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forming part of the financial statements for the year ended 31st March 2018

1. Company background:

Monsanto India Limited (the 'Company') was incorporated on December 8, 1949. The Company's corporate office is in Mumbai. The Company is engaged in the business of production and sale of agricultural inputs, namely chemicals and hybrid seeds. It has a chemical production unit at Silvassa, hybrid seeds processing and drying units at Hyderabad and breeding stations at Bangalore and Udaipur.

2. Significant accounting policies:

2.1 Statement of compliance:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind ASs") notified under the Companies (Indian Accounting Standards) Rules, 2015. These are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2016. Refer Note 3 for the details of first-time adoption exemptions availed by the Company.

Up to the year ended March 31, 2017, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which included Standards notified under the Companies (Accounting Standards) Rules, 2006.

2.2 Other significant accounting policies:

A. Basis of preparation of financial statements:

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is calculated as per Ind AS 113 being the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company considers the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

B. Non-current assets held for sale:

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use as per Ind AS 105. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

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

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C. Property, Plant and Equipment and Depreciation

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes all costs incurred to bring the assets to their present location and condition. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The estimated useful lives of the assets are as follows:

Asset type	Range of Useful Life (In Years)
Buildings #	30
Plant and Equipment * #	15
Furniture and Fixtures	10
Office Equipments	5
Vehicles	8
Computers & equipment	3-6

* Based on technical evaluation, management believes that the useful lives of Dryers should be 20 years as that best represents the period over which the management expects to use the assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Buildings and Plant and Equipments include associated electrical installations. Plant and Equipments also include laboratory equipments. These assets (electrical installations and laboratory equipments) are being depreciated as per useful life defined in Part C of Schedule II of the Companies Act, 2013.

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

D. Intangible assets and amortisation

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

The estimated useful lives of the assets are as follows:

Asset type	Range of Useful Life (In Years)
Computer Software	6 years

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

E. Non-current assets held for sale

The Company classifies assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sale will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

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Assets classified as held for sale are measured at the lower of carrying amount and the fair value less cost to sell. Such assets are not depreciated or amortised.

F. Impairment

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

G. Inventories:

Inventories are measured at the lower of their cost and net realizable value after providing for obsolescence and other losses.

Costs of inventories comprise all costs of purchase – net of Goods and Services Tax and other costs incurred in bringing the inventory to their present location and condition.

Cost of Raw Materials, Packing Materials and finished goods (traded goods) are determined on weighted average cost basis.

Cost of Work in Progress and Finished Goods (manufactured) inventories are determined by the absorption costing method.

H. Biological assets:

The biological assets of the Company represent the unharvested / standing crops of Corn as on the reporting date.

Ind AS 41, Agriculture, requires that biological assets shall be recognized at its fair value less point of sale costs, except when there is inability to measure fair value reliably.

There are neither observable market prices for these Biological assets nor are there alternative estimates of fair value that are determined to be clearly reliable that give a fair expression of the fair values. Hence, the standing crops of corn are measured at initial recognition and at each financial reporting date at cost. This comprises any cost attributable in bringing Biological assets to its location and condition intended by the management.

I. Research and development expenditure

Expenditure on research is recognised as and when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognised as an expense when it is incurred.

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Items of property. plant and equipment for research and development are capitalized and depreciated in accordance with the policies stated for property. plant and equipment.

J. Financial instruments:

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

1. Initial Recognition:

Financial assets

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

Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of payables, net of directly attributable transaction costs.

2. Financial assets

2.1 Classification and subsequent measurement of financial assets:

Classification of financial assets:

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

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

The classification is done depending upon the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income, as elected.

3. Subsequent measurement

3.1 Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

3.2 Fair value through other comprehensive income (FVOCI):

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

3.3 Fair value through profit or loss (FVTPL):

Assets that do not meet the criteria for amortised cost or fair value through OCI, are measured at fair value through profit or loss e.g. investments in mutual funds. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the Statement of Profit and Loss within other gains/(losses) in the period in which it arises.

i. Impairment of financial assets:

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVOCI.

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The Company measures the loss allowance at an amount equal to lifetime expected credit losses. For the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet, ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

ii. *Derecognition financial assets:*

A financial asset is derecognised only when Company has transferred the rights to receive cash flows from the financial asset. Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

iii. *Foreign exchange gains and losses :*

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency, denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.

iv. *Income recognition*

9.1 Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

9.2 Dividends

Dividends on all equity instruments whether measured at FVTOCI or FVTPL, are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

K. Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non-financial asset or a group of non-financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

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An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off.

L. Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits.

M. Revenue recognition:

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates, discounts, other similar allowances and goods and service tax (GST), as applicable.

Revenue is recognized when it is earned, it can be measured reliably and no significant uncertainty exists as to its realization or collection.

Revenue on sale of products is recognized on delivery or dispatch of the products, when all significant contractual obligations have been satisfied, the property in the goods is transferred for a price, significant risks and rewards of ownership have been transferred and no effective ownership control is retained.

Royalty arrangements that are based on production, sales and other measures are recognised by reference to the underlying arrangement.

Revenue in respect of interest income is recognised on a basis of effective interest method as set out in Ind AS 109, Financial Instruments, and where no significant uncertainty as to measurability or collectability exists.

N. Foreign currency transactions:

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

Transactions in foreign currency (i.e. transaction in a currency other than the Company's functional currency) are recorded at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction. Exchange differences arising on settlement of revenue transactions are recognized in the statement of profit and loss.

Monetary items denominated in foreign currency are restated using the exchange rates prevailing at the date of the balance sheet. Gains / losses arising on restatement and on settlement of such assets and liabilities are recognized in the statement of profit and loss.

O. Employee benefits:

Contributions to provident fund, a defined contribution scheme are made as required by the statute and expensed to the statement of profit and loss.

Contributions to superannuation fund, a defined contribution scheme managed by a life insurance company are expensed to the statement of profit and loss.

The Company participates in a group gratuity cum life insurance scheme administered by a life insurance company. Being a defined benefit plan, annual contributions made to the scheme are as per the intimations received from the life insurance company. The Company accounts for liability for future gratuity benefits based on an actuarial valuation by an independent actuary. The net present value of the Company's obligation is determined based on the projected unit credit method as at the Balance Sheet date. Shortfall if any, between the balance in the fund with life insurance company and the actuarial valuation is expensed to the statement of profit and

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loss. The actuarial gains and losses are recognized in Other Comprehensive Income which gets reflected immediately in retained earnings and is not reclassified to the statement of profit and loss.

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by an employee is recognized during the period when the employee renders the service.

The liability for compensated absences is another long-term benefit and is wholly unfunded. The liability for number of days of unutilized leave at each Balance Sheet date is provided for based on an independent actuarial valuation. The actuarial gains and losses are recognized immediately in the statement of profit and loss.

P. Share based payment transactions:

The Company does not provide any equity-based compensation to its employees. However, the parent Company, Monsanto Company, USA ("the grantor" / "parent company") has established the Monsanto Company Long Term Incentive Plan in which eligible employees of the Company participate. Eligible employees are granted stock options (SO's) and restricted share units (RSU's), which vest over a period of 3 years from the date of the grant.

Employee Stock Options (SOs') and restricted share units (RSUs) issued by the parent company are accounted for as equity-settled as the Company has no obligation to settle the share-based payment transaction and the shares granted are of parent Company. Company recognises the expense over the vesting period, which is the period over which all the specified vesting conditions are to be satisfied, based on the fair value of the SO's/RSUs as determined on the grant date. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in the Statement of Profit and Loss, with a corresponding adjustment to other equity.

In case where there is a recharge from the parent company, the Company will account for the same as an adjustment to other equity.

Q. Leases:

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. The Company has only operating leases.

Company as Lessor:

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

Company as Lessee:

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

R. Provisions, contingent liabilities and contingent assets:

Provisions involving a substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

A restructuring provision is recognised when the Company has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main

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features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

Contingent liabilities are not recognized but are disclosed in the financial statements. Contingent assets are neither recognized nor disclosed in the financial statements.

S. Taxation:

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current Tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred Tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income, in which case, the current and deferred tax are also recognised in other comprehensive income.

T. Earnings per share:

The Company Reports Earnings Per Share (EPS) in accordance with Ind AS 33 on Earnings Per Share. Basic EPS is computed by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year.

U. Cash flow statement:

The Cash Flow Statement is prepared by the indirect method set out in Ind AS 7 on Cash Flow Statement and presents cash flows by operating, investing and financing activities of the Company. Cash and cash equivalents presented in the cash flow statement consists of cash on hand, balances with banks in current accounts and demand deposits with banks with original maturity less than 3 months.

V. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

3. First-time adoption – mandatory exceptions and optional exemptions:

3.1 Overall principle:

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2016 (the transition date) by recognising all assets and liabilities whose recognition

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is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exceptions and certain optional exemptions availed by the Company as detailed below:

3.2 Exceptions applied:

3.2.1 Use of estimates:

The estimates at April 1, 2016 and March 31, 2017 are consistent with those made for the same dates in accordance with Previous GAAP (after adjustments to reflect any differences in accounting policies). The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at April 1, 2016, the date of transition to Ind AS and as of March 31, 2017.

3.3 Exemptions applied:

3.3.1 Deemed cost for property, plant and equipment and intangible assets

The Company has elected the exemption of previous GAAP carrying value of all its Property, Plant and Equipment and Intangible Assets recognised as of April 1, 2016 (transition date) as deemed cost.

4. Critical Accounting judgements and key sources of estimation uncertainty:

In the application of the Company's accounting policies, which are described in note 2, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

4.1 Useful lives of property, plant and equipment and intangible assets

The Management reviews the estimated useful lives and residual value of Property, plant and equipment at the end of each reporting period. The factors such as changes in the expected level of usage, number of shifts of production, technological developments and product life-cycle, could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation charge could be revised and thereby could have an impact on the profit of the future years.

4.2 Impairment of property, plant and equipment and intangible assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset.

4.3 Agriculture activity / Biological asset

The biological assets of the Company represent the unharvested / standing crops of Corn as on the reporting date.

Ind AS 41, Agriculture, requires that biological assets shall be recognized at its fair value less point of sale costs, except when there is inability to measure fair value reliably.

There are neither observable market prices for these Biological assets nor are there alternative estimates of fair value that are determined to be clearly reliable that give a fair expression of the fair values. Hence, the standing crops of corn are measured at initial recognition and at each

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financial reporting date at cost. This comprises any cost attributable in bringing Biological assets to its location and condition intended by the management.

4.4 Inventory obsolescence

Provision for inventory obsolescence is based on the management's review considering historical trend and market conditions.

4.5 Deferred income tax assets and liabilities

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits. The amount of total deferred tax assets could change if estimates of projected future taxable income or if tax regulations undergo a change.

4.6 Employee benefits obligation

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

4.7 Contingent liabilities

From time to time, the Company is subject to legal proceedings, the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavorable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.

5. Standards issued but not yet effective:

The standards and interpretations that are issued, but not yet effective up to the date of issuance of the financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

(a) Appendix B to Ind AS 21, Foreign currency transactions and advance consideration

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The Company is currently evaluating the requirements of amendments. The Company believe that the adoption of this amendment will not have a material effect on its financial statements.

(b) Ind AS 115- Revenue from Contract with Customers

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

(i) Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors

Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach) The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

The Company is currently evaluating the requirements of amendments. The Company believe that the adoption of this amendment will not have a material effect on its financial statements.

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6. Property, plant and equipment and Intangible assets

(₹ in crores)

Particulars	Gross block (at deemed cost)				Depreciation				Net block
	As at 1st April 2017	Additions	Deletions	As at 31st March 2018	As at 1st April 2017	For the year	Deletions	As at 31st March 2018	As at 31st March 2018
A. Property, plant & equipment									
Land	12.95	-	-	12.95	-	-	-	-	12.95
Buildings	34.68	2.76	0.26	37.18	1.46	2.18	0.08	3.56	33.62
Plant and equipment	46.90	17.94	0.40	64.44	4.02	7.33	0.29	11.06	53.38
Furniture and fixtures	2.35	0.28	0.15	2.48	0.43	0.37	0.15	0.65	1.83
Office equipment	4.31	0.22	0.09	4.44	0.54	0.73	0.08	1.19	3.25
Vehicles	1.86	6.90	-	8.76	0.16	0.76	-	0.92	7.84
Computers & equipment	1.54	3.86	0.01	5.39	1.28	1.52	0.01	2.79	2.60
Total Property, plant & equipment	**104.59**	**31.96**	**0.91**	**135.64**	**7.89**	**12.89**	**0.61**	**20.17**	**115.47**
B. Intangible assets									
Softwares	0.55	0.06	0.02	0.59	0.04	0.10	0.02	0.12	0.47
Total Intangible assets	**0.55**	**0.06**	**0.02**	**0.59**	**0.04**	**0.10**	**0.02**	**0.12**	**0.47**

(₹ in crores)

Particulars	Gross block (at deemed cost)				Depreciation				Net block	
	As at 1st April 2016	Additions	Deletions	As at 31st March 2017	As at 1st April 2016	For the year	Deletions	As at 31st March 2017	As at 31st March 2017	As at 1st April 2016
A. Property, plant & equipment										
Land	12.95	-	-	12.95	-	-	-	-	12.95	12.95
Buildings	25.41	9.88	0.61	34.68	-	1.72	0.26	1.46	33.22	25.41
Plant and equipment	39.71	8.12	0.93	46.90	-	4.68	0.66	4.02	42.88	39.71
Furniture and fixtures	1.68	0.79	0.12	2.35	-	0.54	0.11	0.43	1.92	1.68
Office equipment	2.26	2.05	-	4.31	-	0.54	-	0.54	3.77	2.26
Vehicles	1.32	0.64	0.10	1.86	-	0.26	0.10	0.16	1.70	1.32
Computers & equipment	0.66	0.88	-	1.54	-	1.28	-	1.28	0.26	0.66
Total Property, plant & equipment	**83.99**	**22.36**	**1.76**	**104.59**	**-**	**9.02**	**1.13**	**7.89**	**96.70**	**83.99**
B. Intangible assets										
Softwares	0.06	0.49	-	0.55	-	0.04	-	0.04	0.51	0.06
Total Intangible assets	**0.06**	**0.49**	**-**	**0.55**	**-**	**0.04**	**-**	**0.04**	**0.51**	**0.06**

Notes

forming part of the financial statements for the year ended 31st March 2018

(₹ in crores)

	Particulars	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
		Non-Current	Current	Non-Current	Current	Non-Current	Current
7	**Other financial assets**						
	Financial assets at amortised cost						
	Accrued interest	-	0.02	-	0.03	-	0.01
	Security deposits						
	- Unsecured, considered good	1.07	-	1.04	-	0.98	-
	Total other financial assets	**1.07**	**0.02**	**1.04**	**0.03**	**0.98**	**0.01**

(₹ in crores)

	Particulars	For the Year ended 31st March 2018			
		Opening Balance	Recognised in profit and Loss	Recognised in OCI	Closing Balance
8 (a)	**Deferred tax**				
	Tax effect of items constituting deferred tax assets / (liabilities)				
	Property, Plant and Equipment	0.23	0.14	-	0.37
	Other expenditure allowable on payment basis	(0.10)	2.17	-	2.07
	Provision for doubtful debts and advances	0.28	(0.17)	-	0.11
	Minimum Alternate Tax	-	3.07	-	3.07
	Others	(0.17)	0.17	-	-
	Net tax asset / (liability)	**0.24**	**5.38**	**-**	**5.62**

(₹ in crores)

Particulars	For the Year ended 31st March 2017			
	Opening Balance	Recognised in profit and Loss	Recognised in OCI	Closing Balance
Tax effect of items constituting deferred tax assets / (liabilities)				
Property, Plant and Equipment	0.31	(0.08)	-	0.23
Other expenditure allowable on payment basis	1.33	(1.43)	-	(0.10)
Provision for doubtful debts and advances	0.43	(0.15)	-	0.28
Others	(0.17)	-	-	(0.17)
Net tax asset / (liability)	**1.90**	**(1.66)**	**-**	**0.24**

Notes

forming part of the financial statements for the year ended 31st March 2018

(₹ in crores)

	Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
8 (b)	**Current tax and deferred tax**		
	(a) Income tax recognised in profit or loss		
	Current tax:		
	In respect of current year	9.52	10.49
	In respect of prior years	1.94	(0.61)
	In respect of prior year towards minimum alternate tax	(3.07)	-
	Deferred tax:		
	In respect of current year	(2.31)	1.66
	Total income tax expense recognised in the current year	**6.08**	**11.54**
	(b) Income tax recognised in other Comprehensive income		
	- Income tax relating to items that will not be reclassified to profit or loss	(0.26)	0.12
	Total	**(0.26)**	**0.12**
	(c) Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:		
	Profit before tax from continuing operations	**170.64**	**162.98**
	Income tax expense calculated at 34.61% (previous year 34.61%)	59.07	56.40
	Effect of income that is exempt from taxation	(51.16)	(48.28)
	Effect of expenses that is non-deductible in determining taxable profit	0.42	3.78
	Others	(1.12)	1.08
	Changes in estimates related to prior years	-	(0.83)
	Total (A)	**7.21**	**12.15**
	Adjustments recognised in the current year in relation to the current tax of prior years (B)	**1.13**	**0.61**
	Charge in respect of previous year	(1.94)	0.61
	Unrecognised MAT Credit	3.07	-
	Income tax expense recognised in profit and loss (A) - (B)	**6.08**	**11.54**

The tax rate used for the year 2016 - 17 and 2017 - 18 reconciliations above is the corporate tax rate of 34.608% (30% + surcharge @12% and education cess @ 3%) payable on taxable profits under the Income Tax Act, 1961.

