 of the Act, as may be applicable.
- (n) **"Record Date"** means date or dates to be fixed by the Board of Directors of the Demerged Company and the Resulting Company for the purpose of determining the shareholders of the Demerged Company to whom equity shares of the Resulting Company shall be allotted pursuant to Demerger.
- (o) **"Registrar of Companies"** means the Registrar of Companies, Ahmedabad having jurisdiction for the Resulting Company and Registrar of Companies, Bengaluru having jurisdiction for Demerged Company.
- (p) **"Residual Undertaking" or "Remaining Business"** means all the operations, assets, liabilities and businesses and activities of the Demerged Company remaining with the Demerged Company other than the Demerged undertaking i.e., Agri Chemical and Equipment Business Undertaking.



For AVIRAL CROP SCIENCE PRIVATE LIMITED

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- (q) **"Resulting Company"** means Crystal Crop Protection Limited, a company incorporated on the 13th day of July, 1994, under the Companies Act, 1956 and having its registered office at 206, 2nd Floor, Span Trade Centre, Opp. Kochrab Gandhi Ashram, Near Paldi Char Rasta Ashram Road, Ellisbridge Ahmedabad, Gujarat 380006.
- (r) **"Scheme of Arrangement"** or **"Scheme"** means this scheme of arrangement involving the Demerger of Agri Chemical and Equipment Business Undertaking of the Demerged Company into the Resulting Company, with such modifications and amendments as may be made, from time to time, in accordance with appropriate approvals and sanctions of the Tribunal and other relevant governmental authorities, as may be required under applicable laws.

EXPRESSIONS NOT DEFINED IN THIS SCHEME

The expressions which are used in this Scheme and not defined in this Scheme, shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act and other applicable laws, rules, regulations, byelaws, as the case may be, or any statutory modification or re-enactment thereof from time to time.

5. DATE OF COMING INTO EFFECT

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the Tribunal or any other appropriate authority shall take effect from the Appointed Date, but the same shall become operative on and from the Effective Date.

6. SHARE CAPITAL


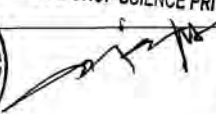
- (a) The authorized, issued and paid-up equity share capital of the Demerged Company as on March 31, 2022 is as under:

Particulars	Amount in Rs.
Authorized Share Capital	
20,00,000 Equity Shares of Rs.10/- each	2,00,00,000
Total	2,00,00,000
Issued, Subscribed and Paid-up Share Capital	
20,00,000 Equity Shares of Rs.10/- each	2,00,00,000
Total	2,00,00,000

Subsequent to March 31, 2022 and till the date of the Scheme being approved by the Board of Directors of the Demerged Company, there has been no change in the authorized, issued, subscribed or paid-up equity share capital of the Demerged Company.

- (b) The authorized, issued and paid-up equity share capital of the Resulting Company as on March 31, 2022 is as under:

Particulars	Amount in Rs.
Authorized Share Capital	
31,16,50,000 Equity Shares of Rs.10/- each	311,65,00,000



 For AVIRAL CROP SCIENCE PRIVATE LIMITED

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Total	311,65,00,000
Issued, Subscribed and Paid-up Share Capital	
13,39,19,311 Equity Shares of Rs.10/- each	133,91,93,110
Total	133,91,93,110


Subsequent to March 31, 2022 and till the date of the Scheme being approved by the Board of Directors of the Resulting Company, there has been no change in the authorized, issued, subscribed or paid-up equity share capital of the Resulting Company.

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For AVIRAL CROP SCIENCE PRIVATE LIMITED



DIRECTOR



PART - III
DEMERGER

7. DEMERGER AND VESTING OF AGRI CHEMICAL AND EQUIPMENT BUSINESS UNDERTAKING INTO THE RESULTING COMPANY

- (a) Upon this Scheme becoming effective, and with effect from the Appointed Date, the Agri Chemical and Equipment Business Undertaking of the Demerged Company shall stand transferred to and vested in or be deemed to be transferred to and vested in the Resulting Company, on a going concern basis, in accordance with Section 2(19AA) and Section 72A(4) of the Income Tax Act and Sections 230 to 232 of the Act, without any further act or deed, so as to become as and from the Appointed Date, the undertaking of the Resulting Company, and to vest in the Resulting Company, all the rights, title, interests or obligations of Agri Chemical and Equipment Business Undertaking therein, in the manner described hereunder.
- (b) Without prejudice to the generality of foregoing, with effect from the Appointed Date and subject to any agreement between the Demerged Company and the Resulting Company:
- (i) All the assets relating to Agri Chemical and Equipment Business Undertaking and capable of passing by manual delivery or by endorsement and delivery, shall be so delivered or endorsed as the case may be to the Resulting Company and shall become the property of the Resulting Company in pursuance of the provisions of Section 232 of the Act, without requiring any deed or instrument of conveyance for transfer of the same.
- (ii) In respect of the movable assets relating to Agri Chemical and Equipment Business Undertaking other than those specified in Clause 7(b)(i) above, the same shall, on and from the Appointed Date, stand transferred to the Resulting Company and to the extent such asset is a debt, loan, receivable, advance or deposit, appropriate entries should be passed in the respective books to record the aforesaid change without any intimation to or consent from such debtors or any person. Provided that the Resulting Company may itself, at its sole discretion and shall, at any time after coming into effect of this scheme in accordance with the provisions hereof and shall if so required under any law, give notices in such form as it may deem fit and proper to each person, as the case may be, that pursuant to the Scheme becoming effective, the said debt, loan, receivable, advance or deposit stands transferred and vested in the Resulting Company and be paid or made good or held on account of the Resulting Company, as a person entitled thereto.
- (iii) Any and all debts in form of loans, borrowings, debentures or otherwise, liabilities including general or multi-purpose borrowings allocable, as per the provisions of Section 2(19AA) of the Income Tax Act, contingent liabilities, duties and obligations of every kind, nature and description of Agri Chemical and Equipment Business Undertaking shall also, pursuant to the Scheme, without any further act or deed, be transferred to or be deemed to be transferred to the Resulting Company so as to become the debts, liabilities, contingent liabilities, duties and obligations of the Resulting Company and it shall not be necessary to



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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, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this sub-clause.

- (iv) All the licenses, permits, approvals, permissions, registrations, incentives (including GST refund, service tax refunds and accumulated Cenvat credit and unutilized input tax credit under GST), tax deferrals and benefits (including benefits under income tax, GST, advance tax, MAT credit, brought forward losses and unabsorbed depreciation under tax, other tax exemptions and/or deferments, amount of tax deposited under protest, bonds with the custom authorities), concessions, grants, rights, claims, leases (including leases for immovable properties), tenancy rights, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Agri Chemical and Equipment Business Undertaking and all rights and benefits that have accrued or which may accrue to the Agri Chemical and Equipment Business Undertaking, whether before or after the Appointed Date, shall, without any further act, instrument or deed, be and stand transferred to and vested in and or be deemed to have been transferred to and vested in and be available to the Resulting Company so as to become as and from the Appointed Date, licenses, permits, approvals, permissions, registrations, incentives (including GST refund, service tax refunds and accumulated Cenvat credit and unutilized input tax credit under GST), tax deferrals and benefits (including tax benefits under income tax, advance tax, withholding tax receivables, other tax exemptions and/or deferments, amount of tax deposited under protest, bonds with the custom authorities), concessions, rights, claims, leases (including leases for immovable properties), tenancy rights, special status and other benefits or privileges and shall remain valid, effective and enforceable on the same terms and conditions.
- (v) The transfer and vesting of Agri Chemical and Equipment Business Undertaking shall be subject to the existing securities, hypothecation, charges and mortgages, if any, subsisting over or in respect of the property and assets or any part thereof of the Agri Chemical and Equipment Business Undertaking, in respect of borrowings transferred and vested in the Resulting Company, as part of the Agri Chemical and Equipment Business Undertaking.
- (vi) Upon the Scheme becoming effective, the secured creditors, if any of the Demerged Company, relating to the Residual Undertaking, shall not be entitled to security over properties, assets, rights, benefits and interest of the Resulting Company, unless expressly agreed between the Demerged Company, the Resulting Company and respective secured creditors of the Demerged Company.
- (vii) It is hereby clarified that any such security provided to a secured creditor over assets and properties of the Resulting Company, shall be undertaken as an integral part of the Scheme and no further approval, resolution or compliance under any applicable provisions of the Act would be required to be undertaken or passed separately.
- (viii) For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that in accordance with the provisions of relevant laws, consents, permissions, licenses, registrations,



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certificates, authorities, powers of attorneys given by, issued to or executed in favour of Agri Chemical and Equipment Business Undertaking, and the rights and benefits under the same and all other interests of Agri Chemical and Equipment Business Undertaking, be without any further act or deed, be transferred to and vested in the Resulting Company.

8. BUSINESS AND PROPERTY IN TRUST

With effect from the Appointed Date and up to and including the Effective Date:

- (a) The Demerged Company shall carry on and shall be deemed to have been carrying on all businesses and activities and stand possessed of the properties and assets of Agri Chemical and Equipment Business Undertaking, for and on account of and in trust for the Resulting Company and shall account for the same to the Resulting Company.
- (b) Any income or profit accruing or arising to the Demerged Company and all costs, charges, expenses, losses and taxes thereon (including deferred tax balances, if any) incurred by the Demerged Company with respect to Agri Chemical and Equipment Business Undertaking shall, for all purposes, be treated as and deemed to be the income, profits, costs, charges, expenses, losses and taxes (including deferred tax balances, if any) as the case may be, of the Resulting Company.

9. CONDUCT OF BUSINESS TILL THE EFFECTIVE DATE

With effect from the date when the Demerged Company adopts the Scheme in its Board meeting and upto and including the Effective Date -

- (a) The Demerged Company shall carry on the business of Agri Chemical and Equipment Business Undertaking with reasonable diligence and in the same manner as it had been doing hitherto.
- (b) The Demerged Company shall not alter or substantially expand the business of Agri Chemical and Equipment Business Undertaking except with the written concurrence of the Resulting Company.
- (c) All contributions made by the Demerged Company to the funds in connection with the employees of the Agri Chemical and Equipment Business Undertaking, transferred to the Resulting Company for the period after the Appointed Date shall be deemed to be contributions paid by the Resulting Company.
- (d) On the Effective Date but with effect from the Appointed Date, the Resulting Company shall be authorized to carry on the businesses carried on by the Agri Chemical and Equipment Business Undertaking of the Demerged Company.

10. LEGAL PROCEEDINGS

- (a) Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, the Resulting Company shall bear the burden and the benefits of all legal (whether civil or criminal), taxation or other claims, proceedings and investigations of whatsoever nature that pertain



[Signature]
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to the Agri Chemical and Equipment Business Undertaking of the Demerged Company or its properties, assets, debts, liabilities, duties and obligations, initiated by or against the Demerged Company or claims, proceedings and investigations to which the Demerged Company is party to, in each case pertaining to the Agri Chemical and Equipment Business Undertaking, whether pending as on the Appointed Date, or which may be instituted any time in the future in relation to the Demerged Company ("Agri Chemical and Equipment Business Undertaking Proceedings"). Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, if any Agri Chemical and Equipment Business Undertaking Proceedings in respect of the Demerged Company, be pending, the same shall not abate, be discontinued or in any way be prejudicially affected by reason of the Demerger of the Agri Chemical and Equipment Business Undertaking of the Demerged Company into the Resulting Company or of anything contained in this Scheme but the Agri Chemical and Equipment Business Undertaking Proceedings may be continued, prosecuted and enforced by or against the Resulting Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Demerged Company, by operation of law pursuant to the order of the Tribunal sanctioning the Scheme, without any further act, instrument or deed of the Resulting Company or the Demerged Company.

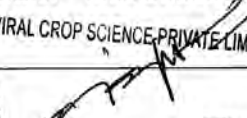
- (b) The Resulting Company undertakes to have such Agri Chemical and Equipment Business Undertaking Proceedings relating to or in connection with the Demerged Company, initiated by or against the Demerged Company, transferred in its name as soon as possible and to have the same continued, prosecuted and enforced by or against the Resulting Company. The Resulting Company also undertakes to pay all amounts including interest, penalties, damages, etc., which relates to the Agri Chemical and Equipment Business Undertaking, and which the Demerged Company may be called upon to pay or secure in respect of any liability or obligation relating to the Agri Chemical and Equipment Business Undertaking for the period from the Appointed Date up to the Effective Date and any costs incurred by the Demerged Company in respect of such proceedings started by or against it relating to the period from the Appointed Date up to the Effective Date.
- (c) Upon the Scheme coming into effect on the Effective Date, the Resulting Company shall and may, if required, initiate any legal proceedings in its name in relation to the Agri Chemical and Equipment Business Undertaking the Demerged Company in the same manner and to the same extent as would or might have been initiated by the Demerged Company.
- (d) In the event of any difference or difficulty on whether any specific legal or other proceedings relates to the Agri Chemical and Equipment Business Undertaking or not, the decision of the Board of Directors of the Demerged Company in this regard shall be conclusive and binding on the Demerged Company and the Resulting Company. Further, the Board of Directors of the Demerged Company and Resulting Company would mutually decide the party, who shall prosecute or defend such proceedings.

11. CONTRACTS AND DEEDS

- (a) Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements, insurance policies and other instruments if any, of

For AVIRAL CROP SCIENCE PRIVATE LIMITED




 DIRECTOR


whatsoever nature to which relate to the Agri Chemical and Equipment Business Undertaking and which the Demerged Company is party and subsisting or having effect on the Effective Date shall be in full force and effect against or in favour of the Resulting Company, as the case may be, and may be enforced by or against the Resulting Company as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party thereto. The Resulting Company may enter into and / or issue and / or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which the Demerged Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required or if so considered necessary. The Resulting Company shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the Demerged Company and to implement or carry out all formalities required on the part of the Demerged Company to give effect to the provisions of this Scheme.

- (b) It is clarified that the trademarks, trademark applications, trade names, patents and domain names, patent applications, copyrights, trade secrets, goodwill and other intellectual property, if any, forming part of the demerged Agri Chemical and Equipment Business Undertaking shall stand vested and transferred to the Resulting Company upon coming into effect of the Scheme. The Demerged Company and the Resulting Company shall execute all necessary deeds/ documents/ agreements to give effect to the assignment/ transfer of all such trademarks to the Resulting Company.
- (c) If any contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Demerged Undertaking which the Demerged Company owns or to which the Demerged Company is a party to, cannot be transferred to the Resulting Company, for any reason whatsoever, the Demerged Company shall hold such assets, contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of Resulting Company, insofar as it is permissible so to do, till such time as the transfer is effected and the provisions of clause 11(b) shall accordingly apply

12. STAFF AND EMPLOYEES

- (a) On the Scheme coming into effect, staff and employees employed in or in relation to the Agri Chemical and Equipment Business Undertaking of the Demerged Company as determined by Board of Directors on effective date, shall be deemed to have become staff and employees of the Resulting Company without any break, discontinuance or interruption in their service and on the basis of continuity of service and the terms and conditions of their employment with the Resulting Company shall not be less favorable than those applicable to them with reference to the Demerged Company on the Effective Date.
- (b) Upon the Scheme coming into effect and with effect from the Appointed Date, any contributions made towards provident fund (private or public), gratuity fund, superannuation fund, employee state insurance contributions, leave encashment scheme, staff welfare scheme or any other schemes, funds or benefits (the "Funds"), created or existing for the benefit of the Agri Chemical and Equipment Business Undertaking of the

For AVIRAL CROP SCIENCE PRIVATE LIMITED



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Demerged Company employees, together with such of the investments made by these Funds which relate to such employees, the Resulting Company shall stand substituted for the Demerged Company, by operation of law pursuant to the order of the Tribunal sanctioning the Scheme, without any further act, instrument or deed of the Resulting Company, for all purposes whatsoever relating to the obligations 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 and all such contributions made by the Demerged Company on behalf of the transferred employees shall be transferred to the Resulting Company. Without prejudice to above, where necessary under the applicable laws, the Resulting Company shall take all steps necessary for the transfer of balances of the Funds, to the Resulting Company. All obligations of the Demerged Company relating to the Agri Chemical and Equipment Business Undertaking, with regard to the said fund or funds as defined in the relevant rules shall be taken over by the Resulting Company from the Effective Date to the end and intent that all rights, duties, powers and obligations of the Demerged Company, relating to the Agri Chemical and Equipment Business Undertaking, in relation to such Fund or Funds shall become those of the Resulting Company and all the rights, duties and benefits of the employees employed in the Agri Chemical and Equipment Business Undertaking of the Demerged Company under such Funds shall be fully protected, subject to the provisions of law for the time being in force. It is clarified that the services of the staff, workmen and employees of the Demerged Company will be treated as having been continuous for the purpose of the said Fund or Funds.

- (c) In relation to any other fund created or existing, if any, for the benefit of the Employees being transferred to the Resulting Company and the Resulting Company shall stand substituted for the Demerged Company for all purposes whatsoever, including relating to the obligation to make contributions to the said funds in accordance with the provisions of such scheme, funds, bye laws, etc., in respect of such Employees, provided that such funds are transferred to the Resulting Company with no pending obligations of the Demerged Company to make contributions prior to the Effective Date.
- (d) In so far as the existing benefits (including employee stock options) or funds, if any, created by the Demerged Company for the employees of the Remaining Business, if any, are concerned, the same shall continue and the Demerged Company shall continue to contribute to such funds and trusts in accordance with the provisions thereof, and such employees stock options funds and trusts, if any, shall be held inter alia for the benefit of the employees of the Remaining Business.

13. TREATMENT OF TAXES


- (a) Upon the Scheme becoming effective, the Demerged Company and the Resulting Company are expressly permitted to revise their respective financial statements and returns along with prescribed forms, filings and annexures under the Income Tax Act, GST, central sales tax, applicable state value added tax, service tax laws, excise duty laws and other tax laws, and to claim refunds and/or credit for taxes paid (including, tax deducted at source etc.) and for matters incidental thereto, if required, to give effect to the provisions of the Scheme.

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- (b) Without prejudice to the generality of the above, all benefits, incentives, exemptions, losses, credits (including, without limitation, tax deducted at source, GST, applicable state value added tax etc.) to which the Demerged Company is entitled in relation to Agri Chemical and Equipment Business Undertaking, shall be available to and vest in the Resulting Company, upon this Scheme coming into effect.
- (c) All tax assessment proceedings/ appeals of whatsoever nature by or against Agri Chemical and Equipment Business Undertaking of the Demerged Company, pending and/ or arising at the Appointed Date and relating to Agri Chemical and Equipment Business Undertaking of the Demerged Company, shall be continued and/ or enforced by or against the Demerged Company until the Effective Date. As and from the Effective Date, the tax proceedings shall be continued and enforced by or against the Resulting Company in the same manner and to the same extent as would or might have been continued and enforced by or against Agri Chemical and Equipment Business Undertaking of the Demerged Company.
- (d) This Scheme complies with the conditions relating to "Demerger" as defined under Section 2(19AA) and other relevant sections and provisions, of the Income Tax Act and is intended to apply accordingly. If any terms or clauses of this Scheme are found to be or interpreted to be inconsistent with any of the said provisions (including the conditions set out therein) at a later date, whether as a result of a new enactment or any amendment or coming into force of any provision of the Income Tax Act or any other law or any judicial or executive interpretation or for any other reason whatsoever, the Demerged Company and the Resulting Company shall negotiate in good faith to modify this Scheme in a mutually satisfactory manner that ensures compliance of this Scheme with such provisions.
- (e) Any tax liabilities under the Income Tax Act, GST law or other applicable laws / regulations dealing with taxes/ duties/ levies allocable or related to Agri Chemical and Equipment Business Undertaking of the Demerged Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Resulting Company. Similarly, any surplus in the provision for taxation/ duties/ levies account including advance tax and tax deducted at source, pertaining to Agri Chemical and Equipment Business Undertaking of the Demerged Company, as on the date immediately preceding the Appointed Date will also be transferred to the account of the Resulting Company.
- (f) Accumulated tax losses and unabsorbed depreciation of Demerged Company shall be transferred from Demerged Company to the Resulting Company in accordance with the provisions of section 72A(4) of the Income Tax Act.
- (g) The Board of Directors of the Demerged Company shall be empowered to determine if any specific tax liability or any tax proceeding relates to Agri Chemical and Equipment Business Undertaking and whether the same would be transferred to the Resulting Company.
- (h) All the expenses incurred by the Demerged Company and Resulting Company in relation to this Scheme, including stamp duty expenses if any, shall be allowed as deduction to the Demerged Company, Resulting

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Company, in accordance with Section 35DD of the Income Tax Act, 1961 over a period of 5 years with effect from the Appointed date.

14. BOOKS AND RECORDS

- (a) All books, records, files, papers, engineering and process information, catalogues, quotations, advertising materials, if any, lists of present and former clients and all other books and records, whether in physical or electronic form, of the Demerged Company pertaining to the Demerged Undertaking, to the extent possible and permitted under the Applicable Laws, be handed over by them to the Resulting Company.

15. SAVING OF CONCLUDED TRANSACTIONS:

- (a) The transfer and vesting of the properties and liabilities of Agri Chemical and Equipment Business Undertaking under Clause 7 above, the continuance of legal proceedings by or against the Resulting Company under Clause 10 above, and the effectiveness of contracts and deeds under Clause 11 above, transfer of staff and employees under Clause 12 above, transfer of liabilities of taxes under Clause 13 above and transfer of books and record under Clause 14 above, shall not affect any transaction or proceeding relating to Agri Chemical and Equipment Business Undertaking already completed by the Demerged Company on or before the Effective Date to the end and intent that the Resulting Company accepts all acts, deeds and things relating to Agri Chemical and Equipment Business Undertaking done and executed by and on behalf of the Demerged Company as acts, deeds and things done and executed by and on behalf of the Resulting Company.

16. REMAINING BUSINESS

- (a) The Remaining Business, including completed studies/projects and all the assets, liabilities, retained litigations and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Demerged Company, including without limitation to the following:-

With effect from the Appointed Date:-

- (i) the Demerged Company shall carry on and be deemed to have been carrying on all business and activities relating to the Remaining Business for and on its own behalf;
- (ii) all profits or losses arising or incurred by the Demerged Company including the effect of taxes, if any, thereon) relating the Remaining Business shall, for all purposes, be treated as the profits or losses, of the Demerged Company; and
- (iii) all assets and properties acquired by the Demerged Company in relation to the Remaining Business on and after the Appointed Date shall belong to and continue to remain vested in the Demerged Company.
- (b) All legal, taxation or other proceedings by or against the Demerged Company under any statute, whether pending on the Appointed date or



For AVIRAL CROP SCIENCE PRIVATE LIMITED

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which may be instituted in future whether or not in respect of any matter arising before the Effective Date and relating to the Remaining Business (including those relating to any property, right, power, liability, obligation or duties of the Demerged Company in respect of the Remaining Business) shall be continued and enforced by or against the Demerged Company (or successor thereof). The Resulting Company shall in no event be responsible or liable in relation to any such legal, taxation or other proceeding against the Demerged Company (or successor thereof).

- (c) If proceedings or investigations are taken against the Resulting Company, or the Resulting Company is subject to liability, damages, fines, penalties or other expenses, in respect of the matters referred to in sub-clause (c) above, it shall defend, indemnify and hold harmless the same at the cost of the Demerged Company and the latter shall reimburse and indemnify the Resulting Company against all liabilities, costs, expenses (including without limitation attorney's fees) and obligations incurred by the Resulting Company in respect thereof.

17. CONSIDERATION

- (a) Upon this Scheme becoming effective and in consideration of and subsequent to the transfer of the Agri Chemical and Equipment Business Undertaking by the Demerged Company to the Resulting Company, without any further application, deed payment, consent, acts, instrument, the Resulting Company shall issue and allot equity shares (hereinafter referred to as the "**New Equity Shares**") at par on a proportionate basis to each shareholder of the Demerged Company, whose name is recorded in the register of members of the Demerged Company as holding equity shares on the Record Date, in the ratio of 0.3253:1 i.e. 32.53 equity shares of Rs. 10 each of the Resulting Company to be issued for every 100 equity shares of Rs. 10 each of the Demerged Company, held by the shareholders of the Demerged Company.
- (b) The New Equity Shares to be issued to the shareholders of the Demerged Company under Clause 17(a) shall be subject to the terms of the memorandum and article of association of the Resulting Company and shall rank *pari passu* with the existing shares of the Resulting Company in all respects.
- (c) Approval of this Scheme by the shareholders of the Resulting Company shall be deemed to mean that the said shareholders have also accorded all relevant consents under the Act for the issue and allotment of the New Equity Shares by the Resulting Company to the shareholders of the Demerged Company.
- (d) No shareholder of the Demerged Company shall be issued or allotted any fractional shares consequent upon Demerger and all such fractional shares shall be rounded to the nearest integer.
- (e) The issue and allotment of New Equity Shares by the Resulting Company to the members of the Demerged Company is an integral part of this Scheme and shall be deemed to have been carried out without any further act or deed, and the approval of the members of the Resulting Company to the Scheme shall be deemed to be due compliance of the provisions of Sections 42 and 62 and other relevant or applicable provisions of the Act.

For AVIRAL CROP SCIENCE PRIVATE LIMITED



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18. PROFITS, DIVIDEND, BONUS / RIGHT / PREFERENTIAL ALLOTMENT OF SHARES

- (a) The Demerged Company and the Resulting Company may before the Effective Date make any change in the capital structure either by any increase (by issue of shares on rights basis or preferential basis, issue of convertible instruments or otherwise), decrease, reduction, reclassification or in any other manner with the consent of the Board of Directors of the Demerged Company and the Resulting Company, and on the terms and conditions as they may be mutually agreed between the Demerged Company and the Resulting Company, particularly the revised Share Entitlement Ratio.
- (b) Demerged Company and the Resulting Company 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 Effective Date but only consistent with the past practice, or in the ordinary course, provided, the Resulting Company prior to declaring and paying dividends shall mutually agree with the Demerged Company the revised Share Entitlement Ratio on account of such dividend payout.
- (c) 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 Demerged Company and/or Resulting Company to demand or claim any dividends which subject to the provisions of the said Act, shall be entirely at the discretion of the Board of Demerged Company and Resulting Company respectively, subject to such approval of the shareholders as may be required.
- (d) The equity shares of the Resulting Company to be issued and allotted to the relevant members of the Demerged Company shall be entitled to dividends from the date of allotment.
- (e) The holders of equity shares of the Demerged Company and the Resulting 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.

19. ACCOUNTING TREATMENT FOR DEMERGER

Accounting treatment in the books of Demerged Company

- 19.1 Upon this Scheme becoming effective and with effect from the Appointed Date, Demerged Company shall account for the Demerger in accordance with applicable accounting standard and Generally Accepted Accounting Principles as applicable and notified under section 133 of the Act read with relevant rules issued thereunder such that:
- a) All the assets, liabilities and allocated reserves of the Demerged Undertaking as appearing in the books of accounts of the Demerged Company shall stand transferred to and vested in the Resulting Company pursuant to the Scheme and shall be reduced from the respective book value of assets, liabilities, and reserves of the Demerged Company.



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- b) Inter-company loans and advances, receivables, payables, and other dues outstanding between the Demerged Company and the Resulting Company relating to the Demerged Undertaking will stand cancelled and there shall be no further obligation / outstanding in that behalf.
- c) The difference, if any, between the book value of assets of the Demerged Undertaking of the Demerged Company transferred to Resulting Company less the book value of the liabilities of the Demerged Undertaking of the Demerged Company transferred to the Resulting Company, shall be recognized in Capital Reserve Account.

Accounting treatment in the books of Resulting Company

19.2 Upon this Scheme becoming effective, the Resulting Company shall account for the amalgamation of Demerged Undertaking in accordance with "Pooling of interest method" as laid down under Appendix C of Indian Accounting Standard – 103 on Business Combinations notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, such that:

- a) All the assets, liabilities and allocated reserves of the Demerged Undertaking as appearing in the books of the Demerged Company shall be accounted in the books of the Resulting Company at their respective carrying values in the same form as appearing in the books of the Demerged Company.
- b) All inter-company loans and advances, investments, receivables, payables, and other dues outstanding between the Demerged Company and the Resulting Company relating to the Demerged Undertaking will stand cancelled and there shall be no further obligation / outstanding in that behalf.
- c) The Resulting Company shall credit to its Equity Share Capital account with the aggregate face value of the Equity Shares, issued, and allotted by it to the shareholders of the Demerged Company pursuant to Clause 17 of this Scheme.
- d) The difference, if surplus, arising between the carrying value of the assets, liabilities and allocated reserves of the Demerged Undertaking, after taking the effect of clause 19.2(b), acquired pursuant to this Scheme by the Resulting Company, and amount credited to the Equity Share Capital under clause 19.2(c) above shall be credited to the Capital reserve in the books of the Resulting Company and would be presented separately from other capital reserves with disclosure of its nature and purpose in the notes to the financial statements of the Resulting Company. If such difference is a deficit, then the same shall be adjusted with existing revenue reserves of the Resulting Company in absence of any capital reserves.
- e) In case of any differences in accounting policies between the Demerged Company and the Resulting Company, the accounting policies followed by the Resulting Company shall prevail and the impact of such differences shall be adjusted in the revenue reserves of Resulting Company, to ensure that the financial statements reflect the financial position on the basis of consistent accounting policies.



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- f) The financial information in the financial statements of Resulting Company in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if the common control has been established after the beginning of the preceding period in the financial statements, the prior period information shall be restated only from that date.

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For AVIRAL CROP SCIENCE PRIVATE LIMITED



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PART - IV
GENERAL AND OTHER TERMS AND CONDITIONS

20. VALIDITY OF EXISTING RESOLUTIONS, ETC. IN RESPECT OF THE PRIOR ACTS

- (a) Upon coming into effect of this Scheme, the resolutions of the Demerged Company, as are considered necessary by the Board of the Resulting Company and which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting in respect of the relative acts performed / steps taken prior to the Effective Date and be considered as resolutions of the Resulting Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then said limits as are considered necessary by the Board of the Resulting Company shall be added to the limits, if any, under like resolutions passed by the Resulting Company and shall constitute the aggregate of the said limits in the Resulting Company.

21. APPLICATIONS TO THE TRIBUNAL/ OTHER AUTHORITY

- (a) The Companies shall, with all reasonable dispatch, make applications to the Hon'ble Tribunal, seeking orders for dispensing with or convening, holding, and conducting of the meetings of the shareholders and / or creditors of the Demerged Company and the Resulting Company as may be directed by the Hon'ble Tribunal.
- (b) The Companies shall, with all reasonable dispatch, apply to the Hon'ble Tribunal for sanctioning the Scheme under the applicable provisions of the Act, and for such other order or orders, as the said Tribunal may deem fit for carrying this Scheme into effect.

22. CONDITIONALITY OF SCHEME

- (a) The Scheme is conditional upon and subject to:
- (i) The Scheme being agreed to by the requisite majority in number and value of such classes of persons including the respective shareholders and secured and unsecured creditors of each of the Demerged Company and the Resulting Company, except to the extent exempted by the Tribunal.
- (ii) Approval of this Scheme by the Hon'ble NCLT, whether with any modification or amendment as the NCLT may deem appropriate or otherwise; and
- (iii) Filing of the certified copies of the order of the Tribunal sanctioning the Scheme under the applicable provisions of the Act with the Registrar of Companies.

23. EFFECT OF NON-RECEIPT OF APPROVALS

- (a) In the event the Scheme is not sanctioned by the Tribunal for any reason whatsoever or for any other reasons the Scheme cannot be implemented, the Scheme shall become null and void and shall be of no effect and in that event no rights and/or liabilities shall accrue to or be incurred *inter-se* by the Demerged Company and the Resulting Company and each



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company shall bear and pay its respective costs, charges, and expenses for and/or in connection with the Scheme.

- (b) It is expressly clarified, for the removal of doubt that if any of the components of this Scheme cannot be implemented or effected for any reason whatsoever, the remaining component(s) shall not in any way be affected or impaired and the Scheme with the remaining component(s) shall be implemented.

24. MODIFICATION OR AMENDMENT TO THE SCHEME

- (a) The Demerged Company and the Resulting Company may assent from time to time on behalf of their respective creditors, employees and all persons concerned to any modification or amendment or additions to this scheme or to any conditions or limitations which either the Boards or a committee of the concerned Boards or any Authorised Signatory as authorised by the Boards of the Demerged Company and the Resulting Company may deem fit, or which Hon'ble NCLT or any other authorities under law may deem fit to approve of or impose.
- (b) The Demerged Company and the Resulting Company may in their discretion will resolve all doubts or difficulties that may arise for carrying out this scheme and to do and execute and perform all acts, deeds, matters and things necessary for bringing this scheme into effect or to review the position relating to the satisfaction of the conditions to this scheme and if necessary, to waive any of those for bringing this Scheme into effect.

25. REVOCATION AND SEVERABILITY

- (a) In the event of any of the said sanctions and approvals not being obtained and / or complied with and / or satisfied and / or this Scheme not being sanctioned by the Tribunal or such other appropriate authority and / or order or orders not being passed as aforesaid within such period as may be mutually agreed upon by the respective Board of the Companies, this Scheme shall stand revoked, cancelled and be of no effect.
- (b) The Board of the Companies shall be entitled to withdraw, revoke, cancel and declare the Scheme of no effect if they are of view that the coming into effect of the Scheme could have adverse implications on the Companies.
- (c) In the event of revocation under Clause 25(a) and Clause 25(b) above, no rights and liabilities whatsoever shall accrue to or be incurred inter se to the Companies and their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the applicable law and in such case, each of the Companies shall bear and pay its respective costs, charges and expenses for and / or in connection with the Scheme.

26. COSTS, CHARGES AND EXPENSES

- (a) The Demerged Company and the Resulting Company shall bear their respective costs, charges, direct and indirect taxes, levies and other



For AVIRAL CROP SCIENCE PRIVATE LIMITED


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expenses until the date of sanction of this Scheme by the Hon'ble NCLT as may be applicable as part of this Scheme.

- (b) Upon the sanction of this Scheme by the Hon'ble NCLT, all costs (including but not limited to stamp duty, registration charges, etc.) in relation to the Demerger shall be borne by the Resulting Company. The Resulting Company shall be entitled to claim set off benefits on payment of stamp duty, to the extent permissible under law.
- (c) In the event that this Scheme fails to take effect within such period or periods as may be decided by the Board of Directors of the Demerged Company and the Resulting Company then, the Demerged Company and the Resulting Company shall bear their own costs and expenses incurred by them, in relation to or in connection with the Scheme.

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For AVIRAL CROP SCIENCE PRIVATE LIMITED



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DIRECTOR

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IN THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD
DIVISION BENCH
COURT - 1

ITEM No.137

C.A.(CAA)/55(AHM)2022

Order under Sections 230-232 of the Companies Act, 2013

IN THE MATTER OF:

Crystal Crop Protection Ltd.

.....Applicant

Order delivered on01/11/2022

Coram:

Dr.Madan B. Gosavi, Hon'ble Member(J)
Kaushalendra Kumar Singh, Hon'ble Member(T)

PRESENT:

For the Applicant :

ORDER

The case is fixed for the pronouncement of the order. The order is pronounced in the open court, vide separate sheet.

-SD-

KAUSHALENDRA KUMAR SINGH
MEMBER (TECHNICAL)

-SD-

DR.MADAN B GOSAVI
MEMBER (JUDICIAL)

**NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD
DIVISION BENCH
COURT-1**

CA(CAA) No.55/230-232/NCLT/AHM/2022

[In the matter of Sections 230-232 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements, and Amalgamations) Rules, 2016]

Scheme of Arrangement in the nature of Demerger

Between

Aviral Crop Science Private Limited
("Demerged Company")

With

Crystal Crop Protection Limited
("Resulting Company")

And

their respective Shareholders and Creditors

In the matter of:

Crystal Crop Protection Ltd.
[CIN: U72100GJ1994PLC097033]

A Company incorporated under the provisions of the Companies Act, 1956, having its registered office at 206, 2nd Floor, Span Trade Centre, Opp. Kochrab Gandhi Ashram, Near Paldi Char Rasta, Ashram Road, Ellisbridge, Ahmedabad-380 006, Gujarat.

..... Applicant /
Resulting Company

Order Pronounced on: 01.11.2022

**Coram: Dr. Madan Bhalchandra Gosavi-Member (Judicial)
Kaushalendra Kumar Singh-Member(Technical)**

Appearance:

Mr.Ravi Pahwa, Advocate on behalf of Thakkar & Pahwa, Advocates,
for the Applicant Company.

ORDER

1. The present application is filed under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the “Act”) read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, seeking dispensation of the meetings of the Equity Shareholders, while seeking directions for convening and holding the meetings of the Secured and Unsecured Creditors of the Applicant Company, for the purpose of considering and, if thought fit, approving, with or without modification(s), a Scheme of Arrangement in the nature of Demerger of Demerged Undertaking, i.e. Agri Chemical and Equipment Business Undertaking of Aviral Crop Science Private Limited (Demerged Company) into Crystal Crop Protection Limited (Applicant Company/ Resulting Company) and their respective shareholders and creditors (the Scheme) with effect from the Appointed Date, i.e. 01.04.2022, as mentioned in the Scheme. This Application is filed on 14.09.2022.

2. An Affidavit has been sworn by Mr.Nand Kishore Aggarwal on behalf of the Applicant Company who is the authorized representative/ Director of the Applicant Company, and the same is annexed with the application. The above-named authorized representative for the Applicant Company has been authorized vide Board Resolution dated 21.06.2022 of the Applicant Company.

3. The averments made by the Applicant Company are summarized as under:

- i) The Board of Directors of the Applicant Company vide Board Resolution dated 21.06.2022, have approved the Scheme of Arrangement in the nature of Demerger of Demerged Undertaking. The proposed Scheme of Arrangement is annexed to the application as Annexure-D.
- ii) The Demerged Company and the Applicant Resulting Company are part of the same group of companies held by the same promoter group.
- iii) The registered office of Applicant Company i.e., Crystal Crop Protection Limited is situated in the State of Gujarat, and is under the jurisdiction of the National Company Law Tribunal, Ahmedabad Bench.

The Applicant Company is engaged in the business of manufacturing and distribution of various products ranging from agrochemicals, seeds, and farm equipment. The issued, subscribed, and paid up share capital of the Applicant Company as on 31.03.2022 is Rs.133,91,93,110/-. The Applicant Company has filed its Memorandum of Association and Articles of Association inter alia delineating their object clauses, along with its audited Financial Statement for the year ended March 31,2022 and the provisional unaudited balance sheet as on 30.06.2022.

- iv) The registered office of Demerged Company i.e., Aviral Crop Science Private Limited is situated in the State of

Karnataka and hence, the Demerged Company has filed a separate application before the National Company Law Tribunal, Bengaluru Bench.

The Demerged Company is primarily engaged in the business of trading of agrichemicals and agri equipment along with supply of manpower and technical support services to group entities.

- v) The Applicant Company has annexed the Certificate issued by the Chartered Accountant to the effect that the accounting treatment specified in Clause-19.2 of Part B of the Scheme of Arrangement is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
- vi) No investigation or proceedings under the Companies Act, 1956 / Companies Act, 2013 have been instituted or are pending in relation to the Applicant Company.
- vii) Equity shares are not listed on stock exchanges also it does not have any foreign shareholders.
- viii) Further considering the nature and business and also considering the shareholding pattern of the applicant company, approval of the Reserve Bank of India, the Competition Commission of India, and Securities and Exchange Board of India will not be a necessary authority for the purpose of the present Scheme.

- ix) The Applicant Company has Seven (7) Equity Shareholders, (as on 31.07.2022) and all the Equity Shareholders have given their consent in writing, in the form of affidavits, in approval to the Scheme of Arrangement and for waiving their right to convene the meeting of the Equity Shareholders. The consent Affidavits of the Equity Shareholders of the Applicant Company are annexed at Annexure-E Colly to this application. M/s. Manoj Ritu & Associates, Chartered Accountants, has issued a certificate dated 01.09.2022 certifying the number of Equity Shareholders of the Applicant Company. The aforesaid certificate is produced at Annexure-F to the Application. The Applicant Company, therefore, seeks dispensation of the meeting of Equity Shareholders.
- x) The Applicant Company has twelve (12) Secured Creditors and two thousand seventy (2070) Unsecured Creditors as on 31.07.2022. The Chartered Accountant has certified the number and value of the Secured and Unsecured Creditors of the Applicant Company. The aforesaid certificate is produced at Annexure-G & H to the Application.

The Applicant Company did not obtain the formal consent of the Secured and Unsecured Creditors, they are seeking directions for convening and holding the meetings of the Secured and Unsecured Creditors, for the purpose of considering and, if thought fit, approving, with or without modification(s), a Scheme of Arrangement in the nature of Demerger.

xi) The rationale of the Scheme of Arrangement stated in the proposed Scheme is as under: -

- i. *The Agri Chemical and Equipment Business Undertaking of Demerged Company is similar to the business of Resulting Company and both Demerged Company and Resulting Company are part of the same promotor group. The Scheme would enable the promotor group to consolidate its agri-chemical and equipment business at one level i.e., Resulting Company. Hence, the Scheme will create enhanced value for shareholders and allow a focused strategy in operations, which would be in the best interest of all the stakeholders.*
- ii. *Consolidating Demerged Undertaking with the Transferee Company will result in achieving synergies in operations and optimal utilization of resources, thereby reducing operating costs of running the Demerged Undertaking; and*
- iii. *Reducing the inter se transactions between the Demerged Company and the Resulting Company, thereby reducing administrative costs and achieving efficiencies.*
- iv. *The Scheme would facilitate focused growth, operational efficiencies, business synergies, increased operational and customer focus in relation to the Demerged Undertaking in the Resulting Company. The Scheme would thus provide a platform for having a concentrated approach towards growth and development of the Demerged Undertaking.*
- v. *The financial position of the Demerged Company and the Resulting Company shall not be adversely affected by this Scheme. The said companies will*

continue to remain strong and will be able to meet and pay their debts as and when they arise.

vi. There is no likelihood that the interests of any shareholder or creditor of either the Demerged Company or the Resulting Company would be prejudiced as a result of the Scheme. The demerger, transfer and vesting of the Demerged Undertaking will not impose any additional burden on the members of the Demerged Company or the Resulting Company. The Scheme is not prejudicial or against public interest in any manner and would serve the interest of all shareholders, creditors and other stakeholders of the Demerged Company and the Resulting Company.

xii) The proposed Scheme would be in the interest of the Demerged Company, the Resulting Company, and their respective shareholders and other stakeholders (including employees) and will not be prejudicial to the interests of any concerned shareholders or creditors or the general public at large.

