INDIAN POTASH LIMITED IPL

Titawi Sugar Complex, U.P.

62nd ANNUAL REPORT

2016 - 2017

IPL FERTILISERS • IPL DAIRY & FEEDS DIVISION • IPL SUGAR & POWER DIVISION • IPL SWARNALAYA

62ND ANNUAL REPORT
2016 - 2017

IPL

INDIAN POTASH LIMITED

REGISTERED OFFICE

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BOARD OF DIRECTORS

Ms. VASUDHA MISHRA, IAS
Chairperson

SHRI. B.S. NAKAI

DR. U.S. AWASTHI

SHRI. N.P. PATEL

Ms. MEENAKSHI GUPTA
AS & FA

SHRI. DEVINDER KUMAR

Ms. SUKRITI LIKHI, IAS

SHRI. A.M. TIWARI, IAS

SHRI. P.C. MUNSHI

DR. S.K. SINGH

SHRI. K.V.S. REDDY

SHRI. M.V. RAO, IAS

Ms. REENA KAISHING

DR. P.S.GAHLAUT
Managing Director

BANKERS

STATE BANK OF INDIA

HDFC BANK LTD

BANK OF BARODA

PUNJAB NATIONAL BANK

IDBI BANK LTD

CANARA BANK

AXIS BANK LTD

ALLAHABAD BANK

INDUSIND BANK LTD

DBS BANK LTD

DEUTSCHE BANK AG

AUDITORS

Messrs. Deloitte Haskins & Sells

DIRECTORS' REPORT

The Directors have pleasure in presenting their 62nd Annual Report along with the audited accounts of the Company for the year ended 31st March, 2017.

GENERAL

The year 2016-17 received good precipitation all over the country during North-West Monsoon season. But, South-East Monsoon later on in the year played truant affecting both agricultural output and fertiliser consumption in the States of Tamil Nadu, Kerala and Karnataka. However, despite India being one of the fastest growing economies in the World and Agriculture Sector showing a healthy growth from 1.2% in 2015-16 to 4% (approx.) in 2016-17, the provisional fertiliser consumption during 2016-17 dropped by 7.15% (approx). Though the country reaped record cereal harvest during 2016-17, the farmers in some parts of the country could not get the mandated minimum support price for commodities despite the best efforts of Government of India to expand the procurement network. The decline in international prices and timely imports by Industry / Government ensured adequate availability of all fertilisers at lower prices throughout the year compared to 2015-16. In addition, Government has implemented during 2016-17, a slew of measures to improve agriculture and increase farmers' welfare, the benefits of which have just started manifesting.

SALES

Major fertiliser companies have seen a decline of 20 – 25% in turnover during 2016/17 vis-à-vis 2015/16 on account of de-growth in sales of urea, DAP as well as NPK fertilisers and lower international prices translating into lower MRPs etc. In case of IPL, a decline in the turnover of almost Rs.4000 crores is attributable to reduction in the urea import volume (in DOF A/C.) from 20.20 lakh MTs to 4.85 lakh MTs. If the turnover of P&K fertilisers alone is to be considered then our performance is better than last year in terms of volume sales because of 25% jump in the sales of MOP

FINANCIAL RESULTS FOR THE YEAR 2016-17

The total income of the Company at Rs.11,963.07 crores has shown a declined of 27% vis-à-vis the total income of Rs.16,400.05 crores achieved in the previous fiscal. It was, however, noted that despite decline in the total income, the Profit Before Tax for the year at Rs.571.72 crores has more than doubled over the Profit Before Tax of Rs.246.64 crores registered in the previous year. The Profit After Tax (PAT) at Rs.367.34 crores has also more than doubled against Rs.161.08 crores in the same period last year. The actual PBT compared very favourably with the revised budgeted PBT of Rs.490.44 crores.

The increase in profits could be attributed to the following reasons.

1. Rupee remained fairly stable throughout the year though there was a temporary depreciation in the rupee towards the end of December 2016. The rupee rallied and strengthened during the end of the fiscal under review.

2. The Sugar Division has shown marked improvement and has made healthy contribution to the PBT despite much higher provisions for depreciation. The valuation of Titawi Sugar Unit by Chartered Engineers has resulted in a Capital Reserve of Rs.77.63 crores.

In fact, all the Divisions of the Company have contributed positively to the profit during 2016/17.

3. The softening in the international price of DAP ensured that we did not incur losses due to successive reductions of MRP.

4. The Company always carefully monitors and controls operational cost, selling expenses and other administrative overheads.

5. A major contribution of Rs.235 Crores which is higher by Rs.48 Crores compared to last year has come from “Other Income”. This is mainly due to increase in interest and dividend earnings from judicious deployment of funds and realization of various claims through arbitration / Court proceedings, suppliers, etc..

DIVIDEND

Considering the current performance of your company during the year and prospects for 2017-18, your Directors recommend to maintain a Dividend of Rs.3/- per Equity Share of Rs.10/- each subject to approval of shareholders as was paid for the previous year ended 31st March 2016.

EXTENSION & PROMOTION ACTIVITIES CONDUCTED DURING 2016-17

Our strenuous efforts have been to promote balanced fertilization and to correct the imbalance use of fertilizers to achieve the NPK use of ratio to 4:2:1 and to educate the farmers to increase fertilizer use efficiency and crop productivity through intensified field oriented activities under IPL and collaborative projects.

Under IPL, in all we have laid out 175 Crops demonstrations, conducted 44 nos. of Field days. We have organized 78 nos. of Sales campaigns, 177 nos. of Farmers meetings, 25 nos. of Crop seminars, 31 nos. of Dealers training programmes. We have also participated in 45 nos. of Agri fair/ Exhibitions. We have done 71183 sq. ft. of Wall/Trolley paintings in rural areas. Apart from this we have done 2157 Audio visual programmes through which we have educated farmers about balanced fertilization with special reference to role of potash in crop production. We have also distributed promotional literatures like Wheat, Paddy, Mustard, Sugarcane, Groundnut, Vegetable, Cotton, Chilli crop folders and literatures on SOP product and Potash Product in vernacular language to the farmers during A.V. Show, Farmers Meeting and Crop Seminars. In this behalf we have spent Rs.1.79 crores against our budget of Rs.2.00 crore.

UNDER COLLOBORATIVE PROJECTS:

SOP:

Similarly under SOP we had laid out 23 Demonstration, conducted 8 Field Days, organized 63 Farmers meetings, 29 Sales campaigns, 20 Crop seminars, 9 Dealers Training Programme and participated in 14 Agri exhibitions. And we had undertaken 5840 sq. ft. of Wall paintings in rural areas. In this behalf we have spent Rs.16.78 lakhs.

ICPPP: (INDO CANADIAN POTASH PROMOTION PROJECT)

This project has been phased over 3 years from 2015-16 and implemented in 5 states: Orissa, Haryana, Rajasthan, Gujarat, and Tamil Nadu. Under this project we had laid out 535 demonstration, conducted 76 Field days, organized 83 Farmers meeting, 30 nos. of Sales campaigns, 24 Dealers/Retailers Training Programmes and also done 90,000 sq. ft. of Wall paintings. We have spent around Rs.1.35 crores out of Rs.2.00 crores.

POTASH FOR LIFE:

This project has been phased over 3 years and implemented in 9 states: W. Bengal, Bihar, U.P., J&K, M.P., Maharashtra, Chhattisgarh, Andhra Pradesh and Karnataka from October 2013 onwards with budgetary outlay of Rs.6.00 crores per annum to educate the farmers to correct the imbalance use of fertilizers. We had laid out 1440 nos. Demonstrations, conducted 104 nos. Field days and 156 nos. Farmers meetings, organized 50 nos. Potash campaigns, Crop seminars, 200000 sq. ft. Wall painting, 36 nos. Dealers training programmes etc.

PROSPECTS FOR 2017-18

The Government of India has announced a major initiative as part of its economic reforms with implementation of "Goods & Services Tax (GST)" w.e.f. 1st July 2017. While there is no doubt that this measure will give a boost to the economy besides eliminating a plethora of central and state taxes but its short term impact on the Fertiliser Sector will be inflationary. This is mainly due to the fact that applicable GST on fertilisers is 12% while the existing taxes like CVD, VAT and Entry Tax etc. do not add up to more than 6.5% to 7%. In fact, in many states like Punjab, Haryana, Tamil Nadu and Kerala, fertilisers are totally exempted from levy of VAT and price rise on all fertilisers in these states will be rather steep. The prices of agri-commodities because of bumper harvest are not showing any buoyancy and in our assessment, the fertiliser consumption may not show a growth of more than 2-3% even if the overall Monsoon behaviour turns out to be favourable.

The Government's subsidy budget for 2017-18 is inadequate compared to requirement and backlog of previous years will take up almost 40% of the budgeted amount for P&K sector. A subsidy cut of Rs.1,845/- pmt on MOP together with GST impact will result in steep rise in the MRP of this product and farmers could reduce its use resulting in imbalanced use of nutrients which both Government and Industry have been trying to improve for better soil health and agricultural output. It will thus be a challenge this year to maintain last year's volume sales and profitability in the fertilisers segment.

In Sugar Division, we have doubled our capacity to 21,000 TCD with acquisition of Titawi Sugar Complex. As Sugar prices in the domestic market had improved somewhat during 2016-17, the Division has grossed healthy profits in 2016-17. As the current prices are likely to hold at least up to end of October 2017, we are hopeful of good financial results in this Division for 2017-18 as well.

Cattle Feed & Dairy Division has been generating profits on a steady basis for the Company every year and we hope to continue this trend in 2017-18. We have excellent infrastructure now at our Dairy Plant at Sikandrabad, District Bulandshahr, U.P. which is attracting attention of many international players. We expect a part of our idle capacity will get leased out during this year to one of such players with good cash contribution to the Company.

DETAILS OF SUBSIDIARIES COMPANIES

Pursuant to provisions of Section 129(3) of the Act together with Rule 8 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of the Company's subsidiaries in Form AOC-1 is attached to the financial statements of the Company. Pursuant to the provisions of section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries, are available on the website of the Company.

DEPOSIT

The company did not invite or accept any deposit from public during the period under report.

AUDITORS

Pursuant to Section 139 of the Companies Act, 2013 and the Rules framed thereunder M/s. Price Waterhouse Chartered Accountants LLP, Firm's Registration No.012754N/ N500016 were appointed as the Statutory Auditor of the company for a period of 5 years to hold office from the conclusion of the 62nd Annual General Meeting subject to ratification of their appointment at every Annual General Meeting of the Company.

As required under the provisions of Section 139 of the Companies Act, 2013, the Company has accepted a certificate from statutory auditor to the effect that their appointment, if made, shall be in accordance with the conditions as may be prescribed and they satisfy the criteria as laid down in Section 141 of the Companies Act, 2013.

COST AUDITORS

The Board of Directors of the company, on the recommendation of the Audit Committee, have appointed Shri Jugal Kishore Puri, Cost Accountants, New Delhi as a Cost Auditor of the Company for auditing the cost accounts in respect of sugar products for the Financial Year 2017-18. Necessary approval in respect of their remuneration will be obtained at the ensuing Annual General Meeting of the company.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Pursuant to the provisions of Section 135 of the Companies Act, 2013, read with CSR Rules, the Company has constituted CSR Committee and formulated CSR Policy. During

Shri Arup Roy, Honorable Minister-in-Charge, Co-operation, Govt. of West Bangal is seen handing over a TATA ACE Vehicle key under CSR activities of the company to Shri. Sitharam Pahan, Chairman, M/s. Pratapdighi Charu Chandra Samabay Krishi Unnayan Samity Limited, in the presence of Shri. M.V. Rao, IAS, Chairman, CSR Committee of the company and Shri. A.K. Bal, Chief Manager (M), IPL, Kolkata.

"IPL Charitable Mobile Dispensary", a Public Social Partnership project intended to benefit the poor and the underprivileged population, in and around the National Capital Territory of Delhi, in the form of ailment diagnosis, treatment, and dispensing of necessary medicines at no cost.

the year, the Company undertook several initiatives under the CSR Programme. Details of CSR Policy and CSR activities undertaken during the year are annexed to this Report as **Annexure 1**.

KEY MANAGERIAL PERSONNEL

Dr. P S Gahlaut, MD & CEO, Shri George Zachariah, Chief Financial Officer and Shri Rajesh Kumar Sadangi, Company Secretary of the Company are the Key Managerial Personnel as per the provisions of the Companies Act, 2013 and were already in office before the commencement of the Companies Act, 2013

DIRECTORS

Shri.A.M.Tiwari, IAS, Managing Director, Gujarat State Fertilizers and Chemicals Ltd was appointed as a Nominee Director in place of Shri Dr. S.K.Nanda, IAS. Dr. A.K.Padhee, IAS, Joint Secretary, Department of Fertilisers, Government of India was appointed as a Nominee Director on behalf of Madras Fertilisers Limited. Ms. Meenakshi Gupta, AS&FA, Department of Fertilisers, Government of India was appointed as a Nominee Director on behalf of Madras Fertilisers Limited in place of Dr. A.K.Padhee, IAS .

In accordance with Article 101, 102 and 103 of the Company's Articles of Association read with Section 152 of the Companies Act, 2013, the following Directors will retire by rotation at the forthcoming AGM of the Company:

1. Ms. Vasudha Mishra, IAS
2. Shri A M Tiwari, IAS
3. Shri Prem Chandra Munshi

All of them are eligible for re-appointment and have offered themselves for re-appointment.

The Independent Directors, Shri Balwinder Singh Nakai, Shri Devinder Kumar and Ms.

Reena Kaishing have given their declarations that they meet the Criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

Regular meetings of the Board are held to discuss and decide on various business policies, strategies and other businesses. The schedule of the Board/Committee meetings to be held in the forthcoming financial year is being circulated to the Directors in advance to enable them to plan their schedule for effective participation in the meetings. The Board met five (5) times during the FY 2016-17 viz. 22nd June, 2016, 1st September 2016, 15th November 2016, 12th January 2017 and 24th March 2017.

AUDIT COMMITTEE

Pursuant to the provisions under Section 177 of the Companies Act, 2013, the Board has constituted an Audit Committee comprising of Dr. U S Awasthi, Shri Devinder Kumar and Dr. P S Gahlaut as members. The Committee met on 22nd June 2016, which was attended by all the members of the Committee.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Pursuant to the provisions of Section 135 of the Companies Act, 2013 , read with CSR Rules, the Company has constituted CSR Committee comprising Shri M V Rao, IAS Shri Prem Chandra Munshi, Ms. Reena Kaishing and Dr. P S Gahlaut as members. The Committee met on 1st February 2017 and 4th March 2017 which were attended by all the members of the Committee.

SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

Pursuant to Section 204 of the Companies Act 2013, your Company has appointed M/s Aashish Kumar Jain & Associates, Practicing Company Secretaries, Chennai as its Secretarial Auditors to conduct the secretarial audit of the Company for the FY 2016-17. The Company provided all assistance and facilities to the Secretarial Auditor for conducting their audit. The Report of Secretarial Auditor for the FY 2016-17 is annexed to this report as **Annexure 2.**

EXTRACTS OF ANNUAL RETURN

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014 the extracts of the Annual Return as at March 31, 2017 forms part of this report as **Annexure 3.**

DIRECTORS' RESPONSIBILITY STATEMENT

In the preparation of the Annual Accounts for the Financial Year ended 31st March, 2017, the applicable accounting standards had been followed along with proper explanation relating to material departures.

The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period.

The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

The Directors had prepared the annual accounts for the Financial Year ended 31st March, 2017 on a going concern basis.

The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PARTICULARS OF EMPLOYEES

The particulars of employees as required Rule 5(2) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time is attached as **Annexure-4** which forms part of this report.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti Sexual Harassment Policy in line with the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. During the year under review, no Complaints were received pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

MATERIALCHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of The Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in **Annexure -5** to this Report.

ACKNOWLEDGEMENT

The company is grateful to the Ministry of Chemicals & Fertilisers, Ministry of Agriculture, Ministry of Finance, Department of Revenue and other Departments of the Central Government, Department of Agriculture of various State Governments and the consortium of Banks for their guidance, co-operation and assistance.

The Directors acknowledge with gratitude the support of the company's distributors and Institutional customers and Overseas and indigenous suppliers. The Directors also wish to place on records their appreciation of the dedicated and sincere services of the employees and officers of the Company at all levels.

On behalf of the Board

Chairperson

ANNEXURE 5 TO THE DIRECTORS REPORT

Particulars of Conservation of energy, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014

A) Conservation of Energy:-

a) Boiler:

In Boilers of all two plants of Dairy & Feed Division situated at Sikandrabad the quality of feed water is maintained to achieve maximum heat transfer. Moreover to this, steam condensate generated from plant is taken back as feed water to Boiler resulting in less fuel consumption. Air Pre Heater of boilers are cleaned regularly& other preventive maintenance of Boiler is undertaken to attain maximum thermal efficiency.

b) Electricity :

In both plants of Dairy & Feed Division situated at Sikandrabad, proper production planning is done, so as to ensure minimum electricity consumption. We have installed Variable Frequency Drives on all major processing machines which ensure saving in electricity consumption. The power factor is also maintained at 0.9921 which results in saving of active power consumption and hence saving of electrical energy and protection of the equipments ultimately helping in saving over all power consumption.

B) Utilization of alternative source of Energy

In our Dairy unit we have earlier installed 'on Grid' Solar Power Plant of 60 KWp capacity with capital invest of Rs. 44.71 lakhs, now this year we have installed another 60 KWp capacity with capital invest of Rs. 38.14 lakhs to generate the electricity and same is used in production.

C) Technology Absorption, Adaptation and innovation:-

In our Dairy unit at Sikandrabad we have installed Vapor Absorption Machines for refrigeration which are much energy efficient than conventional Ammonia based refrigeration system moreover we are using Tono frost glycol instead of conventional glycol which results fast chilling and saving of energy. Instead of electricity these machines are running on steam which is generated from agro waste.

In dairy unit we have installed most energy efficient foil winding transformers in which the transformation losses are minimal.

Processing plant in Dairy unit is having latest SCADA based automation which results in saving in energy and better process controls ensuring consistency in final products.

Changes had been made in feeder conditioner of Cattle Feed Plant for proper heat treatment of mesh for pellatization for improving palletizing efficiency especially when moisture level in raw material is on higher side.

D) By using most efficient refrigeration system and Tono frost we are achieving better temperature and improved keeping quality of milk on reduced cost which in turn increased the acceptance level of our product in market.

C. Foreign Exchange Earnings and outgo:-

Earnings	:	Rs.	95973.50	Lakhs
Outgo	:	Rs.	857658.31	Lakhs

On Behalf of the Board

Date: 29th June, 2017

Chairperson

FORM AOC 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures as per Companies Act,2013

Part "A": Subsidiaries **(Rupees in Lakhs)**

Sr. No	Name of Subsidiary / Limited Liability Partnership	Reporting Currency	Exchange Rate	Accounting period	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before Taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Holding	Country
1	IPL GUJARAT PORT LTD	INR	-	2016 - 17	100	(12.69)	88.46	88.46	88.34	-	(17.08)	-	(17.08)	-	100.00%	INDIA
2	IPL SUGARS AND ALLIED INDUSTRIES LTD	INR	-	2016 - 17	100	(528.13)	2500.69	2500.69	-	-	(463.57)	-	(463.57)	-	100.00%	INDIA
3	GOLDLINE MILKFOOD & ALLIED INDUSTRIES LTD	INR	-	2016 - 17	69.43	609.87	1267.11	1267.11	-	-	(17.96)	24.56	(42.52)	-	100.00%	INDIA

Name of Subsidiaries / LLPs which are yet to commence operations:

1	IPL GUJARAT PORT LTD
2	IPL SUGARS AND ALLIED INDUSTRIES LTD

ANNEXURE 1

CORPORATE SOCIAL RESPONSIBILITY POLICY

1. CSR Policy is appended.

CONCEPT

Corporate Social Responsibility is strongly connected with the principles of Sustainability, an organization should make decisions based not only on financial factors, but also considering the social and environmental consequences. As a Corporate Citizen receiving various benefits out of society, it is our co-extensive responsibility to pay back in return to the society in terms of helping needy people by facilitating in education, good health, food, clothes, etc., keeping the environment clean and safe for the society by adhering to the best industrial practices and adopting best technologies, and so on. It is the Company's intention to make a positive contribution to the society in which the Company operates.

CONSTITUTION

a. The Board of Directors of Indian Potash Limited at their Meeting held on 1st September 2016, had constituted a Committee of the Board with the nomenclature "Corporate Social Responsibility Committee" ("the Committee")

b. The Committee will act in accordance with the terms specified in Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rules, 2014.

c. The Committee shall come into force with immediate effect.

DEFINITION

a. **"Act"** means Companies Act, 2013 including any Statutory modification or re-enactment thereof.

b. **"Board"** means Board of Directors of the Company.

c. **"Corporate Social Responsibility (CSR)"** means and includes but is not limited to Projects or programs relating to activities specified in Schedule VII to the Companies Act, 2013.

d. **"CSR Committee"** means the Corporate Social Responsibility Committee of the Board referred to in Section 135 of the Act.

e. **"CSR Policy"** relates to the activities to be undertaken by the Company as specified in schedule VII of the Act and the expenditure thereon.

MEMBERSHIP

a. The Committee members shall be appointed by the Board. The Committee shall be constituted with a minimum of 3 members out of which at least one shall be an Independent Director.

b. The Committee Chairman shall be appointed by the Board. In the absence of the Committee Chairman, the members present at any meeting of the Committee shall elect one of their members to chair the meeting.

c. Only members of the Committee have the right to attend Committee meetings.

However, all Directors may be invited to attend all or part of any meeting as and when appropriate. In addition, other individuals such as Company employees or external advisors may be invited to all or part of any meeting as and when appropriate subject to the approval of the CSR Committee.

d. The requisite quorum shall be any two members present at the meeting.

e. The Company Secretary shall act as the secretary to the committee.