(₹ in crores)

	Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
9	**Non-current tax assets (net)**			
	Advance tax	259.08	158.42	147.05
	Less: Provision for tax	(149.60)	(104.82)	(104.65)
	Advance tax (net of provisions)	**109.48**	**53.60**	**42.40**

Notes

forming part of the financial statements for the year ended 31st March 2018

(₹ in crores)

	Particulars	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
		Non-Current	Current	Non-Current	Current	Non-Current	Current
10	**Other assets**						
	Capital advances	-	0.37	-	5.70	-	-
	Balances with government authorities (other than income taxes)	-	13.71	-	1.45	-	1.59
	Advance payment towards gratuity fund	11.16	-	4.38	-	6.90	-
	Prepaid expenses	0.25	2.01	0.48	2.06	0.45	1.83
	Advance to suppliers	-	19.98	-	16.68	-	8.04
	Advance to employees	0.75	0.81	0.85	0.28	0.92	0.24
	Recoverable from related parties (refer note 33)	-	0.67	-	2.61	-	5.32
	Total other assets	**12.16**	**37.55**	**5.71**	**28.78**	**8.27**	**17.02**

	Particulars	(₹ in Crores)
11	**Biological assets**	
	Reconciliation of carrying amount	
	Balance at 1st April, 2016	**3.27**
	Addition to unharvested seeds	3.01
	Decreases due to harvested seeds transferred to inventories	(3.27)
	Balance at 31st March 2017	**3.01**
	Addition to unharvested seeds	4.99
	Decreases due to harvested seeds transferred to inventories	(3.01)
	Balance at 31st March 2018	**4.99**

The biological assets of the Company represent the standing crops of corn as on the reporting date.

There are neither observable market prices for these biological assets nor are there alternative estimates of fair value that are determined to be clearly reliable that give a fair expression of the fair values. Hence, the standing crops of corn are measured at initial recognition and at each financial reporting date at cost. This comprises any cost attributable in bringing Biological assets to its location and condition intended by the management.

Risk management strategy related to agricultural activities

The Company is exposed to the following risks relating to corn seeds cultivation:

Regulatory and environmental risk

The Company is subject to laws and regulations in India and is required to comply with local environmental and other laws.

Supply and demand risk

The Company is exposed to risks arising from fluctuations in the price and sales volume of corn. Management performs regular industry trend analysis for projected harvest volumes and pricing to manage this risk.

Notes

forming part of the financial statements for the year ended 31st March 2018

Climate and other risk

The Company's corn plantations are exposed to the risk of damage from climatic changes, diseases and other natural forces. The Company has extensive processes in place aimed at monitoring and mitigating those risks, including preventive pest and disease sprays, regular inspection of crops in its growth phase, regular weather monitoring and mitigating measures.

(₹ in crores)

	Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
12	**Inventories**			
	(a) Raw materials	25.67	5.42	28.12
	(b) Work-in-progress	114.73	73.68	82.87
	(c) Finished goods	43.65	36.83	59.86
	(d) Others (packing material)	6.77	6.11	4.92
	Total inventories (at lower of cost and net realisable value)	**190.82**	**122.04**	**175.77**
	Included above, goods-in-transit:			
	(i) Raw materials	8.64	-	-

(₹ in crores)

	Particulars	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
		No. of units	Amounts	No. of units	Amounts	No. of units	Amounts
13	**Investments**						
	Investments measured as fair value through profit and loss						
	Unquoted investments (all fully paid)						
	In Mutual Funds						
	Liquid funds: Daily Dividend:						
	1. ICICI Prudential Liquid Fund Regular Plan	10,077,320	100.98	11,800,566	118.12	5,521,254	55.25
	2. Birla Sun Life Cash Plus Regular Plan	10,656,804	106.86	11,932,877	119.56	5,464,162	54.75
	3 . Reliance Liquid Fund	674,755	103.21	721,178	110.25	310,651	47.49
	Total investments		**311.05**		**347.93**		**157.49**
	Aggregate book value of:						
	Quoted investments		-		-		-
	Unquoted investments		311.05		347.93		157.49
	Aggregate fair value of:						
	Quoted investments		-		-		-
	Unquoted investments		311.05		347.93		157.49
	Aggregate amount of impairment in value of investments		-		-		-

Notes

forming part of the financial statements for the year ended 31st March 2018

(₹ in crores)

	Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
14	**Trade receivables**			
	Trade receivables			
	(a) Unsecured, considered good	30.91	15.35	11.60
	(b) Doubtful	2.74	3.09	0.42
	Less: Allowance for doubtful trade receivable	(2.74)	(3.09)	(0.42)
	Total trade receivables	**30.91**	**15.35**	**11.60**
	Of the above, trade receivables from:			
	- Related parties	2.54	0.42	0.43
	- Others	28.37	14.93	11.17
	Total trade receivables	**30.91**	**15.35**	**11.60**
15	**Cash and bank balances**			
	Cash and cash equivalents			
	(a) Balances with banks	1.85	3.11	2.98
	(B) Deposits with original maturity of less than three months	12.09	5.82	2.38
	Total cash and cash equivalents	**13.94**	**8.93**	**5.36**
	Other bank balances			
	(a) Unpaid dividend account	0.70	0.63	0.54
	(b) Balances held as margin money against guarantees with original maturity of more than three months and less than twelve months	0.64	0.66	0.60
	Total other bank balances	**1.34**	**1.29**	**1.14**
16	**Assets classified as held for sale**			
	Land held for sale (refer note below)	0.23	0.23	0.23
	Plant & Machinery held for sale (refer note below)	0.50	0.50	0.89
	Buildings held for sale (refer note below)	3.59	3.59	3.78
	Total assets classified as held for sale	**4.32**	**4.32**	**4.90**

Note :

The Company has closed its manufacturing operations at Bellary consisting of land, plant & equipment and building. Management is in the process of disposal of such assets which have been recorded at lower of carrying amount and fair value less cost to sell under "asset classified as held for sale". Management expects the process of sale to be completed within 12 months from 31st March 2018.

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forming part of the financial statements for the year ended 31st March 2018

(₹ in crores)

	Particulars	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
		No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
17	**Equity share capital**						
	Authorised:						
	Equity shares of ₹ 10 each with voting rights	20,000,000	20.00	20,000,000	20.00	20,000,000	20.00
	Issued and Subscribed :						
	Equity shares of ₹ 10 each with voting rights	17,263,048	17.26	17,263,048	17.26	17,263,048	17.26
	Issued, Subscribed and Fully Paid:						
	Equity shares of ₹ 10 each with voting rights	17,262,748	17.26	17,262,748	17.26	17,262,748	17.26
	Total		**17.26**		**17.26**		**17.26**

Rights, preferences and restrictions attached to equity shares :

(i) Right to receive dividend as may be approved by the Board of Directors / Annual General Meeting.

(ii) Every member of the Company holding equity shares is eligible for one vote per share held.

(iii) The equity shares are not repayable except in the case of a buy back, reduction of capital or winding up in terms of the provisions of the Companies Act, 2013, as applicable.

(iv) Monsanto company USA, the ultimate holding company has certain rights enshrined in the Articles of Association pertaining to appointment of Directors.

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the period.

Particulars	As at 31st March 2018		As at 31st March 2017	
	No. of shares	Amount	No. of shares	Amount
Outstanding at the beginning of the year	17,262,748	17.26	17,262,748	17.26
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	**17,262,748**	**17.26**	**17,262,748**	**17.26**

(ii) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:

Particulars	No. of equity shares
As at 31st March 2018	
Monsanto Company USA, the ultimate holding company	2,316,920
Monsanto Investments India Private Limited, the holding company	10,137,124
Total	**12,454,044**
As at 31st March 2017	
Monsanto Company USA, the ultimate holding company	2,316,920
Monsanto Investments India Private Limited, the holding company	10,137,124
	12,454,044
As at 1st April 2016	
Monsanto Company USA, the ultimate holding company	2,316,920
Monsanto Investments India Private Limited, the holding company	10,137,124
	12,454,044

Notes

forming part of the financial statements for the year ended 31st March 2018

(iii) Details of shares held by each shareholder holding more than 5% shares:

Particulars	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares						
Monsanto Company USA, the ultimate holding company	2,316,920	13.42%	2,316,920	13.42%	2,316,920	13.42%
Monsanto Investments India Private Limited, the holding company	10,137,124	58.72%	10,137,124	58.72%	10,137,124	58.72%

(iv) Aggregate number and class of shares allotted as fully paid up bonus shares for a period of 5 years immediately preceding the Balance Sheet date:

Particulars	Aggregate number of shares					
	As at 31st March 2018	As at 31st March 2017	As at 31st March 2016	As at 31st March 2015	As at 31st March 2014	As at 31st March 2013
Equity Shares of face value of ₹ 10/- each	-	-	-	-	-	300

(v) Shares reserved for issue under commitment :

300 shares are the subject matter of disputes / court proceedings, the Company has not therefore been able to issue / allot rights and bonus share entitlements to holders.