4. Heard the Ld. Counsel for the Applicant Company and perused the Company Application and the documents annexed therewith. The present joint company application is allowed with the following order/directions:-

- i. The meeting of the Equity Shareholders of the Applicant Company is hereby dispensed with.
- ii. The Applicant Company is directed to convene and hold the meetings of the Secured and Unsecured Creditors.

- iii. Mr. Rajeev Goel, Advocate shall be the common Chairperson and Mr. Rajeev Kumar, Advocate shall be the common Alternate Chairperson of the aforesaid meetings of the Secured and Unsecured Creditors of the Applicant Company to be held on 22.12.2022 and in respect of any adjournment thereof. The chairperson shall fix the time and venue of the meeting.
- iv. Mr. Shashank Pashine, Practicing Company Secretary is appointed as common Scrutinizer for the said meetings.
- v. At least one month before the date of the aforesaid meetings, an advertisement about convening of the said meeting, indicating the date, place and time as aforesaid, shall be published in English Daily, Financial Express and in Gujarati Language, Financial Express (both having circulation in Ahmedabad) as well as in English Daily, Business Standard and in Hindi Language, Business Standard, (both having circulation in Delhi). The publication shall indicate the time within which copies of the Scheme of Arrangement shall be made available to the concerned persons free of charge from the registered office of the Applicant Company. The publication shall also indicate that the statement required to be furnished pursuant to Section 102 of the Act read with Sections 230 to 232 of the Act can be obtained free of charge from the registered office of the Applicant Company or at the office of its advocates viz. Thakkar and Pahwa, Advocates, 71, New York Tower-A, Opp. Muktidham Derasar, Thaltej, Ahmedabad-380054.

- vi. In addition, at least one month before the date of the aforesaid meetings to be held as aforesaid, a notice convening the said meetings, indicating the day, date, place and time as aforesaid, together with a copy of the Scheme, a copy of the Explanatory Statement required to be furnished pursuant to Section 102 of the Act read with Sections 230 to 232 and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, shall be sent to each of the Secured and Unsecured Creditors of the Applicant Company at their respective registered or last known addresses either by Registered Post or Speed Post / Airmail or E-Mail or by Courier or by Hand Delivery. The Notice shall be sent to the Secured and Unsecured Creditors of the Applicant Company with reference to the list of the persons appearing on the record of the Applicant Company as on 31.07.2022.
- vii. The Chairperson appointed for the aforesaid meetings shall issue advertisement and send out the notice of the meetings referred to above. The Chairperson is free to avail the services of Applicant Company or any agency for carrying out the aforesaid directions.
- viii. The Fees of the Chairperson for the aforesaid meetings shall be Rs.1.5 lakh. The Fees of the Scrutinizer shall be Rs.1 lakh in addition to their out of pocket expenses.
- ix. The Chairperson shall have all powers under the Articles of Association of Applicant Company and also under the Rules in relation to the conduct of meetings, including

for deciding any procedural questions that may arise at the meetings or adjournment(s) thereof proposed at the said meetings, amendment(s) to the aforesaid scheme or resolutions, if any, proposed at the aforesaid meetings by any person(s) and to ascertain the decision of the meetings of the Secured and Unsecured Creditors of the Applicant Company.

- x. The quorum of the meetings of the Secured Creditors and the Unsecured Creditors of the Applicant Company shall be in compliance with section 103 of Companies Act, 2013 (as meeting of members) in view of Rule 5(d) of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
- xi. The Chairman / Chairperson shall file an affidavit not less than 7 (seven) days before the date fixed for holding of the meetings and to report to this Tribunal that the directions regarding issuance of notices and advertisement of the meeting have been duly complied with as per Rule 12 of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
- xii. It is further ordered that the Chairman or Chairperson shall submit his report to this Tribunal, the result of the meetings in Form CAA 4, verified by his affidavit, as per Rule 14 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 within 7(seven) days after the conclusion of the meeting.
- xiii. In compliance of sub-section (5) of Section 230 and Rule 8 of the Companies (Compromises, Arrangements and

Amalgamations) Rules, 2016, the Applicant Company shall send a notice of meeting under sub-section (3) of Section 230 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in Form No. CAA.3 along with a copy of the Scheme of Arrangement, explanatory statement and the disclosures mentioned under Rule 6 shall be sent to (i) the Central Government through the Regional Director, North Western Region, (ii) the Registrar of Companies, Gujarat and (iii) the Income Tax Authority, stating that the representations, if any, to be made by them shall be made within a period of 30 days from the date of receipt of such notice, failing which it shall be presumed that they have no objection to make on the proposed Scheme of Arrangement. The said notice (s) shall be sent forthwith after notice is sent to the Secured and Unsecured creditors of Applicant Company by registered post or by speed post or by courier or by Email or by hand delivery at the office of the authority as required by sub-rule (2) of Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. The aforesaid authorities, who desire to make any representation under sub-section (5) of Section 230 shall send the same to the Tribunal within a period of 30 days from the date of receipt of such notice, failing which it shall be deemed that they have no representation to make on the proposed Scheme of Arrangement.

5. The applicant company shall file a compliance affidavit with the Registry with regard to the directions given in this order.

6. List the matter on 16.01.2023 for filing report by the Chairman.

-SD-

KAUSHALENDRA KUMAR SINGH
MEMBER (TECHNICAL)

-SD-

DR. MADAN B GOSAVI
MEMBER (JUDICIAL)

Sudha

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**VALUATION REPORT FOR RECOMMENDATION
OF
“SHARE SWAP RATIO”
FOR DEMERGER
OF
AGRO TRADING BUSINESS UNDERTAKING OF
AVIRAL CROP SCIENCE PRIVATE LIMITED
("Demerged Company")
INTO
CRYSTAL CROP PROTECTION LIMITED
("Resulting Company")**

.....

**UNDER SECTION 230 - 232 OF THE COMPANIES ACT, 2013 READ WITH
COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS)
RULES, 2016**

CERTIFIED TRUE COPY



For CRYSTAL CROP PROTECTION LIMITED

[Signature]
DIRECTOR

RITU SARIN
C.A., B.Com (H)
Chartered Accountant
IBBI Registered Valuer

To,
The Audit Committee/ Board of Directors
Aviral Crop Science Private Limited
320/02, Flower Garden, K.H. Ranganatha Colony
Opp. BHEL, Mysore Road Bangalore, Karnataka 560026

The Audit Committee/ Board of Directors
Crystal Crop Protection Limited
206, 2nd Floor, Span Trade Centre
Opp. Kochrab Gandhi Ashram,
Near Paldi Char Rasta Ashram Road,
Ellisbridge Ahmedabad, Gujarat 380006

Dear Sir,

Sub: Recommendation of Share Swap Ratio for the proposed Demerger of Agro Trading Business Undertaking of Aviral Crop Science Private Limited into Crystal Crop Protection Limited

We refer to our appointment letter by the management dated 1st June, 2022 which has been ratified by the Audit Committee on 21st June, 2022 for recommendation of Share Swap Ratio for proposed demerger of Agro Trading Business Undertaking of Aviral Crop Science Private Limited ("Demerged Company"/ Aviral") into Crystal Crop Protection Limited ("Resulting Company / Crystal") (together known as "Companies") pursuant to a Scheme of Arrangement under the provisions of Section 230-232 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

In accordance with the terms of the engagement, we are enclosing our Valuation Report along with this letter. In attached report, we have summarized the recommendation of Share Swap Ratio as on 31st March 2022 together with the description of methodologies used and limitation on our Scope of Work. This Valuation Report is confidential and has been prepared exclusively for the Management of the Companies for aforesaid purpose only. It should not be used, reproduced or circulated to any other person, in whole or in part, without our prior consent. We are however aware that this valuation report and its conclusion may be used for the purpose of Board and shareholders approvals and for certain statutory disclosures with the NCLT and other statutory authorities in connection with the proposed scheme of arrangement and we provide our consent for the same.

Yours Faithfully,

For Ritu Sarin



Registered Valuer (IBBI)

IBBI Registration No. IBBI/RV/05/2020/13063

UDIN: 22408680ALHRKR4463

Date: 21st June 2022

OFFICE: 1703A, 17TH FLOOR, LOGIX OFFICE TOWER, SECTOR -32, NOIDA

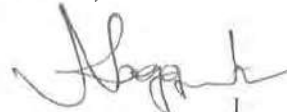


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SECTION I

PURPOSE, SCOPE & LIMITATIONS

a. PURPOSE OF VALUATION AND APPOINTING AUTHORITY

Based on the discussions held with the Management, we understand that it is proposed to demerge the Agro Trading Business Undertaking of Aviral Crop Science Private Limited ("Demerged Company" / "Aviral") into Crystal Crop Protection Limited ("Resulting Company" / "Crystal") through a Scheme of arrangement under the provisions of Section 230-232 of the Companies Act, 2013.

In consideration for the proposed demerger of the Agro Trading Business Undertaking of Aviral Crop Science Private Limited into Crystal Crop Protection Limited, Equity Shares of Crystal Crop Protection Limited would be issued to the Equity shareholders of Aviral Crop Science Private Limited.

Accordingly, Valuation is required from a Registered Valuer for recommendation of Share Swap ratio to meet the regulatory guidelines of the Companies Act, 2013.

b. IDENTITY OF CLIENT AND OTHER INTENDED USERS

Aviral Crop Science Private Limited
320/02, Flower Garden, K.H. Ranganatha Colony
Opp. BHEL, Mysore Road Bangalore, Karnataka 560026

Crystal Crop Protection Limited
206, 2nd Floor, Span Trade Centre
Opp. Kochrab Gandhi Ashram,
Near Paldi Char Rasta Ashram Road,
Ellisbridge Ahmedabad, Gujarat 380006

c. IDENTITY OF VALUER

CA. Ritu Sarin
Registered Valuer (IBBI)
IBBI Valuer Registration No. IBBI/RV/05/2020/13063

d. BACKGROUND INFORMATION

Aviral Crop Science Private Limited ("Demerged Company" / Aviral)

Aviral Crop Science Private Limited [Corporate Identification No. (CIN): U18204KA2009PTC051872] is a private company limited by shares, which was incorporated on December 18, 2009 under the provisions of the Companies Act, 1956, under the name 'Toonz Retail India Private Limited'. The registered office of Demerged Company is presently located at 320/02, Flower Garden, K.H. Ranganatha Colony, Opp. BHEL, Mysore Road Bangalore, Karnataka 560026. The equity shares of the Company are unlisted and closely held by its Promoters.

AVIRAL is primarily engaged in the business of trading of Agri chemicals and Agri equipments (Agro Trading Business Undertaking) along with supply of manpower and technical support services (Remaining Undertaking) to group entities



Crystal Crop Protection Limited ("Resulting Company"/ "Crystal")

Crystal Crop Protection Limited [(CIN): U01403GJ1994PLC097033] is a private company limited by shares, which was incorporated on July 13, 1994, under the provisions of the Companies Act, 1956. The registered office of Resulting Company is presently located at 206, 2nd Floor, Span Trade Centre, Opp. Kochrab Gandhi Ashram, Near Paldi Char Rasta Ashram Road, Ellisbridge Ahmedabad, Gujarat 380006. The equity shares of the Company are unlisted and closely held by its Promoters.

CRYSTAL is engaged in the business of manufacturing and distribution of various products ranging from agro-chemicals, seeds and farm equipment.

The Management has decided to demerge the "Agro Trading Business Undertaking" of the Demerged Company into the Resulting Company.

Both the Companies are under common management and control. The present Scheme of Arrangement will not result any change in management and control of any of these Companies.

Appointed Date for the purpose of Scheme of Arrangement means commencement of business on 1 April, 2022, or such other date as the Hon'ble National Company Law Tribunal or any other competent authority may approve.

e. RATIONALE OF THE SCHEME

The Demerger of the 'Agro Trading Business Undertaking' (Demerged Undertaking) of the Demerged Company into the Resulting Company is likely to result in the following benefits

- The Agro Trading Business Undertaking of Demerged Company is similar to the business of Resulting Company and both Demerged Company and Resulting Company are part of the same promoter group. The Scheme would enable the promoter group to consolidate its agro-chemical and equipment business at one level i.e., Resulting Company. Hence, proposed demerger will create enhanced value for shareholders and allow a focused strategy in operations, which would be in the best interest of all the stakeholders.
- Consolidating Demerged Undertaking with the Resulting Company will result in achieving synergies in operations and optimal utilisation of resources, thereby reducing operating costs of running the Demerged Undertaking; and
- Reducing the inter se transactions between the Demerged Company and the Resulting Company, thereby reducing administrative costs and achieving efficiencies

Accordingly, the proposed Scheme would be in interest of the Demerged Company, the Resulting Company and their respective shareholders and other stakeholders (including employees) and will not be prejudicial to the interests of any concerned shareholders or creditors or general public at large



SCOPE OF WORK

- Date of Appointment** - 21st June 2022
- Valuation Date- 31st March 2022
- Date of Report- 21st June 2022
- Base of value- Relative value
- Valuation Currency- INR

**Initially appointed by the management on 1st June, 2022. Appointment ratified by the Audit Committee on 21st June 2022.

f. PROCEDURES ADOPTED AND VALUATION STANDARDS FOLLOWED

The scope of this report is to conduct a relative (and not absolute) valuation exercise as at the Valuation Date to determine the equity value of companies and then arrive at relative share swap ratio using internationally accepted valuation methodologies and report on the same in accordance with generally accepted professional standards including ICAI valuation standards, 2018 notified by the Institute of Chartered Accountants of India (ICAI) and Companies Act, 2013.

g. NATURE AND SOURCES OF INFORMATION USED OR RELIED UPON

- To arrive at share swap ratio under the said Scheme of Arrangement; we have relied upon:
 - Audited financial statements of Crystal for the year ended 31st March 2021 and Consolidated Management Certified financial statements for the year ended 31st March 2022.
 - Management Certified financials of Aviral for the year ended 31st March 2022 (with Division wise split of Demerged Business and Remaining Business).
 - Draft Scheme of Arrangement
 - Latest Credit Rating report of the Crystal
 - Shareholding pattern of demerged and Resulting company
 - Management Representation Letter
 - Capitaline Database
 - Public documents available on external sources such as stock exchanges
 - Other Information and documents for the purpose of this engagement

h. EXTENT OF INVESTIGATION UNDERTAKEN

We have taken due care in performing valuation procedures and have also applied appropriate discount rates considering the nature and size of the business of divisions / companies and marketability of their equity shares. However, we would like to expressly state that though we have reviewed the financial data for the limited purpose of valuation assessment but we have not performed an Audit/Due Diligence and have relied upon the historical financial statements and division wise and segment wise financials of the Demerged Business as prepared and submitted to us by the management of the companies. The management has represented to us that it has been taken due care in preparation of such financial statements and division wise and segment wise estimates.



I. LIMITATION OF REPORT

The Valuation exercise was carried out under the following limitations:

- This report is subject to limitations detailed in respective engagement letters. As such, the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein.
- Provision of valuation of opinions and consideration of the issues described herein are areas of our regular practice. The services do not represent accounting, assurance, due diligence, consulting or tax related services that may otherwise be provided by us or our affiliates.
- The recommendation contained herein is not intended to represent value at any time other than valuation date. We have no obligation to update this report.
- Valuation analysis and results are specific to the purpose of valuation and as per agreed terms of the respective engagements. It may not be valid for any other purpose or as of any other date. Also it may not be valid if done on behalf of any other entity.
- A Valuation of this nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular as in effect on and the information made available to us as of the date hereof. The report is issued on the understanding that the management has drawn out attention to all the matters, which they are aware of concerning the financial position of the Companies and any other matter, which may have an impact on our opinion on the share swap ratio for the proposed arrangement. Events occurring after the date hereof may affect this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this report.
- The COVID-19 ("Covid") and other force majeure events like the events of war represent potentially significant impact upon larger economic activity and certain businesses. At the Valuation Date, the Covid crisis and certain events of war are still ongoing and its future impact was not capable of being qualitatively or quantitatively assessed on Valuation Subjects at this time.
- We have not carried out any physical verification of the assets and liabilities of the Valuation Subjects and take no responsibility for the identification of such assets and liabilities
- The valuation analysis and results are governed by concept of materiality.
- Our Valuation & Analysis and the conclusions drawn there from are further based on a number of factors which are largely dependent upon the prevailing business and industry conditions as on the Valuation date and explanations provided by the Management. We presume that the Management of the Companies have taken reasonable care to ensure that all relevant information which could have an impact over the Valuation has been duly disclosed & made available to us.
- The scope of our work has been limited both in terms of the areas of the business and operations which we have reviewed and the extent to which we have reviewed them. There may be matters, other than those noted herein, which might be relevant in the context of the transaction and which a wider scope might uncover.



- The valuation of the companies is based on various assumptions made by the companies and their management relating to the operation of their business and representation made by them. Any change in these assumptions could have an impact on their valuation.
- The draft of the present report was circulated to the Management (excluding the recommended fair equity share swap ratio) for confirming the facts stated in the report and to confirm that the information or facts stated are not erroneous.
- The decision to carry out the Proposed Arrangement (including consideration thereof) lies entirely with the management and shareholders and our work and our finding shall not constitute a recommendation as to whether or not the parties should carry out the Proposed Arrangement.

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SECTION II

COMPANIES ASSESSMENT

1. Aviral Crop Science Private Limited ("Demerged Company" / Aviral)

Aviral Crop Science Private Limited [Corporate Identification No. (CIN): U18204KA2009PTC051872] is a private company limited by shares, which was incorporated on December 18, 2009 under the provisions of the Companies Act, 1956, under the name 'Toonz Retail India Private Limited'. The registered office of Demerged Company is presently located at 320/02, Flower Garden, K.H. Ranganatha Colony, Opp. BHEL, Mysore Road Bangalore, Karnataka 560026. The equity shares of the Company are unlisted and closely held by its Promoters.

AVIRAL is primarily engaged in the business of trading of Agri chemicals and Agri equipments (Agro Trading Business Undertaking) along with supply of manpower and technical support services (Remaining Undertaking) to group entities

The Present Issued, Subscribed and Paid-up Capital of Aviral is ₹2,00,00,000 divided into 20,00,000 Equity Shares of ₹10 each and the entire equity shares belong to the Promoter Group.

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Management Certified Balance Sheet of Aviral Crop Science Private Limited as on 31st March 2022:

Particulars	Assets / Liabilities related to Trading Business*	Assets / Liabilities related to Non-Trading Business	Assets / Liabilities related to Old Business	Total
I. EQUITY AND LIABILITIES				
(1) Shareholders' Funds				
(a) Share Capital	-	-	2,00,00,000	2,00,00,000
(b) Reserves and Surplus	3,79,13,759	3,08,16,897	-60,35,82,020	-53,48,51,364
	3,79,13,759	3,08,16,897	-58,35,82,020	-51,48,51,364
(2) Non-Current Liabilities				
(c) Other Long term liabilities	30,00,00,000	-	29,57,482	30,29,57,482
(d) Long-term provisions	14,562	7,383	-	21,945
	30,00,14,562	7,383	29,57,482	30,29,79,427
(3) Current Liabilities				
(a) Short-term borrowings	-	2,00,00,000	24,96,18,870	26,96,18,870
(b) Trade Payables	28,04,75,204	1,35,000	10,83,46,597	38,89,56,801
(c) Other current liabilities	9,11,073	3,46,55,754	37,85,156	3,93,51,983
(d) Short-term provisions	2,06,422	1,04,656	-	3,11,078
	28,15,92,699	5,48,95,410	36,17,50,623	69,82,38,732
Total	61,95,21,020	8,57,20,943	21,88,73,916	48,63,66,795
II. Assets				
(1) Non-current assets				
(a) Property Plant & Equipment				
(i) Tangible assets	-	-	2,86,764	2,86,764
(ii) Intangible assets	-	-	3,633	3,633
	-	-	2,90,397	2,90,397
(b) Investment in Share Trading / Bond	-	1,91,66,396	-	1,91,66,396
(c) Long term loans and advances	-	-	17,26,655	17,26,655
(d) Deferred Tax Assets (net)	-	-	12,51,71,119	12,51,71,119
(2) Current assets				
(b) Inventories	9,75,00,000	-	-	9,75,00,000
(c) Trade receivables	16,36,45,759	3,42,63,485	12,47,867	19,91,57,111
(d) Cash and cash equivalents	4,26,328	88,09,456	52,89,011	1,45,24,795
(e) Short-term loans and advances	2,19,03,047	61,52,048	6,63,171	2,87,18,266
(f) Other current assets	-	-	1,12,057	1,12,057
	28,34,75,134	4,92,24,989	73,12,106	34,00,12,229
Total	28,19,46,494	6,83,91,385	13,45,00,277	48,63,66,796

*Trading Business in Agro Trading Business Undertaking



Management Certified Income Statement of Aviral Crop Science Private Limited for year ending 31st March 2022 is as follows-

S.No	Particulars	Figures for Agri Equipment / Agro Chemicals Business as on 31/03/2022	Figures for Manpower & technical Services / Share Trading Business as on 31/03/2022	Total
I.	Revenue from operations	43,45,08,738	21,74,90,495	65,19,99,233
II.	Other Income	6,95,276	31,71,030	38,66,306
III.	Total Revenue (I +II)	43,52,04,014	22,06,61,525	65,58,65,539
IV.	<u>Expenses:</u>			
	a) Purchase of stock in trade	47,96,42,850	1,23,70,564	49,20,13,414
	b) Changes in inventories of finished goods, work-in-progress	(9,75,00,000)	(89,82,388)	(10,64,82,388)
	c) Employee benefit expense	13,31,945	15,89,44,096	16,02,76,041
	d) Financial costs	98,01,447	49,92,707	1,47,94,154
	e) Depreciation and amortization expense	38,215.59	19,352	57,567
	f) Other expenses	39,75,798	2,25,00,297	2,64,76,095
	Total Expenses	39,72,90,255	18,98,44,628	58,71,34,883
V	Profit before tax (III - IV)	3,79,13,759	3,08,16,897	6,93,60,218

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2. Crystal Crop Protection Limited ("Resulting Company" / "Crystal")

Crystal Crop Protection Limited [(CIN): U01403GJ1994PLC097033] is a private company limited by shares, which was incorporated on July 13, 1994, under the provisions of the Companies Act, 1956. The registered office of Resulting Company is presently located at 206, 2nd Floor, Span Trade Centre, Opp. Kochrab Gandhi Ashram, Near Paldi Char Rasta Ashram Road, Ellisbridge Ahmedabad, Gujarat 380006. The equity shares of the Company are unlisted and closely held by its Promoters.

CRYSTAL is engaged in the business of manufacturing and distribution of various products ranging from agro-chemicals, seeds and farm equipment

Shareholding pattern of Crystal is as follows-

S.No.	Name of Shareholder	Number of Equity Shares	% Holding
1	Kanak Aggarwal	7,19,79,415	53.75%
2	Nand Kishore Aggarwal	65,99,577	4.93%
3	Ankur Aggarwal	59,83,111	4.47%
4	Nand Kishore Aggarwal, Karta, Nand Kishore Aggarwal (HUF)	89,30,663	6.67%
5	Komal Aggarwal	3,33,20,191	24.88%
6	Crystal Crop Protection Employee Welfare Trust	71,06,260	5.31%
7	Kanak Nand Kishore Aggarwal Family Trust	94	0.00%
	Total	13,39,19,311	100.00%

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Consolidated Management Certified Balance Sheet of Crystal Crop Protection Limited as on 31st March 2022:

	Amount in Mn
ASSETS	
Non-current assets	
Property, plant and equipment	2,642.48
Capital work-in-progress (1)	157.81
Right-of-use asset	479.55
Goodwill	43.30
Other intangible assets	3,628.82
Intangible assets under development (1)	141.73
Financial assets	
i) Investments	710.48
ii) Loans	-
iii) Other financial assets	233.14
Deferred tax assets (net)	21.14
Income tax assets (net)	252.49
Other non-current assets	159.04
Total non-current assets	8,469.98
Current assets	
Inventories	6,981.26
Financial assets	
i) Investments	72.32
ii) Trade receivables	4,674.03
iii) Cash and cash equivalents	671.84
iv) Other bank balances	566.64
v) Loans	2.18
vi) Other financial assets	71.17
Other current assets	1,524.84
Total current assets	14,564.28
Total assets	23,034.25

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EQUITY AND LIABILITIES	
Equity	
Equity share capital	1,268.13
Other equity	10,707.37
Equity attributable to owners of the Company	11,975.50
Non-controlling interest	275.70
Total equity	12,251.21
Liabilities	
Non-current liabilities	
Financial liabilities	
i) Borrowings	1,379.40
ii) Lease liabilities	395.33
iii) Other financial liabilities	164.47
Provisions	81.17
Deferred tax liabilities (net)	54.66
Other non-current liabilities	2.79
Total non-current liabilities	2,077.82
Current liabilities	
Financial liabilities	
i) Borrowings	3,076.96
ii) Lease liabilities	25.40
iii) Trade payables	
Total outstanding dues of micro enterprises and small enterprises; and	91.87
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,307.39
iv) Other financial liabilities	323.73
Other current liabilities	1,693.36
Provisions	42.25
Current tax liabilities (net)	144.08
Total current liabilities	8,705.24
Total liabilities	10,783.06
Total equity and liabilities	23,034.27

(1) Capital Work in Progress (CWIP) includes tangible assets related to plant construction in Dahej and Gujrat, it also includes Intangible asset under development relating to product/brand registration



**Management Certified Consolidated Income statement of Crystal Crop Protection Limited
for year ending 31st March 2022 is as follows:**

<i>Amount in Mn</i>	<i>For the year ended 31 March 2022</i>
Revenue from operations	22,424.77
Other income	425.62
Total income	22,850.39
Expenses	
Cost of materials consumed	14,632.20
Purchases of stock-in-trade	1,583.39
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(997.04)
Employee benefits expense	1,176.61
Finance costs	279.08
Depreciation and amortisation expense	643.12
Other expenses	2,744.34
Total expenses	20,061.69
Profit before exceptional items and tax	2,788.70
Exceptional item	49.82
Profit before tax	2,738.88
Tax expense	
Current tax	651.36
Tax Adjustment for earlier years	(21.64)
Deferred tax charge / (credit)	59.61
Deferred tax for earlier year	1.25
Profit for the year	2,048.29

**Other expenses include fair value adjustment done for diminishing of Investments*



SECTION III

VALUATION ANALYSIS & WORKINGS

In case of valuation for M&A, the emphasis is on arriving the "relative values" of the shares of the business of the companies to facilitate recommendation of "Share Swap ratio".

The below table summarizes the approaches and methodologies of valuation with our comments.

Approach	Valuation Methodologies	Our Comments
Asset	Net Asset Value (NAV) Method	The Asset based method views the business as a set of assets and liabilities that are used as building blocks of a business value. The difference in the value of these assets and liabilities on a Book Value basis or Realizable Value basis or Replacement Cost basis is the business value. However, this methodology recognizes historical cost of net assets only without recognizing its present earnings, comparative financial performance of its peers and their enterprise values etc. Therefore, in general Net Asset Value only reflects the minimum proxy value of the company. In the instant case, the subject Companies are intended to be continued on a 'going concern basis', therefore, we have not applied the Asset approach for our Valuation Analysis.
Market	Comparable Companies Trading Multiples (CCM) Method	This methodology uses the valuation ratio of publicly traded listed companies and applies that ratio to the subject company being valued. The valuation ratio typically expresses the valuation as a function of a measure of financial performance or Book Value (e.g., Revenue, EBITDA, EBIT, Earnings per Share or Book Value). A key benefit of Comparable Companies Trading Multiples analysis is that this methodology is based on the current market price of peer companies which is generally viewed as one of the best valuation metrics as an observable input. In the instant case of Agro Trading Business Undertaking of Aviral and Crystal we have applied the CCM method of market approach to arrive at the fair value of the Demerged Business of the Demerged company and the Resulting Company.
Income	Discounted Free Cash Flow (DFCF) Method	<p>The DFCF method expresses the present value of the business as a function of its future cash earnings capacity. This methodology works on the premise that the value of a business is measured in terms of future cash flow streams, discounted to the present time at an appropriate discount rate. The value of the firm is arrived at by estimating the Free Cash Flows (FCF) to Firm and discounting the same with Weighted Average cost of capital (WACC). In the DFCF approach, the appraiser estimates the cash flows of any business after all operating expenses, taxes, and necessary investments in working capital and Capex is being met.</p> <p>In the given case considering that both the Demerged Company and Resulting Company belong to common management and Shareholders, for the purpose of this valuation and determination of Swap ratio on relative basis, we have not applied the Income approach in our Valuation Analysis due to the limited available financial information.</p>

[Signature]



The valuation of Demerged Business (Agro Trading Business Undertaking) of Aviral Crop Science Private Limited and Crystal Crop Protection Limited with its basis is given below-

A. Demerged Business of Aviral Crop Science Private Limited

COMPARABLE COMPANIES TRADING MULTIPLES METHODOLOGY

Comparable Company Trading multiples methodology (CCM) uses the valuation ratios of publicly traded listed companies and applies that ratio to the subject company being valued. The valuation ratio typically expresses the valuation as a function of measure of financial performance (e.g., Turnover, EBITDA, EBIT, EPS or Book Value). A key benefit of CCM analysis is that the methodology is based on the current market stock price. The current stock price is generally viewed as one of the best valuation metrics because markets reflect observable inputs. The difficulty here is the selection of a comparable company since it is rare to find two or more companies with the same product portfolio, size, capital structure, business strategy, profitability and accounting practices. Whereas no publicly traded company provides an identical match to the operations of a given company, important information can be drawn from the way similar enterprises in Industry / Sector are valued by public markets.

We have selected the peer companies based on the following parameters: -

- 1. Business Model:** To arrive at the fair value of the Agro Trading Business Undertaking of the Demerged Company, we have used the CCM methodology, by comparing the Trailing Twelve Months (TTM) EV to EBITDA (EV/EBITDA) Multiples preceding the Valuation date of certain companies listed on Recognized Stock Exchanges in India belonging to the "Pesticides/Agrochemicals" Industry. We have considered only those companies whose Industry classification and business model (in terms of the principal products/services) is similar to company's business model. For Industry classification, we have relied upon the Capitaline database.
- 2. Trade Volume:** Only those companies have been considered, whose shares are frequently traded at National Stock Exchange (NSE) or Bombay Stock Exchange (BSE).

Valuation of Demerged Business of Aviral based on EV to EBITDA Multiple

Particulars	Amount (INR Million)
Consolidated EBITDA (1)	47.06
Adjusted Industry Median EV/EBITDA Multiple (2)	10.03
Enterprise Value	472.06
Add: Cash & Cash equivalent as on 31.03.2022	0.43
Less: Debt & Debt-Like item as on 31.03.2022 (3)	(300.00)
Equity Value	172.49
No of Equity Shares as on 31.03.2022	20,00,000.00
Value per Equity Share (INR)	86.24



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- (1) Based on the management certified financials for FY 2021-22
- (2) Median of "Pesticides & Agrochemicals" Industry EV/EBITDA TTM multiples as on 10th June 2022 from Capitaline database after considering suitable discounts for lack of marketability, size and operating characteristics
- (3) As on 31st March 2022, the Resulting Company holds certain investments in Optionally Convertible Debentures (OCD) of trading division of Aviral. The conversion option rights of these OCD are solely with "Aviral", and it is confirmed by the management that these OCD are not being converted as on valuation date. Accordingly, the book value of this investment is considered as its fair value as on 31st March, 2022

Based on our analysis of the Demerged Business of Aviral Crop Science Private Limited and subject to our comments and caveats as further detailed in this report, we have arrived at the value per equity share of Demerged Business of Aviral Crop Science Private Limited at INR 86.24.

B. Crystal Crop Protection Limited

COMPARABLE COMPANIES TRADING MULTIPLES METHODOLOGY

Comparable Company Trading multiples methodology (CCM) uses the valuation ratios of publicly traded listed companies and applies that ratio to the subject company being valued. The valuation ratio typically expresses the valuation as a function of measure of financial performance (e.g., Turnover, EBITDA, EBIT, EPS or Book Value). A key benefit of CCM analysis is that the methodology is based on the current market stock price. The current stock price is generally viewed as one of the best valuation metrics because markets reflect observable inputs. The difficulty here is the selection of a comparable company since it is rare to find two or more companies with the same product portfolio, size, capital structure, business strategy, profitability and accounting practices. Whereas no publicly traded company provides an identical match to the operations of a given company, important information can be drawn from the way similar enterprises in Industry / Sector are valued by public markets.

We have selected the peer companies based on the following parameters: -

- 1. Business Model:** To arrive at the fair value of the Resulting Company, we have used the CCM methodology, by comparing the Trailing Twelve Months (TTM) EV to EBITDA (EV/EBITDA) Multiples preceding the Valuation date of certain companies listed on Recognized Stock Exchanges in India belonging to the "Pesticides/Agrochemicals" Industry. We have considered only those companies whose Industry classification and business model (in terms of the principal products/services) is similar to company's business model. For Industry classification, we have relied upon the Capitaline database.
- 2. Trade Volume:** Only those companies have been considered, whose shares are frequently traded at National Stock Exchange (NSE) or Bombay Stock Exchange (BSE).



Valuation of Crystal Crop Protection Limited based on EV to EBITDA Multiple

Particulars	Amount (INR Million)
Consolidated EBITDA (1)	3,309.60
Adjusted Industry Median EV/EBITDA Multiple (2)	11.37
Enterprise Value	37,626.74
Add: Cash & Cash Equivalent as on 31.03.2022	1,238.49
Add: Capital Work in Progress (3)	299.54
Add: Surplus Assets (4)	1,067.66
Less: Debt & Debt-Like item as on 31.03.2022	(4456.46)
Less: Non-Controlling Interest	(275.70)
Equity Value	35,500.26
No of Equity Shares as on 31.03.2022	13,39,19,311.00
Value per Equity Share (INR)	265.09

- (1) Based on the consolidated management certified financials for FY 2021-22, adjusted for fair value adjustment done by company for its investment.
- (2) Median of "Pesticides & Agrochemicals" Industry EV/EBITDA TTM multiples as on 10th June 2022 from Capitaline database after considering suitable discounts for lack of marketability, size and operating characteristics.
- (3) As per management, Capital Work in Progress (CWIP) includes tangible assets related to plant construction in Dahej and Gujrat, it also includes Intangible asset under development relating to product/brand registration
- (4) Based on Consolidated Management certified financials as on 31st March 2022 containing surplus/Non-operating assets and investments

Based on our analysis of Crystal Crop Protection Limited and subject to our comments and caveats as further detailed in this report, we have arrived at the value per equity share at INR 265.09.

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SECTION IV

SHARE SWAP RATIO

Valuation Approaches	Aviral Crop Science Pvt Ltd (Agro trading business undertaking of Demerged Company)		Crystal Crop Protection Ltd (Resulting Company)	
	Value per Share	Weight	Value per Share	Weight
Asset Approach (1)	NA	NA	NA	NA
Market Approach	86.24	1.00	265.09	1.00
Income Approach (2)	NA	NA	NA	NA
Relative Value per Share	86.24		265.09	
Exchange Ratio (rounded off)			0.3253	

NA = Not Applied / Not Applicable

- (1) Since the Demerged business of Aviral and Crystal are intended to be continued on a 'going concern basis', we have not used Asset Approach for our Valuation Analysis.
- (2) In the given case considering that both the Demerged Company and Resulting Company belong to common management and Shareholders, for the purpose of this valuation and determination of Swap ratio on relative basis, we have not applied the Income approach in our Valuation Analysis due to the limited available financial information.

Based on the above swap ratio approximately 32.53 equity shares of Crystal should get issued against every 100 equity shares of the Demerged Company.

On the basis of above and consequent to the Demerger of the Agro Trading Business Undertaking of the Demerged Company with the Resulting Company, the Resulting Company shall, issue and allot equity shares to the shareholders of the Demerged company, whose names appear in the Register of Members of the Demerged company, as on the Record Date, in the following ratio:

32.53 Equity Share of ₹10 each, credited as fully paid up, to the Equity Shareholders of the Demerged Company for every 100 Equity Share of ₹10 each held in the Demerged Company

For Ritu Sarin




Registered Valuer (IBBI)

IBBI Valuer Registration No. IBBI/RV/05/2020/13063

UDIN: 22408680ALHRKR4463

Date: 21st June 2022



SECTION V

CAVEATS

- This Valuation Report has been issued on the specific request of the Companies for determining the Share Swap ratio for the said proposed Scheme of Arrangement in accordance with the Companies Act, 2013 and Rules thereof. This Report is prepared exclusively for the above stated purpose and must not be copied, disclosed or circulated or referred to in correspondence or discussion with any other party. Neither this report nor its content may be used for any other purpose without our prior written consent.
- No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in accounts. Therefore, no responsibility is assumed for matters of legal nature.
- In accordance with the customary approach adopted in Valuation exercise, we have summarized the Share Swap ratio of the Companies based on the information as was provided to us by the management of the Companies both written, verbal and other publicly available information. We do not assume any responsibility for the accuracy or reliability of such documents on which we have relied upon in forming our opinion.
- This Report does not look into the business/commercial reasons behind the transaction nor the likely benefits arising out of the same. In addition, we express no opinion or recommendation, and the shareholders are expected to exercise their own discretion.
- We are independent of the Companies and have no present or planned future interest in the Company and the fee for this Valuation analysis is not contingent upon the values reported herein. The Valuation Analysis contained herein is not intended to represent the value at any time other than the date that is specifically stated in this Report.
- The report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein.
- In no circumstances shall the liability of a valuer, its partners, directors or employees, relating to the services provided in connection with the engagement set out in this Valuation report shall exceed the amount paid to such valuer in respect of the fees charged by it for these services.
- Our valuation report should not be construed as investment advice; specifically, we do not express any opinion on the suitability or otherwise of entering into the proposed transaction.



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REPORT ADOPTED BY THE BOARD OF DIRECTORS OF CRYSTAL CROP PROTECTION LIMITED AT THEIR MEETING HELD ON JUNE 21, 2022 EXPLAINING THE EFFECT OF THE SCHEME OF ARRANGEMENT BETWEEN AVIRAL CROP SCIENCE PRIVATE LIMITED AND CRYSTAL CROP PROTECTION LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS, UNDER SECTIONS 230 TO 232 AND ANY OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT 2013, ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS OF THE COMPANY

1. Background

- 1.1. This report is under the provisions of Section 232(2)(c) of the Companies Act, 2013 (the “**Act**”) and summarizes the effect of the Scheme of Arrangement between Aviral Crop Science Private Limited (“**Demerged Company**”) and Crystal Crop Protection Limited (“**Resulting Company**” or “**Company**”) and their respective shareholders and creditors (“**Scheme**”), on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders of the Company.
- 1.2. The draft Scheme was placed before the Board, for the purpose of identification.

2. Rationale of the Scheme

- 2.1. The Board of Directors of the Companies are of the view that the demerger of the Demerged Undertaking of the Demerged Company and vesting of the same in the Resulting Company, pursuant to Part III of this Scheme, inter alia, would lead to the following benefits:
- i. The Agri Chemical and Equipment Business Undertaking of Demerged Company is similar to the business of Resulting Company and both Demerged Company and Resulting Company are part of the same promoter group. The Scheme would enable the promoter group to consolidate its agri-chemical and equipment business at one level i.e., Resulting Company. Hence, the Scheme will create enhanced value for shareholders and allow a focused strategy in operations, which would be in the best interest of all the stakeholders.
 - ii. Consolidating Demerged Undertaking with the Transferee Company will result in achieving synergies in operations and optimal utilisation of resources, thereby reducing operating costs of running the Demerged Undertaking; and
 - iii. Reducing the inter se transactions between the Demerged Company and the Resulting Company, thereby reducing administrative costs and achieving efficiencies.
 - iv. The Scheme would facilitate focused growth, operational efficiencies, business synergies, increased operational and customer focus in relation to the Demerged Undertaking in the Resulting Company. The Scheme would thus provide a platform for having a concentrated approach towards growth and development of the Demerged Undertaking.
 - v. The financial position of the Demerged Company and the Resulting Company shall not be adversely affected by this Scheme. The said companies will continue to remain strong and will be able to meet and pay their debts as and when they arise.
 - vi. There is no likelihood that the interests of any shareholder or creditor of either the Demerged Company or the Resulting Company would be prejudiced as a result of the Scheme. The demerger, transfer and vesting of the Demerged Undertaking will not impose any additional burden on the members of the Demerged Company or the Resulting Company. The Scheme is not prejudicial or against public interest in any manner and would serve the interest of all shareholders, creditors and other stakeholders of the Demerged Company and the Resulting Company.

Thus, the proposed Scheme would be in interest of the Demerged Company, the Resulting Company and their respective shareholders and other stakeholders (including employees) and will not be prejudicial to the interests of any concerned shareholders or creditors or general public at large.

3. Report on Share Swap Ratio

3.1. For the purpose of determining number of shares to be issued by the Resulting Company to the shareholders of Demerged Company, pursuant to demerger under part – III of the Scheme, the Companies have obtained a report on share swap ratio from Ms. Ritu Sarin, Registered Valuer.