MEETINGS OF THE CSR COMMITTEE

a. The CSR Committee shall meet periodically as and when required. Members of the CSR Committee can agree upon mutually regarding time and place for the said meetings.

b. The Members of the Committee may participate in the meeting either in person or through video conferencing or other audio visual means in accordance with the Provisions of the Companies Act, 2013 and rules made there under from time to time.

ACTIVITIES TO BE UNDERTAKEN AND MODE OF EXECUTION

1. The Committee undertakes one or more of the following activities as specified in Schedule VII of the Companies Act,2013 as its projects for CSR activity viz;

   a) Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water.

   b) Promoting education including special education and employment enhancing vocation skills especially among children, women, eldely etc and livelihood enhancement projects.

   c) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans.

   d) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, agroforestry, conservation of natural resources and maintaining quality of soil, air and water.

   e) Protection of national heritage, art and culture.

   f) Measures for the benefit of armed forces veterans, war widows and their dependents.

   g) Training to promote rural sports, nationally recognised sports, paralympic sports and Olympics sports.

h) Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Govt for socio-economic development and relief.

i) Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government.

j) Rural development projects.

k) Slum area development

2. The Committee intends to carry out its CSR activities through its own personnel/department established with persons qualified to undertake such activities.

3. The Company may undertake CSR Activities through a registered trust or society or any company, established by the Company, its holding or subsidiary Company under Section 8 of the Act for such non-for-profit objectives. Provided that the Company can carry out the CSR Activities through such other institutes having an established track record of 3 (three) years in undertaking the CSR Activities.

4. The Company may collaborate with other companies for undertaking the CSR Activities subject to fulfilment of separate reporting requirements as prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014 (the "Rules").

5. The scope of this policy will extend to activities as stated under Schedule VII of the Companies Act, 2013, as presently in force. The scope of the policy to also include all additional and allied matters, as will be notified by Ministry of Corporate Affairs or such other body, as appointed / notified by Central or State Government, from time to time for this purpose.

EXCLUSION FROM CSR ACTIVITIES

The following activities shall not form part of the CSR activities of the Company:

a. The activities undertaken in pursuance of normal course of business of a company

b. CSR projects \ programs or activities that benefit only the employees of the Company and their family

c. Any CSR projects/programs or activities undertaken outside India

QUANTUM OF AMOUNT TO BE SPENT ON CSR ACTIVITIES

a. For achieving its CSR objectives through implementation of meaningful & sustainable CSR programs, the Company will allocate 2% of its average net profits made during the 3 immediately preceding financial years as its Annual CSR Budget.

b. The Annual CSR Budget shall be spent on activities laid down in this Policy.

c. Any surplus arising and/or additional revenue generated out of CSR Activities undertaken by the Company shall not form part of the business profit of the Company and same shall be spent for undertaking any CSR Activities only.

d. In case the Company fails to spend the above targeted amount in that particular financial year, the Committee shall submit a report in writing to the Board of Directors specifying the reasons for not spending the amount which in turn shall be reported by the Board of Directors in their Directors' Report for that particular Financial Year.

CSR MONITORING & REPORTING FRAMEWORK

a. In compliance with the Act and to ensure funds spent on CSR Activities are creating the desired impact on the ground a comprehensive Monitoring and Reporting framework has been put in place.

b. The CSR Committee shall monitor the implementation of the CSR Policy through periodic reviews of the CSR activities.

c. The respective CSR personnel will present their annual budgets along with the list of approved CSR activities conducted by the Company to the CSR Committee together with the progress made from time to time as a part of the evaluation process under the monitoring mechanism.

REPORTING

The Board's Report shall include an annual report on CSR comprising particulars as defined.

PUBLICATION OF THE POLICY

The CSR policy recommended by the Committee and approved by the Board shall be displayed in the Company's website for public viewing.

AMENDMENT

a. In case of any doubt with regard to any provision of the policy and also in respect of matters not covered herein, a reference to be made to CSR Committee. In all such matters, the interpretation & decision of the Committee shall be final.

b. Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the guidelines on the subject as may be issued from Government, from time to time.

c. The CSR Committee reserves the right to modify, add, or amend any of provisions of this Policy subject to the approval of the Board.

2. Composition of CSR Committee of the Company:

i. Shri M V Rao, IAS, Chairman

ii. Shri Prem Chandra Munshi, Member

iii. Ms Reena Kaishing, Member

iv. Dr. P.S.Gahlaut, Member

3. Average Profit before tax of the company for the last three Financial Years:

Rs 467.42 lakhs

4. Details of CSR Spent during the Financial Year

attached

5. Reason for Shortfall:

Due to delay in formation of CSR Committee of the Board and Paucity of time to conduct a detailed due diligence exercise of the beneficiaries, the mandated CSR expenditure of the companies could not be spent during the period under review.

6. Responsibility statement:-

We hereby confirm that the CSR Policy as approved by the Board has been implemented and the CSR Committee monitors the CSR implementation of CSR Project and activities in compliance with our CSR objectives.

M V Rao	Dr. P.S. Gahlaut
Chairman of CSR Committee	Managing Director

Details of CSR spent during the Financial Year:

a) Total amount to be spent for the financial year : Rs. 467.42 Lakhs

b) The amount has spent during the financial year : Rs. 156.44 Lakhs

c) Manner in which the amount spent during the Financial Year - 2016-17

SL NO	CSR PROJECT OR ACTIVITY IDENTIFIED	SECTOR IN WHICH THE PROJECT IS COVERED	PROJECTS OR PROGRAMS (1) LOCAL AREA OR OTHER (2) SPECIFY THE STATE AND DISTRICT WHERE PROJECT OR PROGRAMS WAS UNDER TAKEN	AMOUNT OUTLAY (BUDGET) PROJECT OR PROGRAMS WISE	AMOUNT SPENT ON THE PROJECTS OR PROGRAMS SUB HEADS (1) DIRECT EXPENDITURE ON PROJECT OR PROGRAMS (2) OVER HEADS	CUMULATIVE EXPENDITURE UP TO THE REPORTING PERIOD	AMOUNT SPENT DIRECT OR THROUGH IMPLEMENTING AGENCY
1	PROMOTING EDUCATION	PROMOTING EDUCATION	RAJEEV GANDHI MEMORIAL INTER COLLEGE,SHAMLI, UTTAR PRADESH	7500.00	7500.00	7500.00	DIRECT
2	MAINTAINING QUALITY OF SOIL, AIR, WATER	MAINTAINING QUALITY OF SOIL, AIR, WATER	RESEARCH PROJECT ON MUNICIPAL SOLID WASTE COMPOSTING ISSUE IN SCALING UP - CHENNAI, TAMIL NADU	1153785.00	1153785.00	1153785.00	DIRECT
3	MAINTAINING QUALITY OF SOIL, AIR, WATER	MAINTAINING QUALITY OF SOIL, AIR, WATER	RESEARCH PROJECT ON MUNICIPAL SOLID WASTE COMPOSTING ISSUE IN SCALING UP - KARNATAKA	753155.00	753155.00	753155.00	DIRECT
4	ERADICATING, HUNGER, POVERTY & MALNUTRITION	ERADICATING, HUNGER, POVERTY & MALNUTRITION	MOBILE DISPENDARY VAN - NEW DELHI	1288165.00	1288165.00	1288165.00	DIRECT
5	PROMOTING EDUCATION	PROMOTING EDUCATION	SRI GANDHI INTER COLLEGE, KHADDA, UTTAR PRADESH	550000.00	550000.00	550000.00	DIRECT
6	ERADICATING, HUNGER, POVERTY & MALNUTRITION	ERADICATING, HUNGER, POVERTY & MALNUTRITION	AMOUNT CONTRIBUTED TO NATIONAL ASSOCIATION FOR THE BLIND,PATNA	50000.00	50000.00	50000.00	DIRECT
7	PROMOTING EDUCATION	PROMOTING EDUCATION	AMOUNT CONTRIBUTED ACTION ABILITY DEVELOPMENT AND INCLUSION - NEW DELHI	50000.00	50000.00	50000.00	IMPLEMENTING AGENCY - ACTION ABILITY DEVELOPMENT AND INCLUSION - NEW DELHI
8	PROMITING PREVENTIVE HEALTHCARE	PROMITING PREVENTIVE HEALTHCARE	CONSTRUCTION & PROCUREMENT OF NON MEDICAL ITEMS FOR VISHWA PRABHA NETRALAYA AT KADUKI ALWAR, RAJASTHAN	3300000.00	3300000.00	3300000.00	IMPLEMENTING AGENCY - SAPNA, ALWAR, RAJASTHAN
9	PROMOTING EDUCATION	PROMOTING EDUCATION	RITINJALI SECOND CHANCE SCHOOL, MAHIPALPUR, NEW DELHI	2250000.00	2250000.00	2250000.00	IMPLEMENTING AGENCY- RITINJALI, MAHIPALPUR, NEW DELHI

10	LIVELIHOOD ENHANCEMENT PROJECTS	LIVELIHOOD ENHANCEMENT PROJECTS	VEHICLE PURCHASED FOR MEHER COMPOSITE FARMING SOCIETY, ASSAM - LIVELIHOOD ENHANCEMENT PROJECTS	414823.00	414823.00	414823.00	DIRECT
11	LIVELIHOOD ENHANCEMENT PROJECTS	LIVELIHOOD ENHANCEMENT PROJECTS	VEHICLE PURCHASED FOR KALONG KAPILI NGO, ASSAM - LIVELIHOOD ENHANCEMENT PROJECTS	414823.00	414823.00	414823.00	DIRECT
12	LIVELIHOOD ENHANCEMENT PROJECTS	LIVELIHOOD ENHANCEMENT PROJECTS	VEHICLE PURCHASED FOR HAJI FARDIN BABA MACH VYAVASAY, SOLAPUR, MAHARASHTRA - LIVELIHOOD ENHANCEMENT PROJECTS	432491.00	432491.00	432491.00	DIRECT
13	LIVELIHOOD ENHANCEMENT PROJECTS	LIVELIHOOD ENHANCEMENT PROJECTS	VEHICLE PURCHASED FOR GRIHA LAKHI RINDAN SAMABAY SAMITY LIMITED, NADIA, WEST BENAGAL - LIVELIHOOD ENHANCEMENT PROJECTS	426075.00	426075.00	426075.00	DIRECT
14	LIVELIHOOD ENHANCEMENT PROJECTS	LIVELIHOOD ENHANCEMENT PROJECTS	VEHICLE PURCHASED FOR SANDESHKHALI LARGE SIZED MULTIPURPOSE CO OPERATIVE SOCIETY LIMITED,NAZAT HATKHOLA,WEST BENGAL - LIVELIHOOD ENHANCEMENT PROJECTS	426075.00	426075.00	426075.00	DIRECT
15	LIVELIHOOD ENHANCEMENT PROJECTS	LIVELIHOOD ENHANCEMENT PROJECTS	VEHICLE PURCHASED FOR SRIJANI FARMERS SOCIETY LIMITED, PATULI, BEGOPARA,NADIA, WEST BENGAL - LIVELIHOOD ENHANCEMENT PROJECTS	426075.00	426075.00	426075.00	DIRECT
16	LIVELIHOOD ENHANCEMENT PROJECTS	LIVELIHOOD ENHANCEMENT PROJECTS	VEHICLE PURCHASED FOR PRATAPDIGHI CHARU CHANDRA SAMABAY KRISHI UNNAYAN SAMITY LIMITED, WEST BENGAL - LIVELIHOOD ENHANCEMENT PROJECTS	426076.00	426076.00	426076.00	DIRECT
17	PROMOTING EDUCATION	PROMOTING EDUCATION	"APPAREL MADE UPS & HOME FURNISHING SECTOR SKILL COUNCIL (AHM SSC) - TRAINING FOR SELF EMPLOYED TAILORS AND SEWING MACHINE OPERATORS"	2900000.00	2900000.00	2900000.00	DIRECT
18	PROMOTING EDUCATION	PROMOTING EDUCATION	SRI GANDHI INTER COLLEGE, KHADDA (U.P)FOR SWACHH VIDYALAY CAMPAIGN	375000.00	375000.00	375000.00	DIRECT
TOTAL				15644043.00	15644043.00	15644043.00	

ANNEXURE 2

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

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

To,
The Members,
INDIAN POTASH LIMITED
Seethakathi Business Centre,
1st Floor, 684-690, Anna Salai
Chennai -600006

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **INDIAN POTASH LIMITED** (hereinafter called **the Company**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon..

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on 31st March 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period ended on 31st March 2017 according to the provisions of:

I. The Companies Act, 2013 (**the Act**) and the Rules made there under;

II. The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made there under; **- NA**

III. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

IV. Few Other applicable laws.

V. Secretarial Standards issued by The Institute of Company Secretaries of India

During the period under review, the company has complied with the provisions of the act, rules, regulation, guidelines, standards, etc., mentioned above.

We further report that the board of directors of the company is constituted with proper balance of Executive Directors, Non-Executive Directors Independent Directors and women director. The Changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provision of the Act.

Notice is given to the Directors to schedule the board meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meeting duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

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

We further report that based on the information provided by the company, its officers and authorized representative during the conduct of the audit in our opinion, adequate systems and processes and control mechanism exist in the company to monitor and ensure compliance with applicable laws.

We further report that during the audit period we could not found any instances of

1. Public /Rights /Preferential issue of shares, sweat equity, Debentures, etc.,
2. Redemption / buy back of securities
3. Foreign technical collaborations

For **Aashish Kumar Jain & Associates**

Company Secretary in Practice

Ashish Kumar Jain

Proprietor

C.P. No. 7353

Place : Chennai

Date : 29th June, 2017

ANNEXURE TO SECRETRIAL AUDIT REPORT

Our Secretarial Audit Report of even date is to be read along with this letter

1. Maintenance of secretarial records, devised proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively are the responsibility of the management of the company. our responsibility is to express an opinion on these secretarial records, systems, standards and procedures based on audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure the correct facts are reflected in secretarial records. we believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriate of financial records and books of accounts of the company.
4. Where ever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, etc.,
5. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **Aashish Kumar Jain & Associates**
Company Secretary in Practice

Ashish Kumar Jain
Proprietor
C.P. No. 7353

Place : Chennai
Date : 29th June, 2017

ANNEXURE 3

Extract of Annual Return as on the financial year ended on 31st MARCH 2017

I. Registration and Other Details

(i) CIN : U14219TN1955PLC000961

(ii) Registration Date : 17/06/1955

(iii) Name of the Company : Indian Potash Limited

(iv) Address of the Registered office : Seethakathi Business Centre, 1st Floor, 684-690, Anna Salai, Chennai-600 006

II. Principal Business Activities of the Company:

a) Import and distribution of Muriate of Potash(MOP), Sulphate of Potash(SOP), Di-ammonium Phosphate(DAP), Rock Phosphate and other fertilisers.

b) Manufacturing of Sugar and Sugar Product, Milk and Milk products and Cattle Feed.

III. Particulars of Subsidiary Companies (wholly owned subsidiary):

a) Goldline Milkfood and Allied Industries Limited

b) IPL Gujarat Port Limited

c) IPL Sugars and Allied Industries Limited

IV. Particulars of members and their Shareholding Pattern:

Name of shareholder	No.of shares	% share
Co-Operative Sector		
Indian Farmers Fertiliser co-operative Limited	4860000	33.99
Gujarat State Co-Op MKTG Federation Limited	1494000	10.45
Andhra Pradesh State Co-op MKTG Federation Limited	891000	6.23
Tamil Nadu Co-Op MKTG Federation Limited	480000	3.36
West Bengal State Co-Op MKTG Federation Limited.	468000	3.27
Karnataka State Co-Op MKTG Federation Limited	432000	3.02
National Cooperative Development Corporation	306000	2.14
Punjab State Co-Op Supply & MKTG Federation Limited	264000	1.85
Orissa State Co-Op MKTG Federation Limited	216000	1.51
M.P State Co-Op MKTG Federation Limited	192000	1.34
Maharastra State Co-Op MKTG Federation Limited	180000	1.26
Bihar State Co-Op Coal Marketing Society Limited	75000	0.52
Bihar State Co-Op MKTG union Limited	60000	0.42
Haryana State Co-op MKTG Federation Limited	60000	0.42
Kerala State Co-Op MKTG Federation Limited.	30000	0.21

Shetkari Sahakari Sangh Limited	19500	0.14
Vidarbha Co-Op MKTG Federation Limited	12000	0.08
Co-operative Sector-Total	**10039500**	**70.22**
Public Sector		
Madras Fertilisers Limited	792000	5.54
Steel Authority of India Limited	360000	2.52
Rashtriya Chemicals & Fertilisers Limited	336600	2.35
Fertilisers & Chemicals Travancore Ltd.	324000	2.27
Public Sector-Total	**1812600**	**12.67**
Private Sector		
Gujarat State Fertilisers and Chemical Ltd.	1125000	7.87
E.I.D Parry (India) Limited	637200	4.46
Coromandel International Limited	90000	0.63
Shaw Wallace Financial Services Limited	212400	1.49
Mysore Fertiliser Company (P) Limited	1800	0.01
Mr. V Ravindranath	31200	0.22
Mrs.R Revathi	11600	0.08
Mrs.V Prema	4200	0.03
Mrs. Manjula	5400	0.04
Mr.Vasanadu Govind	22500	0.16
Mrs. Vasanadu Nirmala	40000	0.28
Ms. Vasanadu Shalini	15600	0.11
Mr. Vinay V Grandhi	8300	0.06
Mrs.Vasanadu Nirmala	37,500	0.26
Mr.Vasanadu Karthik	7600	0.05
Mr.V Srikanth	1800	0.01
Zuari Agro Chemicals Limited	72000	0.50
Rallis India Limited	54000	0.38
Bharat Fertiliser Industries Limited	34200	0.24
Dharamsi Morarji Chemical Co. Limited	33000	0.23
Deccan Sales Corporation Limited	900	0.01
Fertiliser & Inputs (P) Limited	300	0.00
Private Sector- Total	**2446500**	**17.11**
Grand Total	**14298600**	**100**
Total paid up capital (Rs.10 per share)	**142986000**	

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1	CIN	U14219TN1955PLC000961
2	Registration Date	17/06/1955
3	Name of the Company	Indian Potash Limited
4	Category/Sub-category of the Company	Public Limited
5	Address of the Registered office & contact details	Seethakathi Business Centre, 1st Floor, 684-690, Anna Salai, Chennai-600 006. Ph.No.28297855/28297869
6	Whether listed company	Not Listed
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Muriate of Potash	46692	39.44
2	Di Ammonium Phosphate	46692	34.57
3	Urea	46692	8.61

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
1	Goldline Milkfood and Allied Industries Limited	U15203HR1992PLC034058	Subsidiary	100%	2(87)
2	IPL Sugars and Allied Industries Limited	U15122DL2011PLC217940	Subsidiary	100%	2(87)
3	IPL Gujarat Port Limited	U74900TN2011PLC080295	Subsidiary	100%	2(87)

IV. SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

A) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2016]				No. of Shares held at the end of the year[As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter's									
(1) Indian									
a) Individual/ HUF									
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.									
e) Banks / FI									
f) Any other									
Total shareholding of Promoter (A)									
B. Public Shareholding									
1. Institutions									
a) Mutual Funds				NIL					
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-Total (B)(1):-									

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2016]				No. of Shares held at the end of the year[As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.		4073400	4073400	28.49%		4073400	4073400	28.49%	
i) Indian									
ii) Overseas									
b) Individuals		185700	185700	1.29%		185700	185700	1.29%	
i) Individual share holders holding nominal share capital upto Rs. 1 lakh		27300	27300	0.18%		27300	27300	0.18%	
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh		158400	158400	1.11%		158400	158400	1.11%	
c) Others (specify)		10039500	10039500	70.22%		10039500	10039500	70.22%	
Non Resident Indians									
Overseas Corporate Bodies									
Foreign Nationals									
Clearing Members									
Trusts									
Foreign Bodies - D R									
Sub-Total (B)(2):-		14298600	14298600	100.00%		14298600	14298600	100.00%	
Total Public Shareholding (B)=(B)(1)+ (B)(2)		14298600	14298600	100.00%		14298600	14298600	100.00%	
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)		**14298600**	**14298600**	**100.00%**		**14298600**	**14298600**	**100.00%**	

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1								
2								
3								
4								
5								
6					NIL			
7								
8								
9								
10								
11								
12								
13								

C) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year				
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):		NIL		
3	At the end of the year				

D) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters' and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Share holding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
1	Indian Farmers Fertiliser Co-operative Limited	4860000	33.99		
2	Gujarat State Co-Op MKTG Federation Limited	1494000	10.45		
3	Gujarat State Fertilisers and Chemical Ltd.	1125000	7.87		
4	Andhra Pradesh State Co-op MKTG Federation Limited	891000	6.23		
5	Madras Fertilisers Limited	792000	5.54		
6	E.I.D Parry (India) Limited	637200	4.46		
7	Tamil Nadu Co-Op MKTG Federation Limited	480000	3.36		
8	West Bengal State Co-Op MKTG Federation Limited	468000	3.27		
9	Karnataka State Co-Op MKTG Federation Limited	432000	3.02		
10	National Cooperative Development Corporation.	306000	2.14		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the end of the year				

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year				
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL			
3	At the end of the year				

V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding / accrued but not due for payment.