(₹ in crores)

	Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
18	**Other equity**			
	General reserve	128.05	128.05	128.05
	Securities premium	139.40	139.40	139.40
	Share options outstanding			
	Balance at the beginning of the year	**2.56**	**3.28**	**3.28**
	Add: Employee stock option expense	1.49	(0.48)	-
	Less: Stock options exercised	0.74	0.24	-
	Closing balance	**3.31**	**2.56**	**3.28**
	Surplus in the Statement of Profit and Loss			
	Opening balance	**246.52**	**128.13**	**89.62**
	Add: Profit for the current year	164.56	151.44	100.84
	Add Adjustments			
	Re-measurement (gain)/loss on post employment benefit obligation (net of tax)	3.95	-	-
	Less: Adjustments			
	Re-measurement (gain)/loss on post employment benefit obligation (net of tax)	-	1.89	-
	Share based payment	0.33	-	-
	Interim dividend	51.79	25.89	51.79
	Tax on interim dividend	10.54	5.27	10.54
	Closing balance	**352.37**	**246.52**	**128.13**
	Total other equity	**623.13**	**516.53**	**398.86**

Notes

forming part of the financial statements for the year ended 31st March 2018

Description of nature and purpose of each reserve

General Reserve - General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

Securities Premium Reserve - When the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to "Securities Premium Reserve". The Company may issue fully paid up bonus shares to it's members out of the securities premium reserve and the Company can use this reserve for buy-back of shares.

Share options outstanding account relates to stock options granted by the ultimate holding company to employees under an employee stock options plan. Refer Note 26 for share based payments

(₹ in crores)

Particulars	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	Non-Current	Current	Non-Current	Current	Non-Current	Current
19 Provisions						
(a) Provision for employee benefits						
(i) Compensated absences	6.64	0.45	8.63	0.26	7.87	0.25
(ii) Provision for taxation (net of advance tax of ₹ 5.01 Crores, previous year ₹ 32.44 Crores)	-	0.16	-	5.59	-	2.45
(b) Other provisions						
(i) Marketing schemes (refer note below)	-	8.00	-	9.00	-	11.33
Total provisions	**6.64**	**8.61**	**8.63**	**14.85**	**7.87**	**14.03**

Details of movement in other provisions is as follows:

Particulars	Marketing Schemes
Balance at 1st April 2016	**11.33**
Additional provisions recognised	4.46
Amounts used during the period	(6.79)
Balance at 31st March 2017	**9.00**
Balance at 1st April 2017	**9.00**
Additional provisions recognised	4.54
Amounts used during the period	(5.54)
Balance at 31st March 2018	**8.00**

Marketing schemes

Provision has been made for expected Marketing Schemes floated for customers/consumers based on the management estimates of the future outflow based on sales.

Notes

forming part of the financial statements for the year ended 31st March 2018

(₹ in crores)

	Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
20	**Trade payables**			
	Current			
	Trade payable - Micro and small enterprises (refer note 41)	-	0.26	0.44
	Trade payable - Other than micro and small enterprises	133.83	93.17	49.24
	Total trade payables	**133.83**	**93.43**	**49.68**

Trade Payables are payables in respect of the amount due on account of goods purchased or services received in the normal course of business. The average credit period on purchase of goods and services is in the range of 15 to 45 days and no interest is charged on the outstanding balance.

Based on the information available with the Company, there are no outstanding dues and payments made to any supplier of goods and services beyond the specified period under Micro, Small and Medium Enterprises Development Act, 2006 [MSMED Act]. There is no interest payable or paid to any suppliers under the said Act.

	Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
21	**Other current financial liabilities**			
	Other financial liabilities measured at amortised cost			
	(a) Security deposit	15.19	14.33	11.69
	(b) Unpaid dividend	0.70	0.63	0.54
	(c) Liability towards employees	3.52	3.37	3.48
	Total other current financial liabilities	**19.41**	**18.33**	**15.71**
22	**Other current liabilities**			
	(a) Advances received from customers	25.82	22.56	14.68
	(b) Statutory dues (Tax deducted at source, provident fund etc)	5.32	7.19	7.07
	Total other current liabilities	**31.14**	**29.75**	**21.75**

(₹ in crores)

	Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
23	**Revenue from operations**		
	(a) Revenue from sale of products (net of returns)	667.44	640.91
	(b) Other operating revenue	4.68	4.89
	Total revenue from operations	**672.12**	**645.80**
	(a) Sale of products		
	i. Agriculture chemicals	185.66	219.79
	ii. Seeds	481.78	421.12
		667.44	**640.91**
	(b) Other operating revenue		
	i. Royalty income	3.50	4.17
	ii. Tolling income (net)	1.18	0.72
		4.68	**4.89**

Notes

forming part of the financial statements for the year ended 31st March 2018

(₹ in crores)

	Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
24	**Other income**		
	(a) Interest income on financial assets at amortisation cost		
	- Fixed Deposit	0.17	0.18
	(b) Dividend income from current investments	15.72	11.45
	(c) Other non operating income	1.33	1.24
	Total other income	**17.22**	**12.87**
25(a)	**Cost of materials consumed and other inputs**		
	Opening stock	5.42	28.12
	Add: Purchases	150.04	101.47
		155.46	**129.59**
	Less: Closing stock	25.67	5.42
	Raw materials consumed	**129.79**	**124.17**
	(b) Seed grower payments and other inputs	190.57	116.07
	(c) Packing material consumed	22.25	18.96
	Total cost of material consumed and other inputs	**342.61**	**259.20**

Cost of material consumed and other inputs above, includes research & development expenses of ₹ 3.42 Crores (Previous Year ₹ 4.02 Crores).

	Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
25(b)	**Changes in inventories of finished goods, work-in-progress and stock-in-trade**		
	Inventories at the end of the year:		
	Finished goods	43.65	36.83
	Biological assets	4.99	3.01
	Work-in-progress	114.73	73.68
		163.37	**113.52**
	Inventories at the beginning of the year:		
	Finished goods	36.83	59.86
	Biological assets	3.01	3.27
	Work-in-progress	73.68	82.87
		113.52	**146.00**
	(Increase)/decrease in excise duty on finished goods	0.42	(2.01)
	Net (increase) / decrease	**(49.43)**	**30.47**
26	**Employee benefits expense**		
	(a) Salaries and wages, including bonus	47.48	37.75
	(b) Contribution to provident and other funds	5.32	3.77
	(c) Share based payment transactions expenses		
	Equity-settled share-based payments	1.49	(0.48)
	(d) Staff welfare expenses	0.57	0.46
	Total employee benefits expense	**54.86**	**41.50**

Employee benefit expenses above, includes research & development expenses of ₹ 7.78 Crores (Previous Year ₹ 5.64 Crores).

Notes

forming part of the financial statements for the year ended 31st March 2018

Share based payment expenses

The Company does not provide any equity-based compensation to its employees. However, the parent Company, Monsanto Company, USA ("the grantor"/"parent company") has established the Monsanto Company Long Term Incentive Plan in which eligible employees of the Company participate. Eligible employees are granted stock options (SO's) and restricted share units (RSU's), which vest over a period of 3 years from the date of the grant.

Employee Stock Options (SOs') and restricted share units (RSUs) issued by the parent company are accounted for as equity-settled as the Company has no obligation to settle the share-based payment transaction and the shares granted are of parent Company. Company recognises the expense over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied, based on the fair value of the SO's/RSUs, as determined on the grant date. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in the Statement of Profit and Loss, with a corresponding adjustment to Other Equity.

In case where there is a recharge from the parent company, the Company will account for the same as an adjustment to Other Equity.