3.2. Resulting Company will issue 32.53 equity share of Rs. 10 each, credited as fully paid-up, to the shareholders of the Demerged Company for every 100 equity share of Rs. 10 each held in the Demerged Company, whose name is recorded in the register of members, as on the Record Date, in respect of demerger of Demerged Undertaking of the Demerged Company into the Resulting Company.

3.3. No special valuation difficulties were reported.

4. Effect of the Scheme on the equity shareholders (promoter and non-promoter) of the Company

4.1. Upon the effectiveness of part III of the Scheme, the Resulting Company shall issue consideration to the equity shareholders of the Demerged Company in the abovementioned swap ratio. Post-demerger, shareholders of the Demerged Company will become the shareholders of Resulting Company.

4.2. The effectiveness of the Scheme shall have no adverse impact on the equity shareholders of the Company.

5. Effect of the Scheme on the Key Managerial Personnel ('KMPs') and Board of Directors of the Company

5.1. The effectiveness of the Scheme will have no impact on the KMP's of the Company. The KMP's of the Company shall continue to be the KMP's of the Company, even after the effectiveness of the Scheme.

5.2. The effectiveness of the Scheme will have no impact on the Board of Directors of the Company. The Board of the Company shall continue to be the Board of the Company, even after the effectiveness of the Scheme.

5.3. None of the directors, the KMPs of the Company and their respective 'Relatives' (as defined under the Act and rules formed thereunder) have any material interests, financial or otherwise in the Scheme.

For and on behalf of Crystal Crop Protection Limited

Sd/-

Vikram Singh
Company Secretary
ICSI M No. F11620
B-95, Wazirpur Industrial Area, Delhi-110052

June 21, 2022
Delhi

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF AVIRAL CROP SCIENCE PRIVATE LIMITED AT THEIR MEETING HELD ON JUNE 21, 2022 EXPLAINING THE EFFECT OF THE SCHEME OF ARRANGEMENT BETWEEN AVIRAL CROP SCIENCE PRIVATE LIMITED AND CRYSTAL CROP PROTECTION LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS, UNDER SECTIONS 230 TO 232 AND ANY OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT 2013, ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS OF THE COMPANY

1. Background

- 1.1. This report is under the provisions of Section 232(2)(c) of the Companies Act, 2013 (the “**Act**”) and summarizes the effect of the Scheme of Arrangement between Aviral Crop Science Private Limited (“**Demerged Company**” or “**Company**”) and Crystal Crop Protection Limited (“**Resulting Company**”) and their respective shareholders and creditors (“**Scheme**”), on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders of the Company.
- 1.2. The draft Scheme was placed before the Board, for the purpose of identification.

2. Rationale of the Scheme

- 2.1. The Board of Directors of the Companies are of the view that the demerger of the Demerged Undertaking of the Demerged Company and vesting of the same in the Resulting Company, pursuant to Part III of this Scheme, inter alia, would lead to the following benefits:
- i. The Agri Chemical and Equipment Business Undertaking of Demerged Company is similar to the business of Resulting Company and both Demerged Company and Resulting Company are part of the same promoter group. The Scheme would enable the promoter group to consolidate its agri-chemical and equipment business at one level i.e., Resulting Company. Hence, the Scheme will create enhanced value for shareholders and allow a focused strategy in operations, which would be in the best interest of all the stakeholders.
 - ii. Consolidating Demerged Undertaking with the Transferee Company will result in achieving synergies in operations and optimal utilisation of resources, thereby reducing operating costs of running the Demerged Undertaking; and
 - iii. Reducing the inter se transactions between the Demerged Company and the Resulting Company, thereby reducing administrative costs and achieving efficiencies.
 - iv. The Scheme would facilitate focused growth, operational efficiencies, business synergies, increased operational and customer focus in relation to the Demerged Undertaking in the Resulting Company. The Scheme would thus provide a platform for having a concentrated approach towards growth and development of the Demerged Undertaking.
 - v. The financial position of the Demerged Company and the Resulting Company shall not be adversely affected by this Scheme. The said companies will continue to remain strong and will be able to meet and pay their debts as and when they arise.
 - vi. There is no likelihood that the interests of any shareholder or creditor of either the Demerged Company or the Resulting Company would be prejudiced as a result of the Scheme. The demerger, transfer and vesting of the Demerged Undertaking will not impose any additional burden on the members of the Demerged Company or the Resulting Company. The Scheme is not prejudicial or against public interest in any manner and would serve the interest of all shareholders, creditors and other stakeholders of the Demerged Company and the Resulting Company.

Thus, the proposed Scheme would be in interest of the Demerged Company, the Resulting Company and their respective shareholders and other stakeholders (including employees) and will not be prejudicial to the interests of any concerned shareholders or creditors or general public at large.

3. Report on Share Swap Ratio

- 3.1. For the purpose of determining number of shares to be issued by the Resulting Company to the shareholders of Demerged Company, pursuant to demerger under part – III of the Scheme, the Companies have obtained a report on share swap ratio from Ms. Ritu Sarin, Registered Valuer.
- 3.2. Resulting Company will issue 32.53 equity share of Rs. 10 each, credited as fully paid-up, to the shareholders of the Demerged Company for every 100 equity share of Rs. 10 each held in the Demerged Company, whose name is recorded in the register of members, as on the Record Date, in respect of demerger of Demerged Undertaking of the Demerged Company into the Resulting Company.
- 3.3. No special valuation difficulties were reported.

4. Effect of the Scheme on the equity shareholders (promoter and non-promoter) of the Company

- 4.1. Upon the effectiveness of part III of the Scheme, the Resulting Company shall issue consideration to the equity shareholders of the Demerged Company in the abovementioned swap ratio. Post-demerger, shareholders of the Demerged Company will become the shareholders of Resulting Company.
- 4.2. The effectiveness of the Scheme shall have no adverse impact on the equity shareholders of the Company.

5. Effect of the Scheme on the Key Managerial Personnel ('KMPs') and Board of Directors of the Company

- 5.1. Pursuant to the Scheme, the KMPs of the Company, if any shall continue to be the KMPs of the Company, even after the effectiveness of the Scheme.
- 5.2. The effectiveness of the Scheme will have no impact on the Board of Directors of the Company. The Board of the Company shall continue to be the Board of the Company, even after the effectiveness of the Scheme.
- 5.3. None of the directors, the KMPs (if any) of the Company and their respective 'Relatives' (as defined under the Act and rules formed thereunder) have any material interests, financial or otherwise in the Scheme.

For and on behalf of Aviral Crop Science Private Limited

Sd/-

Ajay Kumar Gupta
Director
DIN:09490268
B-95, Wazirpur Industrial Area, Delhi-110052

June 21, 2022
Delhi



Independent Auditor's Report

To the Members of **AVIRAL CROP SCIENCE PVT LTD** (Formerly known as Toonz Retail India Pvt Ltd)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **AVIRAL CROP SCIENCE PVT LTD** which comprise the balance sheet as at 31st March 2022 and the statement of Profit and Loss and cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, 2022, its profit/loss, and cash flow statement for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of Management for Standalone Financial Statements

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 that give a true and fair view of the financial position, financial performance and cash flow statement of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

For Aviral Crop Science Private Limited

Authorized Signatory

CERTIFIED TRUE COPY

H. O. : D-4, Neveon Shahdara, Delhi - 110032

✉ info@ravmic.net, vijay@ravmic.net, mukesh@ravmic.net



www.cavmic.net

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

- a) As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, CARO is applicable. We give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
- b) As required by Section 143(3) of the Act, we report that:

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.



For Aviral Crop Science Private Limited

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- a) 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.
- b) The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- c) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- d) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- e) 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".
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- the Company has disclosed the impact of pending litigations on its Financial positions in its Financial Statement – Refer Note 44 to the Financial Statement.
 - the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - The provision relating to transferring any amount to the investor Education and Protection Fund is not applicable to the company during the year.
 - (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.



For Aviral Crop Science Private Limited

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- v. Since, the company has not declared any dividend during the FY. 2021-22, hence report regarding the dividend declared or paid during the year / subsequent to the year-end by the Company as per section 123 of the Companies Act, 2013 is not applicable to the company.

For VIJAY MUKESH & CO.
Chartered Accountants

Firm's registration number: 014554N



Partner

Membership number: 094199

UDIN: 22094199AQKLOO4290

Place: Delhi

Dated: 22/08/2022

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For Aviral Crop Science Private Limited


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Annexure - A to the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March 2022, we report that:

(1)

- a)
 - A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
 - B. The Company has maintained proper records showing full particulars of Intangible Assets.
- b) As explained to us, Property, Plant & Equipment have been physically verified by the management during the year at reasonable intervals, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any Immovable Property, hence requirement to report to clause (c) of paragraph 3(1) of the Companies (Auditor's Report) Order, 2020 is not applicable.
- d) The company has not revalued its property, plant and equipment (including right of use assets) or intangible assets during the year ended March 31st 2022.
- e) According to the information and explanations given to us, no proceedings have been initiated during the year or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.

(2)

- a) The management has conducted the physical verification of inventory, which in our opinion, is at reasonable intervals and in our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification.
- b) The Company has no working capital limits; hence requirement to report on this clause(ii)(b) of paragraph 3 of the Companies (Auditor's Report) Order, 2020 is not applicable.

(3)

- a) The Company has neither made investments in, provided any guarantee or Security nor granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Therefore reporting on clause (a), (b), (c), (d), (e) and (f) of paragraph 3 of the Companies (Auditor's Report) Order, 2020 is not applicable.

- (4) There is no loans, investments, guarantees, and security in respect of which provisions of section 185 of Companies Act, 2013 are applicable. Loans, investments, guarantees and security in respect of which provisions of Section 186 of Companies Act, 2013 are applicable have been complied with by the company.



For Aviral Crop Science Private Limited

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(5) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.

(7)

- a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Goods and Service Tax, Duty of Customs, Duty of Excise, Cess and any other statutory dues, as applicable to it, with the appropriate authorities. There are no arrears of outstanding statutory dues as at 31st March, 2022 for a period of more than six months from the date they became payable.
- b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute except the following:-

Name of Statute	Nature of Dues	Amount (In Lacs)	Period to which amount relates	From Where dispute is pending
Kerala VAT	VAT Demand	12.96	FY 2011-12 to 2016-17	Kerala High Court
Kerala CST	CST Demand	34.72	FY 2011-12 to 2016-17	Kerala High Court
Jharkhand	Sales Tax	2.38	FY 2014-15	Deputy Commissioner of Commercial Taxes

(8) According to information and explanations given to us, the company did not have any transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(9)

- a) According to the Information and explanations given to us, as also on the basis of the books and records examined by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b) According to the Information and explanations given to us and on the basis of our audit procedures, the Company has not been declared wilful defaulter by any bank or financial institution or by any other lender.
- c) The Company did not have any term loan outstanding during the year hence, the requirement to report on clause (ix)(c) of Order is not applicable to the company.



For Aviral Crop Science Private Limited

[Signature]
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d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that funds raised on short-term basis have not been utilised for long-term purposes.

e) According to the information and explanations given to us and on the basis of the books and records examined by us, the company does not have any subsidiaries, associates or joint ventures. Therefore, the requirement to report on clause (ix)(e) & (ix)(f) of paragraph 3 of the Companies (Auditor's Report) Order, 2020 is not applicable.

10)

a) According to the information and explanations given to us and on the basis of the books and records examined by us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3 (x)(a) of the Order is not applicable.

b) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has issue 30,00,000 Optionally Convertible Debentures at 6.66% coupon rate on preferential basis at face value of Rs.100 each during the year and there is no Non-compliance by the company.

11)

a) On the basis of books and records of the Company examined by us and according to the information and explanations given to us, we report that no material fraud by the Company or any fraud on the Company has been noticed or reported during the year in the course of our audit.

b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up-to the date of this report.

c) As represented to us by the management, the Company has not received any whistle-blower complaint during the year and upto the date of this report.

12) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), clause 3(xii)(b) and clause 3(xii)(c) of the Order is not applicable to the Company

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

14) Since the requirement of internal audit u/s 138 of the companies act 2013 read with Companies (Accounts) rules, 2014 is not applicable on the company, therefore the requirement to report on clause 3(xiv) (a) and (b) of the Companies (Auditor's Report) Order, 2020 is not applicable.

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



For Aviral Crop Science Private Limited

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16)

- a) The provisions of section 45-1A of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company.
- b) The company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) & 3(xvi)(d) of the Order is not applicable to the Company.

17) The company has not incurred any cash loss in the current financial year as well as in the immediately preceding financial year

18) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

19) On the basis of the financial ratios disclosed in note 38 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

20) Since, As per section of 135 of Companies Act 2013 i.e. Corporate Social Responsibility (CSR) the company has crossed the ceiling limit of Net profit of 5 cr but the average profit of last 3 years is negative thus the company is not required to spend any amount on CSR activities for the current year. Hence, the requirement of reporting the on clause 3(xx)(a) & 3(xx)(b) of the Companies (Auditor's Report) Order, 2020 is not applicable.

For VIJAY-MUKESH & CO.

Chartered Accountants

Firm's registration number: 014554N

CA MUKESH J. JAIN
Partner
Membership number: 094199
UDIN: 22094199AQKLOO4290

Place: Delhi
Dated: 22/08/2022



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For Aviral Crop Science Private Limited

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Annexure – B to the Independent Auditor's Report of even date on the Standalone Financial Statements of AVIRAL CROP SCIENCE PVT LTD.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of AVIRAL CROP SCIENCE PVT LTD ("the Company") as of 31 March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. 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.

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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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 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



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For Aviral Crop Science Private Limited

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accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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

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

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 31 March 2022, 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 VIJAY MUKESH & CO.

Chartered Accountants

Firm's registration number: 014554N



Partner

Membership number: 094199

UDIN: 22094199AQKLOO4290

*Place: Delhi

Dated: 22/08/2022

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For Aviral Crop Science Private Limited

Authorized Signatory



Aviral Crop Science Pvt Ltd (formerly known as Toonz Retail India Pvt Ltd)
BALANCE SHEET AS AT 31/03/2022
U18204KA2009PTC051872

Particulars	Note No	Figures for the current reporting period 31/03/2022 (In Lacs)	Figures for the previous reporting period 31/03/2021 (In Lacs)
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	200.00	200.00
(b) Reserves and Surplus	3	(5,558.58)	(6,035.82)
(c) Money received against share warrants		0.00	0.00
		(5,358.58)	(5,835.82)
(2) Share application money pending allotment		0.00	0.00
(3) Non-Current Liabilities			
(a) Long-term borrowings	4	3,000.00	0.00
(b) Deferred tax liabilities (Net)		0.00	0.00
(a) Other Long term liabilities		0.00	0.00
(b) Long-term provisions	5	1.42	8.54
		3,001.42	8.54
(4) Current Liabilities			
(a) Short-term borrowings	6	2,696.19	5,930.30
(b) Trade payables	7	2,810.12	1,336.37
(c) Other current liabilities	8	1,534.61	1,288.68
(d) Short-term provisions	9	1.57	1.12
		7,042.49	8,556.47
Total		4,685.33	2,729.20
II. Assets			
(1) Non-current assets			
(a) Property Plant & Equipment & Intangible assets			
(i) Property Plant & Equipment	10	2.87	3.44
(ii) Intangible assets		0.04	0.04
		2.90	3.48
(b) Non-current investments		0.00	0.00
(c) Deferred tax assets (net)	11	1,036.24	1,251.71
(d) Long term loans and advances	12	8.95	8.95
(e) Other Non Current Assets		0.00	0.00
		1,048.10	1,264.14
(2) Current assets			
(a) Current investments	13	190.29	0.00
(b) Inventories	14	975.00	0.00
(c) Trade receivables	15	1,977.34	1,258.46
(d) Cash and cash equivalents	16	141.25	35.52
(e) Short-term loans and advances	17	352.24	169.95
(f) Other current assets	18	1.12	1.12
		3,637.23	1,465.06
Total		4,685.33	2,729.20

Significant accounting policies
Notes to accounts & Additional
information to the financial
statements

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For and on behalf of the Board of Directors of
Aviral Crop Science Pvt Ltd

Auditor's Report
As per our report of even date
For Vijay Mukesh & Co.
(Chartered Accountants)
FRN: 014554N

For Aviral Crop Science Private Limited

For Aviral Crop Science Private Limited

Ankur Aggarwal
Director
00074325

Ajay Kumar Gupta
Director
09490268

CA Mukesh Jain
(Partner)
Membership NO : 094199

Place : Delhi
Date : 22/08/2022
UDIN: 22094199AOKL004290



For AVIRAL CROP SCIENCE PRIVATE LIMITED

DIRECTOR

Aviral Crop Science Pvt Ltd (formerly known as Toonz Retail India Pvt Ltd)
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31/03/2022
U18204KA2009PTC051872

	Particulars	Note No	Figures for the current reporting period 31/03/2022 (in Lacs)	Figures for the current reporting period 31/03/2021 (in Lacs)
I.	Revenue from operations (net)	19	6,519.99	2,106.67
II.	Other Income	20	13.10	8.71
III.	Total Revenue (I + II)		6,533.09	2,115.37
IV.	Expenses:			
	a) Cost of materials consumed		0.00	0.00
	b) Purchase of Stock-in-Trade	21	4,795.20	1,130.60
	c) Changes in Inventories of finished goods, work-in-progress and Stock-in-Trade	22	(975.00)	29.87
	d) Employee benefit expense	23	1,596.13	635.81
	e) Financial costs	24	148.59	171.09
	f) Depreciation and amortization expense	25	0.58	3.90
	g) Other expenses	26	274.89	134.04
	Total Expenses		5,840.38	2,105.31
V.	Profit before exceptional and extraordinary items and tax (III - IV)		692.71	10.06
VI.	Exceptional Items	27	0.00	-29.97
VII.	Profit before extraordinary items and tax (V - VI)		692.71	(19.91)
VIII.	Extraordinary Items		0.00	0.00
IX.	Profit before tax (VII - VIII)		692.71	(19.91)
X.	Tax expense:	28	215.47	280.65
XI.	Profit/(Loss) from the period from continuing operations (IX-X)		477.24	(300.56)
XII.	Profit/(Loss) from discontinuing operations		0.00	0.00
XIII.	Tax expense of discounting operations		0.00	0.00
XIV.	Profit/(Loss) from Discontinuing operations (XII - XIII)		0.00	0.00
XV.	Profit/(Loss) for the period (XI + XIV)		477.24	(300.56)
XVI.	Earning per equity share:	29		
	(1) Basic		23.86	(15.03)
	(2) Diluted		23.86	(15.03)

Significant accounting policies
Notes to accounts & Additional
Information to the financial statements

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2 to 48

For and on behalf of the Board of Directors of
Aviral Crop Science Pvt Ltd

For Aviral Crop Science Private Limited

For Avira: Crop Science Private Limited


Ankur Aggarwal
Director
00074325


Ajay Kumar Gupta
Director
09490268

Auditor's Report
As per our report of even date
For Vijay Mukesh & Co.
(Chartered Accountants)
FRN: 014554N


CA Mukesh Jain
(Partner)
Membership NO : 094199

Place : Delhi
Date : 22/08/2022
UDIN: 22094199AOKL004290

Aviral Crop Science Pvt Ltd (formerly known as Toonz Retail India Pvt Ltd)
CASH FLOW STATEMENT AS AT 31/03/2022
U18204KA2009PTC051872

Particulars	Figures for the Current reporting period 31/03/2022 (In Lacs)	Figures for the previous reporting period 31/03/2021(In Lacs)
(A) Cash Flows from Operating Activities		
PROFIT BEFORE TAXES	692.71	(19.91)
ADJUSTMENTS FOR :		
Depreciation and amortisation expense	0.58	3.90
Prior period Expenses	-	-
Loss/ (gain) on sale of investment	8.54	-
Interest income	(4.74)	(0.38)
Unrealised exchange loss/ (gains)	(4.49)	-
Provision for Wealth tax/Income Tax	-	-
Finance costs	148.59	171.09
Provision for Doubtful Debts, advances and other Current Assets	-	-
Liability/provision no longer required written back	-	-
Dividend	(0.63)	-
Other Non Operating Income	(2.22)	(8.33)
Profit/LOSS on sale of assets	-	-
Operating profit before working capital changes	838.34	146.37
Adjustments for (increase)/ decrease in operating assets		
Inventories	(975.00)	1,227.21
Trade receivables	(718.87)	(974.18)
Short terms loans and advances	(182.28)	92.75
Long term loans and advances	-	180.15
Other current assets	-	(0.18)
Adjustment for increase/ (decrease) in operating liabilities		
Short Term Borrowings	-	-
Trade payables	1,473.74	116.57
Other long term liabilities	-	(1,323.17)
Other current liabilities	245.93	937.19
Short term provisions	0.45	(2.10)
Long term provisions	(7.12)	(2.33)
CASH GENERATED FROM OPERATIONS	675.18	398.29
Less: Direct taxes (paid)	-	-
NET CASH FROM OPERATING ACTIVITIES	675.18	398.29
(B) Cash Flows from Investing Activities		
Purchase of fixed assets	-	-
Proceeds from sale of fixed assets	-	54.98
Purchase of Current Investments	(190.29)	-
Proceeds from sale of current Investments	-	-
Dividend received	0.63	-
Gain on sale of investment	(8.54)	-
Finance Lease Rent Payment (Principal Portion)	-	-
Interest Income received	4.74	0.38
Other Non Operating Income	2.22	8.33
NET CASH (USED IN) INVESTING ACTIVITIES	(191.24)	63.68
(C) Cash Flows from Financing Activities		
Proceeds from Long term borrowings	3,000.00	-
Repayment of long term borrowing	-	-
Proceeds from short term borrowings	-	(285.50)
Repayment of short term borrowings	(3,234.11)	-
Interest and other borrowings costs paid	(148.59)	(171.09)
Finance Lease Rent Payment (Interest Portion)	-	-
Increase in Share Capital and Share Premium	-	-
Unrealised exchange loss/ (gains)	4.49	-
Payment of Dividend distribution Tax	-	-
Dividend Paid	-	-
NET CASH USED IN FINANCING ACTIVITIES	(378.21)	(456.59)

For Aviral Crop Science Private Limited

For Aviral Crop Science Private Limited

Director

CASH FLOW STATEMENT AS AT 31/03/2022
U18204KA2009PTC051872

Particulars	Figures for the Current reporting period 31/03/2022 (In Lacs)	Figures for the previous reporting period 31/03/2021(In Lacs)
Net Increase/(Decrease) In Cash & Cash Equivalents (A+B+C)	105.73	5.39
CASH AND CASH EQUIVALENTS AS AT 1ST APRIL 2022	35.52	30.14
CASH AND CASH EQUIVALENTS AS AT 31ST MARCH 2022	141.25	35.52

For Vijay Mukesh & Co
Chartered Accountants
Firm registration number: 014554N

CA Mukesh Jain
Partner
Membership No. : 094199
Place : Delhi
Dated : 22/08/2022
UDIN : 22094199NOKL004290

For and on behalf of the Board of Directors of
Aviral Crop Science Pvt Ltd
For Aviral Crop Science Private Limited

Director
Ankur Aggarwal
Director
DIN: 00074325

Director
Ajay Kumar Gupta
Director
DIN: 09490268

Aviral Crop Science Pvt Ltd (formerly known as Toonz Retail India Pvt Ltd)

NOTES TO AND FORMING PART OF BALANCE SHEET AS AT 31/03/2022

U18204KA2009PTC051872

Note No	Particulars	Figures for the current reporting period 31/03/2022 (In Lacs)	Figures for the previous reporting period 31/03/2021 (In Lacs)
2	Share Capital		
	(A) Equity Share Capital		
	a) Authorised Share capital (20,00,000 equity shares of Rs. 10/- each) (Previous Year : 20,00,000 equity shares of Rs. 10/- each)	200.00	200.00
	b) Issued Subscribed & full Paid Share capital (20,00,000 equity shares of Rs. 10/- each) (Previous Year : 20,00,000 equity shares of Rs. 10/- each)	200.00	200.00
	Total	200.00	200.00
2.1	Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:		
	Equity Shares at the beginning of the year	200.00	200.00
	Add: Shares issued during the year (Incl Bonus & ESOP Shares)	-	-
	Total	200.00	200.00
	Less: Buyback/Conversion/Other Changes	-	-
	Equity Shares at the end of the year	200.00	200.00
2.2	Details of shares (In Lacs) held by each shareholder holding more than 5% shares: M/s Redson Retail & Reality Pvt Ltd	No. of Shares (% of Holding) 19.99(99.95%)	No. of Shares (% of Holding) 19.99(99.95%)
2.3.1	Shares(In Lacs) held by promoters alongwith %		
1.)	Redson Retail and Reality Pvt Ltd	19.99(99.95%)	19.99(99.95%)
2.)	Ankur Aggarwal	0.01(0.05%)	0.01(0.05%)
2.3.2	Changes in promoters Holding during the year		
1.)	Redson Retail and Reality Pvt Ltd	-	-
2.)	Ankur Aggarwal	-	-
2.3.3	<p>The Company has only one class of equity shares having a par value of Rs 10 per share. Each shareholder is entitled to one vote per share. Should the company declares and pays dividend in Indian Rupees. The dividend shall be proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.</p> <p>In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.</p>		

For Aviral Crop Science Private Limited

Director

For Aviral Crop Science Private Limited

Director

Note No	Particulars	Figures for the current reporting period 31/03/2022 (in Lacs)	Figures for the previous reporting period 31/03/2021 (in Lacs)
3	Reserves and Surplus		
	a) Surplus in statement of Profit and Loss		
	Opening Balance	(6,035.82)	(5,735.26)
	Profit for the period	477.24	(300.56)
	Total	(5,558.58)	(6,035.82)

NON CURRENT LIABILITIES :

4	Long-term borrowings		
	Unsecured		
	a) Bonds/Debentures	3,000.00	-
	Total	3,000.00	-

(i) The company has issued 30,00,000 Optionally Convertible Debentures during the year of Face Value Rs 100. The purpose of issuance OCD is to raise funds for its working capital requirement and repayment of loan. The OCDs contain interest rate of 6.66% calculated on its Face Value, commencing from the date of subscription.

(ii) OCDs shall be optionally convertible into equity shares on or before the date that falls on the tenth (10th) anniversary of its Issuance, with prior consent of the company.

(iii) The OCDs shall be converted at fair value determined by the valuer on the date of conversion or at the face value, whichever is higher. For the purpose of determination of OCD conversion formula, any outstanding interest on OCD at the time of conversion shall also be added to the OCD amount. The conversion shall be made in accordance with the applicable provisions of the Companies Act, 2013 and Articles of Association of the Company.

(iv) The Equity Shares issued on conversion of the OCDs shall

(a) rank pari passu with the other outstanding Equity Shares,

(b) be duly authorized, validly issued, fully paid up and non-assessable and

(c) be issued free of encumbrances, except as provided in the Articles of Association

(v) The OCD shall be transferable only after prior approval in writing from Issuer within the group companies of the allottee.

(vi) The above OCDs shall be unsecured, pari passu with all other unsecured facilities.

5	Long-term provisions		
	a) Provision for employee benefits		
	Provision for Gratuity	1.42	8.54
	Total	1.42	8.54

Note :- The provision of gratuity has been provided on the basis of actuarial valuation using Projected unit credit method.

CURRENT LIABILITY :

6	Short-term borrowings		
	Unsecured		



For Aviral Crop Science Private Limited

Director

For Aviral Crop Science Private Limited

Director

Note No	Particulars	Figures for the current reporting period 31/03/2022 (in Lacs)	Figures for the previous reporting period 31/03/2021 (in Lacs)
	Loans and advances from related parties (*)	2,696.19	5,930.30
	Total	2,696.19	5,930.30

Notes:

***Loan From Related Party**

1. The company has taken Loan from directors and relatives (Repayable on Demand). The loan carries NIL rate of interest. Further the loan has also being taken from its Holding Company Redson Retail and Reality Pvt Ltd which carry Interest as per Govt Bond -Sec Rate.

7	TRADE PAYABLES		
i.	Less than 1 year		
	MSME	-	-
	Disputed Dues-MSME	-	-
	Others	2,810.12	1,336.37
	Disputed Dues-Others	-	-
	Total	2,810.12	1,336.37
ii.	1-2 years		
	MSME	-	-
	Disputed Dues-MSME	-	-
	Others	-	-
	Disputed Dues-Others	-	-
	Total	-	-
iii.	2-3 years		
	MSME	-	-
	Disputed Dues-MSME	-	-
	Others	-	-
	Disputed Dues-Others	-	-
	Total	-	-
iv.	More than 3 years		
	MSME	-	-
	Disputed Dues-MSME	-	-
	Others	-	-
	Disputed Dues-Others	-	-
	Total	-	-
	Total	2,810.12	1,336.37

8	Other current liabilities		
	Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	77.46	22.04
	Dues to Staff	258.70	90.73
	<u>Payable to Others</u>		
	(i) Expenses Payable	9.76	6.67



For Aviral Crop Science Private Limited

 Director

For Aviral Crop Science Private Limited

 Director

Aviral Crop Science Pvt Ltd (Formerly known as Teox, Farid India Pvt Ltd)
NOTES TO THE FINANCIAL STATEMENT 310322
NOTES-10: PROPERTY PLANT & EQUIPMENT INTANGIBLE ASSETS

Name of Assets	RATE %	GROSS BLOCK			DEPRECIATION			Figures in Lacs		
		Opening Balance	Addition	Disposals/Adjustment	As on 31-Mar-22	For the Year	Disposals/Adjustment	Up to 31-Mar-22	As on 31-Mar-22	NET BLOCK As on 31-Mar-22
Furniture & Fixtures		31.49	-	0.56	30.94	0.33	0.36	28.58	2.11	2.44
Computer		14.27	-	-	14.27	0.24	-	13.03	0.70	0.94
Office Equipment		1.22	-	-	1.22	0.60	-	1.16	0.06	0.06
Total		46.98	-	0.56	46.42	0.98	0.56	43.55	2.87	3.44
Name of Intangible Assets	2.5 Years	GROSS BLOCK			DEPRECIATION			Figures in Lacs		
		Opening Balance	Addition	Disposals/Adjustment	As on 31-Mar-22	For the Year	Disposals/Adjustment	Up to 31-Mar-22	As on 31-Mar-22	NET BLOCK As on 31-Mar-22
Software		0.49	-	-	0.49	0.45	-	0.45	0.04	0.04
Total		0.49	-	-	0.49	0.45	-	0.45	0.04	0.04

For Aviral Crop Science Private Limited

Director

For Aviral Crop Science Private Limited

Director

Note No	Particulars	Figures for the current reporting period 31/03/2022 (in Lacs)	Figures for the previous reporting period 31/03/2021 (in Lacs)
	(ii) Payable related to discontinued business	1,188.70	1,169.24
	Total	1,534.61	1,288.68
9	Short-term provisions		
	a) Provision for employee benefits		
	(i) Provision for Gratuity	0.34	0.08
	(ii) Provision for Leave Encashment	1.23	1.04
	Total	1.57	1.12
11	Deferred Tax Assets (Net):		
	Deferred Tax Assets :		
	Depreciation	43.80	50.82
	Carry Forward Losses & Unabsorbed Depreciation	994.12	1,202.04
	Deferred Tax Liabilities:		
	Provision For Leave Encashment / Gratuity	1.68	1.15
	Total	1,036.24	1,251.71
12	Long Term Loans and Advances		
	(A) Secured considered good		
	Security Deposits (*)	8.95	8.95
	Total	8.95	8.95
*Note:- The above Security deposits is with government authorities.			
CURRENT ASSETS :			
13	Current Investments		
	b) Other current investments*	190.29	-
	Total	190.29	-
*Note:- Current Investment includes Investment in Shares having Market value of Rs. 89.82 Lacs as on 31st March 2022 (Cost Rs. 99.38 Lacs), which has been carried at lower of Cost or market Value as on 31 st March 2022			
14	Inventories		
	Stock In trade (at lower of cost and net realisable value)	975.00	-
	Total	975.00	-
15	Trade receivables		
15.01	Trade receivable shall be sub-classified as:		
	Unsecured, Considered good	1,977.34	1,258.46
	Total	1,977.34	1,258.46
15.01.II.	Trade receivables ageing		
a.	Less than 6 months		
	Undisputed trade receivables - considered good	1,968.79	1,258.46
	Total	1,968.79	1,258.46



For Aviral Crop Science Private Limited

[Signature]
Director

For Aviral Crop Science Private Limited

[Signature]
Director

Note No	Particulars	Figures for the current reporting period 31/03/2022 (in Lacs)	Figures for the previous reporting period 31/03/2021 (in Lacs)
b.	6 Months-1 year		
	Undisputed trade receivables - considered good	8.55	-
	Total	8.55	-
c.	1-2 years		
	Undisputed trade receivables - considered good	-	-
	Undisputed Trade Receivables - considered doubtful	-	-
	Disputed Trade Receivables- considered good	-	-
	Disputed Trade Receivables - considered doubtful	-	-
	Total	-	-
d.	2-3 years		
	Undisputed trade receivables - considered good	-	-
	Undisputed Trade Receivables - considered doubtful	-	-
	Disputed Trade Receivables- considered good	-	-
	Disputed Trade Receivables - considered doubtful	-	-
	Total	-	-
e.	More than 3 years		
	Undisputed trade receivables - considered good	-	-
	Undisputed Trade Receivables - considered doubtful	-	-
	Disputed Trade Receivables- considered good	-	-
	Disputed Trade Receivables - considered doubtful	-	-
	Total	-	-
iii.	Unbilled dues	-	-
iv.	Debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member should be separately stated.	-	-
	Total	-	-
16	Cash and cash equivalents		
	(a) Balances with Current accounts		
	(i) In current accounts	141.25	35.52
	Total	141.25	35.52



For Aviral Crop Science Private Limited

[Signature]
Director

For Aviral Crop Science Private Limited

[Signature]
Director

Note No	Particulars	Figures for the current reporting period 31/03/2022 (in Lacs)	Figures for the previous reporting period 31/03/2021 (in Lacs)
17	Short term loans and advances		
17.1	Short term loans and advances: (Unsecured Considered Good unless otherwise stated)		
	a) Loans and advances to Employees	-	0.19
	b) Prepaid expenses	3.26	0.79
	c) GST Credit Receivable	223.29	84.63
	d) VAT credit receivable	1.18	1.18
	e) Income Tax Receivable	65.78	13.61
	f) VAT (Karnataka) Receivable against appeal (Related to discontinued business)	4.78	4.78
	g) Advance Payment against Kerala Recovery (Related to Discontinued Business)	0.45	0.45
	h) Receivable related to discontinued business	29.33	29.33
	i) Loans & Advances to Other	1.83	-
	j) Advance to Suppliers	22.35	35.00
	Total	352.24	169.95
18	Other current assets		
	(a) Accruals		
	(i) Interest accrued on investments	1.12	1.12
	Total	1.12	1.12
19	Revenue from Operations (for companies other than a finance company)		
	Sale of products ;		
	- Traded Goods	4,345.09	1,262.38
	Sale of Services	2,174.90	844.29
	Net Revenue From Operation	6,519.99	2,106.67
20	Other Income		
	a) Interest income		
	(i) Others		
	Interest recd on Income-tax Refund	0.00	0.38
	Other Receipts	2.22	1.17
	Interest on Investment	4.74	-
	(ii) Recovery against Insurance Claims	-	7.16
	(iii) Dividend Income	0.63	-
	(iv) Gain / Loss on Sale of Shares	1.01	-
	(b) Net Profit /Loss In Foreign Currency Transaction	4.49	-



For Aviral Crop Science Private Limited

[Signature]
Director

For Aviral Crop Science Private Limited

[Signature]
Director

Note No	Particulars	Figures for the current reporting period 31/03/2022 (in Lacs)	Figures for the previous reporting period 31/03/2021 (in Lacs)
	Total	13.10	8.71
EXPENSES :			
21	Purchase of Stock in Trade/Traded Goods		
	Purchases	4,795.20	1,130.60
	Total	4,795.20	1,130.60
22	Changes in inventories of finished goods, work-in-progress and stock-in-trade		
	a) Inventories at the end of the year:		
	(i) Finished goods	975.00	-
		975.00	-
	b) Inventories at the beginning of the year:		
	(i) Finished goods	-	1,107.71
	(ii) Stock-in-trade	-	119.51
	Less: transfer of finished goods under slump sale	-	(1,197.34)
		-	29.87
	Net (Increase) / Decrease	(975.00)	29.87
23	Employee Benefits Expense		
	a) Salaries & wages	1,488.03	629.91
	b) Contribution to provident and other funds	108.10	5.48
	c) Staff welfare expenses	-	0.42
	Total	1,596.13	635.81
24	Finance Costs		
	<u>Interest expenses</u>		
	- Interest on Loan from Related Parties	148.59	170.13
	- Interest to bank on loan	-	0.96
	Total	148.59	171.09
25	<u>Depreciation and Amortization Expense :</u>		
	Depreciation	0.58	3.90
		0.58	3.90
26	Other Expenses		
	Power & Electricity charges	-	1.89
	Rent including lease rentals	14.00	23.28
	Repairs and maintenance - Building	-	10.47



For Aviral Crop Science Private Limited

[Signature]
Director

For Aviral Crop Science Private Limited

[Signature]
Director

Note No	Particulars	Figures for the current reporting period 31/03/2022 (in Lacs)	Figures for the previous reporting period 31/03/2021 (in Lacs)
	Repairs and maintenance - Others	-	0.11
	Insurance	2.21	3.15
	Rates & Taxes	-	0.00
	Advertising & Sales Promotion	-	0.55
	Bank Charges	0.42	1.98
	Brokerage & Discounts	10.36	13.16
	Franchisee Commission & Minimum Guarantee	-	5.73
	Travelling & Conveyance	146.01	44.56
	Communication Cost	22.38	6.71
	Printing & Stationery	0.08	0.11
	Postage & Courier Expenses	-	0.01
	Legal & Professional Fees	55.75	13.96
	Payment to Auditors	2.70	2.70
	Prior Period Expenses	-	0.30
	Profit / Loss on Fair value of Shares	9.55	-
	Balances W/off	-	3.14
	Miscellaneous Expenses	1.59	2.03
	Fees & Subscription	-	0.19
	Interest on TDS Delayed payment	0.02	0.02
	Fees & Taxes	2.84	-
	Sales Tax Demand	6.97	-
	Total	274.89	134.04

27	Exceptional Items		
	Long Term Capital Loss on Slump Sale	-	29.97
	Total	-	29.97

AS-5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies

When items of income or expense within profit or loss from ordinary activities are of size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such item is disclosed separately.