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	34229,92,000.00	535818,25,400.00		**570048,17,400.00**
ii) Interest due but not paid	-	-		**-**
iii) Interest accrued but not due	38,83,666.41	1665,76,569.39		**1704,60,235.80**
Total (i+ii+iii)	34268,75,666.41	537484,01,969.39		**571752,77,635.80**
Change in Indebtedness during the financial year				
* Addition	-	1225590,22,916.00		**1225590,22,916.00**
* Reduction	33087,30,664.00	1235419,31,239.00		**1268506,61,903.00**
Net Change	-33087,30,664.00	-9829,08,323.00		**-42916,38,987.00**
Indebtedness at the end of the financial year				
i) Principal Amount	1142,61,336.00	525989,17,077.00		**527131,78,413.00**
ii) Interest due but not paid	-	-		**-**
iii) Interest accrued but not due	12,81,918.27	1678,62,283.46		**1691,44,201.73**
Total (i+ii+iii)	**1155,43,254.27**	**527667,79,360.46**		**528823,22,614.73**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

S. N.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Dr. P.S. GAHLAUT, MD	Mr. George Zachariah, CFO	Mr. Rajesh Kumar Sadangi, CS	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	5379099	3531178	1027840	**9938117**
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	338267	89125	234200	**661592**
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	**-**

S. N.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Dr. P.S. GAHLAUT, MD	Mr. George Zachariah, CFO	Mr. Rajesh Kumar Sadangi, CS	
2	Stock Option	-	-	-	**-**
3	Sweat Equity	-	-	-	**-**
4	Commission - as % of profit - others, specify…	-	-	-	**-**
5	Others, please specify Provident Fund, Superannuation Fund, Gratuity	861909	240358	206471	**1308738**
	Total	**6579275**	**3860661**	**1468511**	**11908447**
	Ceiling as per the Act	5 % of Net Profilt	NA	NA	

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors			Total Amount
		Ms. Reena Kaishing	Shri.Balvinder Singh Nakai	Shri.Devinder Kumar	
1	Independent Directors				
	Fee for attending board committee meetings	140,000.00	100,000.00	160,000.00	**400,000.00**
	Commission	50,000.00	250,000.00	250,000.00	**550,000.00**
	Others, please specify	-	-		**-**
	Total (1)	**190,000.00**	**350,000.00**	**410,000.00**	**950,000.00**
2	Other Non-Executive Directors				
	Fee for attending board committee meetings	8,60,000.00 (as per annexure ii)			**860,000.00**
	Commission	7,50,000.00 (as per annexure ii)			**750,000.00**
	Others, please specify				
	Total (2)	**1,610,000.00**			**1,610,000.00**
	Total =(1+2)	**1,800,000.00**	**350,000.00**	**410,000.00**	**2,560,000.00**
	Total Managerial				
	Remuneration				
	Overall Ceiling as per the Act				

C. Remuneration to key Managerial Personnel other than MD / Manager / WTD

SN	Particulars of Remuneration	Key Managerial Personnel			
					Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-Tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-Tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as % of profit				
	others, specify…				
5	Others, please specify				
	Total				

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment			NIL		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

ANNEXURE II

Attachment for Remuneration of Non Executive Directors

SL NO	Name of the Directors	Fees / Commission
1	M/s. Gujarat State Fertilisers and Chemical Ltd.	80,000.00
2	Shri K. V. Sathyanarayana Reddy	80,000.00
3	Shri Mallela Venkateswara Rao	80,000.00
4	Shri N.P. Patel	350,000.00
5	Shri Prem Chandra Munshi	390,000.00
6	Dr. Sunil Kumar Singh	80,000.00
7	M/s.The Haryana State Co-Operative Supply and Marketing Federation Limited	20,000.00
8	Dr. U. S. Awasthi	390,000.00
9	Shri V. Sathyaseelan	40,000.00
10	Ms.Vasudha Mishra	100,000.00
	TOTAL	**1,610,000.00**

ANNEXURE- 4

Name of Employee	Designation of Employee	Remuneration received	Nature of Employment	Qualification & Experience of Employee	Date of Commencement of Employment	Age	Last Employment held
Dr. P.S. Gahlaut	Managing Director	Rs.65,79,275/-	Managing Director	Hons in B.Sc(Chemistry) Post Graduate Diploma in Marketing Management, FMS, University Delhi Phd in Business Management from Inter American University, Florida	1st May, 1985	69 Yrs	M/s. Bharat Alums & Chemicals Ltd

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF INDIAN POTASH LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **Indian Potash Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company'spreparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act based on our audit, we report to the extent applicable that:

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

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

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company, and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. The Company has provided requisite disclosures in the standalone Ind AS financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November 2016 to 30th December 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company(Refer Note No. 11 to the financial statements).

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No.008072S)

Geetha Suryanarayanan
(Partner)
(Membership No. 29519)

Place : Chennai
Date : 29th June 2017

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

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

We have audited the internal financial controls over financial reporting of Indian Potash Limited("the Company") as of March 31, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No.008072S)

Geetha Suryanarayanan
(Partner)
(Membership No. 29519)

Place : Chennai
Date : 29th June 2017

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph (2) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) In respect of its property, plant and equipment:

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

(b) Some of the property, plant and equipment were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the property, plant and equipmentat reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.

(c) With respect to immovable properties of acquired land and buildings that are freehold, according to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deeds / transfer deed /slump sale agreements provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date, except the following:

Particulars of the Land	Gross Block (Rs. in Lakhs)	Net Block (Rs. in Lakhs)	Remarks
Freehold land measuring 71.84 acres located at Titawi, Muzaffarnagar, Uttar Pradesh, and buildings on the said Freehold Land	20,074	20,074	The Land was acquired from Mawana Sugars Limited during the year pursuant to a business transfer agreement. However the title deeds are yet to be transferred in the name of the Company.

In respect of immovable properties of land that have been taken on lease and disclosed as Other Non - Current Assets in the financial statements (Refer Note No. 7(i) in the financial statements), the lease agreements are in the name of the Company, where the Company is the lessee in the agreement except the following:

Particulars of the Land	Gross Block (Rs. in Lakhs)	Net Block (Rs. in Lakhs)	Remarks
Leasehold land measuring 266 acres located at Motipur, Bihar	5,620	5,620	The Land was leased to the Company by Bihar State Sugar Corporation Limited (BSSCL) in 2011-2012. BSSCL's title to the land was challenged by shareholders of the sugar factory and consequently the lease to the company was also questioned as bad and illegal. However, the High Court of judicature at Patna during 2013-2014 has pronounced BSSCL as the owner of the Land and upheld its right to let it on lease to the Company. The Lease agreement is yet to be registered in the name of the company.

(ii) As explained to us, the stock of raw materials, work-in-progress, finished goods and stores and spares in the Company's custody have been physically verified by the Management during the year. In case of materials lying at third party locations, written certificates confirming stocks have been received in respect of stocks held at the year end.

(iii) According to the information and explanations given to us, the Company has granted interest free unsecured loans to companies covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:

(a) The terms and conditions of the grant of such loans are, in our opinion, *prima facie*, not prejudicial to the Company's interest.

(b) The schedule of repayment of principal has not been stipulated and in the absence of such schedule, we are unable to comment on the regularity of the repayments or receipts of principal amounts, and whether there are any overdue amounts outstanding as at balance sheet date.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March 2017 for a period of more than six months from the date they became payable.

(c) Details of dues of Service Tax, Excise Duty and Trade Tax which have not been deposited as on 31st March 2017 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved (Rs. in lakhs)	Amount unpaid (Rs. in lakhs)
Uttar Pradesh Trade Tax Act, 1948	Trade Tax (Entry Tax)	Trade Tax Tribunal	1993-1994 & 2005-2006	14.19	14.19
Uttar Pradesh Trade Tax Act, 1948	Trade Tax (Entry Tax)	High Court, Allahabad	1994-1995, 1995-1996 & 2000-2001	6.59	6.59
Uttar Pradesh Trade Tax Act, 1948	Trade Tax (Entry Tax)	Joint Commissioner (Appeals), Muzzafarnagar	2007-2008	42.82	40.65
Service Tax (Chapter V of Finance Act, 1994)	Service tax	Assistant Commissioner - Central Excise	2008-2009	1.56	1.56
Central Excise Act, 1944	Cenvat Credit	Deputy. Commissioner Central Excise, Muzaffarnagar	2008-2009	1.03	1.03
Central Sales Tax Act, 1956	Trade Tax (Entry Tax)	Joint. Commissioner (Appeals)	2004-2005	36.71	36.71

Name of Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved (Rs. in lakhs)	Amount unpaid (Rs. in lakhs)
Central Sales Tax Act, 1956	Trade Tax (Entry Tax)	Deputy. Commissioner (Appeals)	2006-2007	8.10	8.10
Central Sales Tax Act, 1956	Trade Tax (Entry Tax)	Joint. Commissioner (Appeals)	2007-2008 & 2008-2009	38.78	31.48
Central Sales Tax Act, 1956	Central Tax	Joint. Commissioner (Appeals)	2007-2008	17.14	12.00
Central Excise Act, 1944	Excise Duty & Cenvat Credit	Commissioner, Appeals Central Excise, Allahabad	2005-2006 & 2006-2007	8.53	8.53
Central Excise Act, 1944	Cenvat Credit	C.E.S.T.A.T , New Delhi	2008-2009 & 2009-2010	6.17	6.17
Central Excise Act, 1944	Cenvat Credit	Assistant Commissioner - Central Excise, Gorakhpur	2007-2008 & 2009-2010	1.04	1.04
Service Tax (Chapter V of Finance Act, 1994)	Service tax	Commissioner, Appeals Central Excise, Allahabad	2009-2010	159.27	159.27
Central Excise Act, 1944	Excise Duty & Cenvat Credit	Commissioner, Appeals Central Excise, Allahabad	2009-2010	3.73	3.73
TOTAL				345.66	331.05

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government. The Company has not issued any debentures.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). According to the information and explanations given to us, in respect of term loans, the Company has applied the money for the purposes for which it was raised, other than temporary deployment pending application.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the company is in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions ofSection 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No.008072S)

Geetha Suryanarayanan
(Partner)
(Membership No. 29519)

Place : Chennai
Date : 29th June, 2017

Balance sheet as at 31 March, 2017

Rupees in Lakhs

Particulars	Notes	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
ASSETS				
Non-current assets				
Property, plant and equipment	2	74,842.32	32,432.75	30,528.80
Capital work-in-progress	3	7,664.77	7,111.57	7,130.54
Financial assets				
i. Investments	4	60,915.50	46,547.66	39,979.31
ii. Other financial assets	5	880.87	700.79	683.80
Deferred tax assets (net)	6	7,073.46	7,937.01	2,500.55
Other Non- Current Assets	7	7,251.29	7,392.59	7,566.20
Total non-current assets		**158,628.21**	**102,122.37**	**88,389.20**
Current assets				
Inventories	8	222,294.06	195,637.93	190,842.50
Financial assets				
i. Other Investments	9	3.61	42,029.04	1.11
ii. Trade receivables	10	490,990.28	417,084.77	369,941.55
iii. Cash and cash equivalents	11	24,953.77	9,223.98	110,318.60
iv. Bank balances	12	478.09	317.37	279.35
v. Loans	13	3,748.79	3,525.33	3,727.44
vi. Other financial assets	5	15,547.10	106,615.12	16,436.45
Other Current Assets	7	6,028.81	11,891.83	17,963.18
Total current assets		**764,044.51**	**786,325.37**	**709,510.18**
Total assets		**922,672.72**	**888,447.74**	**797,899.38**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	14	1,429.86	1,429.86	1,429.86
Other equity :				
Reserves and Surplus	15	242,808.53	190,370.89	173,651.59
Equity attributable to owners of the Company		**244,238.39**	**191,800.75**	**175,081.45**
Total equity		**244,238.39**	**191,800.75**	**175,081.45**
LIABILITIES				
Non-current liabilities				
Financial liabilities				
i. Borrowings	16	571.29	1,142.60	1,713.92
Other non-current liabilities	17	114.24	44.56	41.76
Total non-current liabilities		**685.53**	**1,187.16**	**1,755.68**
Current liabilities				
Financial liabilities				
i. Borrowings	18	525,989.17	565,818.25	448,306.97
ii. Trade payables	19	44,871.40	48,206.21	99,279.50
iii. Other financial liabilities	20	82,412.03	62,763.90	65,623.18
Current tax liabilities (net)	21	16,718.31	10,975.41	-
Other current liabilities	22	7,757.89	7,696.06	7,852.60
Total current liabilities		**677,748.80**	**695,459.83**	**621,062.25**
Total liabilities		**678,434.33**	**696,646.99**	**622,817.93**
TOTAL Equity and Liabilities		**922,672.72**	**888,447.74**	**797,899.38**
The accompanying notes are an integral part of these financial statements.				

In terms of our report attached.
For DELOITTE HASKINS & SELLS
Chartered Accountants

For and on behalf of the Board of Directors

Geetha Suryanarayanan
Partner

Vasudha Mishra
Chairperson

U.S.Awasthi
Director

P.S.Gahlaut
Managing Director

George Zachariah
Chief Financial Officer

Rajesh Kumar Sadangi
Company Secretary

Place : New Delhi
Date : 29th June, 2017

Statement of Profit and Loss for the year ended 31 March, 2017

Rupees in Lakhs

Particulars	Note	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Revenue from operations	23	1,172,807.37	1,621,704.55
Other income	24	23,499.55	18,300.85
Total Income		**1,196,306.92**	**1,640,005.40**
Expenses			
Cost of material consumed	25	115,291.02	42,905.80
Purchases of stock-in-trade	26 a	851,240.40	1,368,543.34
Changes in inventories of finished goods, stock-in-trade and work-in-progress	26 b	(23,095.36)	(5,315.34)
Excise duty on sale of goods		3,706.64	1,791.26
Operating expenditure	27	129,224.45	128,114.25
Employee benefits expense	28	5,843.67	5,594.62
Finance costs	29	14,830.92	12,828.93
Depreciation and amortisation expense		2,659.09	1,615.50
General, administration and other expenses	30	39,434.56	59,262.97
Total expenses		**1,139,135.39**	**1,615,341.33**
Profit before exceptional items and tax		**57,171.53**	**24,664.07**
Profit before tax		**57,171.53**	**24,664.07**
Tax expense			
- Current tax		26,600.00	12,069.49
- Deferred tax		(6,162.28)	(3,513.11)
Total tax expense		**20,437.72**	**8,556.38**
Profit for the year from continuing operations		**36,733.81**	**16,107.69**
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Gains/losses on equity instruments at FVOCI		11,546.79	841.57
Remeasurements of defined benefit plans		81.73	131.09
		11,628.52	972.66
Items that may be reclassified to profit or loss :			
Debt instruments through other comprehensive income		1,273.61	735.58
		1,273.61	735.58
Total Other comprehensive income		**12,902.13**	**1,708.24**
Total comprehensive income for the period		**49,635.94**	**17,815.93**
Earnings per equity share (for continuing operations)			
Basic (in Rs.)		256.90	112.65
Diluted (in Rs.)		256.90	112.65

The accompanying notes are an integral part of these financial statements.

In terms of our report attached.

For DELOITTE HASKINS & SELLS
Chartered Accountants

For and on behalf of the Board of Directors

Geetha Suryanarayanan
Partner

Vasudha Mishra
Chairperson

U.S.Awasthi
Director

P.S.Gahlaut
Managing Director

George Zachariah
Chief Financial Officer

Rajesh Kumar Sadangi
Company Secretary

Place : New Delhi
Date : 29th June, 2017

Statement of Cash Flows

Particulars	Year ended 31 March 2017		Year ended 31 March 2016
A. Cash flow from operating activities			
Profit before income tax	57,171.53		24,664.07
Adjustments for :			
Add:			
Depreciation and amortisation expenses	2,659.09		1,615.50
Finance costs	14,830.92		12,828.93
Loss on assets sold or discarded	-		0.46
Unrealised exchange rate difference	16,433.85		4,776.23
Bad debts and irrecoverable balances written off	4,598.94		903.81
Provision for doubtful debts	22,353.92		11,290.12
Less:			
Dividend income	(2,288.34)		(2,057.58)
Interest Income on financial assets	(3,662.70)		(3,436.85)
Provisions no longer required	(247.46)		(7,457.05)
Provision for doubtful debt written back	(4,011.79)		(325.75)
Profit on sale of investment	(35.71)		(3,385.22)
Surplus on sale of fixed assets	(1.26)		-
	107,800.99		**39,416.67**
Change in operating assets and liabilities			
(Increase)/decrease in trade receivables	(97,068.06)		(58,994.29)
(Increase)/decrease in other financial assets	90,887.95		(90,195.67)
(Increase)/decrease in other non-current assets	141.30		173.60
(Increase)/decrease in other current assets	5,863.02		1,307.95
(Increase)/decrease in inventories	(26,656.13)		(4,795.43)
Increase/(decrease) in trade payables	2,992.76		(50,722.01)
Increase/(decrease) in other financial liabilities	31.73		(6,877.30)
Increase/(decrease) in other non-current liabilities	69.68		2.80
Increase/(decrease) in other current liabilities	14,082.64		7,300.51
Payable towards acquistion of business	8,304.00		-
	(1,351.11)		(202,799.84)
Cash generated from operations	**106,449.89**		**(163,383.16)**
Income taxes (paid)/Refunds	(19,414.76)		1,125.92
Net cash from /(used in) operating activities	**87,035.13**		**(162,257.24)**

Particulars	Year ended 31 March 2017		Year ended 31 March 2016
B. Cash flow from investing activities:			
Purchase of property, plant and equipment	(2,695.11)		(3,542.40)
Acquisition of Sugar unit	(42,380.50)		-
Movement in Capital work in progress	(553.20)		18.96
Sale proceeds of property, plant and equipment	8.21		22.49
Proceeds from sale of investments	1,062,026.38		5,444.30
Purchase of current investments	(1,015,356.93)		(42,027.93)
Purchase of non-current investments	(868.44)		(5,014.36)
Bank deposits (made) / realised	(160.72)		(38.02)
Interest received on financial assets	3,417.65		3,569.87
Dividend received on Equity Instruments at FVTOCI	2.54		3.31
Net cash from/(used in) investing activities	**3,439.88**		**(41,563.77)**
C. Cash flow from financing activities			
Proceeds from long term borrowings	0.01		2,516.00
Repayment of long term borrowings	(3,087.32)		-
Repayment of short term borrowings	(56,080.48)		112,336.75
Dividend on shares (including dividend distribution tax)	(516.27)		(430.24)
Amounts deposited in bank accounts towards unpaid dividends	6.38		5.32
Interest paid	(14,844.08)		(11,903.55)
Loans to wholly owned subsidiaries (made)/realised	(223.46)		202.11
Net cash from/(used in) financing activities	**(74,745.22)**		**102,726.39**
Net increase/(decrease) in cash and cash equivalents	15,729.79		(101,094.62)
Add: Cash and cash equivalents at the beginning of the financial year	9,223.98		110,318.60
Cash and cash equivalents at the end of the year	**24,953.77**		**9,223.98**
Reconciliation of Cash Flow statements as per the cash flow statement			
Cash Flow statement as per above comprises of the following	31 March 2017		31 March 2016
Cash and cash equivalents	24,953.76		9,223.98
Balances as per statement of cash flows	24,953.77		9,223.98
The accompanying notes are an integral part of these consolidated financial statements.			

In terms of our report attached.
For DELOITTE HASKINS & SELLS
Chartered Accountants

For and on behalf of the Board of Directors

Geetha Suryanarayanan
Partner

Vasudha Mishra
Chairperson

U.S.Awasthi
Director

P.S.Gahlaut
Managing Director

George Zachariah
Chief Financial Officer

Rajesh Kumar Sadangi
Company Secretary

Place : New Delhi
Date : 29th June, 2017

Significant Accounting Policies

1. Company overview and significant accounting policies

1.1 Company Overview

Indian Potash Limited (IPL)(‘ the Company’) is a leading importer involved in distribution of Muriate of Potash , Di-Ammonium Phosphate , Sulphate of Potash, Urea, Rock Phosphate, Gypsum etc. across the country including certain in-accessible areas, duly serviced by Regional offices operating in almost all State Capitals.

The Company along with its subsidiaries (hereinafter referred to as “the Group”) is also involved in the business of manufacturing of Cattlefeed products, Milk and milk products,Sulphitation and refined Sugar and trading of Gold and other precious metals.

The Company is a public limited company incorporated and domiciled in India and has its registered office in Chennai, Tamilnadu, India.

1.2 Basis of preparation of Financial statements.

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, at the end of each reporting period as explained in the accounting policies below , the provisions of the Companies Act, 2013 (‘the Act’) (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

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

The Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101, *First-Time Adoption of Indian Accounting Standards.* The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP) , which was the previous GAAP. Reconciliation and description of the effect of the transition have been summarised in the Financial Statements.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset of 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 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 (i.e.as prices) or indirectly (i.e. derived from prices) ;
- Level 3 inputs are unobservable inputs for the asset or liability.

1.3 Use of estimates and judgements

In preparing these financial statements, Management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results could differ from those estimates.

1.3.1 Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized prospectively.

1.3.2 Judgements are made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements.

1.3.3 Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment are reviewed on an on-going basis.

The areas involving critical estimates and judgements are :

S.No.	Particulars	Note
1.	Useful lives of property plant and equipment	1.5
2.	Fair value measurements an valuation processes	1.10 and 1.11
3.	Revenue recognition	1.4.1
4.	Subsidy Income	1.4.2
5.	Provision for doubtful receivables	1.12 and1.14
6.	Provision for employee benefits	1.20
7.	Lease : Whether an arrangement contains a lease	1.6
8.	Provision for Taxes	1.19
9.	Estimation of Net realizable value of inventories	1.9

1.4 Revenue Recognition

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below.

1.4.1 Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods ;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold ;
- the amount of revenue can be measured reliably ;
- it is probable that the economic benefits associated with the transaction will flow to the Company ; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.4.2 Subsidy

Subsidy income is recognised on the basis of the rate notified from time to time by the Government of India in accordance with Nutrient Based Subsidy (NBS) policy on the quantity of Fertilizers sold by the Company for the period for which notification has been issued and for the remaining period, based on conservative estimates.

Cane subsidy for the Sugar operations from the State Government is recognised when there is reasonable assurance that the subsidy will be received and all attaching conditions are complied with.