Details of outstanding restricted share units and stock options as at 31st March 2018 :

Particulars	No of shares	Fair value at Grant Date (in ₹)
Restricted share Units		
Granted in FY 15-16	1,197	5950
Granted in FY 16-17	3,763	6825-7360
Granted in FY 17-18	2,507	7859
Total (A)	**7,467**	
Stock Options		
Granted in FY 08-09	200	1848
Granted in FY 10-11	771	889
Granted in FY 11-12	865	1070-1092
Granted in FY 12-13	1,455	1104-1158
Granted in FY 13-14	1,748	1404-1482
Granted in FY 14-15	3,430	1491-1557
Granted in FY 15-16	4,424	1343-1615
Granted in FY 16-17	80	1570
Total (B)	**12,973**	
Grand total (A) + (B)	**20,440**	

Movement in Share Options	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Equity-settled share-based payments	**No of shares**	**No of shares**
Outstanding at the beginning of the period	20,216	32,552
Granted during the period	2,507	4,718
Transferred in/out during the period	1,142	(4,652)
Exercised during the period	(3,425)	(12,402)
Outstanding at the end of the period	**20,440**	**20,216**

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Details of stock options execrised during the year ended 31st March 2018

Particulars	No of shares	Fair value at Grant Date (in ₹)
Granted in FY 07-08	220	5,513
Granted in FY 11-12	47	4,856
Granted in FY 12-13	297	5,829
Granted in FY 13-14	340	6,880
Granted in FY 14-15	1,351	7,549
Granted in FY 15-16	170	6,931
Granted in FY 16-17	1,000	7,604
Total	**3,425**	

Each option is estimated on the date of grant using the Black Scholes model. The following tables list the inputs to the [Option pricing model] used for the years ended (during current year there are no grants of stock options) :

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Expected volatility (%)	-	29.20%
Expected life of the options	-	7 Years
Risk-free interest rate (%)	-	1.40%
Grant year	-	FY 2016 - 17
Expiry year	-	FY 2026 - 17
Expected dividends (%)	-	2.30%

(₹ in crores)

	Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
27	**Finance costs**		
	(a) On Security deposits	1.10	1.04
	(b) On delayed payment of taxes	0.25	0.06
	Total finance costs	**1.35**	**1.10**
28	**Other expenses**		
	Manpower & labour charges	21.77	17.13
	Stores consumed	0.55	0.36
	Power & fuel	7.18	5.43
	Rent including lease rentals	10.22	10.83
	Repairs and maintenance - Buildings	0.36	0.26
	Repairs and maintenance - Machinery	3.38	3.55
	Repairs and maintenance - Others	0.44	0.34
	Insurance	1.44	1.10
	Rates and taxes	9.79	7.38
	Freight outward	22.08	21.43
	Travel and entertainment	10.89	7.69
	Vehicle expenses and hire charges	8.03	6.51

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(₹ in crores)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Loss on sales of fixed assets (net)	0.28	0.60
Advertisement & promotion expenses	10.62	8.72
Commission and royalty	11.37	7.84
Provision for doubtful trade receivables	1.76	2.67
Consultancy fees	10.68	10.03
Foreign exchange loss (net)	-	0.27
Expenditure on corporate social responsibilty (CSR) under section 135 of the Companies Act, 2013.	2.61	3.58
Excise duty on sale of products	9.16	27.28
Miscellaneous expenses	12.41	10.07
Total other expenses	**155.02**	**153.07**
Payment to Auditors		
Audit fees	0.12	0.21
Tax audit	0.03	0.05
Other services	0.05	0.05
Total	**0.20**	**0.31**

i Other expenses includes research & development expenditure, the details are given below :

(₹ in crores)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Advertising and Promotion	-	0.01
Consultancy Fees	0.18	0.06
Consumption of Stores and Spare parts	0.11	0.08
Depreciation and amortisation expense	4.05	2.68
Freight, Forwarding Charges	0.77	0.67
Insurance	0.22	0.13
Manpower and labour Charges	4.91	4.09
Loss on sale/disposal of fixed assets (net)	-	0.10
Power and Fuel	2.16	2.64
Rates and Taxes	1.32	1.20
Rent	1.19	0.70
Repairs and Maintenance	0.43	0.62
Travel and Entertainment	1.67	1.90
Vehicle Expenses and Hire Charges	3.03	1.68
Miscellaneous Expenses	1.01	0.77
Total	**21.05**	**17.33**

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forming part of the financial statements for the year ended 31st March 2018

29 Financial instruments

Capital management

The Company funds its operations mainly through initial equity capital contribution from the parent and later through efficient working capital management and retained earnings. The Company's capital management strategy is to ensure adequate capital base to sustain its business as a going concern and invest in the growth of the business for generating sustained stakeholder value.

The capital structure of the Company comprises only of Equity (Share Capital and other equity reserves) as disclosed in the Statement of Changes in Equity. It does not have any long-term debt obligation.

There is no change in the overall capital risk management strategy of the Company compared to last year.

Categories of financial assets and financial liabilities

(₹ in crores)

Particulars	As at 31st March 2018			As at 31st March 2017			As at 1st April 2016		
	Amortised Costs	FVTPL	Total	Amortised Costs	FVTPL	Total	Amortised Costs	FVTPL	Total
Non-current assets									
Other financial assets	1.07	-	1.07	1.04	-	1.04	0.98	-	0.98
Current assets									
Investments	-	311.05	311.05	-	347.93	347.93	-	157.49	157.49
Trade receivables	30.91	-	30.91	15.35	-	15.35	11.60	-	11.60
Cash and cash equivalents	13.94	-	13.94	8.93	-	8.93	5.36	-	5.36
Other bank balances	1.34	-	1.34	1.29	-	1.29	1.14	-	1.14
Other financial assets	0.02	-	0.02	0.03	-	0.03	0.01	-	0.01
Total	**47.28**	**311.05**	**358.33**	**26.64**	**347.93**	**374.57**	**19.09**	**157.49**	**176.58**
Current liabilities									
Trade payables	133.83	-	133.83	93.43	-	93.43	49.68	-	49.68
Other financial liabilities	19.41	-	19.41	18.33	-	18.33	15.71	-	15.71
Total	**153.24**	**-**	**153.24**	**111.76**	**-**	**111.76**	**65.39**	**-**	**65.39**

Financial Risk Management Framework

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. In order to manage the aforementioned risks, the Company has adequate risk management policies to ensure timely identification and evaluation of risk, setting acceptable thresholds, identifying and mapping controls against these risks, monitoring the risks and their limits.

Credit Risk

(i) Credit risk management

Credit risk arises when a counterparty defaults on its contractual obligations to pay, resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining collaterals (such as Security Deposit) as a means of mitigating the risk of financial loss from defaults. The Company's exposure and credit ratings of its counterparties are continuously monitored based on the counterparty's past performance and business dynamics. Credit exposure is controlled by counterparty limits that are reviewed and approved by the credit risk and monitoring team at regular intervals.

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Trade receivables consist of a large number of customers, spread across the country, primarily in rural areas. Ongoing credit evaluation is performed on the financial condition and performance of accounts receivable. The average credit period is about 60 days. The Company's trade and other receivables consists of a large number of customers, hence the Company is not exposed to concentration risk

The credit risk on mutual funds is limited because the Company invests in large and consistently performing fund houses with high credit-ratings assigned by international credit-agencies.

The Company applies the simplified approach to providing for expected credit losses prescribed by Ind AS 109, which permits the use of the lifetime expected loss provision for all trade receivables. The Company has computed expected credit losses based on a provision matrix which uses historical credit loss experience of the Company and individual receivable specific provision where applicable.

The Company has not recorded any impairment of receivables relating to amounts owed by related parties for years ended March 2018, March 2017 and as on 1 April 2016 because it has evaluated their credit risk as low considering the financial stability of the ultimate parent.

There is no change in estimation techniques or significant assumptions during the reporting period.

(₹ in crores)

Ageing of trade receivables	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016	Expected credit loss %
Within the credit period	58.85	44.68	28.68	0%
1 - 90 days past due	21.06	14.86	9.46	0%
90 - 180 days past due	8.33	3.78	3.15	5%
180 - 360 days past due	0.64	3.82	3.27	40%
More than 365 days past due	2.22	0.84	0.71	100%
Accrual towards discounts	(60.19)	(52.63)	(33.66)	
Total trade receivables	**30.91**	**15.35**	**11.61**	

Reconciliation of loss allowance provision for Trade Receivables

(₹ in crores)

Particulars	As at 31st March 2018	As at 31st March 2017
Balance as at beginning of the year	**3.09**	**0.42**
Net provision created in the year based on expected credit losses model	1.10	2.89
Amounts written off during the year as uncollectible	(1.45)	(0.22)
Balance at end of the year	**2.74**	**3.09**

Notes

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Liquidity Risk

(i) Liquidity risk management

Company manages the day-to-day operations and liquidity position. The Company has been consistently on a net cash position, having restricted its long term liabilities to minimal. Investments are made only in high rated debt-oriented mutual funds to ensure quick access withdrawal in order to meet urgent fund requirements. The Company enjoys favourable ratings and risk profile with its bankers, giving it access to credit from the bank, if needed. The Treasury team also manages liquidity by continuous monitoring of the actual and forecasted cash flows.