28	Tax expense:		
	- Deferred tax	215.47	280.65
	Total	215.47	280.65



For Aviral Crop Science Private Limited

[Signature]
Director

For Aviral Crop Science Private Limited

[Signature]
Director

Note No	Particulars	Figures for the current reporting period 31/03/2022 (In Lacs)	Figures for the previous reporting period 31/03/2021 (In Lacs)
29	Earning Per Share Disclosure as required by Accounting Standard (AS)-20 Earnings Per Share (EPS) Basic EPS		
	Weighted average number of shares issued (A)	20,00,000	20,00,000
	Profit for the year after tax (In Lacs) (B)	477.24	(300.56)
	Basic EPS (Rs. Per Share) (B/A)	23.86	(15.03)
	Weighted average number of shares issued (C)	20,00,000	20,00,000
	Diluted EPS (Rs. Per Share) (B/c)	23.86	(15.03)
30	<u>PAYMENT TO THE AUDITORS AS</u>		
	AUDITOR STATUTORY AUDITOR	2.20	2.20
	FOR TAX AUDIT	0.50	0.50
	TOTAL	2.70	2.70
31	VALUE OF IMPORTS CALCULATED ON C.I.F BASIS BY THE COMPANY DURING THE FINANCIAL YEAR IN RESPECT OF		
I	RAW MATERIALS;	-	-
II	TRADING ITEM;(*)	763.62	-
III	COMPONENRTS AND SPARE PARTS;	-	-
IV	CAPITAL GOODS;	-	-
	TOTAL	763.62	-
*Note:- The above value of import is on F.O.B Basis as the company do import on F.O.B basis only.			
32	EXPENDITURE IN FOREIGN CURRENCY DURING THE FINANCIAL YEAR ON ACCOUNT OF		
	ROYALTY	-	-
	KNOWHOW	-	-
	PROFESSIONAL AND CONSULTATION FEES	-	-
	INTEREST	-	-
	FOREIGHN TREVELLING	-	-
	FEES AND TAXES	-	-



For Aviral Crop Science Private Limited

Director

For Aviral Crop Science Private Limited

Director

Note No	Particulars	Figures for the current reporting period 31/03/2022 (in Lacs)	Figures for the previous reporting period 31/03/2021 (in Lacs)
	TOTAL	-	-
33	VALUE OF RAW MATERIAL AND SPARES CONSUMED %		
	IMPORTED 0%	-	-
	INDIGENOUS 100%	-	-
	TOTAL	-	-
34	THE AMOUNT REMITTED DURING THE YEAR IN FOREIGN CURRENCIES ON ACCOUNT OF DIVIDENDS	-	-
	TOTAL	-	-
35	EARNING IN FOREIGN EXCHANGE		
I	EXPORT OF GOODS ON FOB BASIS;	-	-
II	ROYALTY, KNOWHOW, PROFESSIONAL AND CONSULTANCY FEES;	-	-
III	INTEREST AND DIVIDENDS;	-	-
IV	OTHER INCOME;	-	-
	TOTAL	-	-

36 Disclosure Pursuant to Accounting Stanadard AS 15 (Revised) Employee Benefits, the disclosure are defined in the Accounting Statndard are given below:

Employer's Contribution to Provident Fund	77.81	48.57
Employer's Contribution to ESI	36.56	14.14

The Company is registered under The Employee's Provident Fund Scheme, 1952 and Employees State Insurance Act 1948. Interest is given by the Central Government as per applicable Statutory rates

37 Details of Related Party Transactions

Disclosures as required by Accounting Standard (AS)-18 'Related Party Disclosures'

PARTICULARS	Figures for the current reporting period 31/03/2022 (in Lacs)	Figures for the previous reporting period 31/03/2021 (in Lacs)
LOAN TAKEN/PAID FROM RELATED PARTIES DURING THE CURRENT YEAR:		
Loan Taken		
Ankur Aggarwal	660.00	499.79
Redson Retail and Reality Pvt Ltd	900.00	0.00
Loan Repaid		
Ankur Aggarwal	3,903.11	0.00



For Aviral Crop Science Private Limited

[Signature]
Director

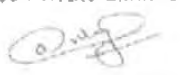
For Aviral Crop Science Private Limited

[Signature]
Director

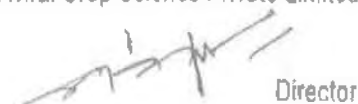
38 Other Regulatory Information					
38.01	Analytical Ratios	CY	PY	Variation	Reasons for variance beyond 25%
a	Current Ratio	0.52	0.17	201.64%	The variance is due to Increase in current assets and Internal accruals and decrease in current liabilities
b	Debt Equity Ratio	28.48	29.65	3.95%	No need to report as the variation is less than 25%
c	Debt Service Coverage ratio	0.15	0.02	489.48%	Better Debt Services Coverage ratio due to Improved business performance in the current year as against previous year
d	Return on equity ratio	2.39	(1.50)	258.78%	Significant increase in profitability due to Improved business performance in the current year as against previous year
e	Inventory Turnover Ratio	13.37	141.05	-90.52%	The variance is due to significant increase in sales and Closing Stock as there was no closing stock in last year
f	Trade Receivables Turnover R	4.03	3.35	20.37%	No need to report as the variation is less than 25%
g	Trade Payables Turnover Ratio	2.31	1.69	36.69%	Increase in Purchase as well as increase in trade payable in the current year as against previous year
h	Net Capital Turnover Ratio	(1.91)	(0.30)	544.52%	The Variation is due to Significant increase in Annual Sales and increase in current assets and decrease in current liabilities
i	Net Profit Ratio	0.07	(0.14)	151.30%	The Variation is due to Increase in profit as there was losses in last year and significant increase in sales from last year
j	Return on Capital Employed	2.49	1.60	55.73%	The Variation is due to Increase in Significant favourable increase in Earning before interest & taxes and Increase in Capital Employed
k	Return on Investment	0.03	-	0.00%	The Variation is due to investment made in current year and there is no investment in previous year



For Aviral Crop Science Private Limited


Director

For Aviral Crop Science Private Limited


Director

Note No	Particulars	Figures for the current reporting period 31/03/2022 (in Lacs)	Figures for the previous reporting period 31/03/2021 (in Lacs)
	Redson Retail and Reality Pvt Ltd	823.64	291.53
	Komal Aggarwal	0.00	499.79
	ISSUANCE OF OPTIONALLY CONVERTIBLE DEBENTURES		
	Crystal Crop Protection Ltd.	3,000.00	0.00
	PURCHASE		
	Crystal Crop Protection Ltd.	3,595.59	1,334.11
	SALES/SERVICES		
	Crystal Crop Protection Ltd.	3,379.99	896.22
	Nexus Crop Science Pvt Ltd	62.05	34.95
	Modern papers	60.36	34.95
	Quay Intech Pvt Ltd	0.00	16.58
	RENT PAID		
	Redson Retail and Reality Pvt Ltd	1.45	1.33
	Ankur Aggarwal	0.36	0.21
	INTEREST PAID ON LOAN		
	Redson Retail and Reality Pvt Ltd	147.50	170.13
	BALANCES AT THE END OF THE YEAR		
	Balance with KMPs	0.00	3,243.11
	Balance with Holding Company	3,768.60	3,761.79
	Balance with Others	2,453.59	1,107.36

Additional disclosures where Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are:

A repayable on demand;

Director	Nil
KMP	Nil
Promoters	Nil

B without specifying any terms or period of repayment

Director	Nil
KMP	Nil
Promoters	Nil



For Aviral Crop Science Private Limited

[Signature]
Director

For Aviral Crop Science Private Limited

[Signature]
Director

AVIRAL CROP SCIENCE PVT LTD (Formerly Known as TOONZ RETAIL INDIA PVT. LTD.)

Note: 1

Corporate information

Aviral Crop Science Pvt Ltd. (Formerly Known as Toonz Retail India Pvt. Ltd.) is a private limited company having CIN : U18204KA2009PTC051872. The company is a small and medium sized company (SMC) as defined in the Companies (Accounting Standards) Rules, 2021 notified under the companies Act, 2013. Accordingly, the company has complied with the accounting standards as applicable to a small and medium sized company.

Significant accounting policies

a) Basis of preparation

The financial statements are prepared on an accrual basis under the historical cost convention, in accordance with the generally accepted accounting principles (Indian GAAP) to comply with the Accounting Standards specified under section 133 of the companies Act, 2013, read with rule 7 of the notified under the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 and on going concern basis. The Company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis to the extent measurable and where there is certainty of ultimate realization in respect of incomes. Accounting policies not specifically referred to otherwise are consistent and in consonance with the generally accepted accounting principles in India. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

b) Use of estimates

The preparation of financial statements in conformity with the Indian GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Examples of such estimates include the useful lives of tangible and intangible fixed assets, provision for doubtful debts/advances, future obligations in respect of retirement benefit plans etc. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

c) Revenue recognition

i) Sale of goods;

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyers and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue from the sale of goods is measured at fair value of the consideration received or receivable, net of taxes return and related discounts.



For Aviral Crop Science Private Limited


Director

For Aviral Crop Science Private Limited


Director

ii) Sale of Services:

Revenue from rendering of services is recognised as the service is performed and no significant uncertainty exists regarding the amount of the consideration that will be derived from the rendering of services. Revenue from the rendering of services is measured at fair value of the consideration received or receivable, net of taxes returns and related discounts.

iii) Other Income

Others income is recognised on accrual basis (except when there are significant uncertainty). Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable.

d) i) Tangible Assets (Property Plant and Equipment):-

Tangible assets (Property Plant and Equipment) are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and any cost directly attributable to bring the asset to its present condition for its intended use.

ii) Intangible Assets

Intangible assets are recorded at the cost of acquisition of such assets and carried at cost less accumulated amortisation and impairment, if any.

e) Depreciation / amortization

All the Company's fixed assets including Intangible assets are depreciated on the basis of Written Down Value method over the estimated useful life of the asset as per the provisions of the Schedule II to the Companies Act, 2013 and after considering salvage value of five percent of original cost. The Company has considered useful life of assets same as prescribed under the Companies Act, 2013.

f) Inventory Valuation

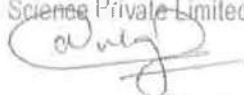
Inventories are stated at the lower of cost and net realizable value on FIFO Basis. Cost of inventories comprise of all cost of purchase and other related costs incurred in bringing the inventories to their present location and condition. Net realizable value represents the estimated selling price for inventories less all estimated costs necessary to make the sale.

g) Accounting for Taxes

- Provision for tax consists of current tax and deferred tax. Current tax provision is computed as per the Provisions of the Income Tax Act on current income based on the tax liability after considering allowances and exemptions.
- Deferred tax is recognised subject to the consideration of prudence on timing differences; being the difference between taxable incomes and accounting income that originate in one period & are capable of reversal in one or more subsequent periods. Deferred tax assets and liability are being offset as they relate to taxes on income levied by the same governing taxation laws.



For Aviral Crop Science Private Limited


Director

For Aviral Crop Science Private Limited


Director

h) Foreign exchange transactions

Transactions in foreign currency are recorded in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency prevailing on the date of the transaction.

Monetary items denominated in foreign currency are restated at the rates prevailing on the balance sheet date. Non-monetary items denominated in foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year or reported in the previous financial statements, are recognised as income or expense in the year in which they arise.

i) Earnings per share

Basic earnings/loss per share is calculated by dividing net profit/loss for the year attributable to equity shareholders by weighted average number of equity shares outstanding during the year.

k) Investments:

Long term investments are carried at cost after providing for any diminution in value, if such diminution is of a permanent nature.

Current investments are carried at lower of cost or market value.

l) Borrowing Cost:

Interest and other financing costs relating to borrowed funds attributable to the construction or acquisition of fixed assets have been capitalized to the extent if they relate to the period up to which the asset was ready to use (As per AS-16). All other borrowing costs are charged to revenue.

m) Taxation

Tax expense comprises current tax and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. The tax rates and tax Laws used to compute the amounts are those that are enacted, at the reporting date.

Deferred Taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets including the unrecognized deferred tax assets, if any, at each reporting date, are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date and adjusted for its appropriateness.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

I) Retirement Benefits:

Provident Fund

The Company is depositing the Provident Fund with Provident Fund Authorities as per The Employees Provident Funds and Miscellaneous Provisions Act, 1952.

Gratuity

The liabilities on account of gratuity have been provided on the basis of actuarial valuation, using projected unit credit method, as at the balance sheet date.

Leave Encashment

For leave encashment, the company has made the provision on the basis of leaves accrued to its employees at the end of year.

J) Provisions, Contingent Liabilities & Contingent assets

a) A provision is recognized when the company has present obligations as a result of past event, it is probable that an outflow of resources embodying economics benefits will be required to settle the obligations and reliable estimate can be made of amount of the obligation. Provisions are not discounted at their present value and are determined based on best estimate required to settle the obligation at reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

b) A Contingent liability is a possible obligation that arises from the past events whose existence will be confirmed by the occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.



For Aviral Crop Science Private Limited


Director

For Aviral Crop Science Private Limited


Director

AVIRAL CROP SCIENCE PVT LTD (Formerly Known as TOONZ RETAIL INDIA PVT. LTD.)

NOTES ON ACCOUNTS

39. Other Regulatory Information

39.01 The company has no Immovable Property under PPE. So, the requirement of reporting that all title deed of Immovable property is in the name of company doesn't arise.

39.02 The company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

39.03 The company has not taken any secured and unsecured loan from banks and financial institution, so regulatory information regarding declaration of wilful defaulter is not applicable on the company.

39.04 The Company does not have any transactions with struck-off companies.

39.05 The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017

39.06 The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

- i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- ii. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

39.07 The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall

- i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- ii. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

39.08 The Company does not have any transactions which is not recorded in the books of accounts and has not surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

39.09 As per section of 135 of Companies Act 2013 i.e. Corporate Social Responsibility (CSR) the company has crossed the ceiling limit of Net profit of 5 or but the average profit of last 3 years is negative thus the company is not required to spend any amount on CSR activities for the current year and as per General circular No. 14/2021(E. File no. CSR-05/01/2021-CSR MCA) FAQs on CSR issued by MCA dated 25th August 2021 it is clarified that where the amount required to be spent by a company on CSR does not exceed fifty lakh rupees, the requirement for constitution of CSR Committee is not mandatory and the functions of the CSR Committee, in such case, shall be discharged by the Board of Directors of the company. Therefore, the company has not formed any CSR committee.

For Aviral Crop Science Private Limited

For Aviral Crop Science Private Limited

39.10 The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

39.11 The company has not invested as a partner in any firm.

39.12 Since the company has not sanctioned any working capital limit therefore disclosure under this clause does not apply to the company.

39.13 No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

40. Micro and Medium Scale Business Entities:

As per management, there are two suppliers who have informed their status of registration under Micro, Small & Medium Enterprises Development Act, 2006 but there is no dues outstanding for more than 45 days as at 31st March 2022 as the balance of both the suppliers is Nil.

41. In view of the management, the current asset, loans & advances have a value on realisation in the ordinary course of business at least equal to the amounts, at which they have been stated in the Balance Sheet as on 31st March 2022 and provision for all determinable/known liabilities have been made in the accounts when reliable estimates can be made of the amount of obligation.

42. The company has system of obtaining periodic confirmation of balances from banks, trade receivables/payables and other parties. The balance confirmation letters as referred in the Standard on Auditing SA 505 (Revised) External Confirmation were sent to banks and parties and certain party's balances are subject to confirmation/reconciliation. Adjustment, if any will be accounted for on confirmation/reconciliation of the same, which in the opinion of the management will not have a material impact.

43. There has no Default of Principal repayment and interest repayment on Long term Borrowings and Short term Borrowings.

44. Contingent liabilities as at 31st March 2022.

Particulars	As on 31 st March 2022 (In Lacs)	As on 31 st March 2021(In Lacs)
a) Demands raised by income tax authorities Being disputed by company.	-	-
b) Demands raised by various Vat/Sales Tax Authorities being disputed by company.	50.06	55.49
c) TDS Demands raised by income tax authorities Being under reactivation process.	2.97	19.27
d) Demand notice received from vendor/franchisee Of retail business undertaking which has been transferred to Quality Kids Zone Pvt Ltd under BTA agreement as a slump sale For Aviral Crop Science Private Limited	550.00	425.00

45. The accumulated losses of the Company are more than its share capital reflecting erosion of its entire net worth. However, company has improved its operational performance, accordingly the company has Revenue from Operations of Rs. 6519.99 Lakhs in current year in comparison of Rs. 2106.67 Lakhs in previous year and has Profit before tax of Rs. 692.71 Lakhs in current year as compare to Loss of Rs. 19.91 Lakhs. So, company is doing well and there is no risk on going concern assumption.

46. The Company has opted new tax Regime Section 115BAA for Domestic Companies providing domestic companies with a lower corporate tax rate from A.Y 2022-23.

47. **Impact of COVID-19**

The spread of COVID-19 has severely impacted business around the globe. In many countries including India, there has been severe disruption to regular business operations due to lock-down, disruptions in transportation, supply chain, travel bans, quarantines, social distancing and other emergency measures.

The Company has made detailed assessment of its liquidity position for the next one year and of the recoverability and carrying values of its assets comprising Property, Plant and Equipment, intangible assets, Trade Receivables, and Inventory as at the balance sheet date and has concluded that there is no material adjustments required in the financial statements. Management believes that it has considered all the possible impact of known events arising from COVID -19 pandemic in the preparation of the financial Statements. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes in future economic conditions.

48. Previous year Figures have been reworked, regrouped, re-arranged and reclassified wherever considered necessary to make them comparable with current year's figures.

**On behalf of the Board of Directors
Aviral Crop Science Pvt Ltd**

**For Vijay Mukesh & Co.
Chartered Accountants
Firm Reg. No.014554N**



**(CA Mukesh Jain)
Partner**

M. No. 094199

Place: New Delhi

Date: 22/08/2022.

UDIN: 22094399A@KL004290

For Aviral Crop Science Private Limited



**Ankur Aggarwal
Director
(DIN: 00074325)**

For Aviral Crop Science Private Limited



**Ajay Kumar Gupta
Director
(DIN: 06934358)**

Walker Chandok & Co LLP

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 F +91 11 42787071

Independent Auditor's Report**To the Members of Crystal Crop Protection Limited****Report on the Audit of the Standalone Financial Statements****Qualified Opinion**

1. We have audited the accompanying standalone financial statements of Crystal Crop Protection Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Qualified Opinion

3. As described in Note 41(ii) to the accompanying standalone financial statements, the Company had received a show cause notice ('SCN') dated 05 November 2019 from the Office of Additional Director General Foreign Trade, Ahmedabad stating that the refunds of Terminal Excise Duty ('TED') obtained by the Company on the basis of Advance Release Order ('AROs') have been erroneously made to the Company since the supplies against the AROs were prior to the date of issuance of AROs and directed the Company to payback TED refunds amounting to Rs 1,094.17 million along with interest at the rate of 15%. The matter is being litigated by the Company before Hon'ble High Court of Gujarat which has granted a stay on the show cause notice proceedings on 17 December 2019.

Further, a first information report ('FIR') implicating the Company and three of its Directors, the former Joint Director DGFT, and other unknown persons was filed on 18 January 2020 by the Central Bureau of Investigation ('CBI') for which a chargesheet dated 24 December 2021 has been filed by the CBI in the current year. Also, on 07 January 2021, a provisional attachment order attaching a fixed deposit of the Company worth Rs 202.66 million was issued by the Directorate of Enforcement which has been confirmed by adjudicating authority vide its final order dated 06 September 2021. The Company has taken further legal actions against such matters as further explained in the said note.

The management, based on their legal assessment, is of the view that the aforesaid matters would not be tenable against the Company at higher Jurisdictions or before the courts of law and accordingly, management believes that no adjustments are required to the accompanying standalone financial statements.

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Chartered Accountants

Offices in Bangalore, Chandigarh, Chennai, Coimbatore, Hyderabad, Jaipur, Kolkata, Mumbai, New Delhi, Noida and Pune

Chartered Accountants

Walker Chandok & Co LLP is registered with
 limited liability with identification number AAC-
 2085 and its registered office at L-41 Connaught
 Circus, New Delhi, 110001, India

For CRYSTAL CROP PROTECTION LIMITED**DIRECTOR**

Walker Chandio & Co LLP

Independent Auditor's Report on the Audit of the Standalone Financials Statements of Crystal Crop Protection Limited for the year ended 31 March 2022 (cont'd)

However, in view of the fact that the regulatory investigations and legal case are still ongoing, and in absence of sufficient appropriate evidence to support management's views, we are unable to comment on the consequential impact of the above matters on these standalone financial statements.

Our audit report dated 29 June 2021 on the standalone financial statements of the Company for the year ended 31 March 2021, was also qualified in respect of this matter.

4. As stated in Note 51 to the accompanying standalone financial statements, the Company had recognised insurance claim receivable of Rs. 162.95 million during the financial year 2012-13, which was rejected by the insurance company. In financial year 2015-16, the Company had filed a complaint against the insurance company before the National Consumer Disputes Redressal Commission ('NCDRC'), New Delhi, which awarded an order dated 13 December 2019 in favour of the Company directing the insurance company to pay the claim amount of Rs. 162.95 million along with interest to the Company for deficiency of service. However, the insurance company filed an appeal before the Hon'ble Supreme Court against the order of NCDRC, which is currently pending adjudication.

In view of non-acceptance of the Company's claim by the insurance company, the said insurance claim receivable is considered as a contingent asset as defined under Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets', and accordingly, should not have been recognised in the financial statements. Had the Company not recognised such insurance claim receivable, the other non-current financial assets as at 31 March 2022 would have been lower by Rs. 162.95 million (31 March 2021: Rs. 162.95 million), other equity as at 31 March 2022 would have been lower by Rs. 162.95 million (31 March 2021: Rs. 121.94 million) and deferred tax assets would have been higher by Rs. 41.01 million as at 31 March 2022 (31 March 2021: Rs. 41.01 million).

Our audit report dated 29 June 2021 on the standalone financial statements of the Company for the year ended 31 March 2021, was also qualified in respect of this matter.

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

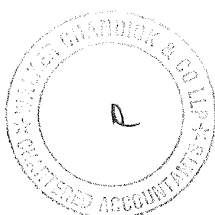
Information other than the Financial Statements and Auditor's Report thereon

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

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

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Chartered Accountants



**Independent Auditor's Report on the Audit of the Standalone Financial Statements of
Crystal Crop Protection Limited for the year ended 31 March 2022 (cont'd)**

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

The Director's Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

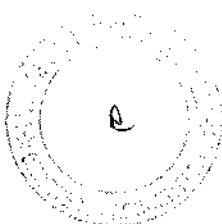
7. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
8. In preparing the financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
9. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

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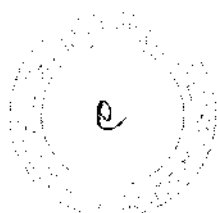
**Independent Auditor's Report on the Audit of the Standalone Financials Statements of
Crystal Crop Protection Limited for the year ended 31 March 2022 (cont'd)**

11. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

13. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
14. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure 1, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
15. Further to our comments in Annexure 1, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
- a) We have sought and except for the matters described in the Basis for Qualified Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;

Chartered Accountants

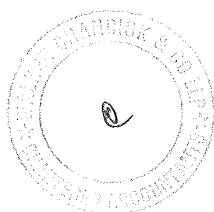


Walker Chandio & Co LLP

Independent Auditor's Report on the Audit of the Standalone Financials Statements of Crystal Crop Protection Limited for the year ended 31 March 2022 (cont'd)

- b) Except for the possible effects of the matters described in the Basis for Qualified Opinion section, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The standalone financial statements dealt with by this report are in agreement with the books of account;
- d) Except for the possible effects of the matters described in the Basis for Qualified Opinion section, in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
- e) The matter described in paragraph 3 under the Basis for Qualified Opinion section, in our opinion, may have an adverse effect on the functioning of the Company;
- f) 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 31 March 2022 from being appointed as a director in terms of section 164(2) of the Act;
- g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion section;
- h) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2022 and the operating effectiveness of such controls, refer to our separate Report in Annexure 2 wherein we have expressed modified opinion; and
- i) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. Except for the possible effects of the matters described in paragraph 3 and 4 of the Basis for Qualified Opinion section, the Company, as detailed in note 41 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2022.;
 - ii. Except for the possible effects of the matters described in the Basis for Qualified Opinion section, the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022;
 - 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 31 March 2022;
 - iv.
 - a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 60(i) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person or entity, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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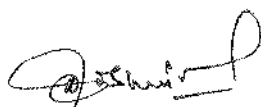


Walker Chandio & Co LLP

Independent Auditor's Report on the Audit of the Standalone Financials Statements of Crystal Crop Protection Limited for the year ended 31 March 2022 (cont'd)

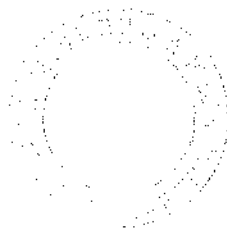
- b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 60(j) to the standalone financial statements, no funds have been received by the Company from any person or entity including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- d. The interim dividend declared and paid by the Company during the year ended 31 March 2022 and until the date of this audit report is in compliance with section 123 of the Act.

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013



Nitin Toshniwal
Partner
Membership No.: 507568

UDIN: 22507568ALIQZD5286



Place: New Delhi
Date: 21 June 2022

Annexure 1 referred to in Paragraph 14 of the Independent Auditor's Report of even date to the members of Crystal Crop Protection Limited on the standalone financial statements for the year ended 31 March 2022

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right of use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular program of physical verification of its property, plant and equipment and right of use assets under which the assets are physically verified in a phased manner over a period of two years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain property, plant and equipment and right of use assets were verified during the year and no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company, except for the following properties:

Description of property	Gross carrying value (Rs. million)	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of company
Land	1.98	Crystal	No	2 August	These properties were acquired pursuant to a scheme of amalgamation and continued to be registered in the name of amalgamating company. However, the deed of merger has been registered by the Company.
Building	6.51	Phosphates Limited		2011	
Land	9.44	Rohini Seeds	No	27 October	
Building	21.89	Private Limited		2017	
Land	1.89	Rohini Bioseeds & Agritech	No	27 October	
Building	6.94	Private Limited		2017	
Land	0.25	Redson Crop Care Private Limited	No	27 October	This property was acquired by business combination and registration is in under process.
Land	75.39	Bayer Cropscience Limited	No	30 November	
				2021	



Chartered Accountants

Annexure 1 referred to in Paragraph 14 of the Independent Auditor's Report of even date to the members of Crystal Crop Protection Limited on the standalone financial statements for the year ended 31 March 2022 (cont'd)

Description of property	Gross carrying value (Rs. million)	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of company
Land	475.98	Hybrid Rice International Limited	No	30 November 2021	This property was acquired by business combination from Bayer Bioscience Private Limited ("Seller"), however, the property is registered in the name of the parent company of the seller. The Company has registered business purchase agreement with Bayer Bioscience Private Limited and registration is in under process.
Building	0.03				

(d) The Company has not revalued its Property, Plant and Equipment and Right of Use assets or intangible assets during the year.

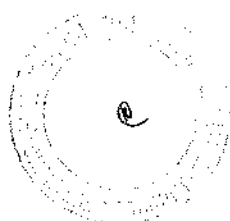
(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed. In respect of inventory lying with third parties, these have substantially been confirmed by the third parties.

(b) The Company has a working capital limit in excess of Rs 5 crore sanctioned by banks based on the security of current assets. The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks and such statements are not in agreement with the books of account of the Company in respect of the following, which were not subject to audit:

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Annexure 1 referred to in Paragraph 14 of the Independent Auditor's Report of even date to the members of Crystal Crop Protection Limited on the standalone financial statements for the year ended 31 March 2022 (cont'd)

Name of the Bank	Working capital limit sanctioned (Rs. million)	Nature of current assets offered as security	Quarter ended	Amount disclosed as per statement (Rs. million)	Amount as per books of accounts (Rs. million)	Difference (Rs. million)	Remarks/ reasons, if any
-Axis Bank Limited -CITI Bank -DBS Bank India Limited -HDFC Bank Limited -HSBC Limited -State Bank of India -YES Bank Limited	6,260	Entire current assets	30 June 2021	14,853.40	14,795.20	58.20	Refer note-60 (h) to the audited standalone financial statements
	6,260	Entire current assets	30 September 2021	14,488.00	14,446.40	41.60	
	6,260	Entire current assets	31 December 2021	11,996.20	11,992.03	4.17	
	6,260	Entire current assets	31 March 2022	13,240.30	13,250.07	(9.77)	

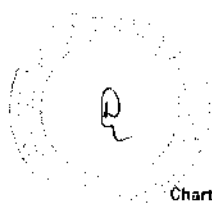
(iii) a) The Company has provided loans to Subsidiary and others during the year as per details given below:

Particulars	Loans (Rs. million)
Aggregate amount provided/granted during the year:	
- Subsidiary	0.08
- Others	1.51
Balance outstanding as at balance sheet date in respect of above cases:	
- Subsidiary	4.59
- Others	393.13

(b) The Company has not provided any guarantee or given any security or advances in the nature of loans during the year. In our opinion, and according to the information and explanations given to us, the investments made, and terms and conditions of the grant of all loans are, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal has not been stipulated and accordingly, we are unable to comment as to whether the repayments of principal are regular. Further, no interest is receivable on such loans and advances in the nature of loans.

(d) In the absence of stipulated schedule of repayment of principal and payment of interest, we are unable to comment as to whether there is any amount which is overdue for more than 90 days. Reasonable steps have not been taken by the Company for recovery of such principal amounts and interest.



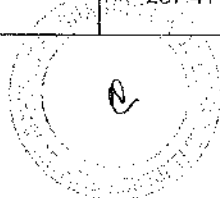
Chartered Accountants

Annexure 1 referred to in Paragraph 14 of the Independent Auditor's Report of even date to the members of Crystal Crop Protection Limited on the standalone financial statements for the year ended 31 March 2022 (cont'd)

- (e) The Company has not granted any loan or advance in the nature of loan which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans/advances in nature of loan.
- (f) The Company has not granted any loan or advance in the nature of loan during the year, which is repayable on demand or without specifying any terms or period of repayment.
- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of loans, investments, guarantees and security, as applicable. Further, the Company has not entered into any transaction covered under section 185.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act only in respect of specified products of the Company. For such products, we have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under the aforesaid section, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii)(a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, professional tax, income-tax, duty of customs, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (Rs. million)	Amount paid under Protest (Rs. million)	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Income tax	2.74	-	2012-13	Income Tax Appellate Tribunal
		13.75	-	2012-13 and 2016-17	Commissioner (Appeals)
Central Excise Act, 1994	Excise duty	3.98	-	2007-08 to 2010-11	Adjudicating Authority
		287.41	-	2005-06 to 2014-15	Commissioner, Jammu

Chartered Accountants



Walker Chandio & Co LLP

Annexure 1 referred to in Paragraph 14 of the Independent Auditor's Report of even date to the members of Crystal Crop Protection Limited on the standalone financial statements for the year ended 31 March 2022 (cont'd)

Name of the statute	Nature of dues	Gross Amount (Rs. million)	Amount paid under Protest (Rs. million)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1994	Excise duty	38.89	-	2009-10 to 2012-13	Custom Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service tax	0.49	-	2015-16 and 2016-17	Superintendent of Central tax, GST Hastinapur
Bihar Value Added Tax Act, 2005	Value added tax	2.27	2.50	2010-11 and 2011-12	Assessing Officer
West Bengal Value Added Tax Act, 2003	Value added tax	3.16	-	2007-08 and 2008-09	Deputy commissioner
Central Sales Tax Act, 1956	Sales tax	0.05	-	2007-08 and 2008-09	Deputy commissioner
		1.35	-	2015-16	Deputy commissioner
Custom Act, 1962	Custom duty	75.36	7.17	2005-06, 2009-10, 2010-11, 2017-18, 2018-19 and 2019-20	Commissioner of custom
Foreign Trade (Development & Regulation) Act, 2002	Refund of terminal excise duty	1,094.17	-	2014-15 and 2015-16	Gujarat, High Court

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.

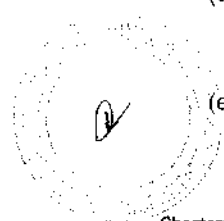
(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us including confirmations received from banks and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.

(c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.



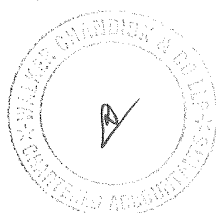
Chartered Accountants

Walker Chandio & Co LLP

Annexure 1 referred to in Paragraph 14 of the Independent Auditor's Report of even date to the members of Crystal Crop Protection Limited on the standalone financial statements for the year ended 31 March 2022 (cont'd)

- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.
- (b) No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act 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, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.
- (xvii) The Company has not incurred any cash loss in the current as well as the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

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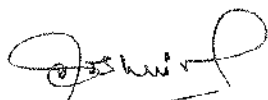


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Annexure 1 referred to in Paragraph 14 of the Independent Auditor's Report of even date to the members of Crystal Crop Protection Limited on the standalone financial statements for the year ended 31 March 2022 (cont'd)

- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) According to the information and explanations given to us, the Company does not have any unspent amount in respect of any ongoing or other than ongoing project as at the expiry of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxii) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For Walker Chandio & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013



Nitin Toshniwal
Partner
Membership No.: 507568

UDIN: 22507568ALIQZD5286



Place: New Delhi
Date: 21 June 2022

Chartered Accountants

Walker Chandio & Co LLP

Annexure 2 to the Independent Auditor's Report of even date to the members of Crystal Crop Protection Limited, on the standalone financial statements for the year ended 31 March 2022

Annexure 2

Independent Auditor's Report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Crystal Crop Protection Limited ('the Company') as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

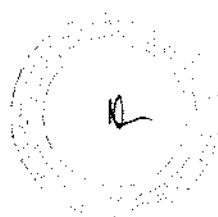
2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls with reference to standalone financial statements.

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Chartered Accountants



Walker Chandio & Co LLP

Annexure 2 to the Independent Auditor's Report of even date to the members of Crystal Crop Protection Limited, on the standalone financial statements for the year ended 31 March 2022 (cont'd)

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Qualified opinion

8. According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the Company's internal financial controls with reference to financial statements as at 31 March 2022:
 - a) The Company's internal control system with respect to recognition of liability towards claims made by the government authority towards refund of terminal excise duty (TED), as explained in note 41(ii) to the accompanying standalone financial statements, were not operating effectively, which could lead to a potential material misstatement in the Company's expenses and its consequential impact on the earnings, reserves and related disclosures in the accompanying standalone financial statements.
 - b) The Company's internal financial control system with respect to determination of recognition criteria on insurance claim receivables, as explained in note 51 to the standalone financial statements, were not operating effectively, which has resulted in a material misstatement in the carrying amount of non-current financial assets and its consequential impact on the earnings, reserves and related disclosures in the accompanying standalone financial statements.
9. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the Company's annual financial statements will not be prevented or detected on a timely basis.



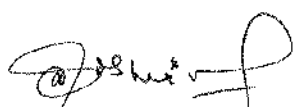
Chartered Accountants

Walker Chandiook & Co LLP

Annexure 2 to the Independent Auditor's Report of even date to the members of Crystal Crop Protection Limited, on the standalone financial statements for the year ended 31 March 2022 (cont'd)

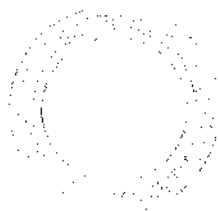
10. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountant of India, and except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company's internal financial controls with reference to financial statements were operating effectively as at 31 March 2022.
11. We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company as at and for the year ended 31 March 2022, and the material weaknesses have affected our opinion on the standalone financial statements of the Company and we have issued a qualified opinion on the standalone financial statements.

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013



Nitin Toshniwal
Partner
Membership No.: 507568

UDIN: 22507568ALIQZD5286



Place: New Delhi
Date: 21 June 2022

Chartered Accountants

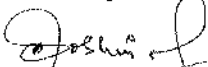
Crystal Crop Protection Limited
CIN-1101403(JI)994PLC097033
Standalone Balance Sheet as at 31 March 2022
(All amounts are in Rs. million, unless otherwise stated)

	Note	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	2,498.97	1,014.43
Capital work-in-progress	6	163.74	277.48
Right-of-use asset	4	477.20	492.45
Goodwill		5.66	-
Other intangible assets	5	3,602.24	2,229.40
Intangible assets under development	7	134.51	146.48
Financial assets			
i) Investments	8	1,366.68	2,391.70
ii) Loans	9	393.13	480.42
iii) Other financial assets	10	183.09	207.48
Income tax assets (net)	12	122.45	134.24
Other non-current assets	13	104.59	116.03
Total non-current assets		9,052.26	7,490.11
Current assets			
Inventories	14	6,176.19	5,552.71
Financial assets			
i) Investments	8	72.32	186.76
ii) Trade receivables	15	4,356.44	3,981.79
iii) Cash and cash equivalents	16	665.23	1,166.06
iv) Other bank balances	17	498.43	865.43
v) Loans	9	4.59	-
vi) Other financial assets	10	96.48	112.05
Other current assets	13	1,389.41	881.94
Total current assets		11,250.09	12,747.34
Total assets		22,302.35	20,237.45
EQUITY AND LIABILITIES			
Equity			
Equity share capital	18	1,339.19	1,428.24
Other equity	19	11,978.84	10,587.73
Total equity		12,418.03	12,015.97
Liabilities			
Non-current liabilities			
Financial liabilities			
i) Borrowings	20	1,378.75	918.17
ii) Lease liabilities	21	395.33	409.89
iii) Other financial liabilities	22	155.78	146.30
Provisions	23	28.28	25.49
Deferred tax liabilities (net)	11	75.47	39.37
Other non-current liabilities	24	2.17	2.78
Total non-current liabilities		2,035.78	1,542.00
Current liabilities			
Financial liabilities			
i) Borrowings	25	2,852.19	2,280.56
ii) Lease liabilities	21	25.40	20.91
iii) Trade payables	26		
Total outstanding dues of micro enterprises and small enterprises; and		61.53	37.93
Total outstanding dues of creditors other than micro enterprises and small enterprises		2,902.04	2,767.77
iv) Other financial liabilities	22	361.18	271.86
Other current liabilities	24	1,384.18	1,126.83
Provisions	23	88.52	71.64
Current tax liabilities (net)	27	173.50	101.98
Total current liabilities		7,848.54	6,679.48
Total liabilities		9,884.32	8,221.48
Total equity and liabilities		22,302.35	20,237.45

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached



For Walker Chandlok & Co LLP
Chartered Accountants
ICAI Firm Registration No.: 001076/N/500013



Nitya Toshniwal
Partner
Membership No.: 507568

Place : New Delhi
Date : 21 June 2022

For and on behalf of the Board of Directors of
Crystal Crop Protection Limited

Nand Kishore Aggarwal
Executive Chairman
DIN: 00074107

Place : New Delhi
Date : 21 June 2022

Ankur Aggarwal
Managing Director
DIN: 00074325

Place : New Delhi
Date : 21 June 2022

Vikram Singh
Company Secretary
Membership No.: A31714

Place : New Delhi
Date : 21 June 2022

Crystal Crop Protection Limited

CIN: L20103GJ1994PLC097033

Standalone Statement of Profit and Loss for the year ended 31 March 2022

(All amounts are in Rs. million, unless otherwise stated)

	Note	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from operations	28	21,617.22	21,268.21
Other income	29	461.69	465.39
Total income		22,078.91	21,733.60
Expenses			
Cost of materials consumed	30	12,630.75	12,943.37
Purchases of stock-in-trade	31	3,120.10	3,152.00
Changes in inventories of finished goods, stock-in-trade and work-in-progress	32	(716.09)	(535.62)
Employee benefits expense	33	1,096.20	1,009.46
Finance costs	34	226.75	216.84
Depreciation and amortisation expense	35	609.32	535.90
Other expenses	36	2,428.34	2,221.11
Total expenses		19,395.37	19,543.06
Profit before exceptional items and tax		2,683.54	2,190.54
Exceptional items	40	22.26	29.56
Profit before tax		2,661.28	2,160.98
Tax expense	38		
Current tax		606.67	426.33
Tax adjustment for earlier year		(16.61)	(38.75)
Deferred tax charge / (credit)	11	36.64	135.86
Net profit for the year		2,034.58	1,637.54
Other comprehensive income			
Item that will not be reclassified to profit or loss			
Remeasurements of defined benefit obligations		(2.24)	4.02
Income tax relating to items that will not be reclassified to profit or loss		0.56	(1.01)
Other comprehensive income for the year, net of tax		(1.68)	3.01
Total comprehensive income for the year		2,032.90	1,640.55
Earnings per equity share (face value of Rs. 10 each)	42		
- Basic (In Rs.)		14.67	11.47
- Diluted (In Rs.)		14.67	11.47

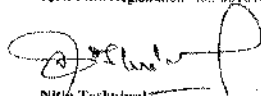
The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached

For Walker Chandhok & Co LLP

Chartered Accountants

ICAI Firm Registration No.: 001076N/MS00013



Nitin Toshniwal

Partner

Membership No.: 507568

Place : New Delhi

Date : 21 June 2022

For and on behalf of the Board of Directors of

Crystal Crop Protection Limited



Nand Kishore Aggarwal

Executive Chairman

DIN: 00074107

Place : New Delhi

Date : 21 June 2022



Ankur Aggarwal

Managing Director

DIN: 00074325

Place : New Delhi

Date : 21 June 2022



Vikram Singh

Company Secretary

Membership No.: A31714

Place : New Delhi

Date : 21 June 2022



Crystal Crop Protection Limited
CIN: U01403GJ1994PLC097033
Standalone Statement of Changes in Equity for the year ended 31 March 2022
(All amounts are in Rs. million, unless otherwise stated)

A. Equity share capital

	Number	Amount
Balance as at 1 April 2020	14,28,23,855	1,428.24
Changes during the year		-
Balance as at 31 March 2021	14,28,23,855	1,428.24
Less: Buyback of equity shares	(89,04,544)	(89.05)
Balance as at 31 March 2022	13,39,19,311	1,339.19

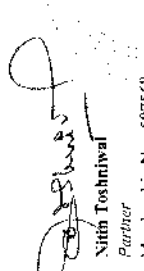
B. Other equity

	Securities premium	Retained earnings	General reserve	Capital redemption reserve	Capital reserve	Employee stock option reserve	Total other equity
As at 1 April 2020	540.21	10,067.43	25.00	-	(1,599.95)	13.43	9,046.12
Add: Profit during the year	-	1,637.54	-	-	-	-	1,637.54
Less: Interim dividend	-	(99.98)	-	-	-	-	(99.98)
Add: Other comprehensive income	-	3.01	-	-	-	-	3.01
Add: Employee stock compensation expense	-	-	-	-	-	1.04	1.04
As at 31 March 2021	540.21	11,608.00	25.00	-	(1,599.95)	14.47	10,587.73
Add: Profit during the year	-	2,034.58	-	-	-	-	2,034.58
Less: Interim dividend	-	(206.88)	-	-	-	-	(206.88)
Less: Amount utilised (excluding transaction costs) for buy-back of equity shares	-	(1,270.68)	-	-	-	-	(1,270.68)
Less: Amount transferred to capital redemption reserve on buy-back of equity shares	-	(89.05)	-	89.05	-	-	-
Less: Tax paid on buyback of equity shares	-	(70.65)	-	-	-	-	(70.65)
Less: Other comprehensive income	-	(1.68)	-	-	-	-	(1.68)
Add: Amount transferred from employee stock option to retained earning due in cancellation of option	-	2.17	-	-	-	(2.17)	-
Employee stock compensation expense	-	-	-	-	-	0.42	0.42
As at 31 March 2022	540.21	12,011.81	25.00	89.05	(1,599.95)	12.72	11,078.84

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached

For **Walker Chandok & Co LLP**
Chartered Accountants
ICAI Firm Registration No.: 001076/N/NS00013



Nithin Toshniwal
Partner
Membership No.: 507568

Place : New Delhi
Date : 21 June 2022


For and on behalf of the Board of Directors of
Crystal Crop Protection Limited


Nand Kishore Aggarwal
Executive Chairman
DIN: 00074107

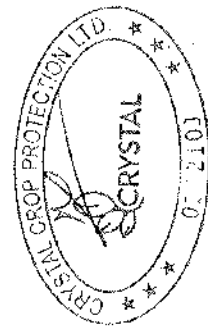
Place : New Delhi
Date : 21 June 2022


Ankur Aggarwal
Managing Director
DIN: 00074325

Place : New Delhi
Date : 21 June 2022

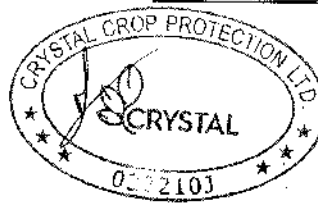
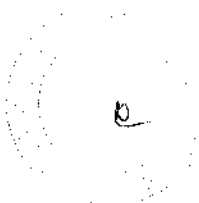

Vikram Singh
Company Secretary
Membership No.: A31714

Place : New Delhi
Date : 21 June 2022



Crystal Crop Protection Limited
 CTN-1014034(J1994P)C097033
 Standalone Statement of Cash Flows for the year ended 31 March 2022
 (All amounts are in US millions, unless otherwise stated)