1.4.3 Rendering of Services

Revenue from providing services are recognized in the books as and when services are rendered. In case of Fertilizers imported on behalf of the Government of India /Business associates, purchase cost include actual cost plus expenditure incurred. Sales against these purchases are accounted for on cost plus fixed service charges.

1.4.4 Dividend and Interest income

Other income is comprised primarily of interest income, dividend income, exchange gain /loss on forward contracts and on translation of other assets and liabilities. Interest income is recognized using the effective interest method and accounted on accrual basis. Dividend income is recognized when the right to receive payment is established.

Interest on trade receivables, dispatch/demurrage claim and compensation/recoveries made by Government of India are accounted as and when received, on account of uncertainty in their collection.

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

Advances received for products and services are reported as client deposits until all conditions for revenue recognition are met.

The Company accounts for volume discounts and pricing rebates to customers as a reduction of revenue based on the rateable allocation of the discounts/rebates amount to each of the underlying revenue transaction that results in progress by the customer towards earning the discount/rebate. Also, when the level of discount varies with increase in levels of revenue transactions, the Company recognizes the liability based on its estimates of the customer's future purchases. If it is probable that the criteria for the discount/rebate will not be met, or if the amount thereof cannot be estimated reliably, then the discount is not recognized until the payment is probable and the amount can be estimated reliably. The Company recognizes changes in the estimated amount of obligations for discounts/rebates in the period in which the change occurs. The discounts are passed on to the customers either as direct payments or as a reduction of payment due from the customer.

1.5 Property, plant and equipment

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, if any.

Freehold land is not depreciated.

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

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

An item of property, plant and equipment is derecognized 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 sale proceeds and the carrying amount of the asset and is recognized in the profit & loss.

Advances paid towards acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under "Capital work-in-progress".

Transition to Ind AS

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

Depreciation methods, estimated useful lives and residual value

The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method at the rates prescribed under Schedule II of the Companies Act, 2013. In respect of the following categories of assets relating to a sugar unit , the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset and the operating conditions of the asset:

Buildings	16 – 30 years
Plant and equipment	10 – 25 years
Furniture & Fixtures	9 years

1.6 Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

1.7 Cash and Cash equivalents

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

1.8 Trade receivables

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

1.9 Inventories

Raw materials and stores, work in progress, traded and finished goods

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost on weighted average basis and net realisable value after providing for obsolescence and other losses, where considered necessary.

Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

Cost of inventories also include other costs incurred in bringing the inventories to their present location and condition.Cost of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

1.10 Financial instruments

1.10.1 Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instruments.

All financial assets and liabilities are initially measured at fair value except for trade receivables which are initially measured at a transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss, are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial Assets

All Regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis.Regular way purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognized financial assets are subsequently measured in their entirety at either amortised cost of fair value, depending on the classification of the financial assets.

1.10.2 Subsequent measurement

a. Non-derivative financial instruments

(i) Financial assets carried at amortized cost

Financial asset that meet the following conditions are subsequently measured at amortised cost (except for financial assets that are designated at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows ; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

Financial asset that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for financial assets that are designated at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the “Reserve for equity instruments through other comprehensive income”. The cumulative gain or loss is not classified to profit or loss on disposal of the investments.

Dividends from such investments are recognised in profit or loss as other income when the Company’s right to receive payments is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

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

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship 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. Interest income from these financial assets is included in other income.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(v) Investment in subsidiaries

Investment in subsidiaries is carried at cost in the separate financial statements.

b. Derivative financial instruments

The Company enters into some derivative financial instruments such as foreign exchange forward to manage and mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the net profit in the Statement of Profit and Loss. If the hedging instruments expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the net profit in the Statement of Profit and Loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in the cash flow hedging reserve is re-classified to net profit in the Statement of Profit and Loss.

1.10.3 De-recognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

1.11 Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

The Company has made certain investments which are not held for trading. The Company has elected the FVTOCI irrevocable option for these investments.

1.12 Impairment

a. Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL, as applicable, as the case may be. The amount of ECLs (or reversals, if any) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the profit or loss.

b. Non-financial assets

(i) Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating units to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

1.13 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

Non-current assets are not depreciated or amortised while they are classified as held for sale and are presented separately from the other assets in the balance sheet.

1.14 Trade and other payables

The amount represents liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid as per payment terms of the contract. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

1.15 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

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

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

1.15.1 Borrowing costs

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

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

1.16 Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of the money and risks specific to the liability.

The Company estimates such costs based on historical experience and estimates are reviewed on a periodic basis for any material changes in assumptions and likelihood of occurrence.

1.17 Foreign currency

(i) Functional and presentation currency

The functional currency of the Company is the Indian rupee. The financial statements are presented in Indian rupee (rounded off to lakhs; one lakh equals 100 thousands)

(ii) Transactions and translations

Foreign-currency-denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rate in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

1.18 Earnings per equity share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

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

(ii) Diluted earnings per share

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

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

1.19 Income taxes

The income tax expense comprises current and deferred income tax. Income tax expense or credit for the period is the tax payable on the current period's taxable income using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. The Company periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax assets and liabilities are recognized for all temporary difference arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

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

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

1.20 Employee benefits

1.20.1 Gratuity

The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and tenure of employment with the Company.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an Independent actuary, at each Balance Sheet date using the projected unit credit method. The Company fully contributes all ascertained liabilities to the "Indian Potash Executive Gratuity Fund Trust ('the Trust') and to "Indian Potash Non-executive Gratuity Fund Trust ('the Trust'). Trustees of the fund administer contributions made to the Trusts and contribution are invested in a scheme with SBI Life Insurance Company Limited as permitted by Indian Law.

The Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements, if any, of the net defined benefit liability/ (asset) are recognized in other comprehensive income. The actual return of the portfolio of the plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income. The effect of any plan amendments are recognized in the net profit in the Statement of Profit and Loss.

1.20.2 Superannuation

Certain employees of Indian Potash Limited are participants in a defined contribution plan. The Company has no further obligations to the plan beyond its monthly contributions which are periodically contributed to a trust fund, the corpus of which is invested with SBI Life Insurance Company Limited.

1.20.3 Provident fund

Eligible employees of Indian Potash Limited receive benefits from a provident fund, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The Company contributes a portion to the Indian Potash Staff Provident Fund Trust. The trust invests in specific designated instruments as permitted by Indian law. The remaining portion is contributed to the government-administered pension fund. The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate.

1.20.4 Compensation absences

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

1.21 Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

1.22 Contributed equity

Equity shares are classified as equity.

1.22.1 Dividends

The final dividend on shares is recorded as a liability on the date of approval by the shareholders.

1.23 Service Tax input credit

Service Tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is certainty in availing / utilising the credits.

1.24 Operating Cycle

Based on the nature of products/activities of the company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

1.25. Rounding off amounts

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

Notes forming part of the financial statements

Statement of Changes in Equity for the year ended 31st March 2017

(Rupees in lakhs)

Particulars	Equity Share Capital	OTHER EQUITY						Deffered Tax Asset/ (Liability)	Total equity attributable to equity holders of the Company"
		Reserves & Surplus			Other Comprehensive Income				
		Capital Reserve	General Reserve	Retained Earnings	Debt instrument through other comprehensive income	Equity instrument through other comprehensive income	Other Items of Other comprehensive income		
Opening balance as at 1 April 2015 - as per previous GAAP	1,429.86	-	42,486.88	126,562.65					170,479.39
Fair valuation of Investments					2,471.18	3,760.80	-	(2,037.00)	4,194.98
Dividends	-	-	-	430.24	-	-	-		430.24
Fair valuation of Derivatives				1.47					1.47
Revaluation reserve				322.88					322.88
Deferred Rent liability				180.54					180.54
Expected Credit losses				(528.05)					(528.05)
Balance as at 1 April 2015 - as per Ind AS	1,429.86	-	42,486.88	126,969.73	2,471.18	3,760.80	-	(2,037.00)	175,081.45
Transfer to/(from) retained earnings	-	-	500.00	(500.00)			-		-
Fair valuation of Investments					735.58	841.57		(666.65)	910.50
Employee Benefits				131.09					131.09
Other Non Current Liability - Molasses Storage Reserve				(2.80)					(2.80)
Profit for the year	-	-	-	16,107.69	-	-	-		16,107.69
Dividends				(430.24)					(430.24)
Deferred Rent liability				3.06					3.06
Closing balance as at 31 March 2016	1,429.86	-	42,986.88	142,278.53	3,206.76	4,602.37	-	(2,703.65)	191,800.75
Dividends	-	-	-	(516.27)	-	-	-		(516.27)
Acquistion of Sugar unit (Refer Note No. 32)		7,762.49							7,762.49
Fair valuation of Investments	-	-	-		1,273.61	11,546.79	-	(4,435.82)	8,384.58
Employee Benefits				81.73				-	81.73
Other Non Current Liability - Molasses Storage Reserve				(8.71)					(8.71)
Profit for the year	-	-	-	36,733.82	-	-	-		36,733.82
Closing balance as at 31 March 2017	1,429.86	7,762.49	42,986.88	178,569.10	4,480.37	16,149.16	-	(7,139.47)	244,238.39

Note 2 Property, plant and equipment

(Rupees in lakhs)

Particulars	Freehold Land	Buildings #	Plant and equipment	Furniture and Fixtures	Motor Vehicle	Office Equipment	A.V.Unit Van & Equipments	Computers	Total
Deemed Cost as at 1st April 2015	10,495.59	9,750.83	9,256.11	220.93	122.73	398.84	60.33	223.44	30,528.80
Additions & Acquisition	280.00	1,586.85	1,332.49	179.42	15.30	98.80	19.41	30.12	3,542.39
Disposal	-	-	(0.72)	(9.02)	(12.64)	(20.64)	(11.82)	(17.73)	(72.57)
Closing gross carrying amount (A)	10,775.59	11,337.68	10,587.88	391.33	125.39	477.00	67.92	235.83	33,998.62
Accumulated depreciation and impairment									
Depreciation charge during the year	-	437.98	875.82	34.88	21.54	73.69	21.05	150.54	1,615.50
Deductions and Adjustments	-	-	(0.05)	(7.70)	(5.96)	(8.37)	(11.28)	(16.26)	(49.62)
Closing accumulated depreciation and impairment (B)	-	437.98	875.77	27.18	15.58	65.32	9.77	134.28	1,565.88
Net carrying amount as on 31-03-2016 (C) (A-B)	10,775.59	10,899.70	9,712.11	364.15	109.81	411.68	58.15	101.55	32,432.75
Acquisition of Titawi sugar unit (D)	20,074.00	3,212.40	19,036.16	3.23	0.86	16.66	-	37.19	42,380.50
Additions & Acquisitions (E)	1,321.61	111.54	855.66	9.82	10.86	311.36	27.16	47.10	2,695.11
Disposals	-	-	(0.11)	(6.57)	(5.85)	(7.23)	(19.31)	(13.77)	(52.84)
Closing gross carrying amount (F = A+D+E)	32,171.20	14,661.62	30,479.59	397.81	131.26	797.79	75.77	306.35	79,021.39
Accumulated depreciation and impairment									
Opening accumulated depreciation	-	437.98	875.77	27.18	15.58	65.32	9.77	134.28	1,565.88
Depreciation charge during the year	-	481.26	1,961.53	44.04	22.65	75.25	13.29	61.07	2,659.09
Disposals	-	-	(0.11)	(5.14)	(4.62)	(4.30)	(18.35)	(13.38)	(45.90)
Closing accumulated depreciation and impairment (G)	-	919.24	2,837.19	66.08	33.61	136.27	4.71	181.97	4,179.07
Net carrying amount as on 31.03.2017 (F-G)	32,171.20	13,742.38	27,642.40	331.73	97.65	661.52	71.06	124.38	74,842.32

i) Freehold Land of Rs. 20,074 measuring 71.84 acres located at Titawi, Muzaffarnagar, Uttar Pradesh, represents Land acquired from Mawana Sugars Limited during the year pursuant to a business transfer agreement. However the title deeds are yet to be transferred in the name of the Company. Refer Note No. 32.

\# Building include undivided share of Land, the value of which is not seperately ascertainable.

Notes forming part of the financial statements

Note 3 Capital work-in-progress

(Rupees in lakhs)

Particulars	As at 1 April, 2015	Incurred during the year	Capitalised / Adjusted	As at March 31, 2016	Incurred during the year	Capitalised / Adjusted	As at 31 March, 2017
Capital work-in-progress	6,771.84	763.34	423.61	7,111.57	549.74	0.74	7,660.57
Capital Advances	358.70	-	358.70	-	4.20	-	4.20
Total	7,130.54	763.34	782.31	7,111.57	553.94	0.74	7,664.77

Note 4 Investments

Particulars	Face value	31 March 2017		31 March 2016		1 April 2015	
		No. of shares/ Units	Rupees in lakhs	No. of shares/ Units	Rupees in lakhs	No. of shares/ Units	Rupees in lakhs
Investment measured at Fair Value through Other Comprehensive Income							
(a) Equity Shares (Fully Paid up) - Unquoted :							
IFFCO - Tokio General Insurance Co. Limited	10	3,662,772	14,959.86	3,662,772	5,311.02	3,662,772	4,431.95
Mittal Chambers Owners Premises Co-Soceity Limited @	50	-	-	-	-	5	0.00
Suhavan and Supath Members Association @	100	-	-	-	-	10	0.01
New India Co-Operative Bank Limited	10	300	0.03	300	0.03	300	0.03
Indian Commodity Exchange Limited	5	26,800,000	2,680.00	20,000,000	180.00	20,000,000	180.00
SBC Owners Welfare Soceity		-	-	-	-		23.16
IFFCO CRWC LOGISTICS LIMITED	10	437,000	43.70	-	-	-	-
Wisekey India Private Limited	10	100,000	824.74	-	-	-	-
Sub-Total			**18,508.33**		**5,491.05**		**4,635.15**
(b) Equity Shares (Fully Paid up) - Quoted:							
BSE Limited (Refer note below for 2015)	2	19,480	190.45	38,961	112.50	15,000,000	150.00

Notes forming part of the financial statements

Particulars	Face value	31 March 2017		31 March 2016		1 April 2015	
		No. of shares/ Units	Rupees in lakhs	No. of shares/ Units	Rupees in lakhs	No. of shares/ Units	Rupees in lakhs
(c) Debt Instruments - Unquoted :							
IRFC Tax Free Bonds - 2030 - 7.28%	1000	75500	846.36	75500	771.61	-	-
NHAI Tax Free Bonds - 2031 - 7.35%	1000	285,698	3,025.54	285,698	2,971.26	-	-
HUDCO Tax Free Bonds - 2031 - 7.39%	1000	140,139	1,401.39	140,139	1,401.39	-	-
Special Fertiliser Bonds - 2022 - 7.00%	100	37,240,000	36,673.80	37,240,000	35,529.22	37,240,000	34,924.53
Special Fertiliser Bonds - 2023 - 6.65%	100	50	0.05	50	0.05	50	0.05
Sub-Total			**41,947.14**		**40,673.53**		**34,924.58**
Total			**60,645.92**		**46,277.08**		**39,709.73**

Particulars	Face value	31 March 2017		31 March 2016		1 April 2015	
		No. of shares/ Units	Rupees in lakhs	No. of shares/ Units	Rupees in lakhs	No. of shares/ Units	Rupees in lakhs
Investment in equity instruments (fully paid-up), in Subsidiary Companies - Measured at Cost							
Unquoted :							
IPL Gujarat Port Limited	10	1,000,000	100.00	1,000,000	100.00	1,000,000	100.00
Goldline Milkfood and Allied Industries Limited	100	69,426	67.08	69,426	67.08	69,426	67.08
IPL Sugars and Allied Industries Limited	10	1,000,000	100.00	1,000,000	100.00	1,000,000	100.00
Sub-total			267.08		267.08		267.08
Investment in government securities - Measured at Amortised Cost							
Unquoted :							
National Savings Certificate - VIII Issue	10000	15	1.50	20	2.00	5	0.50
National Savings Certificate - VIII Issue	5000	20	1.00	30	1.50	40	2.00
Sub-total			2.50		3.50		2.50

Notes forming part of the financial statements

Particulars	Face value	31 March 2017		31 March 2016		1 April 2015	
		No. of shares/ Units	Rupees in lakhs	No. of shares/ Units	Rupees in lakhs	No. of shares/ Units	Rupees in lakhs
Total non-current investments			60,915.50		46,547.66		39,979.31
Aggregate amount of Quoted investments (Refer (b) above)			190.45		112.50		#
Aggregate amount of Unquoted investments			60,725.05		46,435.16		39,979.31

@ Amount is below the rounding off norm adopted by the Company.

The company was holding 15,000,000 equity shares of Rs 1 each fully paid up in United Stock Exchange of India Limited(USEIL). Pursuant to the scheme of amalgamation between USEIL and BSE Limited as approved by the Bombay High Court on 24th April 2015, the company has been allotted 38,961 equity shares of Rs 1 each fully paid up in BSE Limited. On 29-Nov-2016, the said shares were converted into 19,480 shares of Rs.2 each.

Unquoted in 2015. Refer note above

Note 5 Other Financial Assets

Rupees in Lakhs

Particulars	As at 31 March, 2017		As at 31 March, 2016		As at 1 April, 2015	
	Current	Non-Current	Current	Non-Current	Current	Non-Current
Security Deposit	-	869.09	-	666.33	-	623.88
Advances to employees	45.93	11.78	43.66	34.46	18.47	59.92
Held for trading derrivatives not designated in Hedge accounting relationship	-	-	-	-	1.47	-
Interest accrued on deposits	217.83	-	145.78	-	355.60	-
Interest accrued on bonds	1,056.83	-	883.83	-	807.04	-
Due from Ministry of Chemicals and Fertilizers, Government of India - For Urea Handling	14,226.51	-	105,541.85	-	15,253.87	-
Total other assets	15,547.10	880.87	106,615.12	700.79	16,436.45	683.80

Notes forming part of the financial statements

Note 6 Deferred tax Assets (net)

Rupees in Lakhs

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Deferred tax assets:			
Provision for compensated absences, gratuity and other employee benefits	69.98	72.38	104.86
Provision for doubtful debts / advances	13,861.46	8,249.48	4,798.37
Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961	1,135.56	1,135.56	1,135.56
MAT Credit Entitlement	-	2,590.00	-
Others	1,455.97	522.09	250.60
Total of Deferred Tax Assets	**16,522.97**	**12,569.51**	**6,289.39**
Deferred tax liabilities:			
On difference between book balance and tax balance of fixed assets	2,310.04	1,928.85	1,751.84
Deferred Tax Liability on reserve for debt and equity instruments through other comprehensive income	7,139.47	2,702.59	2,156.76
Deferred Tax (Asset) / Liability on certain items included in transition reserve	-	1.06	(119.76)
Total of Deferred Tax Liabilities	**9,449.51**	**4,632.50**	**3,788.84**
Deferred tax (net)	**7,073.46**	**7,937.01**	**2,500.55**

Note 7 : i) Other Non-Current Assets

Rupees in Lakhs

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Leasehold Land:			
Motipur Sugar Unit (Refer Note (a) below)	4,944.11	5,037.77	5,131.44
Land (Manda-Jaipur)	592.50	599.03	605.58
Tuticorin Port	160.64	169.08	177.55
Vizag Port	1,188.49	1,243.15	1,297.75
Vizag Port	239.91	252.20	264.49
Sub-total	**7,125.65**	**7,301.23**	**7,476.81**
Balances with Statutory authorities	125.64	91.37	89.39
Total	**7,251.29**	**7,392.60**	**7,566.20**

Note (a) : Represents Leasehold land measuring 266 acres located at Motipur, Bihar.The Land was leased to the Company by Bihar State Sugar Corporation Limited (BSSCL) in 2011-2012. BSSCL's title to the land was challenged by shareholders of the sugar factory and consequently the lease to the company was also questioned as bad and illegal. However, the High Court of judicature at Patna during 2013-2014 has pronounced BSSCL as the owner of the Land and upheld its right to let it on lease to the Company. The Lease agreement is yet to be registered in the name of the company.

Notes forming part of the financial statements

Note 7 : ii) Other Current Assets

Rupees in Lakhs

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Leasehold Land (Refer Note (a) below)	175.58	175.58	175.58
Other Advances	3,684.91	10,183.43	11,455.85
Balances with statutory authorities	-	-	-
- Cenvat Credit	422.38	182.42	220.10
- VAT	101.07	46.74	80.81
- Customs duty	3.14	-	781.07
- Others	50.78	21.87	21.87
Prepaid Expenses	1,590.95	1,281.79	464.50
Advance tax (Net of provision Rs.100,302.11 Lakhs)	-	-	4,763.40
Total	**6,028.81**	**11,891.83**	**17,963.18**

Note (a) : Represents Leasehold land measuring 266 acres located at Motipur, Bihar.The Land was leased to the Company by Bihar State Sugar Corporation Limited (BSSCL) in 2011-2012. BSSCL's title to the land was challenged by shareholders of the sugar factory and consequently the lease to the company was also questioned as bad and illegal. However, the High Court of judicature at Patna during 2013-2014 has pronounced BSSCL as the owner of the Land and upheld its right to let it on lease to the Company. The Lease agreement is yet to be registered in the name of the company.