(ii) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

(₹ in crores)

Particulars	Weighted Average effective Interest Rate	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above	Carrying Amount
	INR	INR	INR	INR	INR	INR
Non-derivative financial liabilities						
31-Mar-18						
Non-interest bearing (Trade payables)	-	133.83	-	-	-	133.83
Fixed interest rate instruments (Security Deposits from customers)	6%	15.19	-	-	-	15.19
Total		**149.02**	**-**	**-**	**-**	**149.02**
31-Mar-17						
Non-interest bearing (Trade payables)	-	93.43	-	-	-	93.43
Fixed interest rate instruments (Security Deposits from customers)	6%	14.33	-	-	-	14.33
Total		**107.76**	**-**	**-**	**-**	**107.76**
1-Apr-16						
Non-interest bearing (Trade payables)	-	49.68	-	-	-	49.68
Fixed interest rate instruments (Security Deposits from customers)	6%	11.69	-	-	-	11.69
Total		**61.37**	**-**	**-**	**-**	**61.37**

Market Risk

The Company faces two types of market risks: price risk pertaining to investments in mutual funds and currency risk due to exposure to exchange fluctuations for transactions undertaken in foreign currency. The exposure to price risk is limited since its investments are mainly maintained in high rated, consistently performing, debt-oriented mutual funds. Currency exposure is restricted to a small value of imports and exports in widely traded and less volatile currencies.

There has been no significant changes to the Company's exposure to market risk or the methods in which they are managed or measured.

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Currency Risk

The Company's exposure in foreign currency is limited, however, it is exposed to foreign exchange risks arising from import and export of goods and services. Foreign exchange risk arises from recognised assets and liabilities, when they are denominated in a currency other than India Rupee. The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities all of which are unhedged at the end of the reporting period are as follows:

(Values in Crores)

Particulars	Currency	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Trade receivables	USD	0.00	(0.01)	-
	INR	0.17	(0.90)	-
Trade payables	USD	(0.10)	(0.11)	(0.14)
	BDT	(0.63)	(0.63)	(0.67)
	NPR	(0.06)	(0.06)	(0.06)
	MXN	(0.04)	-	-
	EUR	(0.00)	(0.00)	(0.00)
	INR	(7.35)	(7.68)	(10.23)
Recoverable from related parties	USD	(0.00)	0.00	0.01
	INR	(0.26)	0.28	0.68
Advance to suppliers	USD	0.00	0.08	0.00
	INR	0.01	4.93	0.18

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and BDT exchange rates, with all other variables held constant. The impact of sensitivity of foreign currency fluctuations on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

(₹ in Crores)

Particulars	Currency	Change in rate	Effect on profit before tax
31-Mar-18	USD	+10%	(0.66)
	USD	-10%	0.66
	BDT	+5%	(0.02)
	BDT	-5%	0.02
31-Mar-17	USD	+10%	(0.27)
	USD	-10%	0.27
	BDT	+5%	(0.03)
	BDT	-5%	0.03

Note: The changes in the fair value of monetary assets and liabilities have no impact on the pre-tax equity

Notes

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30 Employee benefits

a. Defined contribution plan

During the year ended 31st March 2018 an amount of ₹ 5.32 crores have been recognized in the Statement of Profit or Loss under the head Employee Benefits Expense towards Company's contribution to Provident Fund and Superannuation Fund (previous year ₹ 3.77 Crores).

b. Defined benefit plans :

(i) Gratuity

The Company participates in a group gratuity cum life insurance scheme administered by a life insurance company. Being a defined benefit plan, annual contributions made to the scheme are as per the intimations received from the life insurance company. The Company accounts for liability for future gratuity benefits based on an actuarial valuation by an independent actuary. The net present value of the Company's obligation is determined based on the projected unit credit method as at the Balance Sheet date. Shortfall if any, between the balance in the fund with life insurance company and the actuarial valuation is expensed to the statement of profit and loss.

Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

- **Interest rate risk**

  The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

- **Salary inflation risk**

  Higher than expected increases in salaries will increase the defined benefit obligations of the Company

- **Demographic risk**

  This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria.

- **Investment risk**

  The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit.

The most recent actuarial valuation of the plan assets and the present value of defined benefit obligation were carried out as at 31st March, 2018 by independent actuary. The present value of the defined obligation and the related current service cost and past service cost were measured using the projected unit credit method. The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

	Valuation as of		
	31st March 2018	**31st March 2017**	**31st March 2016**
Discount Rate	7.60%	7.30%	8.00%
Expected rate of salary increase	10.00%	10.00%	10.00%
Mortality rate	Indian Assured Lives Mortality (2006-08) (modified) Ult	Indian Assured Lives Mortality (2006-08) (modified) Ult	Indian Assured Lives Mortality (2006-08) (modified) Ult
Withdrawal / Attrition rate	Upto 4 years: 14% 5 years and above: 5%	Upto 4 years: 14% 5 years and above: 1%	Upto 4 years: 14% 5 years and above: 1%

Notes

forming part of the financial statements for the year ended 31st March 2018

Defined benefit plans – as per actuarial valuation on 31 March

(₹ in crores)

Particulars	Funded Plan	
	Gratuity	
	31st March 2018	31st March 2017
Amounts recognised in Statement of Profit & Loss in respect of these defined benefit plans are as follows:		
Service cost :		
Current service cost	2.63	2.48
Settlement cost / (credit)	-	(1.42)
Net interest expense	(0.33)	(0.55)
Components of defined benefit costs recognised in profit or loss (A)	**2.30**	**0.51**
Remeasurement on the net defined benefit liability		
Return on plan assets (greater) / less than discount rate	(0.23)	(0.12)
Actuarial gains and loss arising from changes in financial assumptions	(2.68)	2.43
Actuarial gains and loss arising from experience adjustments	(1.30)	(0.30)
Components of defined benefit costs recognised in other comprehensive income (B)	**(4.21)**	**2.01**
Total (A) + (B)	**(1.91)**	**2.52**
I. Net Asset/(Liability) recognised in the Balance Sheet as at		
1. Present value of defined benefit obligation as at 31st March	(21.66)	(27.29)
2. Fair value of plan assets as at 31st March	32.82	31.66
3. Surplus/(Deficit)	11.16	4.37
4. Current portion of the above	-	-
5. Non-current portion of the above	11.16	4.37
II. Change in the obligation during the year ended		
1. Present value of defined benefit obligation at the beginning of the year	**27.29**	**24.86**
2. Expenses Recognised in Profit and Loss Account		
- Current Service Cost	2.63	2.48
- Interest Expense (Income)	1.94	1.88
3. Settlement cost / (credit)		(1.41)
4. Acquisition cost / (credit)	(4.67)	-
5. Recognised in Other Comprehensive Income		
Remeasurement gains / (losses)		
- Actuarial Gain (Loss) arising from:		
ii. Financial Assumptions	(2.68)	2.44
iii. Experience Adjustments	(1.30)	(0.32)
6. Benefit payments	(1.54)	(2.64)
Present value of defined benefit obligation at the end of the year	**21.67**	**27.29**
III. Change in the fair value of the assets during the year ended		
1. Present value of fair value of assets at the beginning of the year	**31.67**	**31.76**
2. Expenses Recognised in Profit and Loss Account		
- Expected returns on plan assets	2.26	2.43

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forming part of the financial statements for the year ended 31st March 2018

(₹ in crores)

Particulars	Funded Plan	
	Gratuity	
	31st March 2018	31st March 2017
3. Recognised in Other Comprehensive Income		
Remeasurement gains / (losses)		
- Actuarial Gain (Loss) arising from:		
Financial Assumptions	0.23	0.11
4. Contribution by employer	0.20	-
5. Benefit payments	(1.54)	(2.64)
Present value of fair value of assets at the end of the year	**32.82**	**31.66**
IV. The Major categories of plan assets		
Government of India Securities (Central and State)	44.43%	35.61%
High Quality corporate bonds (including Public Sector Bonds)	31.77%	39.67%
Mutual Fund Units / Equity shares of listed companies	8.43%	20.19%
Cash (including Special Deposits)	-	2.46%
Others (including FDs and special deposits)	15.37%	2.07%
Total	**100.00%**	**100.00%**

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Principal assumption	Year	Changes in assumption	Impact on defined benefit obligation	
			Increase in assumption	Decrease in assumption
Discount Rate	2018	1%	(1.96)	2.26
Discount Rate	2017	1%	(3.39)	4.02
Salary growth rate	2018	1%	2.19	(1.94)
Salary growth rate	2017	1%	3.86	(3.34)
Withdrawal / Attrition Rate	2018	5%	(1.46)	2.46
Withdrawal / Attrition Rate	2017	5%	(2.92)	0.90

The above sensitivity analyses are 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 analyses did not change compared to previous period.