	For the year ended 31 March 2022	For the year ended 31 March 2021
Cash flows from operating activities		
Net profit before tax	2,661.28	2,160.98
Adjustments for:		
Depreciation and amortisation expense	609.32	535.90
Allowance for doubtful debts	119.96	120.18
Allowance for doubtful advances	18.11	2.21
Provision for inventory obsolescence	34.12	75.61
Liabilities no longer required written back	(0.32)	(0.57)
Share based payments to employees	0.42	1.04
Profit on sale of property, plant and equipment	(64.56)	(0.12)
Profit on sale of investments	(1.78)	(25.04)
Change in fair value of unquoted mutual funds carried at fair value through profit or loss	(0.54)	(1.49)
Change in fair value of unquoted preference shares carried at fair value through profit or loss	(10.67)	(39.06)
Change in fair value of quoted equity shares carried at fair value through profit or loss	(0.16)	-
Finance guarantee obligation	(2.50)	(2.50)
Interest income from financial assets carried at amortised cost	(0.28)	(0.29)
Deferred income - Government grants	(0.73)	(1.21)
Fair value loss/ (income) on derivatives - Foreign exchange forward contract	1.14	(0.55)
Fair value (income)/ loss on derivative - Currency swap	(32.68)	25.59
Unrealised foreign exchange loss/ (gain)	30.25	(148.39)
Finance costs	226.75	216.84
Dividend income	(56.11)	(14.00)
Interest income	(72.56)	(87.50)
Share in profit of partnership firm including profit share of exceptional items	(81.99)	(16.08)
	3,374.47	2,792.55
Working capital adjustments:		
(Increase) in inventories	(657.60)	(1,883.06)
(Increase)/ decrease in trade receivables	(186.62)	138.20
(Increase)/ decrease in financial assets	(21.24)	14.03
(Increase) in other assets	(508.29)	(21.52)
Increase in trade payables	152.09	841.47
Increase in financial liabilities	91.95	57.13
Increase in other liabilities	257.47	75.67
Increase in provisions	17.43	17.12
Cash from operating activities	2,219.66	2,031.54
Income taxes paid (net of income tax refund)	(506.75)	(180.76)
Net cash flow from operating activities (A)	1,712.91	1,850.78
Cash flows from investing activities		
Purchase of property, plant and equipment, intangible assets and right-of-use assets	(3,290.71)	(319.11)
Proceeds from sale of property, plant and equipment	75.42	3.56
Dividend income	56.11	14.00
Investment in preference share	(57.02)	(192.99)
Investment in quoted equity shares (net)	(73.15)	-
Investment in debenture	(300.00)	-
Proceeds from reduction of share capital of a subsidiary	-	170.83
Proceeds from maturity of bond	14.83	-
Investment in a subsidiary	(2.50)	-
Investment in mutual funds	(1,400.00)	(145.00)
Drawing from partnership firm	1,481.68	-
Proceeds from sale of mutual funds	1,598.57	70.05
Loan received-back/ (given) (net)	82.71	(3.45)
Movement in bank deposits	394.56	(180.35)
Interest received	73.17	86.96
Net cash used in investing activities (B)	(1,346.33)	(495.60)
Cash flows from financing activities		
Interim dividend paid during the year	(200.88)	(99.98)
Payment for buy-back of equity shares (including tax)	(1,430.38)	-
Proceeds from non-current borrowings	1,250.00	-
Repayment of non-current borrowings	(559.75)	(513.32)
Proceeds from current borrowings	9,398.75	5,746.54
Repayment of current borrowings	(9,089.34)	(5,918.65)
Payment of lease liability-principal payment	(10.07)	(19.76)
Finance costs paid	(226.34)	(222.78)
Net cash flow from (used in) financing activities (C)	(868.01)	(1,057.95)
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(501.43)	297.22
Cash and cash equivalents at the beginning of the year	1,166.66	869.43
Cash and cash equivalents at the end of the year	665.23	1,166.66



Crystal Crop Protection Limited
 CIN- U01403GJ1994PLC097033
Standalone Statement of Cash Flows for the year ended 31 March 2022
(All amounts are in Rs. million, unless otherwise stated)

Notes to cash flow statement:

	For the year ended 31 March 2022	For the year ended 31 March 2021
1 Component of cash and cash equivalents:		
- Cash on hand	2.18	1.74
- Balances with banks		
on current accounts	85.95	248.40
deposits with original maturity of less than three months	577.10	916.52
	665.23	1,166.66

2 Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities

Particulars	As at 31 March 2022		As at 31 March 2021	
	Non-current borrowings [*]	Current borrowings ^{**}	Non-current borrowings [*]	Current borrowings ^{**}
Opening balance	1,418.26	1,780.47	1,962.42	2,097.08
Repayment borrowings	(559.75)	(9,089.34)	(513.32)	(5,948.65)
Proceeds from borrowings	1,250.00	9,398.75	-	5,746.54
Non-cash changes due to:				
Exchange difference	9.35	22.79	(29.05)	(110.31)
Interest accrued	(0.05)	0.46	(1.79)	(4.19)
Closing balance	2,117.81	2,113.13	1,418.26	1,780.47

* Includes current maturity of non-current borrowings and interest accrued thereon

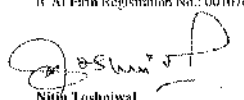
** Includes interest accrued thereon

3 The Statement of Cash Flow has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows".

The accompanying notes form an integral part of the standalone financial statements

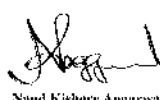

As per our report of even date attached

For Walker Chandhok & Co LLP
 Chartered Accountants
 ICAI Firm Registration No.: 001076N/N500013


Nishu Toshniwal
 Partner
 Membership No.: 507568

Place : New Delhi
 Date : 21 June 2022

For and on behalf of the Board of Directors of
 Crystal Crop Protection Limited

 
Nand Kishore Aggarwal **Ankur Aggarwal**
 Executive Chairman Managing Director
 DIN: 00074107 DIN: 00074325

Place : New Delhi
 Date : 21 June 2022

Place : New Delhi
 Date : 21 June 2022




Vikram Singh
 Company Secretary
 Membership No.: A31714

Place : New Delhi
 Date : 21 June 2022

Crystal Crop Protection Limited

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. millions, unless otherwise stated)

1 Background

Crystal Crop Protection Limited ("the Company") is a Company domiciled in India, with its registered office situated in Ahmedabad, Gujarat. The Company was incorporated on 13 July 1994 as a private limited company in India and subsequently converted to a public limited company on 3 January 2018. The Company is engaged in research, manufacturing and distribution of various products ranging from agrochemicals, seeds and farm equipment. The Company has wide spectrum of products in fungicides, herbicides, insecticides, PGR's and seed treatment products.

2 Significant accounting policies

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

(a) Basis of preparation

(i) Statement of compliance

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

The Standalone Financial Statements were authorised for issue by the Company's Board of Directors on 21 June 2022.

(ii) Historical cost convention

The Standalone Financial Statements have been prepared under historical cost convention on the accrual basis except for certain financial assets and financial liabilities that are measured at fair value or amortised cost, defined benefit obligations and share based payments as required under relevant Ind AS.

(iii) Functional and presentation currency

The management has determined the currency of the primary economic environment in which the company operates, i.e., the functional currency, to be Indian Rupees (Rs.). The Standalone Financial Statements are prepared in Indian Rupees, which is also the Company's functional and presentation currency. All amounts have been rounded to the nearest millions up to two decimal places, unless otherwise stated. Consequent to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute amounts.

(b) Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is treated as current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is expected to be realised within twelve months after the reporting period; or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company classifies all other assets as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle for the purpose of current and non-current classification of assets and liabilities.

(c) Property, plant and equipment (PPE) and intangible assets

i) Property, plant and equipment

PPE are stated at cost, which includes capitalized borrowing costs, less accumulated depreciation and accumulated impairment loss, if any.

The cost of an item of a PPE comprises its purchase price including import duties, and other non-refundable purchase taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

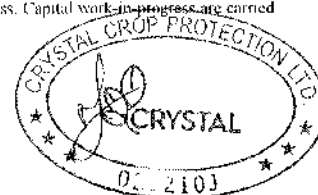
Expenditure incurred on start-up and commissioning of the project and/or substantial expansion, including the expenditure incurred on trial runs (net of trial run receipts, if any) up to the date of commencement of commercial production are capitalised. Subsequent costs are included in the asset's carrying 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.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Advances paid towards acquisition of PPE outstanding at each period-end date, are shown under other non-current assets.

ii) Capital work-in-progress

Cost of property, plant and equipment not ready for use as at the reporting date are disclosed as capital work-in-progress. Capital work-in-progress are carried at cost, comprising direct cost, related identical expenses and attributable borrowing cost, less impairment losses, if any.



m) **Intangible assets**

Intangible assets are stated at cost less accumulated amortisation and any accumulated impairment loss. Intangible assets that are acquired are recognised only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of assets can be measured reliably. Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

Advances paid towards acquisition of intangible assets outstanding at each period-end date, are shown under other non-current assets.

re) **Intangible assets under development**

Cost of intangible assets not ready for use as at the reporting date are disclosed as Intangible assets under development. The Intangible assets under development are carried at cost comprising direct cost, related identical expenses and attributable borrowing cost, less impairment losses if any.

v) **Depreciation and amortisation methods, estimated useful lives and residual value**

Depreciation on PPE (other than freehold/ leasehold land and leasehold improvement) is provided on the written down value method ("WDV") computed on the basis of useful life prescribed in Schedule II to the Companies Act, 2013 ("Schedule II") from the date the asset is ready to put to use. Considering the applicability of Schedule II as mentioned above, in respect of certain class of assets- the Company has assessed the useful lives (as mentioned in the table below) lower than as prescribed in Schedule II, based on the technical assessment.

Type/ category of assets	Useful Lives (in years)- as per Companies Act, 2013	Useful Lives (in years)- as estimated by the Company
Buildings	60	60
Factory buildings	30	30
Plant and machinery	10-25	5-25
Office equipment	5	5
Furniture and fixtures	10	10
Computers	3-6	3-6
Vehicles	8-10	8-10

Leasehold land is in the nature of perpetual lease without any limited useful life and hence is not amortised.

Leasehold improvements should be amortised over the period of lease, or life of the asset whichever is shorter.

Amortisation of intangible assets is calculated over the management's estimated useful lives as mentioned below:

Brands	amortised over a period of 5 to 10 years on straight line basis
Computer software	amortised over a period of 5 to 6 years on written down value basis
Product development	amortised over a period of 5 years on straight line basis.
License	amortised over a period of 5 years on straight line basis.
Workforce enablement	amortised over a period of 2 years on straight line basis.

Depreciation and amortization on property, plant and equipment and intangible assets added/ disposed off during the year has been provided on pro-rata basis with reference to the date of addition/ disposal. Depreciation and amortisation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted, if appropriate.

vi) **Derecognition**

An item of PPE and intangible asset is derecognised on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of an item of PPE and intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Standalone Statement of Profit and Loss.

(d) **Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

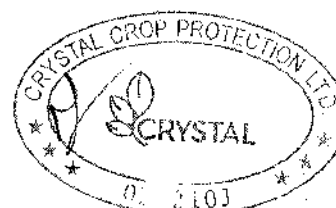
All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Classification and subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVOCI)

(This space has been intentionally left blank)



(d) Financial instruments (cont'd)

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

Debt instruments at amortised cost	<p>A 'debt instrument' is measured at the amortised cost if both the following conditions are met and is not designated as FVTPL:</p> <p>a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and</p> <p>b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.</p> <p>After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.</p>
Debt instrument at FVOCI	<p>A 'debt instrument' is classified as at the FVOCI if both the following criteria are met and is not designated as FVTPL:</p> <p>a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and</p> <p>b) The asset's contractual cash flows represent SPPI.</p> <p>Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit and Loss. Interest earned whilst holding FVOCI debt instrument is reported as interest income using the EIR method.</p>
Debt instrument at FVTPL	<p>FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVTPL.</p> <p>Investments in Optionally convertible redeemable preference shares are measured at FVTPL.</p> <p>In addition, the Company may irrevocably elect to designate a debt instrument, which otherwise meets amortised cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').</p> <p>Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss. These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.</p>
Equity instrument at FVOCI	<p>All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.</p> <p>If the Company decides to classify an equity instrument as FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss. These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.</p>

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's Balance Sheet) when:

- The contractual rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL, if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Statement of Profit and Loss.



(d) Financial instruments (cont'd)

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Derivative financial instruments and hedge accounting

The Company holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in Statement of Profit and Loss.

(e) Impairment

Impairment of non-financial assets

The Company's non-financial assets other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into a cash-generating unit (CGU). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU.

The Company's corporate assets (e.g., office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment loss is recognised in the Statement of Profit and Loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro-rata basis.

An impairment loss in respect of assets for which impairment loss has been recognized in prior periods, the Company reviews at reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost, and
- financial assets measured at FVOCI - debt investments.

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 90 days or more;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12-month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.



Crystal Crop Protection Limited

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in £s. millions, unless otherwise stated)

(e) Impairment (cont'd)

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is)
- the financial asset is 90 days or more past due.

The Company considers a debt security to have low credit risk when its credit risk rating is equivalent to 'investment grade'.

Maintenance of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to the Statement of Profit and Loss and is recognised in OCI.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

(f) Inventories

Inventories which comprise raw materials, work-in-progress, finished goods, stock-in-trade, packing materials, and stores and spares are carried at the lower of cost or net realisable value.

Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of inventories, other than finished goods and work-in-progress, is determined on the weighted average basis. Cost of finished goods and work-in-progress includes the cost of materials determined on the weighted average basis and also includes an appropriate portion of allocable overheads.

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. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost, except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

(g) Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand (including imprest) and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(h) Provisions and contingent liabilities

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

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 the obligation or a reliable estimate of the amount cannot be made.

(i) Revenue recognition

To determine whether to recognise revenue, the Company follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

Revenue from the sale of goods in the course of ordinary activities is measured based on consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. Revenue is recognized when control over the goods is transferred to a customer. Discounts, volume rebates, sales returns and other applicable discounts are accounted for as a reduction of revenue. When consideration specified in a contract with the customer is subject to variability after the goods have been sold, the variability is estimated at the contract inception itself and the transaction price is determined including any estimate of variable consideration.

Revenue excludes goods and service tax as these amounts are collected from the customer on behalf of government.

A material right existing in a contract that provides the customer with free or discounted goods in the form of marketing schemes being offered by the Company to its customers, is accounted for as a separate performance obligation.

Interest income is recognised using the effective interest method.

Dividend income is recognised when the right to receive payment is established.

The 'effective interest rate' is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the

- the gross carrying amount of the financial asset
- the amortised cost of the financial liability.



(j) Employee benefits

i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund. Obligations for contributions to defined contribution plan is recognised as an employee benefit expense in the Statement of Profit and Loss in the periods during which the related services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

iii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) are recognised in other comprehensive income. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv) Other long-term employee benefits

The employees can carry forward a portion of the unutilised accrued compensated absences and utilise in future service periods or receive cash compensation during service or on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilised wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine its present value. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurement gains or losses are recognised in the Statement of Profit and Loss in the period in which they arise.

v) Share based payments

Employees of the Company receive remuneration in the form of share-based payments in consideration of the services rendered, under "Crystal Crop Protection Limited - Employee Stock Option Plan 2011" and "Crystal Crop Protection Limited - Employee Stock Option Plan 2018". Under the equity settled share-based payment, the fair value of options granted is recognized as an employee benefits expense with a corresponding increase in other equity. The total amount to be expensed is determined by reference to the fair value of the options. The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. Upon exercise of share options, the proceeds received are allocated to share capital up to the par value of the shares issued with any excess being recorded as share premium.

For cash-settled share-based payments, the fair value of the amount payable to employees is recognised as 'employee benefit expenses' with a corresponding increase in liabilities, over the period of non-market vesting conditions getting fulfilled. The liability is remeasured at each reporting period up to, and including the settlement date, with changes in fair value recognised in employee benefits expenses.

(k) Finance costs

Finance costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Finance cost also includes exchange differences to the extent regarded as an adjustment to the finance costs. Finance costs that are directly attributable to the construction or production or development of a qualifying asset are capitalized as part of the cost of that asset. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other finance costs are expensed in the period in which they occur.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the finance costs eligible for capitalization. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method. Ancillary costs incurred in connection with the arrangement of borrowings are amortised over the period of such borrowings.

Interest expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset, or
- the amortised cost of the financial liability.



(l) Income tax

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. It is measured using tax rates applicable under the Income-tax Act, 1961.

Current tax assets and liabilities are offset only if, the Company:

- a) has a legally enforceable right to set off the recognised amounts; and
- b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii) Deferred tax

Deferred tax is recognised in respect of taxable/ deductible temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax is not recognised for:

- taxable/ deductible temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- taxable/ deductible temporary differences related to investments in subsidiaries, to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable/ deductible temporary differences arising on the initial recognition of goodwill.

Deferred tax assets (DTA) paid in accordance with the Income-tax Act, 1961 prevalent in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability.

Deferred tax assets are recognised for unused tax losses, unused tax credits and taxable/ deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if, the Company:

- a) has a legally enforceable right to set off the recognised amounts; and
- b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(m) Leases

The Company enters into an arrangement for lease of land, buildings/warehouses and vehicles. Such arrangements are generally for a fixed period but may have extension or termination options.

In accordance with Ind AS 116, the Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset; (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease; and (iii) the Company has the right to direct the use of the asset.

As a lessee, the Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the fixed payments.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(n) Segment reporting

The operating segments used to present segment information are identified on the basis of internal reports used by the Company's Management to allocate resources to the segments and assess their performance. The Board of Directors is collectively the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108.



Crystal Crop Protection Limited

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. millions, unless otherwise stated)

(o) Government grants

Government grants for capital assets are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grant; they are then recognised in Statement of Profit and Loss as other operating revenue on a systematic basis.

Grants that compensate the Company for expenses incurred are recognised in Statement of Profit and Loss as other operating revenue on a systematic basis in the periods in which such expenses are recognized.

(p) Earnings per share

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

(q) Measurement of fair values

A number of the accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices).

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

The Company has an established control framework with respect to the measurement of fair values. This includes a finance team that has an overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

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

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair values used in preparing these Standalone Financial Statements is included in the respective notes.

(r) Investments in subsidiaries

Investments in subsidiaries, joint ventures and associates are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, joint ventures and associates, the difference between net disposal proceeds and the carrying amounts are recognized in the Standalone Statement of Profit and Loss.

(s) Critical estimates and judgements

The preparation of these Standalone Financial Statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Standalone Financial Statements is included in the following notes:

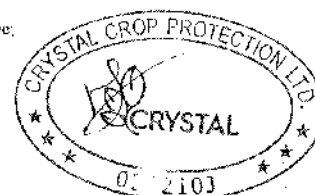
- Recognition and estimation of tax expense including deferred tax – Note 2(i), Note 11 and Note 38
- Estimated impairment of financial assets and non-financial assets – Note 2(d) and Note 2(e)
- Assessment of useful life of property, plant and equipment and intangible assets – Note 2(e), Note 3 and Note 5
- Estimation of assets and obligations relating to employee benefits – Note 2(j), Note 23, Note 33 and Note 39
- Valuation of inventories – Note 2(f)
- Recognition and measurement of contingent liabilities – Note 2(h) and Note 41
- Provisions – Note 2(h)
- Leases – Note 2(m), Note 4, Note 21 and Note 47
- Fair value measurement – Note 2(q) and Note 44

(t) Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency at the exchange rate at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in profit or loss, except exchange differences arising from the translation of the following items which are recognised in OCI:

- equity investments at fair value through OCI,
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective;
- qualifying cash flow hedges to the extent that the hedges are effective.



Crystal Crop Protection Limited

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in Rs. millions, unless otherwise stated)

(u) Research and development

Expenditure on research is expensed off under the respective heads of account in the period in which it is incurred.

Expenditure on development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalised, if the cost can be reliably measured, the product or process is technically and commercially feasible and the Company has sufficient resources to complete the development and right to use the asset. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads that are directly attributable to preparing the asset for its intended use. Other development expenditure is recognised in the Statement of Profit and Loss as an expense as incurred.

Capitalised development expenditure is stated at cost less accumulated amortisation and impairment losses. Fixed assets used for research and development are depreciated in accordance with the Company's policy as stated above.

Materials identified for use in research and development process are carried as inventories and charged to the Statement of Profit and Loss on consumption of such materials for research and development activities.

(v) Business combination and goodwill

The Company accounts for the business combinations, other than those under common control transactions, using the acquisition method when control is transferred to the Company. The consideration transferred in the acquisition is generally measured at fair value as at the date the control is acquired ('acquisition date'), as are the net identifiable assets (tangible and intangible assets) acquired and any non-controlling interest in the acquired business, if any. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in Other Comprehensive Income ('OCI') and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

Any goodwill that arises is tested for impairment at least on an annual basis, based on a number of factors, including operating results, business plans and future cash flows.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquirer. Such amounts are generally recognized in the Standalone Statement of profit and loss.

(w) Dividend Distributions

The Company recognizes a liability to make the payment of dividend to owners of equity, when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

(x) Exceptional items

Exceptional items are transactions which due to their size or incidence are separately disclosed to enable a full understanding of the Company's financial performance.

(y) Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 01 April 2022, as below:

(i) Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103.

(ii) Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss.

(iii) Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which loss an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability.

(iv) Ind AS 116 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration.

These amendments are effective for annual reporting periods beginning on or after 1 April, 2022. The amendments are not expected to have a material impact on the Company.

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3 Property, plant and equipment

	Freehold land	Buildings	Leasehold improvements	Plant and machinery	Office equipment	Furniture and fixtures	Vehicles	Computer hardware	Total
Gross carrying value									
Balance as at 1 April 2020									
Additions	68.48	303.29	30.88	777.44	58.62	141.24	80.04	42.14	1,662.99
Disposals	60.12	27.86	-	30.05	1.68	2.95	5.14	2.30	111.10
Balance as at 31 March 2021	8.36	275.43	30.88	747.39	56.94	138.29	74.90	39.84	1,556.89
Additions	68.60	330.64	79.80	843.14	60.30	144.19	51.34	41.97	1,720.94
Disposals	18.38	252.88	-	171.64	2.20	11.79	13.70	18.22	576.81
Acquisitions through business combination (refer note 5a)	763.43	90.64	-	30.78	-	-	-	-	885.85
Depreciation	-	28.26	-	37.06	41.94	11.54	116.47	10.41	256.68
Balance as at 31 March 2022	850.41	768.91	90.88	1,340.60	69.56	154.65	82.95	59.28	3,357.14
Accumulated depreciation									
Balance as at 1 April 2020	-	162.16	19.67	212.34	48.31	69.29	45.37	33.12	559.95
Additions	-	29.35	10.83	116.94	4.93	19.11	11.68	6.68	196.31
Disposals	-	(11.35)	-	(2.43)	-	-	(1.28)	(1.87)	(25.93)
Balance as at 31 March 2021	-	180.16	30.50	326.85	53.24	88.40	55.77	37.93	760.53
Additions	-	45.85	19.51	118.37	5.70	13.28	10.26	7.54	201.61
Disposals	-	(2.11)	-	(5.33)	(1.68)	(1.37)	(4.67)	(10.35)	(26.85)
Balance as at 31 March 2022	-	223.90	50.01	449.89	57.26	100.31	61.26	35.12	828.51
Carrying amount (net)									
As at 31 March 2021	850.41	295.27	31.38	516.35	7.94	55.47	29.95	6.54	1,687.37
As at 31 March 2022	850.41	600.81	20.87	890.71	12.30	54.34	21.69	24.16	2,485.09

Footnotes

1 Title deed not held in the name of the Company

Relevant Item in the consolidated balance sheet	Description of item of property	Gross carrying Amount as at 31 March 2022	Gross carrying Amount as at 31 March 2021	Title deed held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of company
Property, Plant and Equipment	Property at Chit Road, Induram, District Medak, Telangana Freehold land Building	1.98 6.51	- -	Crystal Crop Protection Limited, a promoter group company, acquired with Crystal Crop Protection Limited as per merger order dated 02 August 2017	No	02 August 2017	These properties were acquired pursuant to a scheme of amalgamation and continued to be registered in the name of amalgamating company. However, the deed of merger has been registered by the Company.
Property, Plant and Equipment	Property at District Medak, Telangana Freehold land Building	9.44 21.81	9.44 21.81	Reflex Seeds Private Limited, a promoter group company, acquired with Crystal Crop Protection Limited as per merger order dated 27 October 2017	No	27 October 2017	These properties were acquired pursuant to a scheme of amalgamation and continued to be registered in the name of amalgamating company. However, the deed of merger has been registered by the Company.
Property, Plant and Equipment	Property at District Medak, Telangana Freehold land Building	1.89 6.94	1.89 6.94	Reflex Bioseeds & Agriotech Private Limited, a promoter group company, acquired with Crystal Crop Protection Limited as per merger order dated 27 October 2017	No	27 October 2017	These properties were acquired pursuant to a scheme of amalgamation and continued to be registered in the name of amalgamating company. However, the deed of merger has been registered by the Company.
Property, Plant and Equipment	Property at Landmark, Land	0.25	0.25	Radix Crop Care Private Limited, a promoter group company, acquired with Crystal Crop Protection Limited as per merger order dated 27 October 2017	No	27 October 2017	This property was acquired pursuant to a scheme of amalgamation and continued to be registered in the name of amalgamating company. However, the deed of merger has been registered by the Company.
Property, Plant and Equipment	Property at Polancheru, District Medak, Andhra Pradesh Freehold land	75.34	-	Rayat Corporation Limited	No	30 November 2021	This property was acquired by business combination and registration is in under process.
Property, Plant and Equipment	Property at Kondal, District Rangareddy, Telangana Freehold land Building	175.98 100	- -	Hydrex International Limited	No	30 November 2021	This property was acquired by business combination from Hydrex Bioseeds Private Limited (seller). However, the property is registered in the name of the parent company of the seller. The Company has registered business purchase agreement with Hydrex Bioseeds Private Limited and registration is in under process.

2. Refer note 20 and 23 for securities/fundings on share issues
3. Refer note 40 for capital commitment

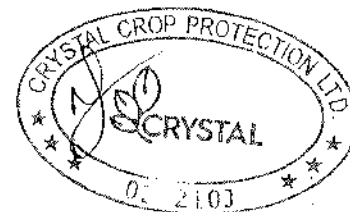


Crystal Crop Protection Limited

CIN- U01403GJ1994PLC097033

Notes to Standalone Financial Statements for the year ended 31 March 2022 (cont'd)
(All amounts are in Rs. millions, unless otherwise stated)
4 Right-of-use assets (ROU)

	Leasehold land	Buildings	Vehicles	Total
Gross carrying value				
Balance as at 1 April 2020	111.22	358.91	25.93	496.06
Additions	0.30	-	67.80	68.10
Disposals	-	(0.77)	-	(0.77)
Balance as at 31 March 2021	111.52	358.14	93.73	563.39
Additions	-	9.88	13.81	23.69
Disposals	-	-	-	-
Balance as at 31 March 2022	111.52	368.02	107.54	587.08
Accumulated depreciation				
Balance as at 1 April 2020	3.91	15.66	17.29	36.86
Additions	3.86	14.97	15.89	34.72
Disposals	-	(0.64)	-	(0.64)
Balance as at 31 March 2021	7.77	29.99	33.18	70.94
Additions	3.20	15.41	20.33	38.94
Disposals	-	-	-	-
Balance as at 31 March 2022	10.97	45.40	53.51	109.88
Carrying amount (net)				
As at 31 March 2021	103.75	328.15	60.55	492.45
As at 31 March 2022	100.55	322.62	54.03	477.20

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Crystal Crop Protection Limited

CIN: U01403GJ1994PLC097033

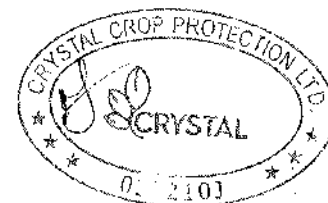
Notes to Standalone Financial Statements for the year ended 31 March 2022 (cont'd)

(All amounts are in Rs. millions, unless otherwise stated)

5 Other intangible assets

	Brands	Computer software	Product registration	License	Workforce enablement	Total
Gross carrying value						
Balance as at 1 April 2020	2,902.58	56.17	23.10	10.47	-	2,992.27
Additions	28.80	13.97	-	-	-	42.77
Disposals	-	-	-	-	-	-
Balance as at 31 March 2021	2,931.38	70.09	23.10	10.47	-	3,035.04
Additions	44.70	-	42.20	-	-	86.90
Acquisitions through business combination (refer note 56)	1,628.87	-	-	-	26.42	1,655.29
Disposals	-	-	-	-	-	-
Balance as at 31 March 2022	4,604.95	70.09	65.30	10.47	26.42	4,777.23
Accumulated amortisation						
Balance as at 1 April 2020	439.69	39.10	13.18	8.80	-	500.77
Amortisation for the year	290.76	8.76	1.62	0.73	-	304.87
Disposals	-	-	-	-	-	-
Balance as at 31 March 2021	730.45	47.86	17.80	9.53	-	805.64
Amortisation for the year	349.05	8.89	6.07	0.94	4.40	369.35
Disposals	-	-	-	-	-	-
Balance as at 31 March 2022	1,079.50	56.75	23.87	10.47	4.40	1,174.99
Carrying amount (net)						
As at 31 March 2021	2,200.93	22.23	5.30	0.94	-	2,229.40
As at 31 March 2022	3,525.45	13.34	41.43	-	22.02	3,602.24

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Crystal Crop Protection Limited

CIN- U01403GJ1994PLC097033

Notes to Standalone Financial Statements for the year ended 31 March 2022 (cont'd)*(All amounts are in Rs. millions, unless otherwise stated)***6 Capital work-in-progress**

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning	277.48	177.06
Additions	598.84	109.56
Transferred to cost of Property, plant and equipment	(703.80)	(9.14)
Write off	(8.78)	-
Balance at the end	163.74	277.48

6.1 Ageing schedule of capital work-in-progress as on 31 March 2022

Particulars	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	
Projects in progress	152.20	11.54	-	-	163.74
Projects temporarily suspended	-	-	-	-	-

Ageing schedule of capital work-in-progress as on 31 March 2021

Name of CWIP	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	
Projects in progress	109.56	26.13	85.65	56.14	277.48
Projects temporarily suspended	-	-	-	-	-

6.2 Capital work-in-progress, whose completion is overdue or exceeded its cost compared to its original plan

There are no projects as on the reporting date under Capital work-in-progress where completion is overdue or has exceeded its cost compared to its original plan.

7 Intangible assets under development

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning	146.48	135.48
Additions	37.45	29.62
Transferred to cost of Intangible assets	(42.20)	-
Write off	(7.22)	(18.62)
Balance at the end	134.51	146.48

7.1 Ageing schedule of Intangible assets under development as on 31 March 2022

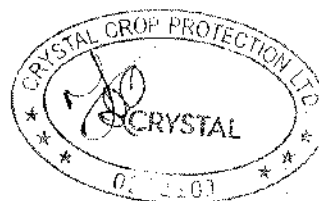
Particulars	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	
Projects in progress	36.63	21.77	22.97	53.14	134.51
Projects temporarily suspended	-	-	-	-	-

Ageing schedule of Intangible assets under development as on 31 March 2021

Particulars	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	
Projects in progress	22.89	30.08	54.43	39.08	146.48
Projects temporarily suspended	-	-	-	-	-

7.2 Intangible assets under development, whose completion is overdue or exceeded its cost compared to its original plan,

There are no projects as on the reporting date under Intangible assets under development where completion is overdue or has exceeded its cost compared to its original plan.



Crystal Crop Protection Limited

CIN: U01403GJ1994PLC097033

Notes to Standalone Financial Statements for the year ended 31 March 2022 (cont'd)

(All amounts are in Rs. millions, unless otherwise stated)

8 Investments

Investment in subsidiaries and partnership firm

Unquoted

Investments carried at cost

In equity instruments of subsidiaries

	Non-current	
	As at 31 March 2022	As at 31 March 2021
- 2,500,000 (31 March 2021: 2,500,000) equity shares of Rs. 10 each, fully paid-up, in Nexus Crop Science Private Limited	29.90	29.90
- 30,000 (31 March 2021: 30,000) equity shares of AUD 1 each, fully paid-up, in Crystal Crop Protection (Australia) Pty Ltd	1.53	1.53
- 51,000 (31 March 2021: 51,000) equity shares of South African Rand 25 each, fully paid-up in Crystal Crop Protection South Africa (Pty) Ltd.	6.70	6.70
- 2,015,555 (31 March 2021: Nil) equity shares of Rs 10 each, fully paid-up, in Saffire Crop Science Private Limited (refer note 43)##	503.89	-
- 50,000 (31 March 2021: 50,000) equity shares of Rs. 1 each, fully paid-up, in Crystal Crop Techno Solutions Private Limited	0.50	0.50
	542.52	39.63

In partnership firm

- Share in Modern Papers (refer note 43)##	113.68	1,508.87
	113.68	1,508.87
Sub-total (A)	656.20	1,547.50

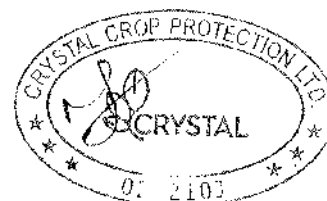
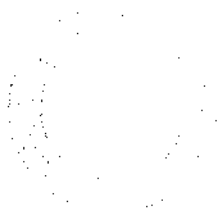
Quoted

Investments carried at amortised cost

In bonds

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
- 12,248 (31 March 2021: 12,248) bonds of Rs. 1,000 each, fully paid-up, of Rural Electrification Corporation Limited	12.25	12.25	-	-
- 40,000 (31 March 2021: 40,000) bonds of Rs. 1,000 each, fully paid-up, of Housing and Urban Development Corporation Limited	40.00	40.00	-	-
- 8,700 (31 March 2021: 8,700) bonds of Rs. 1,000 each, fully paid-up, of Indian Railway Finance Corporation Limited	8.70	8.70	-	-
- Nil (31 March 2021: 14,834) bonds of Rs. 1,000 each, fully paid-up, of National Highways Authority of India	-	-	-	14.83
	60.95	60.95	-	14.83

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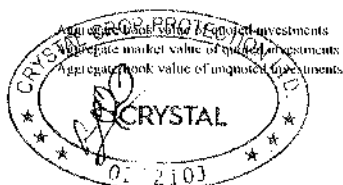


Crystal Crop Protection Limited
CIN: U01403GG1994PLC097053

Notes to Standalone Financial Statements for the year ended 31 March 2022 (cont'd)
(All amounts are in Rs. millions, unless otherwise stated)

8 Investments (cont'd)

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Investments carried at fair value through profit or loss				
In equity shares				
- 73,250 (31 March 2021: Nil) Equity Shares of Steel Authority of India Limited	-	-	3.28	-
- 900 (31 March 2021: Nil) Equity Shares of Hero Motocorp Limited	-	-	2.07	-
- 1,500 (31 March 2021: Nil) Equity Shares of Reliance Industries Ltd	-	-	3.95	-
- 33,750 (31 March 2021: Nil) Equity Shares of Tata Power Company Ltd	-	-	8.06	-
- 2,250 (31 March 2021: Nil) Equity Shares of Bharat Forge Ltd	-	-	1.58	-
- 52,286 (31 March 2021: Nil) Equity Shares of Indian Hotels Company Ltd	-	-	12.47	-
- 1,250 (31 March 2021: Nil) Equity Shares of Deepak Nitrite Ltd	-	-	2.81	-
- 12,900 (31 March 2021: Nil) Equity Shares of Hindustan Copper Ltd	-	-	1.47	-
- 20,300 (31 March 2021: Nil) Equity Shares of India Cements Ltd	-	-	4.25	-
- 84,500 (31 March 2021: Nil) Equity Shares of Indian Oil Corporation Ltd	-	-	10.05	-
- 3,400 (31 March 2021: Nil) Equity Shares of City Union Bank Ltd	-	-	0.44	-
- 5,000 (31 March 2021: Nil) Equity Shares of Jindal Steel & Power Ltd	-	-	2.67	-
- 1,100 (31 March 2021: Nil) Equity Shares of Zydus Lifesciences Limited	-	-	0.28	-
- 1,800 (31 March 2021: Nil) Equity Shares of Strides Pharma Science Limited	-	-	0.62	-
- 750 (31 March 2021: Nil) Equity Shares of JK Cement Ltd	-	-	0.85	-
- 10,000 (31 March 2021: Nil) Equity Shares of IDFC Limited	-	-	0.62	-
- 12,000 (31 March 2021: Nil) Equity Shares of Mahindra & Mahindra Fin Services Ltd	-	-	1.91	-
- 13,000 (31 March 2021: Nil) Equity Shares of Fastsource Solutions Limited	-	-	1.63	-
- 2,300 (31 March 2021: Nil) Equity Shares of Delta Corp Ltd	-	-	0.76	-
- 2,800 (31 March 2021: Nil) Equity Shares of Multi Commodity Exchange of India Ltd	-	-	3.96	-
- 6,200 (31 March 2021: Nil) Equity Shares of Indiabulls Housing Finance	-	-	0.98	-
- 44,400 (31 March 2021: Nil) Equity Shares of IDFC First Bank Limited	-	-	1.76	-
- 250 (31 March 2021: Nil) Equity Shares of Interglobe Aviation Limited	-	-	0.50	-
- 5,800 (31 March 2021: Nil) Equity Shares of RBL Bank Limited	-	-	0.76	-
- 500 (31 March 2021: Nil) Equity Shares of AU Small Finance Bank Limited	-	-	0.62	-
- 8,800 (31 March 2021: Nil) Equity Shares of Aditya Birla Capital Limited	-	-	0.95	-
- 7,200 (31 March 2021: Nil) Equity Shares of Bandhan Bank Limited	-	-	2.21	-
- 380 (31 March 2021: Nil) Equity Shares of Polycab India Limited	-	-	0.71	-
	-	-	72.32	-
Unquoted				
Investments carried at fair value through profit or loss				
In preference shares				
- Nil (31 March 2021: 3,930,000) 7.50% cumulative optionally convertible redeemable preference share of Rs. 100 each, in Saffire Crop Science Private Limited (refer note 47)ff	-	409.40	-	-
- 3,500,000 (31 March 2021: 3,500,000) 8.00% cumulative optionally convertible redeemable preference share of Rs. 100 each, in Redson Retail and Reality Private Limited	349.53	373.85	-	-
	349.53	783.25	-	-
In debenture				
- 3,000,000 (31 March 2021: Nil) 6.66% optionally convertible debentures of Rs. 100 each, in Aviral Crop Science Private Limited (refer note 43)	300.00	-	-	-
	300.00	-	-	-
Investments carried at fair value through profit or loss				
In mutual funds				
- Nil (31 March 2021: 369,433.16) units of Rs. Nil (31 March 2021: Rs. 329.31) each fully paid-up, of Birla Sun Life Liquid Fund- Growth - Regular Plan*	-	-	-	121.66
- Nil (31 March 2021: 1,543,357.14) units of Rs. Nil (31 March 2021: Rs. 32.57) each fully paid-up, of SBI Saving Fund- Regular Plan-Growth	-	-	-	50.77
	-	-	-	171.93
Sub-total (B)	710.48	844.20	72.32	186.76
Total (A+B)	1,366.68	2,391.70	72.32	186.76
Aggregate book value of investments	60.95	60.95	72.32	14.83
Aggregate market value of quoted investments	71.96	73.56	72.32	15.92
Aggregate book value of unquoted investments	1,305.73	2,330.75	-	171.93



Crystal Crop Protection Limited

CIN: U01403GU994PLC097033

Notes to Standalone Financial Statements for the year ended 31 March 2022 (cont'd)

(All amounts are in Rs. millions, unless otherwise stated)

8 Investments (cont'd)

Share in Modern Papers - Partnership firm

	As at 31 March 2022	As at 31 March 2021
Capital of Modern Papers	1.06	1.06
Name of partners and share in profits (%)		
- Crystal Crop Protection Limited	94.00%	94.00%
- Kunal Aggarwal	5.70%	5.70%
- Ankur Aggarwal	0.30%	0.30%
	100.00%	100.00%

Reconciliation of investment in Modern Papers

	As at 31 March 2022	As at 31 March 2021
Opening balance	1,508.87	1,490.29
Add: Share of Profit during the year	83.99	16.08
Add: Unwinding of finance guarantee obligation	2.50	2.50
Less: Drawings made during the year	(1,481.68)	-
Closing balance	113.68	1,508.87

*Includes mutual funds Nil (31 March 2021: 164,000) units pledged by the Company against external commercial borrowings obtained from HSBC Bank (Mauritius) Limited.

** During the year ended 31 March 2022, the Company has converted 4,500,000 Optionally Convertible Redeemable Preference Shares of Rs. 100 each in Saffire Crop Science Private Limited into 2,005,555 equity shares at Rs. 250 per equity share. Further, the Company has also purchased 10,000 equity shares from the existing shareholders of Saffire Crop Science Private Limited at Rs. 250 per equity share.

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	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
9. Loans				
<i>(Classified and considered good, unless stated otherwise)</i>				
Loan to related parties (refer to note 43)				
Loan to Crystal Crop Protection Employee Welfare Trust (refer to note 54)	493.13	475.36	-	-
Loan to subsidiary, viz. Crystal Crop Techno Solution Private Limited	-	5.06	4.59	-
	493.13	480.42	4.59	-

Disclosures pursuant to section 146 of the Companies Act, 2013

Loan to Enterprise over which control exists - Crystal Crop Protection Employee Welfare Trust

Balance as at the year end	493.13	475.36	-	-
Maximum amount outstanding at any time during the year	476.76	475.36	-	-
[Crystal Crop Protection Employee Welfare Trust has utilised the loan to purchase shares of the Company to be issued to the employees of the Company under Employees' Stock Option Plan. It is repayable on demand and carries an rate of interest.]				