Note 8 Inventories

Rupees in Lakhs

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
(a) Stores and spares	1,319.17	780.59	900.09
(b) Raw materials	1,518.19	1,486.16	1,539.08
(c) Work-in-progress	3,179.80	3,393.98	3,172.24
(d) Finished goods (other than those acquired for trading)	46,146.81	22,099.50	28,295.09
(e) Stock-in-trade (acquired for trading)	168,684.25	166,432.94	155,143.75
(f) Packing Materials	1,445.84	1,444.76	1,792.25
Total inventories	**222,294.06**	**195,637.93**	**190,842.50**

Notes forming part of the financial statements

Note 9 Other Investments

Rupees in Lakhs

Particulars	Face value	31 March 2017		31 March 2016		1 April 2015	
		No. of Units	Amount (Rs. In lakhs)	No. of Units	Amount (Rs. In lakhs)	No. of Units	Amount (Rs. In lakhs)
Investment in government securities - Measured at Amortised Cost							
Unquoted							
(i) National Savings Certificate - VIII Issue	10,000	19	1.90	14	1.40	9	0.90
(ii) National Savings Certificate - VIII Issue	5,000	31	1.55	21	1.05	1	0.05
(iii) National Savings Certificate - VIII Issue	1,000	15	0.15	15	0.15	15	0.15
(iv) National Savings Certificate - VIII Issue	500	2	0.01	2	0.01	2	0.01
Investment in mutual funds - Measured at Fair Value through Profit and Loss Account :							
Quoted							
SBI Mutual Fund	1,675.03	-	-	896,123.54	15,010.34	-	-
HDFC Mutual Fund	1,019.82	-	-	1,177,345.02	12,006.80	-	-
Reliance Mutual Fund	1,528.74	-	-	981,807.64	15,009.29	-	-
Total (mutual funds)			**3.61**		**42,029.04**		**1.11**
Total current investments			**3.61**		**42,029.04**		**1.11**
Aggregate amount of Quoted investments			-		42,026.43		-
Aggregate amount of unquoted investments			3.61		2.61		1.11

Note 10 Trade receivables

Rupees in Lakhs

(Unsecured and considered good unless stated otherwise)

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Trade Receivable	519,636.26	438,167.67	380,071.46
Less: Allowance for doubtful debts	28,645.98	21,082.90	10,129.91
Total receivables	**490,990.28**	**417,084.77**	**369,941.55**

Notes forming part of the financial statements

Note 11 Cash and cash equivalents

Rupees in Lakhs

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Balances with banks			
- in current accounts	24,927.56	9,190.20	14,876.19
- in deposits account with original maturity of less than three months	-	-	95417.81
Cash on hand (Refer Note 11(i) below)	26.21	33.78	24.60
Total cash and cash equivalents	**24,953.77**	**9,223.98**	**110,318.60**

Note 11(i) : Disclosure on Specified Bank Notes:

Rupees in Lakhs

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on November 8,2016	15.01	7.45	22.46
(+) Permitted receipts	5.09	91.18	96.27
(-) Permitted payments	-	77.00	77.00
(-) Amount deposited in Banks	(20.10)	(5.23)	(25.33)
Closing cash in hand as on December 30, 2016	**-**	**16.40**	**16.40**

Note 12 Bank balances

Rupees in Lakhs

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Deposits with original maturity of more than twelve months	270.89	224.79	171.64
Unclaimed dividend	37.22	30.84	25.52
Molasses storage fund Deposit account	169.98	61.74	82.19
Total	**478.09**	**317.37**	**279.35**

Note 13 Loans

Rupees in Lakhs

Particulars	As at 31 March, 2017		As at 31 March, 2016		As at 1 April, 2015	
	Current	Non-Current	Current	Non-Current	Current	Non-Current
Unsecured, considered good						
Loans to wholly owned subsidiaries	3,748.79	-	3,525.33	-	3,727.44	-
Total	**3,748.79**	**-**	**3,525.33**	**-**	**3,727.44**	**-**

Notes forming part of the financial statements

Note 14 Equity Share capital

Rupees in Lakhs

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Authorised Share Capital:			
Fully paid equity shares of Rs.10 each	5,000.00	5,000.00	5,000.00
Issued and subscribed capital comprises:			
fully paid equity shares of Rs.10 each (as at March 31, 2016: Rs.10 each; as at April 1, 2015: Rs.10 each)	1,429.86	1,429.86	1,429.86
Total	**1,429.86**	**1,429.86**	**1,429.86**

Particulars	Number of shares	Rs. In lakhs
Balance at April 1, 2016	14,298,600	1,429.86
Movement	-	-
Balance at March 31, 2017	**14,298,600**	**1,429.86**

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

Particulars	As at 31 March, 2017		As at 31 March, 2016		As at 1 April, 2015	
	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 with voting rights :						
Indian Farmers Fertilisers Cooperative Limited (Investing Party)	4,860,000	33.99	4,860,000	33.99	4,860,000	33.99
Gujarat State Co-operative Marketing Federation Limited	1,494,000	10.45	1,494,000	10.45	1,494,000	10.45
Gujarat State Fertilisers and Chemicals Limited	1,125,000	7.87	1,125,000	7.87	1,125,000	7.87
Andhra Pradesh State Cooperative Marketing Federation Limited	891,000	6.23	891,000	6.23	891,000	6.23
Madras Fertilisers Limited	792,000	5.54	792,000	5.54	792,000	5.54

The company has one class of equity shares having a par value of Rs.10/- per share. Each share holder is entitled for one vote. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General meeting. Repayment of share capital on liquidation will be in proportion to the number of equity shares held.

Notes forming part of the financial statements

Note 15 Other Equity

Rupees in Lakhs

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
General reserve	42,986.88	42,986.88	42,486.88
Reserve for debt instruments through other comprehensive income	4,480.37	3,206.76	2,471.18
Reserve for equity instruments through other comprehensive income	16,149.16	4,602.37	3,760.80
Retained earnings	178,162.01	141,871.45	126,562.65
Capital reserve	7,762.49	-	-
Others - Transition reserve	407.08	407.08	407.08
	249,948.00	193,074.54	175,688.59
Less:- Deferred Tax Liability on reserve for debt and equity instruments through other comprehensive income	7,139.47	2,702.59	2,156.76
Less:- Deferred Tax (Asset) / Liability on certain items included in transition reserve	-	1.06	(119.76)
Total	**242,808.53**	**190,370.89**	**173,651.59**

General reserve

Rupees in Lakhs

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Balance at beginning of year	42,986.88	42,486.88	39,486.88
Movements - Transferred from Statement of Profit and Loss	-	500.00	3,000.00
Balance at end of year	**42,986.88**	**42,986.88**	**42,486.88**

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

Retained earnings

Rupees in Lakhs

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Balance at beginning of year	141,871.45	126,562.65	109,237.33
Profit attributable to owners of the Company	36,733.81	16,107.69	21,125.70
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	81.73	131.09	
Payment of dividends on equity shares transferred to transit reserve		(516.27)	(430.24)
Deferred Rent Written Back		3.06	
Proposed dividend	(516.27)	86.03	

Notes forming part of the financial statements

Rupees in Lakhs

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Others - (i) Transferred to General reserve	-	(500.00)	(3,000.00)
(ii) Depreciation on Transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with NIL remaining useful life (Net of deferred tax)	-	-	(367.64)
(iii) Transferred to Molasses Storage Facilities Reserve Fund	(8.71)	(2.80)	(2.50)
Balance at end of year	**178,162.01**	**141,871.45**	**126,562.65**

In respect of the year ended March 31, 2017, the directors propose that a dividend of Rs.3.00 per share be paid on fully paid equity shares. This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares. The total estimated equity dividend to be paid is Rs.428.96 Lakhs.

Capital Reserve (Refer Note No.32)

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Balance at beginning of year	-	-	-
Movement during the year	7,762.49	-	-
Balance at end of year	**7,762.49**	**-**	**-**

Transition Reserve

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Opening Balance	407.08	407.08	-
Deffered Rent written back	-	-	180.54
Proposed dividend	-	-	430.24
Expected Credit Loss on Subsidy	-	-	(528.05)
MTM Gain\loss	-	-	1.47
Revaluation Reserve	-	-	322.88
Balance at end of year	**407.08**	**407.08**	**407.08**

Note 16 Non-current borrowings

Rupees in Lakhs

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Secured - at amortised cost			
(i) Term loans			
- from banks	571.29	1,142.60	1,713.92
Total non-current borrowings	**571.29**	**1,142.60**	**1,713.92**

Notes forming part of the financial statements

Notes:

(i) Details of terms of repayment for long-term borrowings and security provided in respect of secured long-term borrowings:

Rupees in Lakhs

Name of Bank	Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Term loan from a bank:				
HDFC Bank	Repayable in 12 quarterly instalments commencing from June 2016 & ending March 2019 @ Rs. 142.83 lakhs per instalment.	1,142.60	1,713.92	1,713.92
	Repayable in full on 22nd September 2016	-	2,516.00	-
Total		**1,142.60**	**4,229.92**	**1,713.92**

ii) Details of Security — First charge on the moveable fixed assets of sugar units of the Company.

iii) Interest — The company has availed the interest free loan under "Scheme for Extending Financial Assistance to Sugar Undertakings 2013", from Sugar Development Fund.

Note 17 Other non-current liabilities

Rupees in Lakhs

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Molasses Storage Facility Reserve Fund #	114.24	44.56	41.76
Total	**114.24**	**44.56**	**41.76**

Represents amount transferred from Statement of Profit and Loss for utilisation towards maintenance of adequate storage facilities in accordance with the order issued by the Controller of Uttar Pradesh State Sugar Corporation at the stipulated rate. The Company has earmarked bank deposits corresponding to this reserve.

Note 18 Current Borrowings

Rupees in Lakhs

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Unsecured - at amortised cost			
a) Other loans - Banks	88,200.00	85,820.26	-
(b) Buyers Credit	437,789.17	449,997.99	445,583.95
Secured -at amortised cost			
(a) Loans repayable on demand			
- Bank overdraft	-	-	2,723.02
(b) Other loans - Banks	-	30,000.00	
Total	**525,989.17**	**565,818.25**	**448,306.97**

Notes forming part of the financial statements

Notes:

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Working Capital Facilities			
DBS Bank #	-	20,000.00	
Deutsche Bank #	-	10,000.00	
State Bank of Hyderabad #	-	-	222.93
Allahabad Bank #	-	-	0.09
New India Co-operative Bank @	-	-	2,500.00
	-	**30,000.00**	**2,723.02**

@ Secured by land and building situated at Sikandrabad, Uttar Pradesh.

Secured by hypothecation of Stocks and Sundry Debtors

Note 19 Trade Payables

Rupees in Lakhs

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Trade payables			
- Acceptances	38,814.42	20,004.21	24,796.21
- Other than Acceptances (Refer Note (i) below)	6,056.98	28,202.00	74,483.29
Total	**44,871.40**	**48,206.21**	**99,279.50**

Note (i):

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Rupees in Lakhs

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	NIL	NIL	NIL
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	NIL	NIL	NIL
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	NIL	NIL	NIL
(iv) The amount of interest due and payable for the year	NIL	NIL	NIL
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	NIL	NIL	NIL
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	NIL	NIL	NIL

Note (ii) There are no dues to enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006, as at March 31, 2017 / March 31, 2016 / March 31, 2015 which is on the basis of such parties having been identified by the management and relied upon by the auditors.

Notes forming part of the financial statements

Note 20 Other financial liabilities

Rupees in Lakhs

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
a) Current maturities of long-term debt	571.32	3,087.32	-
b) Interest accrued	1,691.44	1,704.60	779.22
c) Unpaid dividends	37.22	30.84	25.52
d) Held for trading derivatives not designated in Hedge accounting relationship	37.31	5.58	-
Payables on purchase of fixed assets	2,810.00	2,810.00	2,810.00
Payable on acquistion of business - Sugar unit (Refer Note No. 40)	8,304.00	-	-
Trade / security deposits received	3,827.10	3,443.78	3,686.15
Port handling expenses	30,133.85	27,937.76	31,820.41
Customer Discounts	18,212.63	7,120.63	10,632.71
Freight & other claims	12,689.24	12,888.53	12,746.76
Others	4,097.92	3,734.86	3,122.41
Total	**82,412.03**	**62,763.90**	**65,623.18**

Note 21 Current Tax assets and liabilities

Rupees in Lakhs

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Current tax Assets			
Others - Advance tax and tax deducted at source	110,333.87	89,476.77	-
	110,333.87	89,476.77	-
Current tax liabilities			
Income Tax payable	127,052.18	100,452.18	-
	127,052.18	100,452.18	-
Current tax Liabilities (net)	**16,718.31**	**10,975.41**	**-**

Note 22 Other current liabilities

Rupees in Lakhs

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
(a) Other advances - from Customers	4,124.41	3,965.76	4,104.21
(b) Employee benefits			
(i) Gratuity	195.52	287.98	466.84
(ii) Compensated absences	202.21	209.15	302.99
	397.73	497.13	769.83
(c) Others :			
- Statutory remittances	3,235.75	3,233.17	2,978.56
	3,235.75	3,233.17	2,978.56
Total	**7,757.89**	**7,696.06**	**7,852.60**

Notes forming part of the financial statements

Note (i) : Gratuity

The following tables sets out the funded status of the defined benefit scheme and the amount recognised in the Financial statements:

Components of Employer's expense Rupees in Lakhs

Particulars	2016-17	2015-16
Current service cost	175.08	158.76
Interest cost	175.93	177.29
Expected return on plan assets	(161.74)	(150.40)
Actuarial losses/ (gains)	(81.73)	(131.09)
Total expense recognised in the Statement of Profit and Loss	**107.54**	**54.56**

Net Asset/ Liability recognised in the Balance Sheet Rupees in Lakhs

Particulars	2016-17	2015-16
Present value of Defined benefit obligation (DBO)	2,509.84	2,452.29
Fair value of plan assets at the end of the year	2,314.32	2,164.31
Asset/(Liability) recognized in the balance sheet	**(195.52)**	**(287.98)**

Changes in the Defined Benefit Obligation (DBO) during the year: Rupees in Lakhs

Particulars	2016-17	2015-16
Present value of DBO at the beginning of year	2,452.28	2,391.41
Interest cost	175.93	177.29
Current Service cost	175.08	158.76
Benefits paid	(223.14)	(165.82)
Actuarial (Gains) / Losses	(70.31)	(109.35)
Present value of DBO at the end of year	**2,509.84**	**2,452.29**

Changes in the fair value of assets during the year: Rupees in Lakhs

Particulars	2016-17	2015-16
Plan assets at beginning of year	2,164.30	1,924.56
Expected return on plan assets	161.74	150.40
Actual company contributions	200.00	233.42
Benefits paid	(223.14)	(165.82)
Actuarial gain / (loss)	11.42	21.74
Plan assets as at end of year	**2,314.32**	**2,164.31**

Composition of the Plan assets is as follows: Rupees in Lakhs

Particulars	2016-17	2015-16
Debt	44.45%	85.87%
Equity	6.02%	5.02%
Fixed Deposits and Other Assets	49.53%	9.11%

Notes forming part of the financial statements

Actuarial Assumptions:

Rupees in Lakhs

Particulars	2016-17	2015-16
Discount Rate	7.36%	7.68%
Expected rate of return on assets	7.36%	7.68%
Expected rate of salary Increase	5.00%	5.00%
Attrition Rate	5.00%	3.00%
Mortality	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

Rupees in Lakhs

Experience Adjustments	2016-17	2015-16
Present value of DBO	2,509.84	2,452.29
Fair value of plan assets	2,314.32	2,164.31
Funded status [Surplus / (Deficit)]	(195.52)	(287.98)
Experience gain / (loss) adjustments on plan liabilities	(70.31)	(109.35)
Experience gain / (loss) adjustments on plan assets	11.42	21.74

The estimates of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors. The expected return on plan assets is based on expectation of the average long term rate of return expected on investment after fund during the estimated term of the obligation.

The experience adjustments, meaning difference between changes in plan assets and obligations expected on the basis of actuarial assumption and actual changes in those assets and obligation are given above.

Maturity Profile of Defined Benefit Obligations:

Rupees in Lakhs

Particulars	2016-17	2015-16
Year (1)	408.17	363.46
Year (2)	269.61	215.19
Year (3)	334.51	177.80
Year (4)	258.35	202.51
Year (5)	268.28	165.68
Year (6 - 10)	689.29	498.85
TOTAL	**2228.21**	**1623.49**

Note (iii) Compensated absences

Actuarial Assumptions:

Rupees in Lakhs

Particulars	2016-17	2015-16
Discount Rate	7.12%	7.68%
Expected rate of Return on Assets	8.00%	8.00%
Expected rate of salary Increase	5.00%	5.00%
Attrition Rate	5.00%	3.00%
Mortality	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

Notes forming part of the financial statements

Note 23 Revenue from operations

Rupees in Lakhs

Particulars	For the Year Ended 31 March, 2017	For the Year Ended 31 March, 2016
(a) Sale of products (Refer Note 1 below) (including Excise Duty of Rs.3706.64 lakhs for the year ended 31 March, 2017 and Rs. 1,791. 26 Lakhs for the year ended March 31, 2016)	1,224,527.95	1,633,302.43
Less : Sales Discounts	58,378.59	25,626.79
	1,166,149.36	1,607,675.64
(b) Sale of Services	76.33	466.01
(c) Other operating revenues		
- Differential Freight claim on Urea handling	5,320.59	9,831.27
- Cane Purchase Subsidy	-	2,141.62
- Amount received from suppliers/agents towards Shortages	113.30	27.14
- Despatch / Demurrage (net)	1,147.79	1,562.87
Total	**1,172,807.37**	**1,621,704.55**

Note 1:

Particulars	For the Year Ended 31 March, 2017	For the Year Ended 31 March, 2016
Sale of products comprises :		
Manufactured goods		
Sugar & By Products	66,490.70	34,818.76
Cattle feed Products	7,894.76	7,179.91
Milk & Milk Products	40,610.48	5,477.30
Total - Sale of manufactured goods	114,995.94	47,475.97
Traded goods		
Muriate of Potash	270,961.63	331,454.59
Di Ammonium Phosphate	261,436.65	310,201.29
Urea	104,213.17	465,491.72
Complex Fertilisers	37,125.27	47,403.57
Others	33,064.84	36,747.43
Total - Sale of traded goods	**706,801.56**	**1,191,298.60**
Total - Sale of products	**821,797.50**	**1,238,774.57**

Notes forming part of the financial statements

Rupees in Lakhs

Particulars	For the Year Ended 31 March, 2017	For the Year Ended 31 March, 2016
Government Subsidy comprises :		
Traded goods		
Muriate of Potash	185,020.43	146,166.86
Di Ammonium Phosphate	136,368.24	190,262.79
Complex Fertilisers	20,014.65	27,469.33
Others	2,948.54	5,002.09
Total - of Subsidy	**344,351.86**	**368,901.07**
Grand Total - Sale of products	**1,166,149.36**	**1,607,675.64**

Note 24 Other income

Rupees in Lakhs

Particulars	For the Year Ended 31 March, 2017	For the Year Ended 31 March, 2016
a) Interest Income		
Interest income earned on financial assets that are not designated as at fair value through profit or loss:	590.45	509.40
Bank deposits (at amortised cost)	96.93	243.86
Interest income from Debt instruments at FVTOCI	2,975.32	2,683.59
Total	**3,662.70**	**3,436.85**
b) Dividend income		
Dividends from mutual funds	**2,288.34**	**2,057.58**
All dividends from mutual funds designated as at FVTPL recognised for both the years relate to investments held at the end of each reporting period		
c) Other non-operating income(net of expenses directly attributable to such income)		
Profit on sale of fixed assets (Net)	1.26	-
Profit on sale of Investments	35.71	3,385.22
Miscellaneous income	290.29	657.54
Liablities/ duties no longer required, written back	247.46	7,457.05
Provision for bad trade and other receivables no longer required written back	4,011.79	325.75
Receipts towards Insurance Claims	605.12	970.28
Bad trade and other receivables recovered	1,558.33	10.58
Net Gain on foreign currency transactions and translation	10,798.55	-
	17,548.51	**12,806.42**
Total (a+b+c)	**23,499.55**	**18,300.85**

Notes forming part of the financial statements

Note 25. Cost of Material consumed

Rupees in Lakhs

Particulars	For the Year Ended 31 March, 2017	For the Year Ended 31 March, 2016
Raw materials at the beginning of the year consumed	1,486.16	1,539.08
Add: Purchases	115,323.05	42,852.88
Less: Raw material at the end of the year	1,518.19	1,486.16
Total cost of material consumed - Indigenous	**115,291.02**	**42,905.80**
Material consumed comprises:		
Sugarcane	66,970.48	25,998.09
Others	48,320.54	16,907.71
Total	**115,291.02**	**42,905.80**

Note 26 a. Purchase of traded goods

Rupees in Lakhs

Particulars	For the Year Ended 31 March, 2017	For the Year Ended 31 March, 2016
Muriate of Potash	368,069.63	392,795.39
Di-Ammonium Phosphate	325,031.42	436,324.16
Urea	92,395.83	450,236.27
Complex Fertilisers	47,851.64	74,309.49
Others	17,891.88	14,878.03
Total	**851,240.40**	**1,368,543.34**

Note 26 b. Changes in inventories of finished goods, Stock-in-trade and work-in-progress

Rupees in Lakhs

Particulars	For the Year Ended 31 March, 2017	For the Year Ended 31 March, 2016
Inventories at the end of the year:		
Finished goods	46,146.81	22,099.50
Work-in-progress	3,179.80	3,393.98
Stock-in-trade	168,684.25	166,432.94
	218,010.86	**191,926.42**
Inventories at the beginning of the year:		
Finished goods	22,099.50	28,295.09
Finished goods - on the date of acquisition of sugar unit	2,989.08	-
Work-in-progress	3,393.98	3,172.24
Stock-in-trade	**166,432.94**	**155,143.75**
	194,915.50	**186,611.08**
Net (increase) / decrease	**(23,095.36)**	**(5,315.34)**

Notes forming part of the financial statements

Note 27 Operating Expenditure

Rupees in Lakhs

Particulars	For the Year Ended 31 March, 2017	For the Year Ended 31 March, 2016
Discharge & clearance expenses	19,562.97	21,853.78
Packing materials Consumed - indigenous	14,006.67	15,278.54
Restitching & Rebagging Charges	111.81	69.33
Freight and Forwarding charges	88,281.08	85,522.52
Sales Tax Surcharge	0.56	1.21
Godown Rent	5,228.19	4,519.40
Storage & Transit Insurance	889.28	817.13
Cost of Services	1,027.69	-
Shortages	116.20	52.34
Total	**129,224.45**	**128,114.25**