The weighted average duration of the defined benefit obligation as at 31st March 2018 is 10 years (previous year 14 years)

The expected rate of return on plan assets is based on the average long term rate of return expected on investments of the fund during the estimated term of obligation.

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

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Maturity profile of defined benefit obligation:

	31st March 2018	31st March 2017
Within 1 year	0.96	0.27
1 – 2 year	1.33	0.33
2 – 3 year	1.21	0.65
3 – 4 year	1.38	0.46
4 – 5 year	1.86	0.56
5 – 10 year	14.72	9.10

(ii) Compensated absences :

The liability towards compensated absences (earned leave and sick leave) for the year ended 31st March 2018 based on actuarial valuation carried out by using projected cost benefit method resulted in decrease in liability by ₹ 1.80 crores (previous year increase in liability by ₹ 0.78 crores).

	Valuation as of		
	31st March 2018	31st March 2017	1st April 2016
Discount Rate	7.60%	7.30%	8.00%
Expected rate of salary increase	10.00%	10.00%	10.00%

31 First time adoption of Ind-AS

First time Ind-AS adoption reconciliation

i. Reconciliation of total equity as at 31st March 2017 and 1st April 2016 :

(₹ in Crores)

Particulars	Notes	As at 31st March 2017	As at 1st April 2016
Equity as reported under previous GAAP		**529.62**	**413.25**
Ind AS: Adjustments increase (decrease) :			
Change in accounting of share based payments plans which were earlier accounted for as cash settled schemes, now accounted as equity settled schemes	A	0.92	1.05
Reclassification of ESOP Liability to Equity		2.56	3.28
Impairment of trade receivables based on expected credit loss model instead of identified loss model	D	0.66	(1.78)
Deferred tax on Ind AS Adjustments	C	0.03	0.32
Equity as reported under IND AS		**533.79**	**416.12**

Notes

forming part of the financial statements for the year ended 31st March 2018

ii. Reconciliation of total comprehensive income for the year ended 31st March 2017 :

(₹ in Crores)

Particulars	Notes	Year ended 31st March 2017
Profit or Loss as per previous GAAP		**147.53**
Ind AS: Adjustments increase (decrease):		
Change in accounting of share based payments plans which were earlier accounted for as cash settled schemes, now accounted as equity settled schemes	A	(0.10)
Remeasurement of employee defined benefit obligations reclassified to other comprehensive income	B	2.01
Impairment of trade receivables based on expected credit loss model instead of identified loss model	D	2.40
Tax effect of above adjustments	C	(0.40)
Total adjustment to profit or loss		**3.91**
Profit or Loss under Ind AS		**151.44**
Other Comprehensive Income (net of Tax)	C	(1.89)
Total comprehensive income under Ind AS		**149.55**

Note: No statement of comprehensive income was produced under previous GAAP. Therefore, the reconciliation starts with profit under previous GAAP.

iii. There are no material adjustments to the Statement of Cash Flows

iv. Notes to the reconciliation to previous GAAP :

A. Under previous GAAP, the share based payments plan, offered by its ultimate parent, Monsanto Company USA, to the Company's employees comprising of stock options and equity based awards (RSU's) were accounted for as cash settled schemes wherein the compensation cost was measured by reference to the fair value as of the reporting date. Under Ind-AS, the Company has accounted for these as equity settled schemes using the fair value at the respective grant dates.

B. Under the previous GAAP, actuarial gains and losses on employee defined benefit obligations were recognised in profit or loss. Under Ind AS, the actuarial gains and losses on re-measurement of net defined benefit obligations are recognised in other comprehensive income. This resulted in a reclassification between profit or loss and other comprehensive income.

C. Deferred tax has been recognised on the adjustments made on transition to Ind AS.

D. Under previous GAAP, the Company had created allowance for trade receivables based on incurred loss model, which under Ind-AS has been determined based on lifetime Expected Credit Loss model.

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32 Leases

Operating leases where Company is a lessee:

The Company has entered into lease arrangements pertaining to vehicles, office equipments, warehouses and office building. These leases are cancellable or non-cancellable and are executed for a period ranging from 11 to 48 months and may be renewed for further varied periods based on mutual agreement of the parties.

(₹ in Crores)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Future non-cancellable minimum lease commitments		
- not later than one year	4.06	2.37
- later than one year but not later than five years	4.40	3.23
Expenses recognised in the Statement of Profit and Loss		
Minimum Lease Payments		
- Cancellable	10.74	11.13
- Non-Cancellable	5.52	4.55

33 Related party transactions :

Names of related parties and description of relationship

A. Ultimate holding company : Monsanto Company, USA

B. Holding company : Monsanto Investments India Private Limited

C. Fellow subsidiaries :

Monsanto Holdings Private Limited, Monsanto Pakistan Agritech (Pvt) Ltd, Monsanto Singapore Co Pte Ltd, Beijing New Millenium Fen, Monsanto Europe SAS, Monsanto SAS France, Monsanto International S.A.R.L., Monsanto Ag Product LLC, Seminis Vegetable Seeds Inc., Monsanto Nigeria, Mahyco Monsanto Biotech (I) Pvt. Ltd., Semy Agro Monsanto and City Guadalajara, Jalisco, Monsanto South Africa Ltd.

D. Key Managerial Personnel :

Ms. Shilpa Shridhar Divekar, Managing Director

(₹ in crores)

Nature of Transactions	Year Ended 31st March 2018					Year Ended 31st March 2017				
	Ultimate Holding Company	Holding Company	Fellow Subsidiary	Key Managerial Personnel	Total	Ultimate Holding Company	Holding Company	Fellow Subsidiary	Key Managerial Personnel	Total
Purchase of Goods	**121.85**	**-**	**-**	**-**	**121.85**	**78.72**	**-**	**-**	**-**	**78.72**
Monsanto Company, USA	121.85	-	-	-	121.85	78.72	-	-	-	78.72
Sale of Goods	**-**	**-**	**10.24**	**-**	**10.24**	**-**	**-**	**6.64**	**-**	**6.64**
Monsanto Nigeria	-	-	2.54	-	2.54	-	-	-	-	-
Monsanto Pakistan Agri-tech (Pvt) ltd	-	-	7.70	-	7.70	-	-	6.64	-	6.64
Consultancy Fees	**-**	**-**	**0.70**	**-**	**0.70**	**-**	**-**	**0.87**	**-**	**0.87**
Monsanto Holdings Private Limited	-	-	0.70	-	0.70	-	-	0.87	-	0.87
Royalty Expense	**11.37**	**-**	**-**	**-**	**11.37**	**7.84**	**-**	**-**	**-**	**7.84**
Monsanto Company, USA	11.37	-	-	-	11.37	7.84	-	-	-	7.84
Rent	**-**	**-**	**0.90**	**-**	**0.90**	**-**	**-**	**0.82**	**-**	**0.82**
Monsanto Holdings Private Limited	-	-	0.90	-	0.90	-	-	0.82	-	0.82
Remuneration	**-**	**-**	**-**	**3.32**	**3.32**	**-**	**-**	**-**	**1.51**	**1.51**
Shilpa Shridhar Divekar	-	-	-	3.32	3.32	-	-	-	1.51	1.51

Notes

forming part of the financial statements for the year ended 31st March 2018

(₹ in crores)