Loan to subsidiary Company - Crystal Crop Techno Solution Private Limited

Balance as at the year end	-	5.06	4.59	-
Maximum amount outstanding at any time during the year	-	5.06	5.14	-
[Crystal Crop Techno Solution Private Limited has utilised the loan for its business purposes. It is repayable within a period not exceeding three years and carries a rate of interest at 6% per annum compounded half yearly]				

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
10. Other financial assets				
<i>(Classified and considered good, unless noted otherwise)</i>				
Deposits due to mature after 12 months of the reporting date*	3.72	31.28	-	-
Deposit given other than bank as margin money	-	-	55.09	-
Interest accrued	-	-	3.70	4.13
Derivatives at fair value through profit or loss:				
Foreign exchange forward contracts	-	-	-	0.97
Insurance claim receivable (refer note 51 and 52)	162.95	162.95	3.71	65.59
Advance given for SHI mutual fund	-	-	-	23.00
Advance given to SMC Global Securities Ltd.	-	-	24.91	-
Security deposits				
- to related party (refer to note 43)	2.29	2.12	-	-
- to others - considered goods	14.13	11.13	9.16	16.18
- to others - considered doubtful	0.01	-	1.02	-
	180.13	207.48	97.30	112.05
Provision for doubtful amount	(1.01)	-	(1.92)	-
	183.90	207.48	96.48	112.05

* Includes deposits having restrictive use on account of:
- held as margin money
- pledged with authorities
- lien against bank overdraft

As at 31 March 2022	As at 31 March 2021
2.10	30.70
1.60	0.44
0.02	0.24
3.72	31.28

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11 Deferred tax (liabilities)/ assets (net)

a. Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

Deferred Tax Liabilities

Property, plant and equipment and intangible assets

Fair value gain on investment

ROU assets net of lease liabilities

Total Deferred Tax Liabilities

Deferred Tax Assets

Provision for employee benefits and employee related payables

Allowances for doubtful debts and others

Other temporary differences

Total Deferred Tax Assets

Deferred tax (liabilities)/assets, net

As at 31 March 2022	As at 31 March 2021
(230.09)	(181.29)
(12.85)	(12.85)
(15.51)	(15.51)
(258.45)	(209.65)
83.88	86.74
74.26	48.30
43.54	31.67
201.68	166.71
(75.47)	(39.37)

b. Movement in temporary differences

Deferred Tax Liabilities

Property, plant and equipment and intangible assets

Fair value gain on investment

ROU assets net of lease liabilities

Total Deferred Tax Liabilities

Deferred Tax Assets

Provision for employee benefits and employee related payables

Allowances for doubtful debts and others

Other temporary differences

Total Deferred Tax Assets

Deferred tax (liabilities)/assets, net

Balance as at 1 April 2021	Recognised in profit or loss during the year	Recognised in OCI during the year	As at 31 March 2022
(181.29)	(68.80)	-	(250.09)
(12.85)	(0.57)	-	(13.42)
(15.51)	1.39	-	(14.12)
(209.65)	(68.07)	-	(277.72)
86.74	(3.40)	0.56	83.90
48.30	25.96	-	74.26
31.67	8.87	-	43.54
166.71	31.43	0.56	201.68
(39.37)	(36.64)	0.56	(75.47)

Deferred Tax Liabilities

Property, plant and equipment and intangible assets

Fair value gain on investment

ROU assets net of lease liabilities

Total Deferred Tax Liabilities

Deferred Tax Assets

Provision for employee benefits and employee related payables

Allowances for doubtful debts and others

Other temporary differences

Total Deferred Tax Assets

Deferred tax assets (liabilities), net

Balance as at 1 April 2020	Recognised in profit or loss during the year	Recognised in OCI during the year	Balance as at 31 March 2021
(203.41)	22.12	-	(181.29)
(12.46)	0.18	-	(12.28)
(12.85)	(2.67)	-	(15.51)
(228.72)	19.63	-	(209.09)
62.37	25.48	(1.11)	86.74
168.78	(120.48)	-	48.30
95.10	(60.43)	-	34.67
326.25	(155.53)	(1.11)	169.61
97.53	(135.90)	(1.11)	(39.37)

12 Income tax assets (net)

Advance income tax (net of provision for income tax Rs. 192.47 million (31 March 2021: Rs. 1,113.47 million))

As at 31 March 2022	As at 31 March 2021
122.45	134.24
122.45	134.24

13 Other assets

(Classified and considered good, unless stated otherwise.)

Capital Advances

Considered good

Considered doubtful

Advance to employees

Considered good

Considered doubtful

Advance to vendors

Considered good

Considered doubtful

Prepaid expenses

Balance with government authorities

Others

Less: provision for doubtful assets

Non-current		Current	
As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
63.07	65.02	-	-
7.72	6.12	-	-
-	-	8.53	8.56
-	-	4.95	-
-	-	805.54	278.99
-	-	8.20	3.71
0.61	-	37.08	19.50
40.87	41.82	439.22	534.44
0.02	9.19	0.04	0.45
112.31	122.15	1,303.56	835.65
(7.72)	(6.12)	(13.15)	(3.71)
104.59	116.03	1,290.41	831.94

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	As at 31 March 2022	As at 31 March 2021
14 Inventories		
<i>(At lower of cost and net realizable value)</i>		
Raw materials		
- in hand	2,029.41	2,095.55
- in transit	667.74	745.57
Packing materials	179.05	175.67
Work-in-progress		
- in hand	450.61	478.02
Finished goods		
- in hand	1,817.86	1,316.96
- in transit	86.71	7.87
Stock-in-trade		
- in hand	1,036.29	991.10
- in transit	11.18	47.01
Stores and spares		
- in hand	44.74	25.87
- in transit	3.68	-
	<u>6,326.17</u>	<u>5,668.57</u>
Less: Provision for inventory obsolescence	(149.98)	(115.86)
	<u>6,176.19</u>	<u>5,552.71</u>

	As at 31 March 2022	As at 31 March 2021
15 Trade receivables		
<i>(Unsecured and considered good, unless stated otherwise)</i>		
Considered good *	4,356.44	3,981.79
Credit Impaired	437.14	351.31
	<u>4,793.58</u>	<u>4,333.10</u>
Less: Loss allowance for doubtful receivables	(437.14)	(351.31)
	<u>4,356.44</u>	<u>3,981.79</u>

Trade receivables ageing schedule

Particulars	Outstanding of following period from due date of payment as on 31 March 2022						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Unsecured trade receivables considered good	2,928.85	1,285.82	48.07	21.21	35.23	0.21	4,259.19
(ii) Unsecured trade receivables considered doubtful	10.26	16.18	4.75	8.54	27.20	17.12	81.09
(iii) Disputed trade receivables considered good	6.66	6.05	9.55	28.22	17.01	49.66	117.25
(iv) Disputed trade receivables considered doubtful	9.52	5.97	9.69	32.27	31.29	264.31	353.05
	<u>2,955.29</u>	<u>1,233.82</u>	<u>72.06</u>	<u>90.38</u>	<u>110.73</u>	<u>331.30</u>	<u>4,793.58</u>
Less: loss allowance							(437.14)
Net trade receivables							<u>4,356.44</u>

Particulars	Outstanding of following period from due date of payment as on 31 March 2021						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Unsecured trade receivables considered good	2,511.15	1,138.85	41.90	114.26	7.95	-	3,814.09
(ii) Unsecured trade receivables considered doubtful	4.04	16.59	4.26	11.48	4.94	50.05	91.33
(iii) Disputed trade receivables considered good	4.57	9.19	7.28	27.55	37.23	82.12	167.69
(iv) Disputed trade receivables considered doubtful	2.44	7.46	6.82	30.55	35.95	190.47	259.99
	<u>2,522.45</u>	<u>1,172.09</u>	<u>60.26</u>	<u>173.64</u>	<u>82.84</u>	<u>322.62</u>	<u>4,333.10</u>
Less: loss allowance							(351.31)
Net trade receivables							<u>3,981.79</u>

* Includes receivable from related party (refer to note 43)

Refer to note 45 for information on Company's exposure to credit risks and loss allowance related to trade receivables.

	As at 31 March 2022	As at 31 March 2021
16 Cash and cash equivalents		
Cash in hand	2.18	1.74
Balances with banks		
- in current accounts	85.95	248.40
- deposits with original maturity of not more than three months	577.16	916.52
	<u>665.23</u>	<u>1,166.66</u>

	As at 31 March 2022	As at 31 March 2021
17 Other bank balances		
Deposits with original maturity of more than three months but less than twelve months from the reporting date #	498.43	865.43
	<u>498.43</u>	<u>865.43</u>
# Includes deposits having restrictive use on account of:		
- held as margin money	125.79	162.41
- pledged with authorities	219.14	215.80
- lien against bank overdraft	63.76	2.61
	<u>408.69</u>	<u>380.82</u>



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	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
18 Share capital				
Authorized				
Equity shares of Rs. 10 each	31,16,50,000	3,116.50	31,16,50,000	3,116.50
	<u>31,16,50,000</u>	<u>3,116.50</u>	<u>31,16,50,000</u>	<u>3,116.50</u>
Issued, subscribed and paid-up equity shares of Rs. 10 each				
At the beginning of the year	14,28,23,855	1,428.24	14,28,23,855	1,428.24
Less: Buyback of shares	(89,04,544)	(89.05)	-	-
At the end of the year	<u>13,39,19,311</u>	<u>1,339.19</u>	<u>14,28,23,855</u>	<u>1,428.24</u>

(a) **Rights, preferences and restrictions attached to equity shares**

The Company has one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share with a right to receive per share dividend declared by the Company. In the event of liquidation, the equity shareholders are entitled to receive remaining assets of the Company (after distribution of all preferential amounts) in the proportion of equity shares held by the shareholders. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts, in proportion to the number of equity shares held.

(b) **Particulars of shareholders holding more than 5% shares in the Company:**

	As at 31 March 2022		As at 31 March 2021	
	Number of shares	% holding in the shares	Number of shares	% holding in the shares
Equity shares of Rs. 10 each, fully paid-up:				
- Kanak Aggarwal	7,19,79,415	53.75%	7,67,65,460	53.75%
- Kunal Aggarwal	3,33,20,191	24.88%	3,55,35,713	24.88%
- Nand Kishore Aggarwal, Karta, Nand Kishore Aggarwal HUF	89,30,663	6.67%	95,24,480	6.67%
- Crystal Crop Protection Employee Welfare Trust	71,06,260	5.31%	75,78,768	5.31%

(c) **Particulars of shareholding of promoters**

	As at 31 March 2022		As at 31 March 2021		% Change during the year
	Number of shares	% holding in the shares	Number of shares	% holding in the shares	
- Nand Kishore Aggarwal	65,94,577	4.93%	70,38,395	4.93%	-
- Ankur Aggarwal	50,83,111	4.47%	63,80,929	4.47%	-
- Kanak Aggarwal	7,19,79,415	53.75%	7,67,65,460	53.75%	-
- Kunal Aggarwal	3,33,20,191	24.88%	3,55,35,713	24.88%	-
Total	<u>11,78,82,294</u>	<u>88.03%</u>	<u>12,57,20,507</u>	<u>88.03%</u>	-

(d) **Aggregate number of shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date**

During the five-year period ended 31 March 2022:

- Nil (31 March 2021: Nil; 31 March 2020: Nil; 31 March 2019: Nil; and 31 March 2018: 30,870,674) equity shares of Rs. 10 each, fully paid-up have been allotted pursuant to merger in earlier year without payment being received in cash.
- Nil (31 March 2021: Nil; 31 March 2020: Nil; 31 March 2019: Nil; and 31 March 2018: 39,622,131) equity shares of Rs. 10 each, fully paid-up have been cancelled pursuant to merger in earlier year.
- Buyback completed on 13 October, 2021. Based on the approval by Board of directors recorded in its meeting held on 27 August, 2021 through off market route of up to Rs. 1359.72 million at a price Rs 152.70 per share. The buyback was offered to all eligible equity shareholders of the Company. The buyback of equity shares commenced on 29 September, 2021 and was completed on 13 October, 2021. During this buyback period, the Company had purchased and extinguished a total of 89,04,544 equity shares at an buyback price of Rs.152.70 per equity share comprising 6.23% of the pre-buyback paid-up equity share capital of the Company. The buyback resulted in a cash outflow of Rs.1359.72 million (excluding transaction costs). The Company funded the buyback from its free reserves. In accordance with Section 69 of the Companies Act, 2013, during Financial Year 21-22, the Company has created 'Capital Redemption Reserve' of Rs.89.05 million equal to the nominal value of the above shares bought back as an appropriation from free reserve.

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Crystal Crop Protection Limited

CIN: L01403G11994PL100970311

Notes to Standalone Financial Statements for the year ended 31 March 2022 (cont'd)

(All amounts are in Rs. millions, unless otherwise stated)

19 Other equity

	As at 31 March 2022	As at 31 March 2021
General reserve	25.00	25.00
Security premium	540.21	540.21
Capital reserve	(1,599.95)	(1,599.95)
Capital redemption reserve	89.05	-
Retained earnings		
Balance at the beginning of the year	11,606.00	10,067.43
Profit for the year	2,034.58	1,637.54
Other comprehensive income for the year, net of tax	(1.68)	3.01
Less: Interim dividend	(200.88)	(99.98)
Less: Amount utilised (excluding transaction costs) for buy-back of equity shares	(1,270.68)	-
Less: Amount transferred to capital redemption reserve on buy-back of equity shares	(89.05)	-
Less: Tax paid on buy-back of equity shares	(70.65)	-
Add: Amount transferred from employee stock option to retained earning due to cancellation of option	2.37	-
Balance at the end of the year	12,011.81	11,608.00
Employee stock option reserve		
Balance at the beginning of the year	14.47	13.43
Less: Amount transferred from employee stock option to retained earning due to cancellation of option	(2.17)	-
Add: Employee stock compensation expense	0.42	1.04
Balance at the end of the year	12.72	14.47
Total	11,076.84	10,587.73

Securities premium

The unutilized accumulated excess of issue price over face value on issue of shares. This reserve is utilised in accordance with the provisions of the Companies Act, 2013.

General reserve

This represents appropriation of profit by the Company and is available for distribution of dividend.

Capital reserve

Capital reserve represents the unutilized accumulated surplus created at the time of amalgamation of another companies with the Company. This reserve is not available for distribution of dividend and is expected to remain invested permanently.

Capital redemption reserve

Capital redemption reserve created on the buyback of equity shares out of the free reserves. This reserve is utilised in accordance with the provision of Section 69 of the Companies Act, 2013.

Employee stock option reserve

The fair value of the equity settled share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to Employee stock option reserve.

Retained earnings

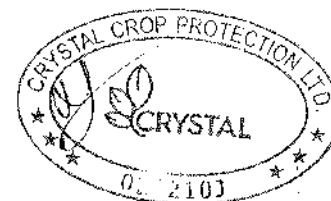
The said balance represents undistributed accumulated earnings of the Company as on the Balance sheet date.

Remeasurement of defined benefit obligations

Other comprehensive income comprises remeasurement of defined benefit plans, which represents the following as per Ind AS 19 Employee Benefits

- actuarial gains and losses
- the return on plan assets, excluding amounts included in the net interest on the net defined benefit liability (asset); and
- any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset)

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Crystal Crop Protection Limited

CIN-100403(G)984P(C09201)

Notes to Standalone Financial Statements for the year ended 31 March 2022 (cont'd)

(All amounts are in Rs. millions, unless otherwise stated)

	As at 31 March 2022	As at 31 March 2021
20 Non-current borrowings		
Loans from banks (secured at amortised cost)		
Vehicle loan*	-	0.36
External commercial borrowings**	330.31	517.90
Term loan††	1,787.50	900.00
	<u>2,117.81</u>	<u>1,418.26</u>
Less: current maturities of long-term debt‡	(739.06)	(500.09)
	<u>1,378.75</u>	<u>918.17</u>

* The loan carries interest rate in the range of 6.33% to 10% per annum and is secured against hypothecation of the respective vehicles.

** External commercial borrowings as at year-end comprise:

USD 2 million obtained from HSBC Bank (Mauritius) Limited during September 2016. The said borrowing is repayable in 16 equal quarterly instalments of USD 125,000 each starting from December 2017 and ending in September 2021 and carries interest @ three months LIBOR plus 1.90% per annum and is pledged against Nil (31 March 2021: 164,000 units of *Aditya Birla Sun Life Liquid Fund-Growth-Regular Plan). This loan has been repaid on 27 September 2021.

USD 10 million obtained from The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch during October 2018. The said borrowing is repayable in 10 equal quarterly instalments of USD 625,000 each starting from February 2020 and ending in November 2023 and carries interest @ three months LIBOR plus 1.15% per annum. The loan is secured against mortgage of plant and machinery and land and building located at Nagpur Plant of the company and further secured by personal guarantee of directors Mr. Ankur Aggarwal, Mr. Nand Kishore Aggarwal and relative of directors Mrs. Kanak Aggarwal.

‡ Term Loan as at year ended 31 March 2022 comprises Rs. 1,500 million obtained from IDFC Bank Limited in May 2019. The said borrowing is repayable in 20 equal quarterly instalment of Rs. 75 million each starting from June 2019 and ending in March 2024 and carries interest @ 8.95% per annum. The interest rate now reduced from 8.95% to 7.45%. The Company has taken following currency swap transactions in EUR against the said borrowing:

- Rs. 500 million swapped to EUR 6.30 million by a currency swap instrument executed in August 2019, carrying interest @ 2.28% per annum.
- Rs. 500 million swapped to EUR 6.32 million by a currency swap instrument executed in November 2019, carrying interest @ 2.48% per annum.
- Rs. 300 million swapped to EUR 3.76 million by a currency swap instrument executed in December 2019, carrying interest @ 2.44% per annum.

Rs. 1,250 million obtained from The Hongkong and Shanghai Banking Corporation Limited in November 2021. The said borrowing is repayable in 20 equal quarterly instalment of Rs. 62.50 million each starting from February 2022 and ending in November 2026 and carries interest @ 5.20% (3M 1-Bill+166 bps) per annum. The loan is secured against first pari-passu charges via FQM over land and building located at Dahej Engrist and land and building acquired from Bayer Crop Sciences Limited and Bayer Bio Sciences Limited, and further secured by first pari-passu charges over plant and machinery and all other fixed assets of the company (both present and future) located at Dahej and acquired from Bayer Crop Sciences and Bayer Bio Sciences Ltd and plant and machinery located at Nagpur unit. The loan is further secured by personal guarantee of Mr. Nand Kishore Aggarwal, Mr. Ankur Aggarwal and Mrs. Kanak Aggarwal for Rs. 1,250 million.

‡ Current maturities of long-term debt are disclosed under other current borrowings (refer to note 25).

Utilisation of borrowings: There is no default as on the Balance Sheet date in repayment of borrowings and interest thereon.

Refer to note 45 for information on Company's exposure to interest rate, foreign currency and liquidity risks.

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
21 Lease liabilities				
Lease liabilities (refer to note 47)	395.33	409.89	25.40	20.91
	<u>395.33</u>	<u>409.89</u>	<u>25.40</u>	<u>20.91</u>

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
22 Other financial liabilities				
Bank overdraft	-	-	33.24	1.81
Derivatives at fair value through profit or loss	-	-	-	-
Currency swap	-	-	31.80	64.47
Foreign exchange forward contracts	-	-	0.17	-
Capital creditors	-	-	55.37	15.56
Employee related payables	-	-	240.70	190.02
Customer deposits	155.78	146.30	-	-
	<u>155.78</u>	<u>146.30</u>	<u>361.18</u>	<u>271.86</u>

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
23 Provisions				
Provision for employee benefits				
Gratuity (refer note 39)	28.28	25.49	19.54	15.63
Compensated absences	-	-	68.98	56.01
	<u>28.28</u>	<u>25.49</u>	<u>88.52</u>	<u>71.64</u>

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
24 Other liabilities				
Contract liabilities				
Advance from customers	-	-	813.59	529.92
Statutory dues	-	-	569.98	596.18
Deferred income - Government grants (refer note 57 (b))	2.17	2.78	0.61	0.73
	<u>2.17</u>	<u>2.78</u>	<u>1,384.18</u>	<u>1,126.83</u>



25 Current borrowings

	As at 31 March 2022	As at 31 March 2021
Loan from banks (secured) ¹		
Cash credit facility ¹	150.25	209.59
Overdraft ²	0.18	0.50
Buyer's credit ³	321.84	593.04
Working capital loan ⁴	1,649.86	610.85
Term loan ⁵	-	365.50
	2,113.13	1,780.47
Current maturities of long-term debt (refer to note 26)	739.06	510.09
	2,852.19	2,290.56

¹ Short-term borrowings from banks are secured by way of first pari passu charge on the entire current assets, property, plant and equipment (including equitable mortgage of land and building) of the Company, both present and future. These are further secured by unconditional and irrevocable personal guarantee of certain directors and relative of directors of the Company including first pari-passu charge in the form of consensual mortgage of property located at Plot no 88, Block A, Wazirpur Residential Scheme Ashok Vihar, Phase-I Delhi, owned by Mr. Nand Kishore Aggarwal and Mrs. Kanak Aggarwal.

¹ Cash credit facility has been obtained from State Bank of India at 7.00% (31 March 2021: 7.00%) per annum.

² Overdraft facility is further secured by way of lien on fixed deposits. The overdraft facility is repayable on demand and carries interest at 6.20% (31 March 2021: 6.80%) per annum.

³ Buyer's credit loans are being denominated in foreign currencies which are repayable within period of 6 months and carry an average interest rate of 9.80% - 1.50% (31 March 2021: 0.78% - 3.02%) per annum.

⁴ Working capital loan includes the following:

(a) Loan of Rs. 150.00 million (31 March 2021: Rs. Nil) at an interest rate 4.50% (31 March 2021: Nil) per annum. The said loan is repayable within a maximum period of seven days (31 March 2021: Nil) from the date of obtaining working capital loan.

(b) Foreign currency loan amounting to USD 19.65 million equivalent to Rs. 1489.47 million (31 March 2021: USD 8.55 million equivalent to Rs. 610.85 million) taken for working capital requirement which are repayable within six months (March 2021: 4 months) at an interest rate 0.47% + 2.21% per annum (31 March 2021: 3 months LIBOR + 27 bps and 6 months LIBOR + 45 bps per annum).

⁵ USD 5 million equivalent to Rs. 365.58 million obtained from The Hongkong and Shanghai Banking Corporation Limited during the month of July 2020. The said borrowing is repayable within one year bullet repayment and carries interest at LIBOR plus 1.637% per annum. The loan has been repaid in the current year.

There is no default as on the balance sheet date in repayment of borrowings and interest thereon.

Refer to note 45 for information on Company's exposure to interest rate, foreign currency and liquidity risks.

26 Trade payables

	As at 31 March 2022	As at 31 March 2021
Trade payables [*]		
Total outstanding dues of micro enterprises and small enterprises	61.53	37.93
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,902.04	2,762.77
	2,963.57	2,800.70

Trade payables ageing schedule

Particulars	Outstanding for following period from due date of payment as on 31 March 2022					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	55.90	5.54	-	-	-	61.53
(ii) Others	1,178.21	243.05	2.95	2.70	1.98	1,428.02
(iii) Disputed dues-MSME	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-
Total Due	1,234.23	248.59	2.95	2.70	1.98	1,489.55
(v) Unbilled due	-	-	-	-	-	1,474.02
Total Trade Payables	-	-	-	-	-	2,963.57

Particulars	Outstanding for following period from due date of payment as on 31 March 2021					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	18.97	18.96	-	-	-	37.93
(ii) Others	1,891.27	472.30	6.32	1.83	0.48	2,372.26
(iii) Disputed dues-MSME	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-
Total	1,910.24	491.32	6.32	1.83	0.48	2,420.19
(v) Unbilled due	-	-	-	-	-	485.51
Total Trade Payables	-	-	-	-	-	2,805.70

^{*} Includes payable to related parties (refer note 43)

Refer to note 45 for information on Company's exposure to currency and liquidity risks related to trade payables

Disclosure as required under the Micro, Small and Medium Enterprises Development Act, 2006 ("The Act") based on the information available with the Company:-

	As at 31 March 2022	As at 31 March 2021
- The principal amount remaining unpaid to any supplier as at the end of the year	61.53	37.93
- The interest due on the principal remaining outstanding as at the end of the year	-	-
- The amount of interest paid by the buyer as per the Micro, Small and Medium Enterprises Development Act, 2006	-	-
- The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	-	-
- The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSME Act, 2006	-	-
- The amount of interest accrued and remaining unpaid at the end of the year	-	-
- The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSME Act, 2006	-	-

27 Current tax liabilities (net)

	As at 31 March 2022	As at 31 March 2021
Provision for income tax and interest thereon (31 March 2021: Rs. 1,141.28 million)	173.50	101.98
	173.50	101.98



Crystal Crop Protection Limited

CIN: U01403GL1994PLC097033

Notes to Standalone Financial Statements for the year ended 31 March 2022 (cont'd)

(All amounts are in Rs. millions, unless otherwise stated)

	For the year ended 31 March 2022	For the year ended 31 March 2021
28 Revenue from operations		
Sale of products		
Manufactured goods	9,097.66	8,301.11
Traded goods*	12,453.67	12,902.06
	21,551.33	21,203.17
Other operating revenues		
Refund of goods and service tax (refer note 57 (a))	65.16	63.83
Unwinding of deferred income - Government grants (refer note 57 (b))	0.73	1.21
	21,617.22	21,268.21

* Includes raw materials sold as traded stock amounting to Rs. 8,077.93 million (31 March 2021: Rs. 9,127.97 million).

28.1 Disclosure under Ind AS 115 - Revenue from contracts with customers
Disaggregation of revenue from contracts with customers

The management determines that the segment information reported under Note 45 Segment reporting is sufficient to meet the disclosure objective with respect to disaggregation of revenue under Ind AS 115 Revenue from contract with Customers. Hence, no separate disclosures of disaggregated revenues are reported.

The Company's performance obligation are satisfied upon shipment or delivery of goods

28.2 Reconciliation of the amount of revenue recognised in the Standalone Statement of Profit and Loss with the contracted price

	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue as per contract price	28,856.57	27,023.32
Rebate/Discounts	(4,033.59)	(3,284.30)
Sales return	(3,271.65)	(2,535.85)
Revenue from contracts with customers	21,551.33	21,203.17

28.3 Contract balances

	For the year ended 31 March 2022	For the year ended 31 March 2021
Trade receivables (refer note 15)	4,356.44	3,981.79
Contract liabilities (refer note 24)	813.59	529.92
Opening balance	529.92	515.69
Revenue recognised that was included in the contract liability at the beginning of the year	(514.07)	(515.69)
Amount received during the year	797.75	529.92
Closing balance	813.59	529.92

29 Other income

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest income		
On bank deposit at amortised cost	36.68	64.25
On bond at amortised cost	5.97	6.20
On income tax refund	23.21	17.05
On financial assets carried at amortised cost	6.98	0.29
Dividend income		
On preference share carried at fair value through profit or loss (refer note 43)	56.11	14.00
Fair value gain		
Change in fair value of unquoted mutual funds carried at fair value through profit or loss	0.54	4.49
Change in fair value of unquoted preference shares carried at fair value through profit or loss	10.67	39.06
Change in fair value of quoted equity shares carried at fair value through profit or loss	0.16	-
Fair value income on derivative - Foreign exchange forward contract	-	0.55
Fair value income on derivative - Currency swap	81.14	41.33
Fair value income on derivative - Future	1.06	-
Export incentives	10.39	7.08
Profit on sale of investments	1.78	25.04
Share in profit of partnership firm	83.99	16.08
Profit on sale of property, plant and equipment (net)	64.56	0.12
Net gain on foreign currency transaction and translation (other than considered as finance cost)	65.07	212.95
Unwinding of finance guarantee obligation	2.50	2.50
Liabilities no longer required written back	0.32	6.57
Miscellaneous income	10.56	7.83
	461.69	465.39



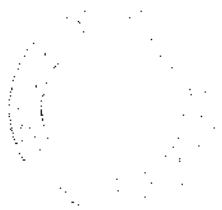
Crystal Crop Protection Limited

CIN- U01403GJ1994PLC097033

Notes to Standalone Financial Statements for the year ended 31 March 2022 (cont'd)

(All amounts are in Rs. millions, unless otherwise stated)

	For the year ended 31 March 2022	For the year ended 31 March 2021
30 Cost of materials consumed		
Raw material inventory at the beginning of the year	2,831.14	1,517.14
Add : Purchases	12,496.26	14,257.37
Less : Raw material inventory at the end of the year	(2,696.65)	(2,831.14)
	12,630.75	12,943.37
31 Purchases of stock-in-trade		
Purchases of stock-in-trade	3,120.10	3,152.00
	3,120.10	3,152.00
32 Changes in inventories of finished goods, stock-in-trade and work-in-progress		
Opening stock		
Finished goods	1,324.83	1,165.77
Stock-in-trade	933.11	599.34
Work-in-progress	428.02	385.23
Closing stock		
Finished goods	1,904.57	1,324.83
Stock-in-trade	1,047.47	933.11
Work-in-progress	450.01	428.02
	(716.09)	(535.62)
33 Employee benefits expense		
Salaries, wages, bonus and other allowances	1,034.17	953.09
Contribution to provident and other funds (refer to note 39)	47.30	44.32
Share based payment to employees (refer to note 53)	0.42	1.04
Staff welfare expenses	14.31	11.01
	1,096.20	1,009.46
34 Finance costs		
Interest on borrowings	135.21	166.74
Interest on lease liabilities	33.99	32.22
Exchange differences regarded as an adjustment to borrowing cost	35.39	4.07
Interest on delayed payment of income tax	18.45	7.21
Other borrowing costs	3.71	6.60
	226.75	216.84



Crystal Crop Protection Limited

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Notes to Standalone Financial Statements for the year ended 31 March 2022 (cont'd)

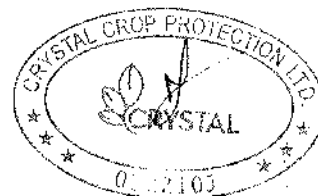
(All amounts are in Rs. millions, unless otherwise stated)

	For the year ended 31 March 2022	For the year ended 31 March 2021
35 Depreciation and amortisation expense		
Depreciation of property, plant and equipment (refer to note 3)	201.03	196.31
Amortisation of intangible assets (refer to note 5)	369.35	304.87
Depreciation of right of use assets (refer to note 4)	38.94	34.72
	609.32	535.90
36 Other expenses		
Consumption of packing material	442.03	417.64
Packing expense	148.96	141.60
Electricity, power and fuel	85.61	80.91
Rent expense (refer to note 47)	33.91	42.63
Repairs and maintenance	-	-
- Plant and equipment	32.51	22.61
- Buildings	20.32	17.36
- Others	12.14	11.23
Insurance	65.60	48.82
Rates and taxes	22.37	15.73
Legal and professional	147.63	127.25
Freight and cartage outward	300.55	305.44
Advertisement and business promotion	495.75	462.48
Commission expenses	16.08	13.88
Travelling and conveyance	214.43	169.96
Communication expenses	7.21	7.20
Product registration expenses	32.83	34.03
Donation	0.24	12.96
Contract labour	17.37	29.60
Auditor's remuneration (refer note below)	6.94	5.90
Fair value loss on derivative - forward contract	1.14	-
Allowance for doubtful debts (refer to note 45 (i))	119.96	120.18
Allowance for doubtful advances	18.11	2.21
Bank charges	10.75	13.07
Loss on sale of property, plant and equipment (net)	-	-
Corporate social responsibility expenditure (refer to note 55)	55.19	43.13
Miscellaneous expenses	120.71	75.30
	2,428.34	2,221.11
Note: Auditor's remuneration		
As auditor		
- Statutory audit and reviews*	6.83	5.65
- Reimbursement of expenses	0.11	0.25
	6.94	5.90

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

* Includes Rs. 0.13 million paid to erstwhile auditor in previous year 2020-21.

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Crystal Crop Protection Limited

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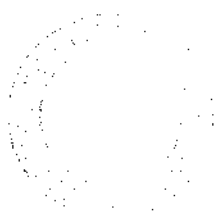
Notes to Standalone Financial Statements for the year ended 31 March 2022 (cont'd)

(All amounts are in Rs. millions, unless otherwise stated)

37 Ratios

	Particulars	Formula	As at 31 March 2022	As at 31 March 2021	% of Variance	Reason for variance, if more than 25%
			Ratio	Ratio		
a	Current ratio	Current assets/ current liabilities	1.69	1.91	(11.54%)	-
b	Debt equity ratio	Total debt/ Shareholder's equity	0.37	0.30	24.01%	-
c	Debt service coverage ratio	Earning available for debt service (net profit after tax + non cash operating expenses + interest) / Debt service (interest + lease payment + principal payment)	0.97	1.00	(2.85%)	-
d	Return on equity ratio	Net profit after tax/ Average shareholder equity	16.65%	14.56%	14.56%	-
e	Inventory turnover ratio	Cost of Goods Sold/ Average inventory	2.64	3.44	(23.21%)	-
f	Trade receivables turnover ratio	Sale of products/ Average trade receivables	5.17	5.15	0.29%	-
g	Trade payables turnover ratio	Total purchase/ Average trade payables	5.59	4.70	18.83%	-
h	Net capital turnover ratio	Sale of products/ Average working capital	3.76	3.96	(5.07%)	-
i	Net profit ratio	Net profit/ Sale of products	9.44%	7.72%	22.24%	-
j	Return on capital employed	Earning before interest and tax/ capital employed (tangible net worth + total debt + deferred tax liability)	21.55%	17.87%	20.61%	-
k	Return on investment	Income on investment (other than subsidiary and firm) / average investment (other than subsidiary and firm)	4.81%	6.34%	(24.16%)	-

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	For the year ended 31 March 2022	For the year ended 31 March 2021
38 Income tax expense		
I Components of income tax expense		
Profit before tax	2,665.38	2,160.98
Income tax using the Company's tax rate of 25.168% (31 March 2021: 25.168%) (A)	669.79	543.87
Tax expense recognised in the Standalone Statement of Profit and Loss		
Current tax		
Current year	666.67	426.33
Tax adjustment for earlier years	(16.61)	(28.75)
	590.06	387.59
Deferred tax charge		
Origination and reversal of temporary differences	36.64	135.85
	36.64	135.85
Total income tax expense - (B)	626.70	523.44
Tax on Other Comprehensive Income		
Deferred tax		
(Gain)/loss on recognition of net defined benefit obligations	(0.56)	1.01
Total - (C)	(0.56)	1.01
Difference (D = A + B + C)	43.65	19.43
II Reconciliation of effective tax rate		
Differences on account of:		
Tax on exempted income	37.91	9.98
Permanent differences	(10.90)	(19.06)
Effect of change in Tax Rate	-	(10.24)
Change in estimates related to prior years	16.61	38.75
	43.65	19.43

39 Employee benefits

a) Defined contribution plans:

The Company makes contribution for its employees' provident fund, employees' state insurance and life insurance schemes. Under these schemes, the Company is required to contribute a specified percentage of payroll cost, as specified in the rules of these schemes, to these defined contribution schemes. During the year, the Company recognised Rs. 47.30 million (31 March 2021: 44.11 million) as expense towards contribution to these plans and included in "Employee benefits expense" in Note 35.

b) Defined benefit plans:

General description - The Company operates a gratuity plan wherein every employee is entitled to a benefit equivalent to 15 days salary (includes dearness allowance) laid down for each completed year of service. The same is payable on termination of service, or retirement or death, whichever is earlier. The benefits vest after five years of continuous service. Gratuity benefits are valued in accordance with the Payment of Gratuity Act, 1972.

(i) Reconciliation of opening and closing balances of the defined benefit obligation:

	For the year ended 31 March 2022	For the year ended 31 March 2021
Present value of obligations at the beginning of the year	116.42	109.20
Current service cost	18.76	14.82
Interest cost	6.46	5.18
Transfer in obligation	41.72	2.02
Components of actuarial gain/losses on obligation		
Due to Change in financial assumptions	(2.69)	0.70
Due to experience adjustments	0.31	(3.82)
Benefits paid from fund	(14.55)	(11.48)
Benefits paid by company	(1.17)	(0.50)
Closing Defined Benefit Obligation	171.26	116.42

Reconciliation of opening and closing balances of the plan assets:

Opening Value of Plan assets	75.30	81.69
Interest income	2.83	4.28
Return on plan assets excluding amounts included in interest income	1.32	0.90
Contributions by Employee	57.49	-
Benefits paid	(14.55)	(11.48)
Closing Value of Plan assets	123.44	75.30

Reconciliation of Net defined benefit liabilities / (asset):

Opening Provision/Net	41.12	27.60
Transfer in obligation	41.72	2.02
Employee benefit expense	21.40	16.02
Amounts recognised in Other comprehensive income	2.24	(4.02)
Benefits paid by company	(1.17)	(0.50)
Contributions to plan assets	(57.49)	-
Closing Provision	47.82	41.12

The components of defined benefit plan cost are as follows:

Recognised in Profit or Loss

Current service cost	18.76	14.82
Net interest cost	2.64	1.20
Total	21.40	16.02

Recognised in Other comprehensive income

Due to Change in financial assumptions	(2.69)	0.70
Due to change in demographic assumption	-	-
Due to experience adjustments	6.40	(3.82)
Return on plan assets excluding amounts included in interest income	(1.32)	(0.90)
Total	2.24	(4.02)

* The Company's gratuity funds are managed by the Life Insurance Corporation of India.



3) Employee benefits (cont'd)

(ii) The expected maturity analysis of unfunded defined benefit liability is as follows:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Less than a year	45.21	29.63
Between one to two years	25.54	16.68
Between two to five years	64.45	48.75
Over five years	53.83	39.47
	191.03	136.54

(iii) Significant estimates, actuarial assumptions and sensitivity

	For the year ended 31 March 2022	For the year ended 31 March 2021
Discount rate (p.a.)	4.00%	3.60%
Future salary increase (p.a.)	10%	10%
Retirement age	60 years	60 years
Mortality table	IAI, M (2012-2014) duly modified	IAI, M (2012-2014) duly modified
Weighted average rate (p.a.)	21%	21%
Weighted average duration of defined benefit obligation	3.82 years	3.88 years

The Company assesses the assumptions with its projected long-term plans of growth and prevalent industry standards. The estimate of future salary increases considered in actuarial valuation take account of inflation, activity, promotion and other relevant factors such as supply and demand factors in the employment market. The discount rate is based on the prevailing yields of Government Bonds as at the balance sheet date for the estimated term of the obligation. The currency and the term of the government bonds is consistent with the currency and term of the defined benefit obligation.

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is

	For the year ended 31 March 2022	For the year ended 31 March 2021
Discount rate (1% increase)	16.33	(4.53)
Discount rate (1% decrease)	6.91	4.05
Future salary growth (1% increase)	6.38	4.60
Future salary growth (1% decrease)	(6.17)	(4.38)

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 as compared to the prior period.

c) Compensation of directors

Expense recognised in the standalone statement of profit or loss

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Employee benefit expenses:		
(a) Current service cost	9.50	9.92
(b) Interest cost	2.95	3.73
(c) Net actuarial loss recognised in the year	(3.28)	(7.70)
	9.17	4.94

d) Code on Social Security

The Code on Social Security, 2020 (the Code) relating to employee benefits during employment and post-employment received Presidential assent in September 2020. Subsequently, the Ministry of Labour and Employment had released the draft rules on the aforementioned Code. However, the same is yet to be notified. The Company will evaluate the impact and make necessary adjustments to the standalone financial statements in the period when the Code will be notified and will come into effect.

40 Commitments

Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for in the standalone financial statements aggregate to Rs. 49.59 million (31 March 2021: Rs. 68.98 million)

41 Contingent liabilities

i) Particulars

	For the year ended 31 March 2022	For the year ended 31 March 2021
Bank guarantees	18.70	17.56
Letter of comfort in behalf of its partnership firm, to the extent of limits *	250.00	250.00
Claims against the Company not acknowledged as debts ^		
- Electric duty	35.21	35.21
- Value added tax	6.83	5.48
- Service tax	0.49	0.49
- Income tax	16.49	16.49
- Customs duty	75.36	76.09
- Consumer and civil matters	15.12	4.04

* The Company has provided guarantee of Rs. 250.00 million (31 March 2021: Rs. 250 million) through Letter of comfort issued to HDFC Bank in respect of credit facilities obtained by the partnership firm, Modern Papers.

^ Including interest and penalty to the extent quantified in the respective orders. All the above matters are subject to legal proceedings in the ordinary course of business. The legal proceedings, when ultimately concluded will not, in the opinion of management, have a material effect on results of operations or financial position of the Company.

ii) During the year 2019-20, the Company received notice/inquiries regarding the receipt of Terminal Excise Duty (TED) in previous years. The details are as follows:

Shore cause notices (SCNs) from the Directorate General of Foreign Trade (DGFT) under the Foreign Trade (Development & Regulation) Act, 1992. Various SCNs/letters have been issued by Additional DGFT, Ahmedabad, stating that the refunds all TED occurred by the Company on the basis of Advance Release Orders (AROs) in the year ended 31 March 2015 and 2016 have been erroneously made since the supplies against the AROs were prior to the date of issuance of AROs. Lastly, the Company received a SCN dated 5 November 2019 from the Office of Additional DGFT, Ahmedabad directing to pay back TED refunds amounting to Rs. 1,074.57 million Company received for the period of May 2012 to May 2013 in previous years, along with interest @ 15% p.a. from the date of receipt of TED refunds till the date the Company pays back the same.

The Company had filed a writ petition before Hon'ble High Court of Gujarat challenging the legality of aforesaid Shore Cause Notices. The Hon'ble High Court was pleased to stay the operation of the SCNs vide order dated 17 December 2019. The stay order passed by the High Court has been extended on various occasions and is continuing as on date.