Note 28 Employee benefits expense

Rupees in Lakhs

Particulars	For the Year Ended 31 March, 2017	For the Year Ended 31 March, 2016
Salaries and Wages	4,975.48	4,823.12
Contribution of provident fund and other funds	700.11	629.49
Staff Welfare Expenses	168.08	142.01
Total	**5,843.67**	**5,594.62**

Note: The Company makes contribution to Provident Fund and Superannuation Fund which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 445.70 Lakhs (Year ended 31 March, 2016 Rs. 402.71 Lakhs) for Provident Fund contributions and Rs.45.30 Lakhs (Year ended 31 March, 2016 Rs. 40.33 Lakhs) for Superannuation Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Note 29 Finance Costs

Rupees in Lakhs

Particulars	For the Year Ended 31 March, 2017	For the Year Ended 31 March, 2016
Interest on bank overdraft and loans(other than those from related parties)	13,090.75	10,622.70
Other interest expenses	1,740.17	2,206.23
Total	**14,830.92**	**12,828.93**

Notes forming part of the financial statements

Note 30 General, administration and other expenses

Rupees in Lakhs

Particulars	For the Year Ended 31 March, 2017	For the Year Ended 31 March, 2016
Consumption of stores and spare parts	515.39	336.19
Power and fuel	1,626.56	1,423.58
Rent including lease rentals (Refer Note No. 42)	3,504.66	4,322.85
Repairs and maintenance - Buildings	204.24	130.91
Repairs and maintenance - Machinery	1,926.12	1,063.73
Repairs and maintenance - Others	99.07	81.81
Insurance	59.63	34.59
Rates and taxes (Refer note (i) below)	2,620.09	402.03
Communication	78.78	76.00
Travelling and conveyance	382.21	336.75
Printing and stationery	54.67	51.56
Business promotion	22.19	24.12
Legal and professional	259.77	449.74
Corporate Social Responsibility Expenses (Refer note (ii) below)	156.44	15.26
Directors sitting Fees and Commission	29.44	23.68
Payments to auditors (Refer Note (iii) below)	80.46	54.65
Bad trade and other receivables written off	4,598.94	915.19
Less: Release from provision	-	11.38
	4,598.94	903.81
Loss on fixed assets sold /written off	-	0.46
Provision for doubtful trade and other receivables, loans and advances	22,353.92	11,290.12
Net loss on foreign currency transactions and translation	-	37,642.42
Miscellaneous expenses	861.98	598.71
Total	**39,434.56**	**59,262.97**

Note (i): Includes the difference between the excise duty on closing stock and excise duty on opening stock aggregating to Rs. 1,302.40 Lakhs (Previous year - Rs.277.47 Lakhs)

Note (ii): As per Section 135 of Companies Act, 2013, the company is required to spend Rs. 466.87 Lakhs towards CSR activities. The company has so far spent Rs. 156.44 Lakhs during the year. For the balance amount, the management is in the process of identifying suitable projects and programme which can be identified and which would complement the businesses of the company

Note (iii):

Rupees in Lakhs

As auditors - statutory audit	30.00	25.00
For taxation matters	1.50	1.50
For other services	29.63	21.23
Reimbursement of expenses	19.33	6.92
Total	**80.46**	**54.65**

Notes to the standalone financial statements for the year ended March 31, 2017

Note 31: First time adoption of Ind AS

Transition to Ind AS

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1st April, 2016, with a transition date of 1st April, 2015. These financial statements for the year ended 31st March, 2017 are the first the Company has prepared under Ind AS. For all periods upto and including the year ended 31st March, 2016 , the Company prepared its financial statements in accordance with the previously applicable Indian GAAP (previous GAAP).

The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements be applied retrospectively and consistently for all financial years presented. Accordingly, the Company has prepared financial statements which comply with Ind AS for year ended 31st March, 2017, together with the comparative information as at and for the year ended 31st March, 2016. The Company's opening Ind AS Balance Sheet has been prepared as at 1st April, 2015, being the date of transition to Ind AS.

In preparing its opening Ind AS balance sheet as at 1 April 2015, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act. An explanation of how the transition from previous GAAP to Ind AS has affected the group's financial position, financial performance and cash flows is set out in the following tables and notes.

31.1. Exemptions and exceptions availed

In preparing these Ind AS financial statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and previous GAAP have been recognised directly in equity. This note explains the adjustments made by the Company in restating its previous GAAP financial statements, including the Balance Sheet as at 1st April, 2015 and the financial statements as at and for the year ended 31st March, 2016.

31.1.1 Ind AS optional exemptions

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

31.1.2 Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities.

Notes to the standalone financial statements for the year ended March 31, 2017

Accordingly, the Company has elected to measure all of its property, plant and equipment (PPE) at their previous GAAP carrying value. Freehold land and certain items of PPE relating to Titawi Sugar unit acquired during the year (more fully described in Note No. 32) has been measured at fair value.

31.2 Ind AS mandatory exceptions

The company has applied the following exceptions from full retrospective application of Ind AS as mandatorily required under Ind AS 101:

31.2.1 Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Group made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

1) Impairment of financial assets based on expected credit loss model

2) Equity Investments other than in Subsidiaries have been carried at Fair Value through Other Comprehensive Income(FVTOCI).

3) Debt instruments have been carried at FVTOCI.

4) Outstanding Forward Exchange contracts have been fair valued through Profit and Loss Account(FVTPL)

31.2.2 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that that exist at the date of transition to Ind AS. Consequently, the Company has applied the above assessment based on facts and circumstances that exist at the transition date.

31.3: Reconciliations between previous GAAP and Ind AS

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

The presentation requirements under previous GAAP differs from Ind AS and hence the previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The regrouped previous GAAP information is derived based on the audited financial statements of the Company for the year ended 31 March 2015 and 31 March 2016.

Notes to the standalone financial statements for the year ended March 31, 2017

(Rupees in Lakhs)

Particulars	Opening Balance Sheet as at April 1, 2015			Balance Sheet as at March 31, 2016		
	IGAAP	Effects of transition to Ind AS	Ind AS	IGAAP	Effects of transition to Ind AS	Ind AS
ASSETS						
Non-current assets						
Property, plant and equipment	38,181.19	(7,652.39)	30,528.80	39,909.56	(7,476.81)	32,432.75
Capital work-in-progress	6,771.84	358.70	7,130.54	7,111.57	0.00	7,111.57
Financial assets						
(i) Investments	1,293.93	38,685.38	39,979.31	6,285.13	40,262.53	46,547.66
(ii) Long term Loans and Advances	9,622.73	(9,622.73)	-	4,317.49	(4,317.49)	-
(iii)Other financial assets		683.80	683.80		700.79	700.79
Deferred tax assets (net)	4,537.55	(2,037.00)	2,500.55	8,050.66	(113.65)	7,937.01
Other non-current assets	32,453.40	(24,887.20)	7,566.20	32,453.40	(25,060.80)	7,392.60
Total non-current assets	92,860.64	(4,471.44)	88,389.20	98,127.81	3,994.57	102,122.38
Current assets						
Inventories	190,842.50	-	190,842.50	195,637.93	(0.00)	195,637.93
(i) Investments	1.11	-	1.11	42,029.03	0.01	42,029.04
(ii) Trade receivables	370,469.60	(528.05)	369,941.55	417,557.69	(472.92)	417,084.77
(iii) Cash and cash equivalents	110,597.95	(279.35)	110,318.60	9,541.35	(317.37)	9,223.98
(iv) Bank balances		279.35	279.35		317.37	317.37
(v) Loans	13,042.67	(9,315.23)	3,727.44	14,349.91	(10,824.58)	3,525.33
(vi) Other financial assets	-	16,436.45	16,436.45		106,615.12	106,615.12
(vii) Other current assets	16,416.51	1,546.67	17,963.18	106,571.46	(94,679.63)	11,891.83
Total current assets	701,370.34	8,139.84	709,510.18	785,687.37	638.00	786,325.37
Total assets	794,230.98	3,668.40	797,899.38	883,815.18	4,632.57	888,447.75
EQUITY AND LIABILITIES						
Equity						
Equity share capital	1,429.86	-	1,429.86	1,429.86	-	1,429.86
Other equity	169,414.17	4,237.42	173,651.59	185,088.60	5,282.29	190,370.89
Total equity	170,844.03	4,237.42	175,081.45	186,518.46	5,282.29	191,800.75
Liabilities						
Non-current liabilities						
Borrowings	1,713.92	-	1,713.92	1,142.60	-	1,142.60
Other financial liabilities	180.54	(180.54)	-	183.60	(183.60)	-
Other non-current liabilities	-	41.76	41.76	-	44.56	44.56
Deferred tax liabilities (net)	-	-	-	-	-	-
Total non-current liabilities	1,894.46	(138.78)	1,755.68	1,326.20	(139.04)	1,187.16
Current liabilities						
Borrowings	448,306.97	-	448,306.97	565,818.25	0.00	565,818.25
Trade payables	99,279.50	-	99,279.50	48,206.21	0.00	48,206.21
Other financial liabilities	-	65,623.18	65,623.18		62,763.90	62,763.90
Provisions	430.24	(430.24)	-	11,491.68	(11,491.68)	-
Other current liabilities	73,475.78	(65,623.18)	7,852.60	70,454.38	(59,478.97)	10,975.41
Current Tax Liabilities (net)					7,696.06	7,696.06
Total current liabilities	621,492.49	(430.24)	621,062.25	695,970.52	(510.68)	695,459.84
Total equity and liabilities	794,230.98	3,668.40	797,899.38	883,815.18	4,632.57	888,447.75

Notes to the standalone financial statements for the year ended March 31, 2017

31.4. Reconciliation Statement of Profit and Loss as previously reported under IGAAP to Ind AS

(Rupees in Lakhs)

Particulars	Year ended March 31, 2016		
	IGAAP	Effects of transition to Ind AS	Ind AS
Revenue from operations	1,646,093.38	(24,388.83)	1,621,704.55
Other income	18,929.17	(628.32)	18,300.85
Total income	1,665,022.55	(25,017.15)	1,640,005.40
Cost of materials consumed	45,117.20	(2,211.40)	42,905.80
Purchases of stock-in-trade	1,357,331.15	11,212.19	1,368,543.34
Changes in inventories of finished goods, WIP & stock-in-trade	(5,315.34)	0.00	(5,315.34)
Excise duty on sale of goods	-	1,791.26	1,791.26
Operating expenditure	128,114.25	-	128,114.25
Employee benefits expense	5,463.53	131.09	5,594.62
Finance costs	51,147.75	(38,318.82)	12,828.93
Depreciation and amortisation expenses	1,791.08	(175.58)	1,615.50
Other expenses	56,625.85	2,637.12	59,262.97
Total expenses	1,640,275.47	(24,934.14)	1,615,341.33
Profit before tax	24,747.08	(83.01)	24,664.07

31.5: Notes to first-time adoption:

31.5.1: Accounting for Lease Hold Land

Under previous GAAP, the lease rentals paid in advance and lease deposits were recorded under Property, Plant And Equipment. Under Ind AS leases of Land are classified as Operating Leases unless the Title to the Lease Hold Land is expected to be transfered to the Company at the end of lease Term. Lease rentals paid in advance and lease rentals are recognised as other assets. The Lease rentals paid in advance are charged to the statement of Profit and Loss over the lease term.

31.5.2: Fair valuation of investments in Equity and Debt Instruments

Under Ind AS financial assets designated at fair value through other comprehensive income (FVTOCI) are fair valued at each reporting date with changes in fair value (net of defered taxes) recognised directly in other comprehensive income. Under previous GAAP, they are measured at Cost with provision for diminution other than temporary. Investments in Equity and Debt Instruments have been classified as FVTOCI. Consequently, fair value of such Equity and debt instruments designated at FVTOCI has resulted in a gain in Other Comprehensive Income. Under Ind AS, financial instruments other than those designated at FVTPL and FVTOCI are measured at amortised cost.

Notes to the standalone financial statements for the year ended March 31, 2017

Under Ind AS, financial instruments other than those designated at FVTPL and FVTOCI are measured at amortised cost. Security deposits are carried at amortised cost using effective interest method.Under previous GAAP,they are recognised at cost.

31.5.3: Arrangement accounted as Operating Lease

Under previous GAAP, Conversion charges as per contracts for manufacture of Single Super Phosphate (SSP) entered into certain SSP manufacturers were hitherto accounted for as cost of materials consumed. These contracts which are for period of 2 to 3 years affords exclusive manufacturing rights to Company during the said period of the contract. Under Ind AS, these contracts partake the character of operating lease, as it gives the Company the right to use the asset in return for a payment as determined by the contract. Accordingly these payments have now been accounted as “”Rent including lease rentals”” in Note No. 30 to the financial Statements.

31.5.4: Rebates/Discounts to customers

Under previous GAAP, rebates are presented as part of operating expense. However under Ind AS, discounts in form of rebate to customers are part of variable consideration and netted off against revenue. There is no impact on profit for the year ended 31 March 2016 consequent to above adjustment.

31.5.5: Dividend

Under Ind AS, liability for dividend is recognized in the period in which the obligation to pay is established. Under previous GAAP, a liability is recognized in the period to which the dividend relates, even though the dividend may be approved by the shareholders subsequent to the reporting date. Consequently, dividend payable under Ind AS is lower and retained earning is higher.

31.5.6: Derivative financial instruments

Under previous GAAP, derivatives are categorised in two categories:

(i) Forward contract to be accounted under Accounting Standard (AS) 11: The premium or discount arising at the inception is amortised over the life of the contract.

(ii) Derivative other than covered in AS 11: For all derivative other than forward contract, on reporting date, mark to market losses (MTM) are recognised but MTM gains are ignored. Under Ind AS, all derivatives are required to be fair valued on each reporting date with fair value changes to be recognised in statement of profit or loss.

31.5.7: Remeasurements of post-employment benefit obligations

Under previous GAAP, actuarial gains and losses were recognised in the statement of profit and loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined benefit liability/ asset which is recognised in other comprehensive income. Consequently, the tax effect of the same has also been recognised in other comprehensive income under Ind AS instead of the statement of profit and loss.

31.5.8: Retained earnings

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

Notes to the standalone financial statements for the year ended March 31, 2017

31.5.9: Other comprehensive income

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

31.6 Impact of Ind AS adoption on the statement of cash flows

	Previous GAAP	Adjustments	Ind AS
For the year ended 31 March 2016			
Net cash flow from operating activities	(123,379.66)	(38,877.58)	(162,257.24)
Net cash flow from investing activities	(42,002.66)	438.90	(41,563.76)
Net cash flow from financing activities	64,205.51	38,520.88	102,726.39
Net increase/(decrease) in cash and cash equivalents	(101,176.81)	82.20	(101,094.61)
Cash and cash equivalents as at 1 April 2015	110,400.79	(82.19)	110,318.60
Cash and cash equivalents as at 31 March 2016	9,223.98	0.01	9,223.99
For the year ended 31 March 2017			
Net cash flow from operating activities	86,521.04	514.09	87,035.13
Net cash flow from investing activities	3,444.08	(4.20)	3,439.88
Net cash flow from financing activities	(74,235.33)	(509.89)	(74,745.22)
Net increase/(decrease) in cash and cash equivalents	15,729.79		15,729.79
Cash and cash equivalents as at 1 April 2016	9,223.99		9,223.99
Cash and cash equivalents as at 31 March 2017	24,953.78	0.00	24,953.78

Note 32 : Acquisition of Sugar unit

Pursuant to a Business Transfer Agreement (BTA) entered into with Mawana Sugars Limited (Seller), the Company acquired the assets and liabilities of Titawi Sugar Unit(TSU) of the seller together with rights, title and interest of the seller in TSU as a going concern on an "as is where is basis" for a lump sum consideration aggregating to Rs.37,752.97 lakhs, with effect from 1st November 2016. The said consideration has been allocated to respective assets and liabilities based on their respective fair values as determined by an independent valuer. The Company took over Land, Building, Plant and Machinery, Office equipments, Vehicles and current assets and liabilities. The difference between the fair value of the net assets taken over and the lumpsum consideration paid aggregating to Rs.7,762.49 lakhs has been accounted as Capital Reserve and disclosed in Note no.15 to the financial statements.

Notes to the standalone financial statements for the year ended March 31, 2017

The details of Assets and Liabilities taken over are as follows:

Particulars	Rs. Lakhs
Land	20,074.00
Buildings	3,212.40
Plant & Equipment	19,036.16
Furniture fixtures	3.23
Vehicles	0.86
Office Equipment	16.66
Computers	37.19
Subtotal	42,380.50
Current & Non Current Assets	5,113.51
Total Assets	47,494.01
Less: Current & Non- Current Liabilities	1,978.55
Net Assets	45,515.46
Less: Purchase Considertion	37,752.97
Capital Reserve	7,762.49

As at the reporting date, Land and Buildings are yet to be transferred in the name of the Company, pending release of charge over the assets by the lenders of the seller. This is expected to happen by 31st July 2017. As per the BTA, the employees of TSU will be transfered on 31st July 2017. The liability towards gratuity payables to employees if any who opt not to be transfered to the Company will be settled by the seller. Accordingly as per the BTA the Compnay is not required to provide for the accrued liability for gratuity for these employees.

The Statement of Profit and Loss accounts of the Company includes Revenues earned and Expenses incured by TSU for the period 1st November 2016 to 31st March 2017,as the Company has taken over the management control of TSU from 1st November 2016 and all key activities are directed and controlled by the Company.

(Rupees in Lakhs)

33 . Estimated amount of Contracts remaining to be executed and not provided for (net of advances)

	2016-17	2015-2016
On Tangible Assets	1,641.53	720.00
On Purchase of Traded Goods	82,330.81	110,525.00

Notes to the standalone financial statements for the year ended March 31, 2017

34. Contingent Liabilities

		2016-17	2015-2016
i. Outstanding guarantees and indemnities given by the Company (excluding performance guarantees)		22,353.41	21,177.85
ii. Claims against the Company not acknowledged as debt - Disputed dues relating to supplies/other civil cases		1,434.00	1,434.00
iii. Disputed income tax demands for which the department has preferred an appeal before the Income Tax Appellate Tribunal.		5,276.27	5,276.27
iv. Disputed income tax demands contested in Appeals not provided:			
Appeal pending before	Assessment Year		
Commissioner of Income Tax (Appeals)	2014-15	52.00	-
v. Central Excise, Trade Tax and Service Tax matters under appeal		-	331.05
vi. Certain Industrial Disputes are pending before Tribunal / High Courts.The liability of the Company in respect of these disputes depends upon the final outcome of such cases and the quantum of which is not currently ascertainable.			

35. C.I.F. Value of Imports - Traded Goods

	2016-17	2015-2016
C.I.F. Value of Imports - Traded Goods	817,759.53	1,285,599.56

36. Foreign Exchange Receipts

(Rupees in Lakh)

1. a. Recoveries of despatch earnings on imports	1,689.77	2,211.39
b. Marine Insurance / Rebate etc. netted off against related expenses	80,826.98	57,801.58
2. Earnings in Foreign Exchange	1,689.77	2,211.39
FOB Value of Exports	13,456.75	13,768.16

37. Expenditure incurred in Foreign Currency:

Travel & Others	19.39	28.43

38. Related Party Transactions

List of Related Parties (as identfied by the management and relied upon by the auditors)

Parties over which the company exercise control (subsidiary companies)	Investing Party	Key Management Personnel (KMP)
Goldline Milk Food and Allied Industries Limited	Indian Farmers Fertiliser Co.operative Ltd (IFFCO)	Dr.P.S.Gahlaut
IPL Sugar and Allied Industries Limited		
IPL Gujarat Port Limited (GML)		
Srikrishna Fertilizers Limited (SKFL)		

Notes to the standalone financial statements for the year ended March 31, 2017

Transaction with related parties : (Rupees in Lakhs)

Particulars	Subsidiary Company		Investing Party		KMP	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Sale of Goods						
GML	-	275.14				
-IFFCO	-		101,539.62	117,995.28		
Loans given to/ (received back) from Subsidiaries						
IPL Sugars and Allied Industries Limited	32.62	(330.72)				
GML	(53.85)	65.52				
SKFL	195.26	112.52				
Services availed						
SKFL	73.95	10.97				
Insurance Charges incurred / Rebate						
IFFCO	-	-	16,561.19	13,093.82		
Remuneration to Managing Director					65.79	57.59
Dividends Paid			145.80	121.50		
Balance Outstanding :						
Balance receivable						
IFFCO			16.09	12.82		
IPL Sugars and Allied Industries Limited	2,927.67	2,895.05				
GML	492.52	546.37				
SKFL	328.60	133.34				
- Balance Payable						
IFFCO			-	3,580.02	18.97	12.70

39. Segment Information for the year ended March 31, 2017

Ind AS 108 establishes standards for reporting information about operating segments and related disclousre about product and services, geographical areas and major customers. Based on 'management approach' as defined in Ind AS 108, the chief operating decision maker evaluates the company perfomance and allocates resources based on analysis of various performance indicators by business segments and geographical segments. Accordingly information has been presented both along business segment and geographical segment. The accounting principle used in the preparation of financial statements are consistently applied to record revenue and expenditure in individual segment and or as set out in the significant accounting policies.

Notes to the standalone financial statements for the year ended March 31, 2017

Business segment of the company comprise of:-

(i) Fertilisers - Trading of fertilisers

(ii) Sugar and its related by-products.

(iii) Others - Manufacturing of Cattle feed / Poultry feed, Milk and Milk Products and trading of Gold and other precious metals.