Nature of Transactions	Year Ended 31st March 2018					Year Ended 31st March 2017				
	Ultimate Holding Company	Holding Company	Fellow Subsidiary	Key Managerial Personnel	Total	Ultimate Holding Company	Holding Company	Fellow Subsidiary	Key Managerial Personnel	Total
Reimbursement of Expenses (Net)	**(0.89)**	**-**	**(4.66)**	**-**	**(5.55)**	**(0.65)**	**-**	**18.73**	**-**	**18.08**
Monsanto Company, USA	(0.89)	-	-	-	(0.89)	(0.65)	-	-	-	(0.65)
Monsanto Singapore Co Pte Ltd	-	-	*	-	.	-	-	-	-	-
Semy Agro Monsanto and City	-	-	-	-	-	-	-	-	-	-
Guadalajara, Jalisco	-	-	(0.13)	-	(0.13)	-	-	-	-	-
Monsanto Australia Ltd	-	-	(0.66)	-	(0.66)	-	-	-	-	-
Monsanto International S.A.R.L	-	-	(0.01)	-	(0.01)	-	-	*	-	-
Monsanto Ag Prod uct LLC	-	-	(3.43)	-	(3.43)	-	-	(0.73)	-	(0.73)
Mahyco Monsanto Biotech (I) Pvt Ltd .	-	-	7.41	-	7.41	-	-	6.64	-	6.64
Seminis Vegetable Seeds Inc	-	-	(0.01)	-	(0.01)	-	-	(0.01)	-	(0.01)
Monsanto South Africa Ltd	-	-	-	-	-	-	-	0,07	-	0.07
Monsanto Holdings Private Limited	-	-	(7.83)	-	(7.83)	-	-	12 .76	-	12 .76
Payment of Dividends	**6.95**	**30.41**	**-**	**-**	**37.36**	**3.48**	**30.41**	**-**	**-**	**33.89**
Monsanto Company, USA	6.95	-	-	-	6.95	3.48	-	-	-	3.48
Monsanto Investment s Indi a Private Limited	-	30.41	-	-	30.41	-	30.41	-	-	30.41
Balances outstanding at end of the year Sundry Debtors	**-**	**-**	**2.54**	**-**	**2.54**	**-**	**-**	**0.42**	**-**	**0.42**
Monsanto Nigeria	-	-	2.54	-	2.54	-	-	0.42	-	0.42
Loans and Advances	**-**	**-**	**0.67**	**-**	**0.67**	**-**	**-**	**2.60**	**-**	**2.60**
Monsanto Pakistan Agri-tech (Pvt) Ltd	-	-	0.01	-	0.01	-	-	0.01	-	0.Dl
Monsanto Holdings Private Limited	-	-	-	-	.	-	-	1.93	-	1.93
Mahyco Monsanto Biotech (I} Pvt Ltd.	-	-	0.52	-	0.52	-	-	0.52	-	0.52
Beijing New Millenium Ltd	-	-	0.01	-	0.01	-	-	0.01	-	0.01
Monsanto South Africa Ltd	-	-	0.13	-	0.13	-	-	0.13	-	0.13
Sundry Creditors	**42.92**	**-**	**5.34**	**-**	**48.26**	**23.16**	**-**	**0.18**	**-**	**23.34**
Monsanto Australia Ltd	-	-	0.53	-	0.53	-	-	-	-	-
Seminis Seeds (Beijing) Co. ltd	-	-	0.04	-	0.04	-	-	0.03	-	0.03
Monsanto Holdings Privat e Limited	-	-	4.16	-	4.16	-	-	-	-	-
Monsanto Europe SAS	-	-	0.01	-	0.01	-	-	*	-	*
Monsanto SAS France	-		0.11		0.11	-		0.10		0.10
Monsanto International S.A.R.L	-	-	0.02	-	0.02	-	-	0.01	-	0.01
Semy Agro Monsanto and City Guadalajara, Jalisco	-	-	0.13	-	0.13	-	-	-	-	-
Monsanto Ag Product LLC	-	-	0.33	-	0.33	-	-	-	-	0.04
Seminis Vegetable Seeds Inc	-	-	0.01	-	0.01	-	-	0.04	-	-
Monsanto Company, USA @	42.92	-	-	-	42.92	23.16	-	-	-	23.16

* Amount less than one lakh rupees

@ does not include provision created for ESOP scheme of Monsanto Company, USA for employees of the company.

34 Earnings per share

Basic and diluted earnings per share

The earnings and weighted average number of ordinary shares used in the calculations of basic earnings per share are as follows:

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Profit attributable to Equity Shareholders (₹ in Crores)	164.56	151.44
Weighted average no. of equity shares outstanding during the year for basic and diluted earning per share	17,262.748	17,262.748
Basic and diluted earnings per share	95.34	87.74

Note - There is no dilution to the basic EPS as there are no outstanding potentially dilutive equity shares.

Notes

forming part of the financial statements for the year ended 31st March 2018

35 Fair Value Measurement

Fair valuation techniques and inputs used - recurring Items

(₹ in crores)

Financial assets/ financial liabilities measured at Fair value	Fair value as at			Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value and sensitivity
	31st March 2018	31st March 2017	1st April 2016				
Financial assets Investments in mutual fund	311.05	347.93	157.49	Level 1	Net Asset value as published by the mutual fund house	Not Applicable	Not Applicable

There were no transfers between level 1 and level 2 for recurring fair value measurements during the year. Fair value of financial assets and financial liabilities that are not measured at fair value

a) Financial assets measured at amortised cost

The carrying amounts of trade receivables, cash and cash equivalents and other bank balances, short-term loans and advances and security deposits are considered to approximate their fair values due to their short term nature. The carrying amounts of long term security deposits given are considered to approximate their fair value.

b) Financial liabilities measured at amortised cost

The carrying amounts of trade payables, payables for capital expenditure and security deposit received from customers are considered to approximate their fair values due to their short term nature.

36 Contingent liability and commitments

Contingent liabilities (to the extent not provided for)

(₹ in Crores)

Contingent liability in respect of following matters	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
(a) Contingent Liabilities pertaining to Income Tax	208.78	173.24	113.10
(b) Contingent Liabilities pertaining to Sales Tax and Service Tax	12.41	6.50	6.97
(c) Claims against the Company not acknowledged as debt	1.26	1.08	1.13

Future cash outflows in respect of the above matters are determinable only on receipt of judgements/decisions pending before various authorities.

Commitments

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	1.38	4.38	4.63
(b) Other commitments :			
(i) Dividend on shares in abeyance (refer note 14)	0.07	0.07	0.05
(ii) Contractual arrangement for payment on default on corporate credit card facility to employee availed from a bank			

Notes

forming part of the financial statements for the year ended 31st March 2018

37 Corporate Social Responsibility

a. Gross amount required to be spent by the Company towards Corporate Social Responsibility is ₹ 2.66 Crores (Previous Year ₹ 2.52 Crores).

b. Details of amount spent are as under : --

(₹ in Crores)

Sr No	Particulars	In cash	Yet to be paid in cash	Total
1	Construction / acquisition of any asset	-	-	-
2	On purposes other than (1) above	2.61	-	2.61

c. No expenditure has been paid to a related party, in relation to CSR expenditure as per Ind-AS 24, Related Party Disclosures.

38 The Company has continually maintained a position that its income from agricultural activities (which involves growing seeds in various states through local growers), is not taxable. This contention has been upheld by the Honorable Bombay High Court for the Assessment Years 1993-94 to 2001-02 and Assessment years 2003-04 to 2005-06. The income tax authorities have filed special leave petitions with the Honourable Supreme Court against favorable orders received for the aforesaid assessment years and the same have been admitted by the Honourable Supreme Court. The matter has been listed for final hearing before Hon'ble Supreme Court and the hearing is likely to commence soon.

39 Unhedged foreign currency

The year end foreign currency exposures that have not been hedged by a derivative instruments or otherwise are given below :

(₹ in crores)

Particulars	31st March 2018						31st March 2017				
	₹	BDT	EUR	MXN	NPR	USD	₹	BDT	EUR	NPR	USD
a. Amounts receivable in Foreign Currency on account of											
- Export of goods and services	(0.26)	-	-		-	- *	0.28	-	-	-	- *
- Advance to Suppliers	0.01	-	-	(0.04)	-	-	4.93	-	-	-	0.08
b. Amounts payable in Foreign currency on account of											
- Imports of goods and services	7.35	0.63	- *	-	0.06	0.10	7.68	0.63	- *	0.06	0.11
- Advance from Customers	(0.17)	-	-	-	-	-	0.90	-	-	-	0.01

* amount less than ₹ One Lakh

(₹ in crores)

Particulars	1st April 2016				
	₹	DT	EUR	NPR	USD
a. Amounts receivable in Foreign Currency on account of					
- Export of goods and services	0.68	-	-	-	0.01
- Advance to Suppliers	0.18	-	-	-	- *
b. Amounts payable in Foreign currency on account of					
- Imports of goods and services	11.07	0.67	- *	0.06	0.16
- Advance from Customers	-	-	-	-	-

* amount less than ₹ One Lakh

Notes

forming part of the financial statements for the year ended 31st March 2018

40 Segment reporting

The Company's operations predominantly relate to production and sale of agricultural inputs, namely chemical and hybrid seeds. The Chief Operating Decision Maker (CODM) reviews the operations of the Company as one operating segment. Hence no separate segment information has been furnished herewith.

41 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)

The disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) have been made to the extent such parties have been identified on the basis of information collected by the management regarding their status under the said act;

(₹ in Crores)

Sr No	Particulars	31st March. 2018	31st March, 2017	31st March, 2016
1.	Amount remaining unpaid to supplier as at end of accounting year.			
	- Principal Amount	-	0.22	0.37
	- Interest due thereon	-	0.04	0.07
2.	Amount of interest paid along with the amounts of payment made beyond the appointed day	-	-	-
3.	Amount of interest due and payable (where the principal has already been paid but interest has not been paid)	-	-	-
4.	The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	0.04	0.07
5.	The amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act	-	-	-

42 Approval of financial statements

The Financial Statements of Monsanto India Limited were approved by the Board of Directors and authorised for issue on May 15th, 2018

43 Comparative financial information

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.