First Information Report (FIR) filed by the Central Bureau of Investigation (CBI)

An FIR was registered on 18 January 2020 under the provisions of the Indian Penal Code, 1860 (IPC) and the Prevention of Corruption Act, 1988 by CBI Gandhinagar. CBI has, inter alia, implicated the Company and three of its Directors, the former Joint Director, DGFT, and other unknown persons. The FIR is an off shoot of the SCNs issued by the Additional DGFT, Ahmedabad. As such, in addition to the concerns raised in the SCNs, the CBI has also alleged that the Company was not entitled to TED refunds because the goods against which the TED refunds were claimed were bought by the Company from one of its sister concerns. According to CBI, these goods were exempted from payment of Excise Duty and thus, no TED refunds could have been granted to the Company. Further, concerns were raised regarding the validity of TED refunds granted to the Company by DGFT, Ahmedabad, while the AROs were issued in favour of the Company by DGFT Mumbai. The FIR alleges that the Company has caused wrongful loss of Rs. 202.66 million to the exchequer.

Further the CBI has filed chargesheet in this case and proceedings are pending at CBI Court, Ahmedabad. The Company and two directors were summoned in the matter on 21 April 2022, matter was fixed for hearing in CBI Court on 30 April 2022 on which Company has obtained the copy of chargesheet. The amount alleged under dispute is Rs.755.31 million which is relating to supplies made prior to the date of issue of ARO. Next date of hearing in the matter is 14 July 2022.

The Company cooperated with the CBI in the investigation. In doing so, the Company had disposed the allegations in the FIR and produced all the relevant evidence in support of its case. The Company had made all necessary disclosures while filing applications seeking TED refunds from the authorities. The Company has necessary documentation and legal opinions to substantiate its stand. Accordingly, the Company is of the view that there has been no financial relation between the officials of DGFT and the Company or its directors. The allegations levelled in the FIR chargesheet are based on erroneous construction of the Union Trade Policy and the Company is confident of securing favourable outcome on this matter.



Crystal Crop Protection Limited
CIN-001493GDP23PLC097033

Notes to Standalone Financial Statements for the year ended 31 March 2022 (cont'd)
(All amounts are in Rs. million, unless otherwise stated)

41. Contingent liabilities (cont'd)

(i) Investigation by the Enforcement Directorate (ED):

The ED issued summons dated 11 August 2020 to one of the directors of the Company, Mr. N.K. Aggarwal seeking production of documents relating to TSD refunds issued by the DGET Ahmedabad to the Company. The case registered by ED also finds its basis in the CBI's FIR and SARs, as all companies' investigation pertains to the TSD refunds issued by the DGET Ahmedabad to the Company. The required documents have been submitted and the officials of the Company are extending full cooperation to the ED. On 07 January 2021, ED issued a provisional attachment order and attached a fixed deposit of the Company worth of Rs.202.66 million. This provisional attachment order has been confirmed by the adjudicating authority on 8 September 2021, against which a writ petition has been filed by the company with the Hon'ble High Court Delhi on 16 September 2021. Next date of hearing is 13 September 2022. Parallelly, the Company filed appeal before Appellate Tribunal, PHILA (ATMPLA) on dated 10 May 2022 challenging the order dated 6 September 2021 passed by the I.A. Adjudicating Authority under Prevention of Money Laundering Act, 2002.

Based on the legal opinion that the management has obtained, the management is of the view that the Company's directors have a very strong case and have sufficient evidence to prove their innocence. Management is confident that these matters would not be tenable at higher jurisdictions or before the courts of law. Accordingly, management believes that no adjustments to the standalone financial statements are required.

42. Earnings per share (EPS)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit for the year attributable to the equity shareholders	2,034.38	1,637.54
Weighted average number of equity shares	13,87,00,929	14,28,25,855
Earnings per share (face value of Rs. 10 each)	14.67	11.47
Basic earnings per share in rupees	14.67	11.47
Diluted earnings per share in rupees	14.67	11.47

43. Related party transactions

a) Parties where control exists whether or not transactions have taken place:

Nature of relationship	Name of the related party
Subsidiary Companies	Crystal Crop Protection (Australia) Pty Ltd Crystal Crop Protection South Africa (Pty) Ltd Lorus Global Pte. Ltd., Singapore* Mexus Crop Science Private Limited Crystal Crop Science Solutions Private Limited Saffire Crop Science Private Limited (w.e.f. 01 April 2021)
Partnership Firm	Modern Papers (Partnership firm)
Trusts	Crystal Crop Protection Employees (Safire) Fund Crystal Crop Protection Employees Welfare Trust Nand Kishore Agarwal Charitable Trust
Enterprises over which control exists	Mehu & Saffire Crop Science LLP (w.e.f. 01 April 2021) KSK and Saffire Crop Science LLP (w.e.f. 01 April 2021) Trimurti & Saffire Crop Protection LLP (w.e.f. 01 April 2021) Jai Shriram Agro & Saffire Crop Science LLP (w.e.f. 01 April 2021) Vinayak Seeds & Saffire Crop Science LLP (w.e.f. 01 April 2021) Om Traders & Saffire Crop Science LLP (w.e.f. 01 April 2021) Balaji & Saffire Crop Science LLP (w.e.f. 01 April 2021) Nisan KSK & Saffire Crop Science LLP (w.e.f. 01 April 2021) Shri Prithvi Agro & Saffire Crop Science LLP (w.e.f. 01 April 2021) Shree Moolicheda & Saffire Crop Science LLP (w.e.f. 01 April 2021) Naveen Agro & Saffire Crop Science LLP (w.e.f. 01 April 2021)

* The subsidiary, Lorus Global Pte. Ltd has been existed during the previous year 2019-20

b) Other related parties with whom transactions have taken place:

Nature of relationship	Name of related party
(i) Key managerial personnel and relatives	Nand Kishore Aggarwal - Executive Chairman Ankur Aggarwal - Managing Director Renuka Aggarwal (wife of Nand Kishore Aggarwal) Ronal Aggarwal (wife of Ankur Aggarwal) Chetan Desai - Director Sangeeta Kapilaj Singh - Director Smita Soma Singh - Director Anil Jain - Executive Director Molli Gudi - Director Sanjeev Sood (Joint Financial Officer) (till 10 February 2022)

(ii) Enterprises over which any person described in (i) above is able to exercise significant influence

Redem Kelat and Realty Private Limited
Aural Crop Science Private Limited
Quay Intech Private Limited
Nand Kishore Aggarwal (HUF)

c) Transactions with related parties:

Nature of transaction	Name of related party	For the year ended 31 March 2022	For the year ended 31 March 2021
Sale of products	Modern Papers	1,361.13	1,214.07
	Mexus Crop Science Private Limited	493.98	1,035.51
	Aural Crop Science Private Limited	354.23	113.06
	Saffire Crop Science Private Limited	13.37	7.26
	Mehu & Saffire Crop Science LLP	40.47	-
	KSK and Saffire Crop Science LLP	12.52	-
	Trimurti & Saffire Crop Protection LLP	1.64	-
	Jai Shriram Agro & Saffire Crop Science LLP	2.25	-
	Vinayak Seeds & Saffire Crop Science LLP	5.03	-
	Om Traders & Saffire Crop Science LLP	6.78	-
	Balaji & Saffire Crop Science LLP	0.71	-
	Nisan KSK & Saffire Crop Science LLP	0.84	-
	Shri Prithvi Agro & Saffire Crop Science LLP	19.64	-
	Naveen Agro & Saffire Crop Science LLP	10.20	-
Purchase of goods	Modern Papers	1,496.04	1,612.72
	Aural Crop Science Private Limited	142.70	-
	Nexus Crop Science Private Limited	945.38	684.31
Purchase of property, plant and equipments	Mexus Crop Science Private Limited	0.56	-
	Nand Kishore Aggarwal (HUF)	6.99	-
	Modern Papers	0.53	-
Legal and professional	Quay Intech Private Limited	-	9.10
	Aural Crop Science Private Limited	18.00	9.00



43 Related party transactions (cont'd)

43 Transactions with related parties (cont'd):

Nature of transaction	Name of related party	For the year ended 31 March 2022	For the year ended 31 March 2021
Amortisation expenses	Saffire Crop Science Private Limited	1.68	-
Field work charges	Aviral Crop Science Private Limited	187.75	67.93
Obligation of gratuity and leave encashment taken from employees transferred	Quay Intech Private Limited	-	4.19
Advance given for purchase of immovable property	Nand Kishore Aggarwal (HUF)	-	6.50
Job work charges	Neyve Crop Science Private Limited	7.38	11.98
Rent expense	Ankur Aggarwal Kanak Aggarwal Nand Kishore Aggarwal (HUF) Nand Kishore Aggarwal Redson Retail and Realty Private Limited Kamini Aggarwal Nexus Crop Science Private Limited	0.98 1.58 - 0.75 31.20 0.45 1.05	0.20 1.62 0.12 0.75 30.18 0.23 1.03
Sale of property, plant and equipment	Nexus Crop Science Private Limited Sumeet Sood Aviral Crop Science Private Limited	0.33 0.65 0.11	0.60 - -
Purchase of intangible assets (including intangible assets under development)	Quay Intech Private Limited	-	4.45
Proceeds from investment disposed off	Lotus Global Pte. Ltd.	-	178.27
Repair and maintenance	Quay Intech Private Limited	-	0.39
Loan given	Crystal Crop Techno Solutions Private Limited Crystal Crop Protection Employee Welfare Trust	0.08 1.51	3.43 -
Loan received back	Crystal Crop Techno Solutions Private Limited Crystal Crop Protection Employee Welfare Trust	0.81 63.75	- -
Investment in preference shares	Saffire Crop Science Private Limited	57.00	193.00
Investment in equity shares	Saffire Crop Science Private Limited	2.50	-
Conversion of preference share into equity share	Saffire Crop Science Private Limited	501.39	-
Investment in debenture	Aviral Crop Science Private Limited	300.00	-
Corporate social responsibility expenditure	Nand Kishore Barathi Charitable Trust	38.00	15.30
Dividend received	Redson Retail and Realty Private Limited	56.00	14.00
Dividend Paid	Nand Kishore Aggarwal Nand Kishore Aggarwal (HUF) Ankur Aggarwal Kanak Aggarwal Kamini Aggarwal Crystal Crop Protection Employee Welfare Trust	9.90 13.40 8.97 107.97 49.98 10.66	1.93 6.67 4.47 55.34 31.87 5.51
Interest income on security deposit given (gross of tax deducted at source)	Redson Retail and Realty Private Limited	0.17	-
Amount paid against buy-back of equity share (excluding tax on buyback)	Nand Kishore Aggarwal Nand Kishore Aggarwal (HUF) Ankur Aggarwal Kanak Aggarwal Kamini Aggarwal Crystal Crop Protection Employee Welfare Trust	67.01 - 60.72 730.80 338.31 72.15	- - - - - -
Interest income on loan (gross of tax deducted at source)	Crystal Crop Techno Solutions Private Limited	0.28	0.22
Share in profit of partnership firm	Modern Papers	85.99	16.08
Finance guarantee obligation	Modern Papers	2.50	2.50
Drawings from firm	Modern Papers	1,481.68	-
Reimbursement of expenses incurred by related party on behalf of Company	Savitj Sewa Singh Ankur Aggarwal Redson Retail and Realty Private Limited	- - 1.70	0.02 0.05 -
Reimbursement of expenses incurred by Company on behalf of related party	Aviral Crop Science Private Limited Quay Intech Private Limited Saffire Crop Science Private Limited	0.07 - 0.66	0.03 0.00 0.19
Director sitting fees #	Chetan Desai Sangeeta Kapiljit Singh Savitj Sewa Singh	0.56 0.45 0.61	2.70 2.59 2.75
Remuneration *	Nand Kishore Aggarwal Ankur Aggarwal Anil Jain Mohit Goel Sumeet Sood Dinesh Kumar Gupta Vikram Singh	53.85 56.20 14.88 4.51 21.22 - 1.41	47.62 51.52 12.26 3.86 11.44 4.99 4.12



* excludes provision for gratuity and compensated absences, as these are determined on the basis of actuarial valuation for the Company as a whole and provision for incentive / variable pay
 # excludes provision for commission of Rs. 5 lakhs (Nil) (31 March 2021: Nil) made during the year

Crystal Crop Protection Limited
 (TN-180140/G) 1994PLC022833
Notes to Standalone Financial Statements for the year ended 31 March 2022 (cont'd)
(All amounts are in Rs. Lakhs, unless otherwise stated)

43 Related party transactions (cont'd)

- (b) In addition to the aforesaid related party transactions, certain directors and relative of directors of the Company have given their unconditional and irrevocable personal guarantee including first charge in the form of equitable mortgage of property located at Plot no 85, Block A, Wazirpur Residential Scheme, Anand Vihar, Phase-I, Delhi, owned by Mr. Nand Kishore Aggarwal and Mrs. Kamal Aggarwal, for short-term borrowing facilities availed by the Company.

(c) Outstanding balances as at year-end

Nature of balance outstanding	Name of related party	As at 31 March 2022	As at 31 March 2021
Reconciliation payable	Nand Kishore Aggarwal Ankur Aggarwal	0.22 0.21	- -
Trade payables	Modcon Papers Rand Systems Aggarwal Ankur Aggarwal Kanak Aggarwal Kansal Aggarwal (wife of Ankur Aggarwal) Saffire Crop Science Private Limited Aviral Crop Science Private Limited Redson Retail and Realty Private Limited	164.55 0.06 0.07 0.13 0.03 1.47 - 1.11	765.42 - - - - - 18.11 0.03
Director sitting fee payable	Chetan Doshi Sangeeta Kapiljit Singh Satish Srivastava	- - -	1.67 1.67 1.67
Employees related payable	Ankur Aggarwal	0.01	-
Advance to trade vendors	Query Interch Private Limited Saffire Crop Science Private Limited	2.59 -	2.59 0.19
Trade receivable	Nexus Crop Science Private Limited Aviral Crop Science Private Limited Nela & Saffire Crop Science LLP KSK and Saffire Crop Science LLP Tannu & Saffire Crop Science LLP Jai Shriram Agro & Saffire Crop Science LLP Vijayak Nodhi & Saffire Crop Science LLP Om Traders & Saffire Crop Science LLP Shri Prakash Agro & Saffire Crop Science LLP Shree Mukhoda & Saffire Crop Science LLP Mayra Agro & Saffire Crop Science LLP	142.04 238.30 0.16 1.64 0.82 1.69 0.46 0.88 2.56 2.25 0.00	84.36 233.41 - - - - - - - - -
Advance received from customers	Saffire Crop Science Private Limited Bhatn & Saffire Crop Science LLP Nela & Saffire Crop Science LLP Kisan KSK & Saffire Crop Science LLP	8.97 0.06 0.06 0.02	0.04 - - -
Loans outstanding (asset)	Crystal Crop Protection Employee Welfare Trust Crystal Crop Techno Solutions Private Limited	233.13 4.39	475.36 5.06
Letter of comfort	Modcon Papers	250.00	250.00
Security deposit given	Redson Retail and Realty Private Limited	2.29	2.12
Advance given against purchase of immovable property	Nand Kishore Aggarwal (HUF)	-	6.10
Investments	Crystal Crop Protection (Australia) Pty Ltd. Crystal Crop Protection South Africa (Pty) Ltd. Nexus Crop Science Private Limited Crystal Crop Techno Solutions Private Limited Modcon Papers Redson Retail and Realty Private Limited Saffire Crop Science Private Limited Aviral Crop Science Private Limited	1.53 6.70 29.90 0.50 113.68 249.53 503.89 300.00	1.53 6.70 29.90 0.50 1,508.87 373.85 409.40 -

- (d) The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company continuously updates its documentation for the transactions entered into with the associated enterprises during the financial year and expects such records to be in existence before the due date of filing of income tax return. The management is of the opinion that such transactions with associated enterprises are at arm's length so that the relevant legislation will not have any impact on the standalone financial statements, particularly on the amount of tax expense and that of provision for taxation.

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Crystal Crop Protection Limited

CIN- U01403(GJ)994914007033

Notes to Standalone Financial Statements for the year ended 31 March 2022 (cont'd)

(All amounts are in Rs. millions, unless otherwise stated)

44 Fair value measurements

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

		As at			As at		
		31 March 2022			31 March 2021		
Note	Level of hierarchy	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets							
Investments in mutual funds	(b)	2	-	-	171.93	-	-
Investments in equity share	(b)	1	72.32	-	-	-	-
Investment in preference share	(b)	3	349.53	-	783.25	-	-
Investment in debenture	(b)	3	300.00	-	-	-	-
Investments in bonds	(a)	-	-	60.95	-	-	75.78
Loans	(a)	-	-	397.72	-	-	480.42
Trade receivables	(a)	-	-	4,356.44	-	-	3,981.79
Cash and cash equivalents	(a)	-	-	665.23	-	-	1,166.66
Other bank balances	(a)	-	-	498.43	-	-	865.43
Derivatives	(b)	2	-	-	0.97	-	-
Other financial assets	(a)	-	-	279.57	-	-	318.57
Total financial assets			721.85	-	6,258.34	956.15	-
Financial liabilities							
Non-current borrowings	(a)	-	-	1,378.75	-	-	918.17
Current borrowings	(a)	-	-	2,852.19	-	-	2,280.56
Non-current lease liabilities	(a)	-	-	395.33	-	-	409.89
Current lease liabilities	(a)	-	-	25.40	-	-	20.91
Trade payables	(a)	-	-	2,963.56	-	-	2,805.69
Other financial liabilities	(a)	-	-	484.99	-	-	353.69
Derivatives	(b)	2	31.97	-	64.47	-	-
Total financial liabilities			31.97	-	8,100.22	64.47	-

Notes:

- (a) Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.
- (b) The fair value is determined by using the valuation model/technique with observable inputs and assumptions except for Level 3.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices)

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

There are no transfers between Level 1, Level 2 and Level 3 during the year ended 31 March 2022 and 31 March 2021.

Valuation techniques used to determine fair values:

Specific valuation techniques used to value financial instruments include:

- Fair value of derivatives using dealer quotes for similar instruments (on marked to market value as on balance sheet date of such derivative transaction).
- Fair value of non-derivative financial instruments using present value techniques, which is based on discounting expected cash flows using a risk-adjusted discount rate.

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 performs valuation either internally or externally through valuers and reports directly to the senior management. Discussions on valuation and results are held between the senior management and valuation team on annual basis.

Significant inputs:

Significant unobservable input used in Level 3 fair values of investments measured at FVTPL is discount rate which is weighted average cost of borrowing of the Company and estimated cash flows of respective companies in which investment in preference shares is made.

Significant inputs used in Level 2 fair value of derivatives measured at FVTPL is marked to market value as on balance sheet date of such derivative transaction.



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45 Financial risk management

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company, through three layers of defense namely, policies and procedures, review mechanism and assurance aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit committee of the Board with top management oversee the formulation and implementation of the risk management framework. The risks are identified at business unit level and mitigation plans are identified, deliberated and reviewed at appropriate forums.

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

- (i) Credit risk
- (ii) Liquidity risk
- (iii) Market risk

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations. Credit risk encompasses both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, cash and cash equivalents, loans and other financial assets. The carrying amount of financial assets represents the maximum credit risk exposure at the reporting date.

Trade receivables and other financial assets

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the payment and delivery terms and conditions are offered. The Company's review includes financial statements, industry information and business intelligence. Sales limits are established for each customer and reviewed annually. Any sales exceeding these limits require approval from the appropriate authority as per policy.

In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are an institutional or a dealer, their geographic location, industry, trade history with the Company and existence of previous financial difficulties.

Expected credit loss for trade receivables

The company uses expected credit loss model to assess impairment loss or gain. The Company estimates its allowance for trade receivable using lifetime expected credit loss. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information.

The balance past due for more than 6 month (net of expected credit loss allowance), excluding receivable from group companies is Rs. 200.26 million (31 March 2021: Rs. 355.60 million).

Movement in the loss allowance of trade receivables is as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	351.31	367.80
Add: Provided during the year	119.96	120.18
Less: written off during the year	(134.13)	(136.67)
Balance at the end of the year	337.14	351.31

Expected credit loss on financial assets other than trade receivables

With regards to all financial assets with contractual cash flows other than trade receivables, management believes these to be high quality assets with negligible credit risk. The management believes that the parties from which these financial assets are recoverable, have strong capacity to meet the obligations and accordingly no provision for expected credit loss has been provided on these financial assets where the risk of default is negligible.

(ii) 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.

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Exposure to liquidity risk

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

As at 31 March 2022

Carrying amount	Contractual cash flows		
	Total	Within 1 year	More than 1 year
Non-derivative financial liabilities			
Borrowings	4,230.94	2,852.19	1,378.75
Lease liabilities	820.72	57.79	783.72
Trade payables	2,963.57	2,963.57	-
Other financial liabilities	484.99	329.38	155.61
Derivative financial liabilities			
Currency swap	31.97	31.97	-
	8,132.19	6,234.90	2,318.08



45 Financial risk management

(ii) Liquidity risk (cont'd)

As at 31 March 2021

	Carrying amount	Contractual cash flows		
		Total	Within 1 year	More than 1 year
Non-derivative financial liabilities				
Borrowings	3,198.73	3,198.73	2,280.56	918.17
Lease liabilities	439.80	886.00	54.83	831.17
Trade payables	2,805.70	2,805.70	2,805.70	-
Other financial liabilities	353.69	353.69	207.39	146.30
Derivative financial liabilities				
Currency swap	64.47	64.47	64.47	-
	6,853.39	7,308.59	5,412.95	1,895.64

(iii) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk and interest rate risk.

Currency risk

The Company is subject to foreign exchange risk primarily due to its foreign currency revenues, expenses and borrowings. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar (USD) and EURO (EUR) against the functional currency of the Company. The Company, as per its risk management policy, uses derivative instruments primarily to hedge foreign exchange. The Company has a treasury team which evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks and advises the management of any material adverse effect on the Company. It hedges a part of these risks by using derivative financial instruments in line with its risk management policies.

Exposure to currency risk

The details of unhedged foreign currency at the exchange rate at reporting date are

a) Unhedged exposure

	As at 31 March 2022		As at 31 March 2021	
	Amount in Foreign Currency (millions)	Amount in Rs. millions	Amount in Foreign Currency (millions)	Amount in Rs. millions
Trade payables				
USD	3.91	296.26	10.68	781.12
CNY	-	-	6.11	68.11
Borrowings				
USD	24.09	1,825.63	22.77	1,665.07
EUR*	7.13	599.84	10.70	919.57
Trade receivables				
USD	(4.95)	(375.11)	(0.80)	(58.74)
Total	30.18	2,346.62	49.46	3,375.13

b) Forward contracts

	As at 31 March 2022		As at 31 March 2021	
	Amount in Foreign Currency (millions)	Amount in Rs. millions	Amount in Foreign Currency (millions)	Amount in Rs. millions
Foreign exchange forward contract				
Borrowing- USD	4.19	317.36	5.75	420.41
Others- USD	2.63	203.35	0.82	59.69
Total	6.82	520.71	6.57	480.10

*The Company has taken the currency swap transactions in EUR against the term loan of INR 1,500 million obtained from IDFC in May 2019, (refer note 20).

Sensitivity analysis

Every 1% depreciation/ appreciation in the exchange rate between the Indian Rupee and the respective currencies for the above mentioned assets/ liabilities would effect the net profit before tax resulting in a gain/ loss of Rs. 23.47 million (31 March 2021: Rs. 33.75 million).

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The Company is exposed to risk of change in market interest rates because it borrows funds at both fixed and floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. Every 0.5% decrease/ increase in the interest rate would effect the net profit before tax resulting in a gain/ loss of Rs. 1.65 million (31 March 2021: Rs. 2.59 million).

As the Company has no significant interest bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates.



46 Capital management

The Company's objectives when managing capital are to
- safeguard its ability to continue as a going concern, so that it can continue to provide returns for its shareholders and benefit for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio
Net debt (total borrowings net of cash and cash equivalents and other bank balances) divided by total 'equity' (as shown in the Balance Sheet)

The gearing ratio is as follows.

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Net debt	3,067.28	1,166.64
Total equity	12,418.03	12,015.97
Net debt to equity ratio	0.25	0.10

47 Lease liabilities

(i) The Company has entered into cancellable leases for short-term and leases for low value assets for various godowns, office premises, and vehicle. The lease rent charged during the current year Rs. 33.91 million (31 March 2021: Rs. 42.63 million)

(ii) Interest on lease liabilities
Interest expense

	For the year ended 31 March 2022	For the year ended 31 March 2021
	33.99	32.22
	<u>33.99</u>	<u>32.22</u>

(iii) Maturity analysis of undiscounted lease liabilities:

	As at 31 March 2022	As at 31 March 2021
Repayable within 1 year	57.79	54.83
Repayable within 1-3 years	106.21	137.34
Repayable after 3 years	677.51	673.84
	<u>841.51</u>	<u>866.01</u>

(iv) Reconciliation of lease liabilities

	As at 31 March 2022	As at 31 March 2021
Lease liabilities at the beginning of the year	430.80	187.76
Add: Lease liabilities addition for leases entered during the year	13.81	67.80
Add: Finance costs charged on lease liabilities during the year	33.99	32.22
Less: Payment of lease liabilities	57.86	51.98
Lease liabilities at the end of the year	<u>420.73</u>	<u>436.80</u>

48 Segment reporting

Segment information is presented in respect of the Company's key operating segments. The operating segments are based on the Company's management and internal reporting structure.

The Company's Board of Directors have been identified as the Chief Operating Decision Maker ('CODM'), since they are responsible for all major decisions with respect to the preparation and execution of business plan, preparation of budget, planning, alliance, joint venture, merger and acquisition, and expansion of any new facility.

Board of Directors reviews the operating results of its "Agro activities" at Company level to assess its performance. Accordingly, there is only one reportable segment for the Company which is "Agro activities", involved in research, manufacturing and distribution of various products ranging from agrochemicals, seeds and farm equipment's. Hence, no specific disclosures have been made.

Entity wide disclosures

- a) **Information about products and services:** The Company primarily deals in one business namely "Agro activities", therefore product-wise revenue disclosure is not applicable.
- b) **Information about geographical areas:** The Company provides services to customers which are domiciled in India as well as outside India. All the non-current assets of the Company are located in India. The amount of revenue from external customers broken down by the location of the customers is as follows:

Revenue from external customers

	For the year ended 31 March 2022	For the year ended 31 March 2021
Attributed to the Company's country of domicile, India	20,466.80	21,020.21
Attributed to foreign countries	1,150.42	248.00
	<u>21,617.22</u>	<u>21,268.21</u>

- c) **Revenue from Key Customers:** The Company is not reliant on revenue from transactions with any single external customer and does not received 10% or more of its revenue from transactions with any single customer.



Crystal Crop Protection Limited

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Notes to Standalone Financial Statements for the year ended 31 March 2022 (cont'd)

(All amounts are in Rs. millions, unless otherwise stated)

49 During the previous year, the Company has recorded a liability of Rs. 482.18 million with regards to Excise duty payable including education cess and interest thereon pursuant to the Hon'ble Supreme court order dated 22 April 2020 passed for the validity of the notification 19/2008 which provide the credit of the excise duty at 34% paid through Personal Ledger Account (PLA) as against the higher amount claimed by the Company vide notification no. 56/2002 and interim order passed by the High Court in October 2012 in earlier years and shown the same as an exceptional item in the standalone financial statements. During the year, the Company has paid Rs. 112.43 million and further accrued interest of Rs. 23.26 million on the outstanding excise duty liability.

50 In-house research and development:

During the year, the Company has incurred revenue expenditure amounting of Rs. 70.58 million (31 March 2021: Rs. 57.29 million) and capital expenditure of Rs. 1.76 million (31 March 2021: Rs. 0.34 million) with respect to the research and development facility at Nathupur, Sompal (Haryana).

During the year, the Company has incurred revenue expenditure amounting of Rs. 48.63 million (31 March 2021: Rs. 31.69 million) and capital expenditure of Rs. Nil million (31 March 2021: 0.15 million) with respect to the facility at Govindam, Medak (Telangana).

51 During the year ended 31 March 2013, a fire broke out at the Company's godown at Kunili destroying Company's stock aggregating to Rs. 222.15 million. The Company filed an insurance claim with New India Assurance Company Limited ("the insurance company") under the insurance cover taken from them. The Company recognised the amount of Rs. 162.95 million as recoverable during the year ended 31 March 2013 based on the first surveyor report. However, the insurance company, vide its letter dated 12 March 2014 rejected the Company's claim based on the report of another surveyor appointed by the insurance company subsequently. The Company believed that the rejection of the claim by the insurance company was unjustified and hence filed a complaint under section 21 of the Consumer Protection Act 1986, against the insurance company on 22 April 2015 before the National Consumer Disputes Redressal Commission ("NCDRC"), New Delhi. After multiple hearings, NCDRC passed its order on 13 December 2019 in favour of the Company and directed the insurance company to pay the claim amount of Rs. 162.95 million along with simple interest @ 9% from the date of repudiation of claim till the date of payment, for deficiency of service. A sum of Rs. 0.5 million has also been awarded in favour of the Company towards harassment. After receiving the aforesaid order, the Company filed for execution of the said order before NCDRC. Meanwhile, the insurance company filed an appeal before Hon'ble Supreme Court against the order of NCDRC. The Hon'ble Supreme Court has directed the insurance company vide its order dated 09 October 2020 to deposit with the Court 40% of the principal amount which is due and payable under impugned judgement and order of the NCDRC within six weeks, to grant a stay of the execution of the decree, pending the disposal of appeal. The matter was listed on 30 September 2021, court has yet not taken up the matter and will be listed when regular matters will come for hearing, the Company and counsels are regularly monitoring this. Based on its evaluations, legal advice and the order of NCDRC, the management is extremely confident of successfully defending the Company's claim of Rs. 162.95 million disclosed under other non-current financial assets as "insurance claim receivable".

52 On 23 September 2018, a fire incident occurred at the Company's godown in Hyderabad, wherein Company's stock aggregating to Rs. 65.59 million was destroyed. Post completion of survey, the Company has filed an insurance claim with The Oriental Insurance Company Limited on 1 November 2018 for an amount of Rs. 65.59 million, which has been recognised as insurance claim receivable under 'Other Non-Current Assets' in the books of account. The claim is settled and the amount has been received by the Company in May 2021.

53 Employee share-based payment plans

Description of share-based payment arrangements

(i) As at 31 March 2022, the Company has the following share-based payment arrangement for its employees:

Plan I: The plan was approved by the Board of Directors on 28 November 2014 and by the shareholders on 17 December 2014. The plan entitles certain employees to purchase shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. All exercised options shall be settled by physical delivery of shares. As per the plan, holders of vested options are entitled to purchase one equity share for every option.

(ii) Plan II: The plan was approved by the Board of Directors and by the shareholders on 16 February 2018. The plan entitles certain specific employees to purchase shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. All exercised options shall be settled by physical delivery of shares. As per the plan, holders of vested options are entitled to purchase one equity share for every option.

The terms and conditions related to the grant of the share options are as follows:

	Number of options granted	Vesting conditions	Contractual life of options
Options granted to employees during the year ended 31 March 2015 under Plan I	1,97,633	Graded vesting of 20% every year from grant date	1 year - 10 years
Options granted to the employees of the Company during the year ended 31 March 2016 under Plan I	38,292	Graded vesting of 20% every year from grant date	1 year - 10 years
Options granted to the employees of the Company during the year ended 31 March 2018 under Plan II	85,499	Loyalty Grants 50% of options granted after one year from grant date 50% of options granted after two years from grant date	1 year - 7 years
Options granted to the employees of the Company during the year ended 31 March 2018 under Plan II	5,88,422	Other Grants 10%, 20%, 30% and 40% after first year, second year, third year and fourth year from grant date respectively.	1 year - 9 years

Reconciliation of outstanding share options

The number and weighted average exercise price of share options under employee stock option plan for the current year are as follows:

	No. of options	Weighted average exercise price for Plan I	Weighted average exercise price for Plan II
Outstanding at the beginning of the year	4,36,777	65.29	106.31
Granted during the year	-	65.29	106.31
Cancelled during the year	88,666	65.29	106.31
Outstanding at the end of the year	3,48,111	65.29	106.31
Exercisable at the end of the year	3,48,111	65.29	106.31



53 Employee share-based payment plans (cont'd)

The number and weighted average exercise price of share options under employee stock option plan for the previous year are as follows:

	No. of options	Weighted average exercise price for Plan I	Weighted average exercise price for Plan II
Outstanding at the beginning of the year	5,00,954	65.29	106.31
Granted during the year	-	65.29	106.31
Cancelled during the year	64,177	65.29	106.31
Outstanding at the end of the year	4,36,777	65.29	106.31
Exercisable at the end of the year	3,31,764	65.29	106.31

Fair value of option granted for Plan I

The fair value at grant date is determined using the Black-Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option. The inputs in the measurement of fair value are as follows:

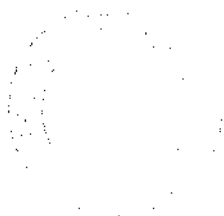
Expected volatility	30.63% - 54.52%
Risk-free interest rate	7.62% - 7.67%
Exercise price (in Rs.)	65.29
Expected dividend	0.00% - 0.05%
Expected life	5.50 years

Fair value of option granted for Plan II

The fair value at grant date is determined using the Binomial Option Pricing Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share and the risk-free interest rate for the term of the option. The inputs in the measurement of fair value are as follows:

Expected volatility	37.53%
Risk-free interest rate	7.43%
Exercise price (in Rs.)	106.31
Maximum life	5.00 years

The expenses arising from share-based payment transaction recognised in statement of profit and loss as part of employee benefits expense for the year Rs. 0.42 million (31 March 2021: Rs. 1.04 million)



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54 The Company had given advance of Rs. 492.80 million to the Crystal Crop Protection Employee Welfare Trust ("the Trust") in the earlier years to purchase its equity shares of Rs. 10 each at a price of Rs. 1,000 per share to be issued to the employees of the Company under the Employees' Stock Option Plan (ESOP) scheme. Accordingly, 473,673 equity shares of Rs. 10 each were issued to the Trust, at a price of Rs. 1,000 including a share premium of Rs. 990 per equity share during the year ended 31 March 2012. The said shares issued to the Trust were subsequently increased to 7,106,260 equity shares upon issue of bonus shares in the ratio of 1:15 during the year ended 31 March 2014. In the current year 2021-22, Company bought-back 472,508 equity share, consequently, the share capital and securities premium of the Company includes Rs. 71.01 million and Rs. 397.88 million respectively against the equity shares of Rs. 10 each issued to the Trust. During the year ended 31 March 2022, the Company has 348,111 stock options outstanding, and exercisable to some of its employees. Further, Nil stock options have been exercised by the employees till 31 March 2022. Loan outstanding as on 31 March 2022 Rs. 393.13 million (31 March 2021 Rs. 475.36 million)

55 Expenditure towards Corporate Social Responsibility (CSR) Activities -

In accordance with the provisions of section 135 of the Act, the Board of Directors of the Company had constituted a CSR committee. The details for CSR activities are as follows:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
a) Gross amount required to be spent by the Company during the year	32.19	33.13
b) Amount spent during the year:		
i) Construction/acquisition of any assets	-	-
ii) On purpose other than (i) above	55.19	43.13
c) Shortfall at the end of the year	-	-
d) Total of previous years shortfall	-	12.71
e) Reason for shortfall	-	Pertains to ongoing projects
f) Nature of CSR Activities	Amount of CSR expenditure spent by the Company on health care, sanitation, women empowerment, education and other specified activities	
g) Details of related party transaction:		
Nand Kishore Barathi Charitable Trust	38.00	13.30

56 Business combination

During the current year, the Company has acquired seeds business from Bayer Bioscience Private Limited ("BBPL") and Bayer Cropscience Limited ("BCL") through business purchase agreement dated 30 November 2021 on slump sale basis for a lump sum consideration amounting to Rs. 2,546.00 million plus or minus working capital adjustment. The objective of business acquisition is the growth of seeds business by way of acquisition of established business in which the Company acquired established brands, research and development facilities and other tangible and intangible assets. The Company has capitalised the purchase consideration paid for the acquired tangible and intangible assets at their relative fair values.

The purchase price allocated based on the determination of fair values at the date of acquisition is as follows:

Particulars	Amount
Property, plant and equipment (refer note 3)	885.05
Brands (refer note 5)	1,628.87
Workforce entitlement (refer note 5)	26.42
Goodwill	5.66
Total consideration paid	2,546.00

The excess of the purchase consideration paid over the fair value of assets acquired has been attributed to goodwill, which majority includes estimated operational synergies and expansion on market share. The goodwill arising of the acquisition is not tax deductible.

The transaction cost of Rs. 2.06 million have been expended during the year ended 31 March 2022 and included in "Other expenses" in the standalone statement of Profit and Loss and are part of the opening cash flows in the standalone statement of cash flows.

From the date of acquisition, during the year ended 31 March 2022, acquired seeds business under business combination contributed Rs. 181.46 million of revenues, less before interest, tax, depreciation and amortization of Rs. 1.38 million and total loss of Rs. 126.52 million to profit before tax. Since the details on revenue and profit or loss of the combined business is not available from the beginning of the annual reporting period, such information has not been disclosed for the year ended 31 March 2022.

57 Government grant

The Company has received following government grants:

(a) Refund of goods and service tax

In pursuance of the GST Refund under Budgetary Support Scheme, the Company is entitled to receive refund of Goods and Service Tax paid by us and in the state of Jammu and Kashmir.

(b) Deferred income

This relates to grant received from government in earlier years for acquisition of certain capital assets, which were capitalized in the respective years. The grant, initially recognized as deferred income, is being amortised over the useful life of the capital assets in which the related depreciation expense is recognized.

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Aviral Crop Science Pvt Ltd PROVISIONAL BALANCE SHEET AS AT 31/07/2022 U18204KA2009PTC051872				
Particulars	Provisional Figures for the reporting period 31/07/2022	Audited Figures for the reporting period 31/03/2022	Provisional Figures for the reporting period 31/07/2022 (in Lacs)	Audited Figures for the reporting period 31/03/2022 (in Lacs)
I. EQUITY AND LIABILITIES				
(1) Shareholders' Funds				
(a) Share Capital	20,000,000	20,000,000	200.00	200.00
(b) Reserves and Surplus	(521,276,321)	(555,858,295)	(5,212.76)	(5,558.58)
(c) Money received against share warrants	-	-	0.00	0.00
	(501,276,321)	(535,858,295)	(5,012.76)	(5,358.58)
(2) Share application money pending allotment	-	-	0.00	0.00
(3) Non-Current Liabilities				
(a) Long-term borrowings	300,000,000	300,000,000	3,000.00	3,000.00
(b) Deferred tax liabilities (Net)	-	-	0.00	0.00
(a) Other Long term liabilities	-	-	0.00	0.00
(b) Long-term provisions	141,917	141,917	1.42	1.42
	300,141,917	300,141,917	3,001.42	3,001.42
(4) Current Liabilities				
(a) Short-term borrowings	244,418,868	269,618,868	2,444.19	2,696.19
(b) Trade payables	534,713,857	281,011,520	5,347.14	2,810.12
(c) Other current liabilities	173,857,359	153,461,465	1,738.57	1,534.61
(d) Short-term provisions	157,458	157,458	1.57	1.57
	953,147,542	704,249,311	9,531.48	7,042.49
Total	752,013,138	468,532,933	7,520.13	4,685.33
II. Assets				
(1) Non-current assets				
(a) Property Plant & Equipment & Intangible assets				
(I) Property Plant & Equipment	280,369	286,763	2.80	2.87
(II) Intangible assets	3,633	3,633	0.04	0.04
	284,002	290,396	2.84	2.90
(b) Non-current Investments	-	-	0.00	0.00
(c) Deferred tax assets (net)	103,624,171	103,624,171	1,036.24	1,036.24
(d) Long term loans and advances	895,000	895,000	8.95	8.95
(e) Other Non Current Assets	-	-	0.00	0.00
	104,803,173	104,809,567	1,048.03	1,048.10
(2) Current assets				
(a) Current Investments	19,029,247	19,029,247	190.29	190.29
(b) Inventories	-	97,500,000	0.00	975.00
(c) Trade receivables	595,024,481	197,733,522	5,950.24	1,977.34
(d) Cash and cash equivalents	14,225,961	14,124,797	142.26	141.25
(e) Short-term loans and advances	18,818,219	35,223,743	188.18	352.24
(f) Other current assets	112,057	112,057	1.12	1.12
	647,209,965	363,723,366	6,472.10	3,637.23
Total	752,013,138	468,532,933	7,520.13	4,685.33

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For AVIRAL CROP SCIENCE PRIVATE LIMITED



[Signature]
DIRECTOR

Aviral Crop Science Pvt Ltd
PROVISIONAL STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31/07/2022
U18204KA2009PTC051872

S.No.	Particulars	Provisional Figures for the reporting period 31/07/2022	Audited Figures for the reporting period 31/03/2022	Provisional Figures for the reporting period 31/07/2022 (In Lacs)	Audited Figures for the reporting period 31/03/2022 (In Lacs)
I.	Revenue from operations (net)	840,884,925	651,999,233	8,408.85	6,519.99
II.	Other Income	948,726	1,309,649	9.47	13.10
III.	Total Revenue (I + II)	841,831,651	653,308,882	8,418.32	6,533.09
IV.	Expenses:				
	a) Cost of materials consumed	-	-	0.00	0.00
	b) Purchase of Stock-In-Trade	558,002,649	479,519,682	5,580.03	4,795.20
	c) Changes in inventories of finished goods, work-in-progress and Stock-In-Trade	97,500,000	(97,500,000)	975.00	(975.00)
	d) Employee benefit expense	127,459,920	159,612,770	1,274.60	1,596.13
	e) Financial costs	12,150,552	14,859,491	121.51	148.59
	f) Depreciation and amortization expense	6,394	57,567	0.06	0.58
	g) Other expenses	12,130,162	27,468,699	121.30	274.89
	Total Expenses	807,249,677	584,038,209	8,072.50	5,840.38
V.	Profit before tax (III - IV)	34,581,974	69,270,673	345.82	692.71

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For AVIRAL CROP SCIENCE PRIVATE LIMITED

DIRECTOR



	As at 30 June 2022
ASSETS	
Non-current assets	
Property, plant and equipment	2,581.13
Capital work-in-progress	111.54
Right-of-use assets	487.36
Goodwill	5.66
Other intangible assets	3,480.26
Intangible assets under development	141.30
Financial assets	
i) Investments	1,033.29
ii) Loans	393.13
iii) Other financial assets	184.50
Deferred tax assets (net)	0.01
Income tax assets (net)	97.73
Other non-current assets	137.05
Total non-current assets	8,652.96
Current assets	
Inventories	8,962.62
Financial assets	
i) Investments	-
ii) Trade receivables	7,445.65
iii) Cash and cash equivalents	250.96
iv) Other bank balances	493.92
v) Loans	4.67
vi) Other financial assets	92.38
Other current assets	1,228.66
Total current assets	18,478.86
Total assets	27,131.82
EQUITY AND LIABILITIES	
Equity	
Equity share capital	1,339.19
Other equity	11,970.99
Total equity	13,310.18
Liabilities	
Non-current liabilities	
Financial liabilities	
i) Borrowings	1,198.55
ii) Lease liabilities	403.87
iii) Other financial liabilities	160.81
Provisions	34.76
Other non-current liabilities	2.05
Total non-current liabilities	1,800.04
Current liabilities	
Financial liabilities	
i) Borrowings	5,657.48
ii) Lease liabilities	30.50
iii) Trade payables	
Total outstanding dues of micro enterprises and small enterprises; and	113.47
Total outstanding dues of creditors other than micro enterprises and small enterprises	4,334.41
iv) Other financial liabilities	413.07
Other current liabilities	911.89
Provisions	89.51
Current tax liabilities (net)	471.28
Total current liabilities	12,021.60
Total liabilities	13,821.64
Total equity and liabilities	27,131.82

The accompanying notes form an integral part of the special purpose condensed interim standalone financial statements.