Segment assets are measured in the same way as in the financial statements. These assets are allocated based on the operations of the segment and the physical location of the assets. Segments assets do not include investments and income tax assets which are managed by treasury function.

Segment liabilities are measured in the same way as in the financial statements. These liabilities are allocated based on the operations of the segment. Segments liabilities do not include borrowings and income tax liabilities which are managed by treasury function.

A. BUSINESS SEGMENT INFORMATION

(Rupees in Lakhs)

Particulars	2016-17				2015-16			
	Fertiliser	SUGAR	Others	Total	Fertiliser	SUGAR	Others	Total
Revenue from operations	1,053,401.92	70,197.34	49,208.11	1,172,807.37	1,572,865.37	35,238.03	13,601.15	1,621,704.55
Identifiable operating expenses	1,002,233.04	64,287.45	47,794.60	1,114,315.09	1,535,416.06	37,191.97	11,525.83	1,584,133.86
Segment operating income	51,168.88	5,909.89	1,413.51	58,492.28				37,570.69
Unallocable expenses				24,820.30				31,207.47
Operating profit				33,671.98				6,363.22
Other income, net				23,499.55				18,300.85
Profit before income tax				57,171.53				24,664.07
Income tax expense				20,437.72				8,556.38
Net profit				36,733.81				16,107.69
Depreciation and amortization				2,659.09				1,615.50
Non-cash expenses other than depreciation and amortization				22,353.92				11,290.12

Notes to the standalone financial statements for the year ended March 31, 2017

B. SEGMENT ASSETS

(Rupees in Lakhs)

Particulars	2016-17				2015-16			
	Fertiliser	SUGAR	Others	Total	Fertiliser	SUGAR	Others	Total
Segment Assets	737,797.11	105,267.71	10,346.78	853,411.60	742,148.39	39,050.12	10,184.95	791,383.46
Unallocated Corporate assets				69,261.12				97,064.28
Total Assets				922,672.72				888,447.74
C. SEGMENT LIABILITIES								
Segment Liabilities	113,114.63	18,882.77	858.17	132,855.57	102,011.31	12,485.93	1,076.04	115,573.28
Unallocated Corporate liabilities				545,578.76				581,073.71
Total Liabilities				678,434.33				696,646.99
Capital Expenditure	1,697.28	43,848.72	82.81	45,628.81	1,830.76	-	2,051.38	3,882.14

Geographical Segments

The geographical segments considered for disclosure are India and rest of the world. All trading locations, manufacturing facilities and sales offices are located in India. Geographical revenues are segregated based on location of customer who is invoiced or in relation to which revenue is otherwise recognized.

D. GEOGRAPHICAL SEGMENT INFORMATION

(Rupees in Lakhs)

	2016-17			2015-16		
	India	Rest of the world	Total	India	Rest of the world	Total
Revenue by Geographical area	1,156,962.95	15,844.42	1,172,807.37	1,610,991.82	10,712.73	1,621,704.55
Carrying amount of Segment Assets	920,415.41	2,257.31	922,672.72	888,079.87	367.87	888,447.74
Additions to Tangible and Intangible assets	45,628.81	-	45,628.81	3,882.14	-	3,882.14

Notes to the standalone financial statements for the year ended March 31, 2017

Note No. 40 : Financial instruments

The carrying value and fair value of financial instruments by categories as at 31 March 2017, 31 March 2016 and 1 April 2015 is as follows :

(Rupees in Lakhs)

Particulars	Carrying Value			Fair Value		
	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-17	31-Mar-16	31-Mar-15
Financal Assets						
Amortised Cost						
Loans	3,748.79	3,525.33	3,727.44	3,748.79	3,525.33	3,727.44
Trade Receivables	490,990.28	417,084.77	369,941.55	490,990.28	417,084.77	369,941.55
Cash and Cash Equivalents	24,953.77	9,223.98	110,318.60	24,953.77	9,223.98	110,318.60
Bank balances	478.09	317.37	279.35	478.09	317.37	279.35
Other Financial Assets	15,547.10	106,615.12	16,436.45	15,547.10	106,615.12	16,436.45
Investment in Debt Instruments	6.11	6.11	3.61	6.11	2.61	1.11
At Cost						
Investments in Equity Instruments - wholly owned subsidiaries	267.08	267.08	267.08	267.08	267.08	267.08
FVTOCI						
Investment in Equity Instruments	18,698.78	5,603.55	4,785.15	18,698.78	5,603.55	4,785.15
Investment in Debt Instruments	41,947.14	40,673.53	34,924.58	41,947.14	40,673.53	34,924.58
FVTPL						
Derivative Assets	-	-	1.47	-	-	1.47
Investments in Mutual Funds	-	42,026.43	-	-	42,026.43	-
TOTAL ASSETS	**596,637.14**	**625,343.27**	**540,685.28**	**596,637.14**	**625,339.77**	**540,682.78**
Financal Liabilities						
Amortised Cost						
Borrowings	526,560.46	566,960.85	450,020.89	526,560.46	566,960.85	450,020.89
Trade Payables	44,871.40	48,206.21	99,279.50	44,871.40	48,206.21	99,279.50
Other Financial Liabilities	82,526.27	62,808.46	65,664.94	82,526.27	62,808.46	65,664.94
FVTPL						
Derivative Liabilties	37.31	5.58	-	37.31	5.58	-
Liability towards acquisition of business	8,304.00	-	-	8,304.00	-	-
TOTAL LIABILITIES	**662,299.44**	**677,981.10**	**614,965.33**	**662,299.44**	**677,981.10**	**614,965.33**

Notes to the standalone financial statements for the year ended March 31, 2017

The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables, borrowings and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The fair value of the Equity instruments and Mutual Funds which are quoted are based on price quotations at reporting date. The fair value of unquoted Equity and Debt instruments , loans from banks and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or discount rate, the fair value of the equity instruments is also sensitive to a reasonably possible change in the growth rates. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

Fair values of the Company's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting year.

The Company enters into derivative financial instruments with various counterparties, principally Banks with investment grade credit ratings. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing model, using present value calculations. As at each period presented, the marked-to-market value of derivative liability/asset position has been recognized in the financial statements.

Fair value hierarchy

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis as at March 31, 2017, March 31, 2016 and April 1, 2015.

Quantitative disclosures of fair value measurement hierarchy for financial assets as at March 31, 2017:

Particulars	Date of Valuation	Total	Fair value measurement using		
			Quoted Prices at Active Markets	Significant observable inputs	Significant unobservable inputs
			Level 1	Level 2	Level 3
FVTOCI financial assets designated at fair value					
Investment in Equity Instruments	31-Mar-17	18,698.78	190.45	-	18,508.33
Investment in Debt Instruments	31-Mar-17	41,947.14	-	41,947.14	-
FVTPL Financial Liabilities measured at fair value					
Held for trading derivatives not designated in Hedge accounting relationship - Derivative Financial Liabilities arising on Forward exchange contracts	31-Mar-17	37.31	-	37.31	-
Liability towards acquisition of business (Refer Table below and Note 20)	31-Mar-17	8,304.00	-	-	8,304.00

Notes to the standalone financial statements for the year ended March 31, 2017

Name of financial liability	Valuation Techniques	Significant unobservable inputs	Sensivity of inputs to fair value
Liability towards acquisition of business	Discounted cash flow method was used to capture the present value of the expected future economic benefits that will flow out of the Company arising from the liability towards acquisition of business	Discount rate determined using a) capital asset pricing model b) Revenue, operating margins and synergies from the acquired entities	a) Any increase in the discount rate would result in a decrease in the fair value b) Any increase in the probable revenue, operating margin and synergies would result in increase in the fair value.

Quantitative disclosures of fair value measurement hierarchy for financial assets as at March 31, 2016:

Particulars	Date of Valuation	Total	Fair value measurement using		
			Quoted Prices at Active Markets	Significant observable inputs	Significant unobservable inputs
			Level 1	Level 2	Level 3
FVTOCI financial assets designated at fair value					
Investment in Equity Instruments	31-Mar-16	5,603.55	112.50		5,491.05
Investment in Debt Instruments	31-Mar-16	40,673.53		40,673.53	-
FVTPL Financial assets measured at fair value					
Mutual funds	31-Mar-16	42,026.43	42,026.43	-	-
FVTPL Financial Liabilities measured at fair value					
Held for trading derivatives not designated in Hedge accounting relationship - Derivative Financial Liabilities arising on Forward exchange contracts	31-Mar-16	5.58	-	5.58	-

Quantitative disclosures of fair value measurement hierarchy for financial assets as at March 31, 2015:

Particulars	Date of Valuation	Total	Fair value measurement using		
			Quoted Prices at Active Markets	Significant observable inputs	Significant unobservable inputs
			Level 1	Level 2	Level 3
Financial assets measured at fair value					
Held for trading derivatives not designated in Hedge accounting relationship - Derivative Financial Assets arising on Forward exchange contracts	31-Mar-15	1.47	-	1.47	-
FVTOCI financial assets designated at fair value					
Investment in Equity Instruments	31-Mar-15	4,785.15	-	-	4,785.15
Investment in Debt Instruments	31-Mar-15	34,924.58	-	34,924.58	

Notes to the standalone financial statements for the year ended March 31, 2017

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

i) Reconciliation of fair value measurement of investment in unquoted equity and debt instruments classified as FVTOCI (Level 3):

(Rupees in Lakhs)

Particulars	31-Mar-17	31-Mar-16	31-Mar-15
Opening Balance	**5,491.05**	**4,785.15**	**4,785.15**
Add: Remeasurements recognized in OCI	13,017.28	705.90	-
Purchases	8,304.00	-	-
Sales	-	-	-
Closing Balance	**26,812.33**	**5,491.05**	**4,785.15**

ii) Reconciliation of fair value measurement of investment in unquoted equity and debt instruments(Level 2):

(Rupees in Lakhs)

Particulars	31-Mar-17	31-Mar-16	31-Mar-15
Opening Balance	**40,679.11**	**34,926.05**	**34,926.05**
Add: Remeasurements recognized in OCI	1,273.61	5,748.95	-
Purchases	37.31	5.58	-
Sales	-5.58	-1.47	-
Closing Balance	**41,984.45**	**40,679.11**	**34,926.05**

Derivative financials instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace.

Derivative financial instruments

The Company is exposed to foreign currency fluctuations on foreign currency assets/ liabilities and forecasted cash flows denominated in foreign currency. The Company follows established risk management policies, including the use of derivatives to hedge foreign currency assets/ liabilities and foreign currency forecasted cash flows. The counter party in these derivative instruments is a bank and the Company considers the risks of non-performance by the counterparty as non-material.

The following table presents the aggregate contracted principal amounts of the Company's derivative contracts outstanding: (Rupees in Lakhs)

Particulars	31-Mar-17	31-Mar-16	31-Mar-15
USD Lakhs (buy)	7,000,000.00	10,000,000.00	20,216,000.00
Euro Lakhs(buy)		-	213,690.13

The foreign exchange forward and option contracts mature anywhere between 0-1 year. The table below analyzes the derivative financial instruments into relevant maturity groupings based on the remaining period as at the reporting date :

Particulars	31-Mar-17	31-Mar-16	31-Mar-15
Non-designated derivative instruments (buy)			
Not later than 3 months			
USD Lakhs	7,000,000.00	10,000,000.00	20,216,000.00
Euro Lakhs	-	-	213,690.13

Notes to the standalone financial statements for the year ended March 31, 2017

Financial risk management

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, foreign currency risk and interest rate risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivative for speculative purposes may be undertaken.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

a) Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer (Government and Non-Government). The risk relating to Trade receivables, dues from Government(which represents subsidy receivable) has been assessesd by the management as not to be material. In respect of Non-Government customers, the demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

b) Investments

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counterparties, and does not have any significant concentration of exposures to specific industry sectors.

ii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Also, the Company has unutilized credit limits with banks. The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The working capital position of the Company is given below: (Rupees in Lakhs)

Particulars	31-Mar-17	31-Mar-16	31-Mar-15
Cash and Cash Equivalents	24,953.77	9,223.98	110,318.60
Bank Balances	478.09	317.37	279.35
Mutual Funds	-	42,026.43	-
Total	**25,431.86**	**51,567.78**	**110,597.95**

Notes to the standalone financial statements for the year ended March 31, 2017

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2017, 31 March 2016 and 1 April 2015.

(Rupees in Lakhs)

Particulars	As at 31 March 2017			
	Total	Less than one year	1-2 years	2 years and above
Borrowings	526,560.46	525,989.17	571.29	-
Trade Payables	44,871.40	44,871.40	-	-
Other Financial Liabilities	82,526.27	82,412.03	-	114.24
Derivative Liabilties	37.31	37.31	-	-
Liability towards acquisition of business	8,304.00	8,304.00	-	-
Total	**662,299.44**	**661,613.91**	**571.29**	**114.24**

Particulars	As at 31 March 2016			
	Total	Less than one year	1-2 years	2 years and above
Borrowings	566,960.85	565,818.25	1,142.60	-
Trade Payables	48,206.21	48,206.21	-	-
Other Financial Liabilities	62,808.46	62,763.90	-	44.56
Derivative Liabilties	5.58	5.58	-	-
Total	**677,981.11**	**676,793.95**	**1,142.60**	**44.56**

Particulars	As at 31 March 2015			
	Total	Less than one year	1-2 years	2 years and above
Borrowings	450,020.89	448,306.97	1,713.92	-
Trade Payables	99,279.50	99,279.50	-	-
Other Financial Liabilities	65,664.94	65,623.18	-	41.76
Total	**614,965.33**	**613,209.65**	**1,713.92**	**41.76**

iii) Foreign Currency risk

The Company's exchange risk arises from foreign currency expenses, (primarily in U.S. Dollars and Euros) and foreign currency borrowings (in U.S. dollars). A significant portion of the Company's purchase of stock in trade are in these foreign currencies, As a result, if the value of the Indian rupee appreciates relative to these foreign currencies, the Company's costs measured in rupees may decrease. The exchange rate between the Indian rupee and these foreign currencies has changed in recent periods and may continue to fluctuate in the future. The Company has a Corporate Treasury department which meets on a periodic basis to formulate the strategy for foreign currency risk management. Consequently, the Company uses derivative financial instruments, such as foreign exchange forward contracts, to mitigate the risk of changes in foreign currency exchange rates in respect of its forecasted cash flows.

Notes to the standalone financial statements for the year ended March 31, 2017

The following table presents foreign currency risk from non-derivative financial instruments as of 31 March 2017, 31 March 2016 and 1 April 2015.

Rupees in Lakhs

Particulars	AS at 31 March 2017	AS at 31 March 2016	AS at 31 March 2015		
	USD	USD	EURO	USD	AED
Assets:					
Trade Receivables	4,655.24	4,263.31	-	6,270.31	855.09
Liabilities:					
Borrowings	437,789.17	449,997.99	-	445,583.95	-
Trade Payables	37,109.79	34,358.73	6,725.08	61,162.33	-

Sensitivity analysis :

Rupees in Lakhs

As at 1 April 2015	USD	AED	EURO	Rs.	10 % increase Impact of Profit and Loss and Equity
Trade Receivables	100.31	50.27	-	7,125.40	712.54
Borrowings	7,128.78	-		445,583.95	44,558.40
Trade Payables	978.52	-	-	61,162.33	6,116.23
Trade Payables	-	100.03	-	6,725.08	672.51

Rupees in Lakhs

As at 1 April 2016	USD	Rs.	10 % increase Impact of Profit and Loss and Equity
Trade Receivables	64.35	4,263.31	426.33
Borrowings	6,791.91	449,997.99	44,999.80
Trade Payables	518.58	34,358.73	3,435.87

Rupees in Lakhs

As at 1 April 2017	USD	Rs.	10 % increase Impact of Profit and Loss and Equity
Trade Receivables	71.76	4,655.24	465.52
Borrowings	6,748.72	437,789.17	43,778.92
Trade Payables	572.06	37,109.79	3,710.98

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has been availing borrowings at fixed and variable rate of interest. These borrowings are carried at amortised cost. The borrowings on a fixed rate of interest basis are not subject to the interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of change in interest market rates. The borrowings on a variable rate on interest are subject to interest rate risk as defined in Ind AS 107. However as at the year end, there are no borrowings at variable interest rate and hence there is no exposure on this account, as at the year end.

Notes to the standalone financial statements for the year ended March 31, 2017

Interest earned : Interest rates on debt instruments and Bank deposits are fixed and hence do not expose the company to significant interest rate risk.

Classification of borrowings by nature of interest rate:

(Rupees in Lakhs)

Particulars	As at		
	31-Mar-17	31-Mar-16	31-Mar-15
Borrowings at variable interest rate :			
- Current	-	-	-
- Non current	-	-	-
Borrowings at fixed interest rate :			
- Current	526,560.49	538,905.57	445,583.95
- Non current	571.29	1,142.60	1,713.92

Equity Price Risk

The Company is exposed to price risks arising from investments in Debt and Equity instruments. These investments are held for strategic purposes only and not for the purposes of trading. The sensitivity analyses given below have been determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 1% higher/lower other comprehensive income/ equity for the year ended 31 March 2017 would increase/ decrease by Rs. 606.46 Lakhs (Rs. 462.77 Lakh for the year ended 31 March 2016) as a result of the changes in fair value of equity and debt investments measured at FVTOCI. There is no impact of change in equity price on profit or loss.

Note 41 Capital Management

The Company's policy is to maintain a strong capital base so as to maintain shareholders' and lenders' confidence and to sustain future development of the business. Capital Base comprises of Equity Share Capital and Other Equity. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

(Rupees in Lakhs)

Particulars	31-Mar-17	31-Mar-16	31-Mar-15
Total Equity Capital	**1,429.86**	**1,429.86**	**1,429.86**
Current Borrowings	526,560.49	538,905.57	445,583.95
Non - Current Borrowings	571.29	1,142.60	1,713.92
Total Borrowings	527,131.78	540,048.17	447,297.87
% of Borrowing to Equity Capital	36866%	37769%	31283%
Total Capital (Equity and Borrowings)	**528,561.64**	**541,478.03**	**448,727.73**

Notes to the standalone financial statements for the year ended March 31, 2017

Note 42 : Leases

The Company has entered into an operating lease arrangement for its office premises at New Delhi. The lease is non-cancellable and is for a period of 9 years and may be renewed for further periods based on mutual agreement of the parties. The lease agreement provides for increase in lease payments by 15% every 3 years.

The future minimum lease rental payments to be made under non-cancellable leases are as follows:

(Rupees in Lakhs)

Lease payments due	As at March 31, 2017	As at March 31, 2016
Not later than one year	539.52	486.80
Later than one year but not later than Five years	944.21	1,483.73
Later than Five years	-	-
Total	**1,483.73**	**1,970.53**
Lease payments recognised in the statement of Profit & Loss	472.26	472.26

Note 43 Earnings per share

(Rupees in Lakhs)

Particulars	Year ended 31-Mar-17	Year ended 31-Mar-16
Net Profit for the Year	36,733.81	16,107.69
The weighted average number of equity shares outstanding during the year (in Nos.)	14,298,600	14,298,600
Face Value of Share (Rs.)	10.00	10.00
Basic and Diluted Earnings per Share (Rs.)	**256.90**	**112.65**

Notes to the standalone financial statements for the year ended March 31, 2017

Note 44 : Income Tax expense

(Rupees in Lakhs)

Particulars	Year ended 31-Mar-17	Year ended 31-Mar-16
A. Income Tax expense recognized in Profit and Loss :		
Current Tax	26,600.00	12,069.49
Deferred Tax	(6,162.28)	(3,513.11)
Total Income Tax expense recognized during the year	20,437.72	8,556.38
Income Tax reconciliation :		
Profit before Tax	57,171.53	24,664.07
Applied Tax Rate	34.608%	34.608%
Income Tax expense calculated at Applied Tax rate	19,785.92	8,535.74
Total Income Tax expense recognized during the year	20,437.72	8,556.38
Differential Tax impact	651.80	20.64
Differential Tax impact due to the following Tax benefits / (Tax expense) :		
Tax on exempt Income	(1,044.09)	(864.34)
Interest on Tax Liability	1,590.25	762.84
Expenses not allowable	105.64	122.14
Total	**651.80**	**20.64**

(Rupees in Lakhs)

Particulars	Year ended 31-Mar-17	Year ended 31-Mar-16
B. Income tax recognized in Other Comprehensive Income		
Increase in Fair Value of Equity and Debt Instruments measured at FVTOCI	7,139.47	2,702.59
Items that will be reclassified to Profit and Loss	7,139.47	2,702.59
Items that will not be reclassified to Profit and Loss	-	-

Notes to the standalone financial statements for the year ended March 31, 2017

45. Full particulars of loans given, investment made, guarantees given, security provided together with purpose in terms of section 186 (4) of the Companies Act, 2013 :

Name of entity	Amount (Rs. Lakhs)	Full Particulars	Purpose
Investments made:			
IFFCO - Tokio General Insurance Co. Limited	14,959.86	Not a related Party	Businees Needs and Exigencies
Mittal Chambers Owners Premises Co-Society Limited &	-	Not a related Party	To occupy residential premises
Suhavan and Supath Members Association &	-	Not a related Party	To occupy residential premises
New India Co-Operative Bank Limited	0.03	Not a related Party	To obtain borrowing facilities
Indian Commodity Exchange Limited	2,680.00	Not a related Party	To engage in Commodity trading business
SBC Owners Welfare Society &	-	Not a related Party	To occupy residential premises
IFFCO CRWC LOGISTICS LIMITED	43.70	Not a related Party	To engage in warehousing business
Wisekey India Private Limited	824.74	Not a related Party	To engage in IT business
BSE Limited	190.45	Not a related Party	To engage in Commodity trading business
IPL Gujarat Port Limited	100.00	Related Party	To engage in business of Port Management
Goldline Milkfood and Allied Industries Limited	67.08	Related Party	To engage in manufacture of milk and milk business
IPL Sugars and Allied Industries Limited	100.00	Related Party	To engage in manufacture of sugar and allied products
Sub- total	**18,965.86**		
Loans given:			
IPL Gujarat Port Limited	2,927.67	Related Party	Businees Needs and exigencies
Goldline Milkfood and Allied Industries Limited	492.52	Related Party	Businees Needs and exigencies
IPL Sugars and Allied Industries Limited	328.60	Related Party	Businees Needs and exigencies
Sub- total	**3,748.79**		

& Amount is below the rounding off norm adopted by the Company.