For and on behalf of the Board of Directors of
Crystal Crop Protection Limited

For CRYSTAL CROP PROTECTION LIMITED

Nand Kishore Aggarwal
Executive Chairman
DIN: 00074107

DIRECTOR

Place : New Delhi
Date : 8 August 2022

For CRYSTAL CROP PROTECTION LIMITED

Ankur Aggarwal
Managing Director
DIN: 00074325

DIRECTOR

Place : New Delhi
Date : 8 August 2022

For CRYSTAL CROP PROTECTION LIMITED

Vikram Singh
Company Secretary
Membership No.: F11620

Place : New Delhi
Date : 8 August 2022



Crystal Crop Protection Limited

CIN- U01403GJ1994PLC097033

Unaudited Condensed Interim Standalone Statement of Profit and Loss for the three months period ended 30 June 2022

(All amounts are in Rs. millions, unless otherwise stated)

	For the three months period ended 30 June 2022
Revenue from operations	9,238.07
Other income	100.11
Total income	9,338.18
Expenses	
Cost of materials consumed	5,808.80
Purchases of stock-in-trade	1,163.92
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(412.95)
Employee benefits expense	341.36
Finance costs	80.88
Depreciation and amortisation expense	207.16
Other expenses	962.34
Total expenses	8,151.51
Profit before exceptional items and tax	1,186.67
Exceptional items	3.16
Profit before tax	1,183.51
Tax expense	
Current tax	366.32
Tax adjustment for earlier year	-
Deferred tax charge	(75.32)
Net profit for the period	892.51
Other comprehensive income	
Item that will not be reclassified to profit or loss	
Remeasurements of defined benefit obligations	(0.61)
Income tax relating to items that will not be reclassified to profit or loss	0.15
Other comprehensive income for the period, net of tax	(0.46)
Total comprehensive income for the period	892.05
Earnings per equity share (face value of Rs. 10 each)	
- Basic (In Rs.)	6.66
- Diluted (In Rs.)	6.66

The accompanying notes form an integral part of the special purpose condensed interim standalone financial statements.

For and on behalf of the Board of Directors of
Crystal Crop Protection Limited

For CRYSTAL CROP PROTECTION LIMITED

For CRYSTAL CROP PROTECTION LIMITED

For CRYSTAL CROP PROTECTION LIMITED

Nand Kishore Aggarwal
Executive Chairman
DIN: 00074107
Place : New Delhi
Date : 8 August 2022

Ankur Aggarwal
Managing Director
DIN: 00074325
Place : New Delhi
Date : 8 August 2022

Vikram Singh
Company Secretary
Membership No.: F11620
Place : New Delhi
Date : 8 August 2022



Crystal Crop Protection Limited
CIN: U01403GJ1994PLC097033

Unaudited Condensed Interim Standalone Statement of Changes in Equity for the three months period ended 30 June 2022
(All amounts are in Rs. millions, unless otherwise stated)

A. Equity share capital

	Number	Amount
As at 1 April 2022		
Changes during the period	13,39,19,311	1,339.19
Balance as at 30 June 2022	13,39,19,311	1,339.19

B. Other equity

	Securities premium	Retained earnings	General reserve	Reserves and surplus	Capital redemption reserve	Capital reserve	Employee stock option reserve	Total other equity
As at 1 April 2022	540.21	12,011.81	25.00		89.05	(1,599.95)	12.72	11,078.84
Add: Profit during the period	-	892.51	-		-	-	-	892.51
Less: Other comprehensive income	-	(0.46)	-		-	-	-	(0.46)
Employee stock compensation expense	-	-	-		-	-	0.10	0.10
As at 30 June 2022	540.21	12,903.86	25.00		89.05	(1,599.95)	12.82	11,970.99

The accompanying notes form an integral part of the special purpose condensed interim standalone financial statements.

For and on behalf of the Board of Directors of
Crystal Crop Protection Limited

For CRYSTAL CROP PROTECTION LIMITED

Nand Kishore Aggarwal
Executive Chairman
DIN: 00074107

DIRECTOR

Place : New Delhi
Date : 8 August 2022

For CRYSTAL CROP PROTECTION LIMITED

Ankur Aggarwal
Managing Director
DIN: 00074325

Place : New Delhi
Date : 8 August 2022

For CRYSTAL CROP PROTECTION LIMITED

COMPANY SECRETARY

Vikram Singh
Company Secretary
Membership No.: F11620

Place : New Delhi
Date : 8 August 2022



Crystal Crop Protection Limited

CIN- U01403GJ1994PLC097033

Unaudited Condensed Interim Standalone Statement of Cash Flows for the three months period ended 30 June 2022

(All amounts are in Rs. millions, unless otherwise stated)

	For the three months period ended 30 June 2022
Cash flows from operating activities	
Net profit before tax	1,183.51
Adjustments for:	
Depreciation and amortisation expense	207.16
Allowance for doubtful debts	5.00
Provision for inventory obsolescence	190.42
Liabilities no longer required written back	(0.03)
Share based payments to employees	0.10
Loss on sale of property, plant and equipment	0.25
Loss/(Profit) on sale of investments	11.82
Change in fair value of unquoted debenture carried at fair value through profit or loss	(0.57)
Finance guarantee obligation	(0.63)
Interest income from financial assets carried at amortised cost	(0.26)
Deferred income - Government grants	(0.15)
Fair value loss/ (income) on derivatives - Foreign exchange forward contract	(0.17)
Fair value (income)/ loss on derivative - Currency swap	(17.53)
Unrealised foreign exchange loss/ (gain)	77.67
Finance costs	80.88
Dividend income	(6.48)
Interest income	(8.42)
Share in profit of partnership firm including profit share of exceptional items	(13.07)
	1,709.50
Working capital adjustments:	
Increase in inventories	(2,976.85)
Increase in trade receivables	(3,083.08)
Decrease in financial assets	8.34
Decrease in other assets	151.64
Increase in trade payables	1,483.02
Increase in financial liabilities	104.25
Decrease in other liabilities	(472.26)
Increase in provisions	6.87
	(3,068.87)
Cash from operating activities	(3,068.87)
Income taxes paid (net-off income tax refund)	(43.82)
	(3,112.39)
Net cash flow from operating activities (A)	(3,112.39)
Cash flows from investing activities	
Purchase of property, plant and equipment, intangible assets and right-of-use assets	(196.95)
Proceeds from sale of property, plant and equipment	0.97
Dividend income	0.03
Proceed from sale of preference share	350.00
Proceeds from sales of equity shares (net)	60.03
Loan paid (net)	(0.08)
Movement in bank deposits	6.54
Interest received	7.18
	227.72
Net cash used in investing activities (B)	227.72
Cash flows from financing activities	
Repayment of non current borrowings	(182.68)
Proceeds from current borrowings	4,015.15
Repayment of current borrowings	(1,302.72)
Payment of lease liability-principal payment	13.65
Finance costs paid	(73.00)
	2,470.40
Net cash flow from (used in) financing activities (C)	2,470.40
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(414.27)
Cash and cash equivalents at the beginning of the period	665.23
Cash and cash equivalents at the end of the period	250.96



Crystal Crop Protection Limited
CIN: U01403GJ1994PLC097033

Unaudited Condensed Interim Standalone Statement of Cash Flows for the three months period ended 30 June 2022
(All amounts are in Rs. millions, unless otherwise stated)

Notes to statement of cash flows:

1 Component of cash and cash equivalents:

- Cash on hand
- Balances with banks
 - in current accounts
 - deposits with original maturity of not more than three months

**For the year ended
31 March 2022**

1.47

249.49

250.96

2 Reconciliation between the opening and closing balances in the standalone balance sheet for liabilities arising from financing activities

Particulars	As at 30 June 2022	
	Non-current borrowings*	Current borrowings**
Opening balance	2,117.81	2,113.13
Repayment borrowings	(182.68)	(1,302.72)
Proceeds from borrowings	-	4,015.15
Non-cash changes due to:		
Exchange Difference	10.67	76.81
Interest accrued	0.42	7.46
Closing balance	1,946.21	4,909.83

* Includes current maturity of non-current borrowings and interest accrued thereon.

** Includes interest accrued thereon.

3 The Standalone Statement of Cash Flows has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows".

The accompanying notes form an integral part of the special purpose condensed interim standalone financial statements.

For and on behalf of the Board of Directors of
Crystal Crop Protection Limited

For CRYSTAL CROP PROTECTION LIMITED

Nand Kishore Aggarwal
Executive Chairman
DIN: 00074107

DIRECTOR

Place : New Delhi
Date : 8 August 2022

For CRYSTAL CROP PROTECTION LIMITED

Ankur Aggarwal
Managing Director
DIN: 00074325

DIRECTOR

Place : New Delhi
Date : 8 August 2022

For CRYSTAL CROP PROTECTION LIMITED

Vikram Singh
Company Secretary
Membership No.: F11620

COMPANY SECRETARY

Place : New Delhi
Date : 8 August 2022



1.1 Background

Crystal Crop Protection Limited ("the Company") is a Company domiciled in India, with its registered office situated in Ahmedabad, Gujarat. The Company was incorporated on 13 July 1994 as a private limited company in India and subsequently converted to a public limited company on 03 January 2018. The Company is engaged in research, manufacturing and distribution of various products ranging from agrochemicals, seeds and farm equipments. The Company has wide spectrum of products in fungicides, herbicides, insecticides, PGR's, and seeds treatment products.

1.2 Basis of preparation

(i) The Company's management has prepared the special purpose condensed interim standalone financial statements which comprise the special purpose condensed interim Balance Sheet as at 30 June 2022, special purpose condensed interim Statement of Profit and Loss (including Other Comprehensive Income), special purpose condensed interim Cash Flow Statement and the special purpose condensed interim Statement of Changes in Equity for the three months period then ended, and selected other explanatory information (together hereinafter referred to as "special purpose condensed interim standalone financial statements").

(ii) The special purpose condensed interim standalone financial statements of the Company have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34) specified under section 133 of the Companies Act, 2013 ("the Act"). However, all the disclosures as required under Ind AS 34 have not been furnished and the relevant comparative financial information under Ind AS 34 (comprising the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss, the cash flow statement and the statement of change in equity for the three months period ended 30 June 2021) has not been presented in these special purpose condensed interim standalone financial statements.

(iii) The accounting policies used to prepare the special purpose condensed interim standalone financial statements are the same as those used to prepare the annual financial statements for the year ended 31 March 2022.

(iv) The special purpose condensed interim standalone financial statements have been prepared by the management solely for the internal use by the management of the Company and may not be suitable for another purpose.

(This space has been intentionally left blank)



2 Earnings per share ('EPS')

Particulars	For the three months period ended 30 June 2022
Profit for the year attributable to the equity shareholders	892.51
Weighted average number of equity shares	13,39,19,311
Earnings per share (face value of Rs. 10 each)	
Basic earnings per share in rupees	6.66
Diluted earnings per share in rupees	6.66

3 Related party transactions

a) Parties where control exists whether or not transactions have taken place:

Nature of relationship	Name of the related party
Subsidiary Companies	Crystal Crop Protection (Australia) Pty Ltd. Crystal Crop Protection South Africa (Pty) Ltd. Lotus Global Pte. Ltd., Singapore* Nexus Crop Science Private Limited Crystal Crop Techno Solutions Private Limited Saffire Crop Science Private Limited (w.e.f. 01 April 2021)
Partnership Firm	Modern Papers (Partnership firm)
Trusts	Crystal Crop Protection Employees Gratuity Fund Crystal Crop Protection Employees Welfare Trust Nand Kishore Barathi Charitable Trust
Enterprises over which control exists	Neha & Saffire Crop Science LLP (w.e.f. 01 April 2021) KSK and Saffire Crop Science LLP (w.e.f. 01 April 2021) Trimurti & Saffire Crop Protection LLP (w.e.f. 01 April 2021) Jai Shriram Agro & Saffire Crop Science LLP (w.e.f. 01 April 2021) Vinayak Seeds & Saffire Crop Science LLP (w.e.f. 01 April 2021) Om Traders & Saffire Crop Science LLP (w.e.f. 01 April 2021) Balaji & Saffire Crop Science LLP (w.e.f. 01 April 2021) Kisan KSK & Saffire Crop Science LLP (w.e.f. 01 April 2021) Shri Prithvi Agro & Saffire Crop Science LLP (w.e.f. 01 April 2021) Shree Matikhedra & Saffire Crop Science LLP (w.e.f. 01 April 2021) Naveen Agro & Saffire Crop Science LLP (w.e.f. 01 April 2021)

* The subsidiary, Lotus Global Pte. Ltd has been closed during the previous year 2019-20.

b) Other related parties with whom transactions have taken place:

Nature of relationship

(i) Key managerial personnel and relatives

Name of related party
Nand Kishore Aggarwal - Executive Chairman
Ankur Aggarwal - Managing Director
Kensh Aggarwal (wife of Nand Kishore Aggarwal)
Komal Aggarwal (wife of Ankur Aggarwal)
Chetan Desai - Director
Sangeeta Kapiljit Singh - Director
Satrajit Sewa Singh - Director
Anil Jain - Executive Director
Mohit Goel - Director
Sumeet Sood (Chief Financial Officer) (till 10 February 2022)

(ii) Enterprises over which any person described in (i) above is able to exercise significant influence

Redson Retail and Realty Private Limited
Aviral Crop Science Private Limited
Quay Intech Private Limited
Nand Kishore Aggarwal (HUF)

c) Transactions with related parties:

Nature of transaction	Name of related party	For the three months period ended 30 June 2022
Sale of products	Modern Papers Nexus Crop Science Private Limited Aviral Crop Science Private Limited Saffire Crop Science Private Limited Neha & Saffire Crop Science LLP KSK and Saffire Crop Science LLP Trimurti & Saffire Crop Protection LLP Vinayak Seeds & Saffire Crop Science LLP Om Traders & Saffire Crop Science LLP Kisan KSK & Saffire Crop Science LLP Shri Prithvi Agro & Saffire Crop Science LLP	384.07 266.16 514.38 136.48 33.09 0.68 -0.28 0.23 3.02 0.05 13.84
Purchase of goods	Modern Papers Nexus Crop Science Private Limited	517.78 471.40
Legal and professional	Aviral Crop Science Private Limited	3.00



Crystal Crop Protection Limited

CIN- U01403GJ1994PLC097033

Notes to special purpose Unaudited condensed interim standalone financial statements for the three months period ended 30 June 2022

(All amounts are in Rs. millions, unless otherwise stated)

3 Related party transactions (cont'd)

c) Transactions with related parties (cont'd):

Nature of transaction	Name of related party	For the three months period ended
Field work charges	Aviral Crop Science Private Limited	81.97
Job work charges	Nexus Crop Science Private Limited	1.04
Rent expense	Ankur Aggarwal	0.23
	Kanak Aggarwal	0.37
	Nand Kishore Aggarwal	0.19
	Redson Retail and Reality Private Limited	7.80
	Komal Aggarwal	0.11
	Nexus Crop Science Private Limited	0.26
Sale of property, plant and equipment	Nexus Crop Science Private Limited	0.03
Loan given	Crystal Crop Techno Solutions Private Limited	0.01
Sales of preference share	Redson Retail and Reality Private Limited	350.00
Dividend received (including provision taken in June 22)	Redson Retail and Reality Private Limited	6.48
Interest income on loan (gross of tax deducted at source)	Crystal Crop Techno Solutions Private Limited	0.07
Share in profit of partnership firm	Modern Papers	13.07
Finance guarantee obligation	Modern Papers	2.50
Reimbursement of expenses incurred by related party on behalf of Company	Sartaj Sewa Singh	0.01
Reimbursement of expenses incurred by Company on behalf of	Aviral Crop Science Private Limited	0.02
Director sitting fees #	Chetan Desai	1.86
	Sangeeta Kapiljit Singh	1.84
	Sartaj Sewa Singh	1.88
Remuneration *	Nand Kishore Aggarwal	20.46
	Ankur Aggarwal	21.05
	Anil Jain	2.64
	Mohit Goel	0.83
	Vikram Singh	0.34

* excludes provision for gratuity and compensated absences, as these are determined on the basis of actuarial valuation for the Company as a whole and provision for incentive / variable pay.

excludes provision for commission of Rs. nil million (31 March 2022: 5.08) made during the year.



Crystal Crop Protection Limited

CIN- U01403GJ1994PLC097033

Notes to special purpose Unaudited condensed interim standalone financial statements for the three months period ended 30 June 2022

(All amounts are in Rs. millions, unless otherwise stated)

3 Related party transactions (cont'd)

d) In addition to the aforesaid related party transactions, certain directors and relative of directors of the Company have given their unconditional and irrevocable personal guarantee including first pari-passu charge in the form of equitable mortgage of property located at Plot no 88, Block A, Wazirpur Residential Scheme Ashok Vihar, Phase-I Delhi, owned by Mr. Nand Kishore Aggarwal and Mrs. Kanak Aggarwal for short-term borrowing facilities availed by the Company.

e) Outstanding balances as at year-end

Nature of balance outstanding	Name of related party	As at 30 June 2022
Remuneration payable	Nand Kishore Aggarwal	0.21
	Ankur Aggarwal	2.98
	Anil Jain	0.58
	Mohit Goel	0.20
	Vikram Singh	0.09
Trade payables	Modern Papers	217.90
	Nand Kishore Aggarwal	0.23
	Ankur Aggarwal	-
	Kanak Aggarwal	0.44
	Komal Aggarwal (wife of Ankur Aggarwal)	0.14
	Saffire Crop Science Private Limited	1.29
	Aviral Crop Science Private Limited	35.38
Director sitting fee payable	Chetan Dasai	1.52
	Sangeeta Kapiljit Singh	1.52
	Sartaj Sewa Singh	1.52
Advance to trade vendors	Quay Intech Private Limited	2.59
	Aviral Crop Science Private Limited	22.52
Trade receivable	Nexus Crop Science Private Limited	9.67
	Saffire Crop Science Private Limited	103.05
	Noha & Saffire Crop Science LLP	16.42
	KSK and Saffire Crop Science LLP	6.06
	Trinarti & Saffire Crop Protection LLP	0.41
	Jai Shriram Agro & Saffire Crop Science LLP	1.27
	Om Traders & Saffire Crop Science LLP	3.13
	Shri Prithvi Agro & Saffire Crop Science LLP	3.39
	Shree Motikheda & Saffire Crop Science LLP	2.25
	Naveen Agro & Saffire Crop Science LLP	0.60
Advance received from customers	Balaji & Saffire Crop Science LLP	0.06
	Neha & Saffire Crop Science LLP	0.06
	Kisan KSK & Saffire Crop Science LLP	0.01
	Vinayak Seeds & Saffire Crop Science LLP	1.90
Loans outstanding (asset)	Crystal Crop Protection Employee Welfare Trust	393.13
	Crystal Crop Techno Solutions Private Limited	4.67
Letter of comfort	Modern Papers	250.00
Security deposit given	Redson Retail and Realty Private Limited	2.34
Investments	Crystal Crop Protection (Australia) Pty Ltd.	1.53
	Crystal Crop Protection South Africa (Pty) Ltd.	6.70
	Nexus Crop Science Private Limited	29.90
	Crystal Crop Techno Solutions Private Limited	0.50
	Modern Papers	129.25
	Saffire Crop Science Private Limited	503.89
	Aviral Crop Science Private Limited	300.57

f) The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company continuously updates its documentation for the transactions entered into with the associated enterprises during the financial year and expects such records to be in existence before the due date of filing of income tax return. The management is of the opinion that such transactions with associated enterprises are at arm's length so that the aforesaid legislation will not have any impact on

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4. During the year 2019-20, the Company received notice/ inquiries regarding the receipt of Terminal Excise Duty ("TED") in previous years. The details are as follows:
Show cause notices ("SCNs") from the Directorate General of Foreign Trade ("DGFT") under the Foreign Trade (Development & Regulation) Act, 1992.
Various SCNs/letters have been issued by Additional DGFT, Ahmedabad, stating that the refunds of TED received by the Company on the basis of Advance Release Orders ("AROs") in the years ended 31 March 2015 and 2016 have been erroneously made since the supplies against the AROs were prior to the dates of issuance of AROs. Lastly, the Company received a SCN dated 5 November 2019 from the Office of Additional DGFT, Ahmedabad, directing to pay back TED refunds amounting to Rs. 1,094.17 million. Company received for the period of May 2012 to May 2015 in previous years, along with interest @ 15% p.a. from the date of receipt of TED refunds till the date the Company pays back the same. The Company had filed a writ petition before Hon'ble High Court of Gujarat challenging the legality of aforesaid Show Cause Notices. The Hon'ble High Court was pleased to stay the operation of the SCNs vide order dated 17 December 2019. The stay order passed by the High Court has been extended on various occasions and is continuing as on date.

First Information Report ("FIR") filed by the Central Bureau of Investigation ("CBI")

An FIR was registered on 18 January 2020 under the provisions of the Indian Penal Code, 1860 ("IPC") and the Prevention of Corruption Act, 1988 by CBI Gandhinagar. CBI has, inter alia, implicated the Company and three of its Directors, the former Joint Director, DGFT, and other unknown persons. The FIR is an off shoot of the SCNs issued by the Additional DGFT, Ahmedabad. As such, in addition to the concerns raised in the SCNs, the CBI has also alleged that the Company was not entitled to TED refunds because the goods against which the TED refunds were claimed were bought by the Company from one of its sister concerns. According to CBI, these goods were exempted from payment of Excise Duty and, thus, no TED refunds could have been granted to the Company. Further, concerns were raised regarding the validity of TED refunds granted to the Company by DGFT Ahmedabad, while the AROs were issued in favour of the Company by DGFT Mumbai. The FIR alleges that the Company has caused wrongful loss of Rs 202.66 million to the exchequer.

Further the CBI has filed chargesheet in this case and proceedings is pending at CBI Court Ahmedabad. The Company and two directors were summoned in the matter on 21 April 2022, matter was fixed for hearing in CBI Court on 30 April 2022 on which Company has obtained the copy of chargesheet. The amount alleged under dispute is Rs 755.31 million which is relating to supplies made prior to the date of issue of ARO. Next date of hearing in the matter is 25 August 2022.

The Company cooperated with the CBI in the investigation. In doing so, the Company had disputed the allegations in the FIR and produced all the relevant evidence in support of its case. The Company had made all necessary disclosures while filing applications seeking TED refunds from the authorities. The Company has necessary documentation and legal opinions to substantiate its stand. Accordingly, the Company is of the view that there has been no financial relation between the officials of DGFT and the Company or its directors. The allegations levelled in the FIR/ Chargesheet are based on erroneous construction of the Foreign Trade Policy and Handbook of Practice. The Company is confident of receiving favourable outcome on this matter.

Investigation by the Enforcement Directorate ("ED")

The ED issued summons dated 11 August 2020 to one of the directors of the Company, Mr. N.K. Aggarwal seeking production of documents relating to TED refunds issued by the DGFT Ahmedabad to the Company. The case registered by ED also finds its basis in the CBI's FIR and SCNs, as all enquiries/ investigation pertain to the TED refunds issued by the DGFT Ahmedabad to the Company. The required documents have been submitted and the officials of the Company are extending full cooperation to the ED. On 07 January 2021, ED issued a provisional attachment order and attached a fixed deposit of the Company worth of Rs 202.66 million. This provisional attachment order has been confirmed by the adjudicating authority on 6 September 2021, against which a writ petition has been by the company with the Hon'ble High Court Delhi on 16 September 2021. Next date of hearing is 15 September 2022. Parallely, the Company filed appeal before Appellate Tribunal, PMLA (ATMPLA), on dated 10 May 2022 challenging the order dated 6 September 2021 passed by the Ld. Adjudicating Authority under Prevention of Money Laundering Act, 2002.

Based on the legal opinion that the management has obtained, the management is of the view that the Company/ its directors have a very strong case and have sufficient evidence to prove their innocence. Management is confident that these matters would not be tenable at higher Jurisdictions or before the courts of law. Accordingly, management believes that no adjustments to the standalone financial statements are required.

5. Exceptional item

Exceptional item pertains to provision for the excise duty liability, including education cess and Interest thereon earned by the Company on account of the Hon'ble Supreme court order dated 22 April 2020 passed for the validity of the notification 19/2008 which provide the credit of the excise duty at 34% paid through Personal Ledger Account (PLA) as against the higher amount claimed by the Company vide notification no 36/2002 and interim order passed by the High Court in October 2012 in earlier years.

6. Segment reporting

Segment information is presented in respect of the Company's key operating segments. The operating segments are based on the Company's management and internal reporting structure.

The Company's Board of Directors have been identified as the Chief Operating Decision Maker ("CODM"), since they are responsible for all major decisions with respect to the preparation and execution of business plan, preparation of budget, planning, alliance, joint venture, merger and acquisition, and expansion of any new facility.

Board of Directors reviews the operating results of its "Agro activities" at Company level to assess its performance. Accordingly, there is only one reportable segment for the Company which is "Agro activities", involved in research, manufacturing and distribution of various products ranging from agrochemicals, seeds and farm equipments. Hence, no specific disclosures have been made.

Entity wide disclosures

- a) **Information about products and services:** The Company primarily deals in one business namely "agro activities", therefore product-wise revenue disclosure is not applicable.
- b) **Information about geographical areas:** The Company provides services to customers which are domiciled in India as well as outside India. All the non-current assets of the Company are located in India. The amount of revenue from external customers broken down by the location of the customers is as follows:

Revenue from external customers

	For the three months period ended 30 June 2022
Attributed to the Company's country of domicile, India	9,057.93
Attributed to foreign countries	180.14
	<u>9,238.07</u>

- c) **Revenue from key customers:** The Company is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.



7 During the year ended 31 March 2013, a fire broke out at the Company's godown at Kundli destroying Company's stock aggregating to Rs 222.15 million. The Company filed an insurance claim with New India Assurance Company Limited ("the insurance company") under the insurance cover taken from them. The Company recognised the amount of Rs 162.95 million as recoverable during the year ended 31 March 2013 based on the first surveyor report. However, the insurance company, vide its letter dated 12 March 2014, rejected the Company's claim based on the report of another surveyor appointed by the insurance company subsequently. The Company believed that the rejection of the claim by the insurance company was unjustified and hence filed a complaint under section 21 of the Consumer Protection Act 1986, against the insurance company on 22 April 2015 before the National Consumer Disputes Redressal Commission ("NCDRC"), New Delhi. After multiple hearings, NCDRC passed its order on 13 December 2019 in favour of the Company and directed the insurance company to pay the claim amount of Rs 162.95 million along with simple interest @ 9% from the date of repudiation of claim till the date of payment, for deficiency of service. A sum of Rs 0.5 million has also been awarded in favour of the Company towards harassment. After receiving the aforesaid order, the Company filed for execution of the said order before NCDRC. Meanwhile, the insurance company filed an appeal before Hon'ble Supreme Court against the order of NCDRC. The Hon'ble Supreme Court has directed the insurance company vide its order dated 09 October 2020 to deposit with the Court 40% of the principal amount which is due and payable under impugned judgement and order of the NCDRC within six weeks, to grant a stay of the execution of the decree, pending the disposal of appeal. The matter was listed on 30 September 2021, court has yet not taken up the matter and will be listed when regular matters will come for hearing, the Company and counsels are regularly monitoring this. Based on its evaluations, legal advice and the order of NCDRC, the management is extremely confident of successfully defending the Company's claim of Rs 162.95 million disclosed under other non-current financial assets as "insurance claim receivable".

8 There are no significant events after the reporting period, that would require adjustments or disclosures in the special purpose condensed interim standalone financial statements as on the Balance Sheet date.

The accompanying notes form an integral part of the special purpose condensed interim standalone financial statements.

For and on behalf of the Board of Directors of
Crystal Crop Protection Limited

For CRYSTAL CROP PROTECTION LIMITED

Nand Kishore Aggarwal
Executive Chairman
DIN: 00074107

Place : New Delhi
Date : 8 August 2022

DIRECTOR

For CRYSTAL CROP PROTECTION LIMITED

Ankur Aggarwal
Managing Director
DIN: 00074325

Place : New Delhi
Date : 8 August 2022

DIRECTOR

For CRYSTAL CROP PROTECTION LIMITED

Vikram Singh
Company Secretary
Membership No : F11620

Place : New Delhi
Date : 8 August 2022

COMPANY SECRETARY



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To,
The Board of Directors
Aviral Crop Science Private Limited
320/02, Flower Garden, K.H. Ranganatha Colony,
Opp. BHEL, Mysore Road Bangalore, Karnataka 560026

Subject :- Certification from Statutory Auditor for the proposed Accounting Treatment in the books of Aviral Crop Science Private Limited contained in the draft Scheme of Arrangement.

1. This Certificate is issued in accordance with the terms of our engagement letter dated 04th August 2022 with Aviral Crop Science Private Limited ('the Company' or 'the Demerged Company').
2. We, M/s Vijay Mukesh & Co., Chartered Accountants, the statutory auditors of Aviral Crop Science Private Limited ("Demerged Company"), have examined the proposed accounting treatment in the books of the Demerged Company, as specified in clause 19.1 under Part - B of the proposed Scheme attached herewith as Annexure 1, with regard to the demerger of the Agro Trading Business Undertaking from Demerged Company, of the proposed draft Scheme of Arrangement ("the Draft Scheme") between the Aviral Crop Science Private Limited ("Demerged Company") and Crystal Crop Protection Limited ("Resulting Company") and their respective shareholders and creditors in terms of provisions of Section 230 to 232 Company") and their respective shareholders and creditors in terms of provisions of Section 230 to 232 read with the applicable provision of the Companies Act, 2013 (the "Act") with reference to its compliance with the applicable Accounting Standards as specified under section 133 of the Act, read with rule made there under, and other Generally Accepted Accounting Principles.

The draft Scheme referred to above is subject to approval of National Company Law Tribunal ('NCLT') and statutory and regulatory authorities, as may be applicable.

Managements' Responsibility

3. The responsibility for the preparation of the draft Scheme and its compliance with the relevant laws and regulations, including compliance with the applicable Accounting Standards read with rules made there under and other Generally Accepted Accounting Principles as aforesaid, is that of the Board of Director of the Companies involved. This responsibility includes design, implementation and maintenance of internal control relevant to the preparation of the draft Scheme that complies with the applicable laws and regulation.

Auditor's Responsibility

4. Our responsibility is only to examine and report whether the accounting treatment referred to in Clause no. 19.1 of the Draft Scheme referred to above comply with the applicable accounting standards, and other generally accepted accounting principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements or the Company.
5. We carried out our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India ("ICAI") and Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable to the purpose of this certificate. This Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI



6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, "Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements". Further our examination did not extend to any other parts and aspects of a legal or Proprietary nature in the aforesaid draft Scheme.

Opinion

7. Based on our examination and according to the information and explanations given to us, we are of the opinion that the proposed accounting treatment in the books of Demerged Company specified in clause 19.1 under Part - B of the Draft Scheme is in compliance with all the applicable Accounting Standards as specified under section 133 of the Act, read with rule made there under, and Other Generally Accepted Accounting Principles.

For ease of reference, clause no.19.1 under Part - B under the draft Scheme in respect of the accounting treatment in the books of Demerged Company, duly authenticated on behalf of the Company, is reproduced as an Annexure 1 to this Certificate and is signed by us only for the purpose of identification.

Restriction on Use

8. This certificate is issued at the request of the Board of Directors of the Company solely for the purpose of filing with NCLT along with the draft Scheme pursuant to the provisions of Section 232 of the Act and relevant rules thereunder. This certificate should not be used for any other purpose without our prior consent. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other person to whom this certificate is shown or into whose hand it may come without our prior consent in writing

For Vijay Mukesh & Co.

Chartered Accountants

FRN :- 014554N

(CA Mukesh Jain)

Partner

M. No.: 094199

Place : Delhi

Dated: 05/08/2022

UDIN:- 22094199AOKAPS2102



ANNEXURE-1

EXTRACT FROM THE DRAFT SCHEME OF ARRANGEMENT (UNDER SECTION 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013) BETWEEN AVIRAL CROP SCIENCE PRIVATE LIMITED ("DEMERGED COMPANY") AND CRYSTAL CROP PROTECTION LIMITED ("RESULTING COMPANY") REGARDING ACCOUNTING TREATMENT FOR DEMERGER.

PART-B

19. ACCOUNTING TREATMENT FOR DEMERGER

19.1 Accounting treatment in the books of the Demerged Company:

Upon this Scheme becoming effective and with effect from the Appointed Date, Demerged Company shall account for the Demerger in accordance with applicable accounting standard and Generally Accepted Accounting Principles as applicable and notified under section 133 of the Act read with relevant rules issued thereunder such that:

- (a) All the assets, liabilities and allocated reserves of the Demerged Undertaking as appearing in the books of accounts of the Demerged Company shall stand transferred to and vested in the Resulting Company pursuant to the Scheme and shall be reduced from the respective book value of assets, liabilities, and reserves of the Demerged Company.
- (b) Inter-company loans and advances, receivables, payables, and other dues outstanding between the Demerged Company and the Resulting Company relating to the Demerged Undertaking will stand cancelled and there shall be no further obligation / outstanding in that behalf.
- (c) The difference, if any, between the book value of assets of the Demerged Undertaking of the Demerged Company transferred to Resulting Company less the book value of the liabilities of the Demerged Undertaking of the Demerged Company transferred to the Resulting Company, shall be recognized in Capital Reserve Account.

For Vijay Mukesh & Co.
Chartered Accountants
FRN :- 014554N

(CA Mukesh Jain)
Partner
M. No.: 094199



Place : Delhi
Dated: 05/08/2022
UDIN:- 22094199AOKAPS2102

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Independent auditor's certificate on the proposed accounting treatment included in the draft scheme of arrangement pursuant to sections 230 to 232 and other applicable provisions of the Companies Act, 2013, and the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

To,
The Board of Directors,
Crystal Crop Protection Limited
B-95, Wazirpur Industrial Area Road
Block B, Phase 2, Ashok Vihar
Delhi - 110052

1. This certificate is issued in accordance with the terms of our engagement letter dated 24 August 2022 with Crystal Crop Protection Limited ('the Company' or 'Resulting Company').
2. We, the statutory auditors of the Company, have examined the proposed accounting treatment specified in Clause 19.2 of Part B of the draft scheme of arrangement between the Company and Aviral Crop Science Private Limited ('the Demerged Company') and their respective shareholders and creditors (hereinafter referred to as the 'Draft Scheme') as approved by the Board of Directors in their meeting held on 21 June 2022, in terms of the provisions of the Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ('the Act') the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ('the rules') with reference to its compliance with the accounting standards prescribed under section 133 of the Act, read with relevant rules issued thereunder (the 'applicable accounting standards') and other generally accepted accounting principles in India. A certified true copy of the Draft Scheme, with the proposed accounting treatment specified in Clause 19.2 of Part B of the Draft Scheme, as attached herewith in Appendix I, has been initialed and stamped by us for identification purpose only.

Management's Responsibility

3. The responsibility for the preparation of the Draft Scheme, and its compliance with the relevant laws and regulations, including the applicable accounting standards and other generally accepted accounting principles in India, is that of the management/ Board of directors of the companies involved. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Draft Scheme and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Management is also responsible for ensuring that the Company complies with the requirements of the Act and the rules, and the applicable accounting standards, in relation to the Draft Scheme, and for providing all relevant information to the relevant National Company Law Tribunal(s).

CERTIFIED TRUE COPY

For CRYSTAL CROP PROTECTION LIMITED

[Signature]

DIRECTOR

Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurgaon, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune



Walker Chandio & Co LLP is registered with Internal Auditors with identification number AAC-2085 and is registered office at L-11 Connaught Place, New Delhi, 110004, India.

Chartered Accountants

Auditor's Responsibility

5. Pursuant to the requirements of the relevant laws and regulations, it is our responsibility to provide a reasonable assurance as to whether the proposed accounting treatment specified in Clause 19.2 of Part B of the Draft Scheme complies with the applicable accounting standards and other generally accepted accounting principles.
6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by the ICAI.

Opinion

8. Based on our examination as above and according to the information and explanations given to us, along with the representations provided by the management, in our opinion, the proposed accounting treatment specified in clause 19.2 of Part B of the Draft Scheme, attached herewith and stamped by us for identification only, is in compliance with the applicable accounting standards and other generally accepted accounting principles in India.

Restriction on distribution or use

9. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the requirements of the provisions of Sections 230 to 232 and other applicable provisions of the Act read with the rules, for onward submission along with the Draft Scheme to the relevant National Company Law Tribunal(s). Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have as statutory auditors of the Company or otherwise. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as statutory auditors of the Company.
10. This certificate is issued at the request of the Company's management for onward submission along with the Draft Scheme to the relevant National Company Law Tribunal(s). Accordingly, this certificate may not be suitable for any other purpose, and should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

For **Walker Chandok & Co LLP**
Chartered Accountants
Firm Registration No.: 001076N/N500013

**Nitin
Toshniwal**

Digitally signed by
Nitin Toshniwal
Date: 2022.09.01
18:21:35 +05'30'



Nitin Toshniwal
Partner
Membership No. 507568
UDIN: 22507568AQONEI8267
Place: Gurugram
Date: 01 September 2022



Extract from the Draft Scheme of arrangement for demerger of Aviral Crop Science Private Limited ("Demerged Company") into Crystal Crop Protection Limited ("Resulting Company")

Accounting treatment in the books of Resulting Company:

19.2. Upon this Scheme becoming effective, the Resulting Company shall account for the amalgamation of Demerged Undertaking in accordance with "Pooling of interest method" as laid down under Appendix C of Indian Accounting Standard – 103 on Business Combinations notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, such that:

- a) All the assets, liabilities and allocated reserves of the Demerged Undertaking as appearing in the books of the Demerged Company shall be accounted in the books of the Resulting Company at their respective carrying values in the same form as appearing in the books of the Demerged Company.
- b) All inter-company loans and advances, investments, receivables, payables, and other dues outstanding between the Demerged Company and the Resulting Company relating to the Demerged Undertaking will stand cancelled and there shall be no further obligation / outstanding in that behalf.
- c) The Resulting Company shall credit to its Equity Share Capital account with the aggregate face value of the Equity Shares, issued, and allotted by it to the shareholders of the Demerged Company pursuant to Clause 17.1 of this Scheme.
- d) The difference, if surplus, arising between the carrying value of the assets, liabilities and allocated reserves of the Demerged Undertaking, after taking the effect of clause 19.2(b), acquired pursuant to this Scheme by the Resulting Company, and amount credited to the Equity Share Capital under clause 19.2(c) above shall be credited to the Capital reserve in the books of the Resulting Company and would be presented separately from other capital reserves with disclosure of its nature and purpose in the notes to the financial statements of the Resulting Company. If such difference is a deficit, then the same shall be adjusted with existing revenue reserves of the Resulting Company in absence of any capital reserves.
- e) In case of any differences in accounting policies between the Demerged Company and the Resulting Company, the accounting policies followed by the Resulting Company shall prevail and the impact of such differences shall be adjusted in the revenue reserves of Resulting Company, to ensure that the financial statements reflect the financial position on the basis of consistent accounting policies.
- f) The financial information in the financial statements of Resulting Company in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if the common control has been established after the beginning of the preceding period in the financial statements, the prior period information shall be restated only from that date.

For Crystal Crop Protection Limited

**Nand Kishore
Aggarwal**

Name: Nand Kishore Aggarwal
Director
DIN: 00074107

Digitally signed by Nand Kishore Aggarwal
DN: cn=Nand Kishore Aggarwal, o=Crystal Crop Protection Limited, ou=Directors, email=Nand.Kishore@crystalcrop.com, c=IN

SIGNED FOR
IDENTIFICATION
PURPOSES ONLY



Route Map

Venue of the Meeting - B-95, Wazirpur Industrial Area, Delhi – 110052