Notes to the standalone financial statements for the year ended March 31, 2017

46 The Board of Directors has reviewed the realisable value of all current assets of the Company and has confirmed that the value of such assets in the ordinary course of business will not be less than the value at which these are recognised in the financial statements. In addition, the Board has also confirmed the carrying value of the non-current assets in the financial statements. The Board, duly taking into account all the relevant disclosures made, has approved these financial statements for the year ended 31 March 2017 in its meeting held on 29 June 2017.

In terms of our report attached.
For DELOITTE HASKINS & SELLS
Chartered Accountants

For and on behalf of the Board of Directors

Geetha Suryanarayanan
Partner

Vasudha Mishra
Chairperson

U.S.Awasthi
Director

P.S.Gahlaut
Managing Director

George Zachariah
Chief Financial Officer

Rajesh Kumar Sadangi
Company Secretary

Place : New Delhi
Date : 29th June, 2017

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF INDIAN POTASH LIMITED

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Indian Potash Limited (hereinafter referred to as "the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") comprising the Consolidated Balance Sheet as at 31stMarch, 2017, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity, for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Parent's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Parent, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Parent's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Parent's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries, referred to below in the Other Matters paragraph, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31stMarch, 2017, and their consolidated profit, consolidated total comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Other Matters

(a) We did not audit the financial statements of three subsidiaries, whose financial statements reflect total assets of Rs. 4,003.61Lakhs as at 31st March, 2017, total revenues of Rs. NIL and net cash outflows amounting to Rs. 95.96 Lakhsfor the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

(b) The comparative financial information for the year ended 31st March 2016 and the transition date opening balance sheet as at 1st April 2015 in respect of three subsidiaries included in this consolidated Ind AS financial statements prepared in accordance with the Ind AS have been audited by other auditors and have been relied upon by us.

Our opinion on the consolidated Ind AS financial statements above, and our report on Other Legal and

Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statements, referred in the Other Matters paragraph above we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Parent as on 31st March, 2017 taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”, which is based on the auditors’ reports of the Holding company and subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Parent’s/ subsidiary company’s incorporated in India internal financial controls over financial reporting.

(g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditor’s) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

   i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent and its subsidiary companies, incorporated in India.

iv. The Parent has provided requisite disclosures in the consolidated Ind AS financial statements as regards the holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016 of the Group entities as applicable. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the relevant books of accounts maintained by those entities for the purpose of preparation of the consolidated Ind AS financial statements and as produced to us and other auditors by the Management of the respective Group entities. (Refer Note No. 11 to the consolidated financial statements).

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No.008072S)

Geetha Suryanarayanan
(Partner)
(Membership No. 29519)

Place : Chennai
Date : 29th June , 2017

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements'of our report of even date)

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of Indian Potash Company Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, which are companies incorporated in India,as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companieswhich are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company and its subsidiary companies which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Holding Company and its subsidiary companies which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on "the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to three subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

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For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No.008072S)

Geetha Suryanarayanan
(Partner)
(Membership No. 29519)

Place : Chennai
Date : 29th June , 2017

Consolidated Balance Sheet as at 31 March, 2017 Rs. In Lakhs

Particulars	Notes	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
ASSETS				
Non-current assets				
Property, plant and equipment	2	75,065.73	32,697.14	30,813.29
Capital work-in-progress	3	10,244.33	10,061.23	10,414.55
Investment property				
Goodwill		409.83	409.83	409.83
i. Investments	4	60,648.42	46,280.58	39,712.23
ii. Other financial assets	5	880.87	700.79	683.80
Deferred tax assets (net)	6	7,051.46	7,934.96	2,497.45
Other Non- Current Assets	7	7,273.77	7,485.80	7,650.15
Total non-current assets		**161,574.41**	**105,570.33**	**92,181.30**
Current assets				
Inventories	8	222,300.30	195,639.45	190,904.14
Financial assets				
i. Other Investments	9	91.95	42,029.04	1.11
ii. Trade receivables	10	490,990.78	417,099.20	369,941.55
iii. Cash and cash equivalents	11	25,005.21	9,341.26	110,407.67
iv. Bank balances	12	936.73	806.13	741.26
v. Other financial assets	5	15,547.10	106,615.12	16,436.45
Other Current Assets	7	6,064.88	11,929.71	17,997.43
Total current assets		**760,936.95**	**783,459.91**	**706,429.61**
Total assets		**922,511.36**	**889,030.24**	**798,610.91**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	13	1,429.86	1,429.86	1,429.86
Other equity:				
Reserves and Surplus	14	242,529.79	190,795.00	174,177.48
Equity attributable to owners of the Company		**243,959.65**	**192,224.86**	**175,607.34**
Non-controlling interests		-	-	-
Total equity		**243,959.65**	**192,224.86**	**175,607.34**
LIABILITIES				
Non-current liabilities				
Financial liabilities				
i. Borrowings	15	571.29	1,142.60	1,718.12
ii. Other financial liabilities		-	-	0.25
Provisions	16	20.33	20.33	18.24
Other non-current liabilities	17	114.24	44.56	41.76
Total non-current liabilities		**705.86**	**1,207.49**	**1,778.37**
Current liabilities				
Financial liabilities				
i. Borrowings	18	525,989.17	565,818.25	448,313.49
ii. Trade payables	19	44,899.94	48,268.26	99,334.84
iii. Other financial liabilities	20	82,430.17	62,782.31	65,639.91
Provisions	16	6.05	6.05	8.22
Current tax liabilities (net)	21	16,721.99	10,985.33	34.08
Other current liabilities	22	7,798.53	7,737.69	7,894.66
Total current liabilities		**677,845.85**	**695,597.89**	**621,225.20**
Total liabilities		**678,551.71**	**696,805.38**	**623,003.57**
Total Equity and Liabilities		**922,511.36**	**889,030.24**	**798,610.91**

The accompanying notes are an integral part of these consolidated financial statements.

In terms of our report attached.

For DELOITTE HASKINS & SELLS
Chartered Accountants

For and on behalf of the Board of Directors

Geetha Suryanarayanan
Partner

Vasudha Mishra
Chairperson

U.S.Awasthi
Director

P.S.Gahlaut
Managing Director

George Zachariah
Chief Financial Officer

Rajesh Kumar Sadangi
Company Secretary

Place : New Delhi
Date : 29th June, 2017

Statement of Consolidated profit and loss for the year ended 31 March 2017 Rs. in Lakhs

Particulars	Notes	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Revenue from operations	23	1,172,807.37	1,627,832.19
Other income	24	23,546.96	18,356.54
Total Income		**1,196,354.33**	**1,646,188.73**
Expenses			
Cost of material consumed	25	115,291.02	48,610.05
Purchases of stock-in-trade	26 (a)	851,240.40	1,368,543.34
Changes in inventories of finished goods, stock-in-trade and work-in-progress	26 (b)	(23,095.36)	(5,303.62)
Excise duty on sale of goods		3,706.64	1,791.26
Operating expenditure	27	129,150.50	128,103.28
Employee benefits expense	28	5,914.89	5,680.96
Finance costs	29	14,831.06	12,829.09
Depreciation and amortisation expense	2	2,697.81	1,647.78
General, administration and other expenses	30	40,053.18	59,713.20
Total expenses		**1,139,790.14**	**1,621,615.34**
Profit before exceptional items and tax		**56,564.19**	**24,573.39**
Exceptional items		-	-
Profit before tax		**56,564.19**	**24,573.39**
Tax expense			
-Current tax		26,603.68	12,079.41
-Deferred tax		(6,142.33)	(3,514.16)
-Previous years' tax		0.93	2.23
Total tax expense		**20,462.28**	**8,567.48**
Profit for the period from continuing operations		**36,101.91**	**16,005.91**
Other comprehensive income			
Remeasurements of defined benefit plans		81.73	131.09
Debt instruments through other comprehensive income		1,273.61	735.58
Gains/losses on equity instruments at FVOCI		11,546.79	841.57
Total Other comprehensive income		**12,902.13**	**1,708.24**
Total comprehensive income for the period		**49,004.04**	**17,714.15**
Earnings per equity share (for continuing operations)			
Basic (in Rs.)		252.49	111.94
Diluted (in Rs.)		252.49	111.94
The accompanying notes are an integral part of these financial statements.			

In terms of our report attached.

For DELOITTE HASKINS & SELLS
Chartered Accountants

For and on behalf of the Board of Directors

Geetha Suryanarayanan
Partner

Vasudha Mishra
Chairperson

U.S.Awasthi
Director

P.S.Gahlaut
Managing Director

George Zachariah
Chief Financial Officer

Rajesh Kumar Sadangi
Company Secretary

Place : New Delhi
Date : 29th June, 2017

Statement of consolidated Cash Flows

Rupees in Lakhs

Particulars	Year ended 31 March 2017		Year ended 31 March 2016
A. Cash flow from operating activities			
Profit before income tax	56,564.19		24,573.39
Adjustments for :			
Add:			
Depreciation and amortisation expenses	2,697.81		1,647.78
Finance costs	14,831.06		12,829.09
Loss on assets sold or discarded			0.46
Unrealised exchange rate difference	16,433.85		4,776.23
Bad debts and irrecoverable balances written off	4,598.94		903.81
Provision for doubtful debts	22,353.92		11,290.12
Less:			
Dividend income	(2,292.98)		(2,061.96)
Interest Income on financial assets	(3,699.31)		(3,477.91)
Provisions no longer required	(247.46)		(7,463.62)
Provision for doubtful debt written back	(4,011.79)		(325.75)
Profit on sale of investment	(35.71)		(3,385.22)
Surplus on sale of fixed assets	(2.62)		-
	107,189.90	-	**39,306.42**
Change in operating assets and liabilities			
(Increase)/decrease in trade receivables	(97,054.14)		(59,008.72)
(Increase)/decrease in other financial assets	90,887.94		(89,579.26)
(Increase)/decrease in other non-current assets	141.31		173.60
(Increase)/decrease in other current assets	5,864.61		1,295.06
(Increase)/decrease in inventories	(26,660.83)		(4,735.30)
Increase/(decrease) in trade payables	2,995.72		(50,667.81)
Increase/(decrease) in other financial liabilities	19.81		(6,683.90)
Increase/(decrease) in other non-current liabilities	69.68		2.80
Increase/(decrease) in other current liabilities	14,082.64		7,300.51
Payable towards acquistion of business	8,304.00		-
	(1,349.26)		(201,903.02)
Cash generated from operations	**105,840.64**		**(162,596.60)**
Income taxes (paid)/Refunds	(19,419.37)		1,113.77
Net cash from /(used in) operating activities	**86,421.27**		**(161,482.83)**

Particulars	Year ended 31 March 2017		Year ended 31 March 2016
B. Cash flow from investing activities:			
Purchase of property, plant and equipment	(2,780.68)		(3,555.06)
Acquisition of Sugar unit	(42,380.56)		-
Movement in Capital work in progress	(99.69)		(262.73)
Sale proceeds of property, plant and equipment	14.07		22.56
Proceeds from sale of investments	1,062,026.38		5,444.29
Purchase of current investments	(1,015,445.27)		(42,027.92)
Purchase of non-current investments	(868.44)		(5,014.36)
Bank deposits (made) / realised	(130.61)		(64.87)
Interest received on financial assets	3,417.65		3,569.87
Dividend received on Equity Instruments at FVTOCI	7.18		7.69
Net cash (used in)/ from financing activities	**3,760.03**		**(41,880.53)**
C. Cash flow from financing activities			
Proceeds from long term borrowings	0.01		2,516.00
Repayment of long term borrowings	(3,087.32)		-
Repayment of short term borrowings	(55,852.61)		111,907.31
Dividend on shares (including dividend distribution tax)	(516.27)		(430.24)
Amounts deposited in bank accounts towards unpaid dividends	6.38		5.32
Interest paid	(14,844.08)		(11,903.55)
Loans to wholly owned subsidiaries (made)/realised	(223.46)		202.11
Net cash (used in) / from financing activities	**(74,517.35)**		**102,296.95**
Net increase/(decrease) in cash and cash equivalents	15,663.95		(101,066.41)
Add: Cash and cash equivalents at the beginning of the financial year	9,341.26		110,407.67
Cash and cash equivalents at the end of the year	**25,005.21**		**9,341.26**
Reconciliation of Cash Flow statements as per the cash flow statement			
Cash Flow statement as per above comprises of the following			
Cash and cash equivalents as per Note 11	25,005.21		9,341.26
The accompanying notes are an integral part of these consolidated financial statements.			

In terms of our report attached.

For DELOITTE HASKINS & SELLS
Chartered Accountants

For and on behalf of the Board of Directors

Geetha Suryanarayanan
Partner

Vasudha Mishra
Chairperson

U.S.Awasthi
Director

P.S.Gahlaut
Managing Director

George Zachariah
Chief Financial Officer

Rajesh Kumar Sadangi
Company Secretary

Place : New Delhi
Date : 29th June, 2017

Notes to the consolidated financial statements for the year ended March 31, 2017

1. Company overview and significant accounting policies

1.1 Company Overview

Indian Potash Limited (IPL)(‘ the Company’) is a leading importer involved in distribution of Muriate of Potash, Di-Ammonium Phosphate , Sulphate of Potash, Urea, Rock Phosphate, Gypsum etc. across the country including the in-accessible areas duly served by Regional offices operating in almost all State Capitals.

The Company along with its subsidiaries (hereinafter referred to as “the Group”) are also involved in the business of manufacturing of Cattlefeed products, Milk and milk products,Sulphitation and refined Sugar and trading of Gold and other precious metals.

The Company is a public limited company incorporated and domiciled in India and has its registered office in Chennai,Tamilnadu,India.

1.2 Basis of preparation of financial statements

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values at the end of each reporting period as explained in the accounting policies below , the provisions of the Companies Act, 2013 (‘the Act’) (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015.

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset of 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 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 (i.e.as prices) or indirectly (i.e. derived from prices) ;
- Level 3 inputs are unobservable inputs for the asset or liability.

The Group has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101, *First-Time Adoption of Indian Accounting Standards.* The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP) , which was the previous GAAP. Reconciliation and description of the effect of the transition have been summarised in Note 31.

Notes to the consolidated financial statements for the year ended March 31, 2017

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

1.2.1 Basis of consolidation

Indian Potash consolidates entities which it owns or controls. The consolidated financial statements comprise the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control exists when the parent has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns.

Consolidation of subsidiary begins when the parent obtains control over the subsidiary and ceases when the parent loses control of its subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the parent gains control until the date when the parent ceases to control the subsidiary.

The financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions, including unrealized gain / loss from such transactions, are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group. Non-controlling interests which represent part of net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Company, are excluded.

Name of the entity	Country of Incorporation	% of Holding and voting power either directly or indirectly through subsidiary as at		
		31-Mar-17	31-Mar-16	31-Mar-15
Goldline Milkfood and Allied Industries Limited (GMAIL)	India	100.00%	100.00%	100.00%
IPL Gujarat Port Limited	India	100.00%	100.00%	100.00%
IPL Sugar and Allied Industries Limited (IPSAL)	India	100.00%	100.00%	100.00%
ShreeKrishna Fertilizers Limited (Subsidiary of GMAIL)	India	100.00%	100.00%	100.00%

1.3 Business combinations

The acquisition method of accounting is used to account for business combinations by the Group. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree in exchange of control of the acquiree. Acquisition related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value, except that:

- Deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognized and measured in accordance with AS 12 *Income Taxes* and Ind AS 19 *Employee Benefits* respectively.

Notes to the consolidated financial statements for the year ended March 31, 2017

The excess of the consideration transferred over the fair value of net identifiable assets acquired is recorded as Goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

1.3.1 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash generating units that is expected to benefit from the synergies of the combination.

A cash generating unit to which Goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwillis not reversed in the subsequent periods.

On disposal of the relevant cash –generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

1.4 Use of estimates and judgements

In preparing these financial statements, Management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results could differ from those estimates.

1.4.1 Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized prospectively.

1.4.2 Judgements are made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements.

1.4.3 Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment are reviewed on an on-going basis.

The areas involving critical estimates and judgements are :

S.No.	Particulars	Note
1.	Useful lives of property plant and equipment	1.6
2.	Fair value measurements an valuation processes	1.11 and 1.12
3.	Revenue recognition	1.5.1
4.	Subsidy Income	1.5.2
5.	Provision for doubtful receivables	1.9 and 1.13
6.	Provision for employee benefits	1.21
7.	Lease : Whether an arrangement contains a lease	1.7
8.	Provision for Taxes	1.20
9.	Estimation of Net realizable value of inventories	1.10
10.	Assessment of control over components and consolidation decisions	1.2.1

Notes to the consolidated financial statements for the year ended March 31, 2017

1.5 Revenue Recognition

Revenue is measured at the fair value of consideration received or receivable. Amounts disclosed as revenue in the Statement of Profit and Loss are inclusive of excise duty and net of returns, trade allowances, rebates, discounts and value added taxes.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below.

1.5.1 Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods ;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold ;
- the amount of revenue can be measured reliably ;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.5.2 Subsidy

Subsidy income is recognised on the basis of the rate notified from time to time by the Government of India in accordance with Nutrient Based Subsidy (NBS) policy on the quantity of Fertilizers sold by the Company for the period for which notification has been issued and for the remaining period, based on conservative estimates.

Cane subsidy for the Sugar operations from the State Government is recognised when there is reasonable assurance that the subsidy will be received and all attaching conditions are complied with.

1.5.3 Rendering of Services

Revenue from providing services are recognized in the books as and when services are rendered. In case of Fertilizers imported on behalf of the Government of India /Business associates, purchase cost include actual cost plus expenditure incurred. Sales against these purchases are accounted for on cost plus fixed service charges and bank charges.

1.5.4 Dividend and Interest income

Other income is comprised primarily of interest income, dividend income, exchange gain /loss on forward contracts and on translation of other assets and liabilities. Interest income is recognized using the effective interest method and accounted on accrual basis. Dividend income is recognized when the right to receive payment is established. Interest on trade receivables, insurance claims, dispatch/demurrage claim and compensation/recoveries made by Government of India are accounted as and when received, on account of uncertainty in their collection.

Advances received for products and services are reported as client deposits until all conditions for revenue recognition are met.

Notes to the consolidated financial statements for the year ended March 31, 2017

The Group accounts for volume discounts and pricing rebates to customers as a reduction of revenue based on the rateable allocation of the discounts/rebates amount to each of the underlying revenue transaction that results in progress by the customer towards earning the discount/rebate. Also, when the level of discount varies with increase in levels of revenue transactions, the Company recognizes the liability based on its estimates of the customer's future purchases. If it is probable that the criteria for the discount/rebate will not be met, or if the amount thereof cannot be estimated reliably, then the discount is not recognized until the payment is probable and the amount can be estimated reliably. The Group recognizes changes in the estimated amount of obligations for discounts/rebates in the period in which the change occurs. The discounts are passed on to the customers either as direct payments or as a reduction of payment due from the customer.

1.6 Property, plant and equipment

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, if any.

Freehold land is not depreciated.

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

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

An item of property, plant and equipment is derecognized 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 sale proceeds and the carrying amount of the asset and is recognized in the profit & loss.

Advances paid towards acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under "Capital work-in-progress".

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognized as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost of the property, plant and equipment as on the transition date.

Depreciation methods, estimated useful lives and residual value

The Group depreciates property, plant and equipment over their estimated useful lives using the straight-line method at the rates prescribed under Schedule II of the Companies Act, 2013. In respect of the following categories of assets relating to a sugar unit , the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset and the operating conditions of the asset:

Buildings	16 – 30 years
Plant and equipment	10 – 25 years
Furniture & Fixtures	9 years

Notes to the consolidated financial statements for the year ended March 31, 2017

1.7 Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

1.8 Cash and Cash equivalents

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

1.9 Trade receivables

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

1.10 Inventories

Raw materials and stores, work in progress, traded and finished goods

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost on weighted average basis and net realisable value after providing for obsolescence and other losses, where considered necessary.

Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

Cost of inventories also include other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of first –in-first-out basis. Cost of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

1.11 Financial instruments

1.11.1 Initial recognition

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instruments.

All financial assets and liabilities are initially measured at fair value except for trade receivables which are initially measured at a transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss, are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial assets

Regular way purchase and sale of financial assets are accounted for at trade date.Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Notes to the consolidated financial statements for the year ended March 31, 2017

All recognized financial assets are subsequently measured in their entirety at either amortised cost of fair value, depending on the classification of the financial assets.

1.11.2 Subsequent measurement

a. Non-derivative financial instruments

(i) Financial assets carried at amortized cost

Financial asset that meet the following conditions are subsequently measured at amortised cost (except for financial assets that are designated at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows ; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

Financial asset that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for financial assets that are designated at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Further, in cases where the Group has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income (OCI). This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the “Reserve for equity instruments through other comprehensive income”. The cumulative gain or loss is not classified to profit or loss on disposal of the investments.

Dividends from such investments are recognised in profit or loss as other income when the Group’s right to receive payments is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

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

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship 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. Interest income from these financial assets is included in other income.

(iv)Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Notes to the consolidated financial statements for the year ended March 31, 2017

(v) Investment in subsidiaries

Investment in subsidiaries is carried at cost in the separate financial statements.

b. Derivative financial instruments

The Group enters into some derivative financial instruments such as foreign exchange forward to manage and mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the net profit in the Statement of Profit and Loss. If the hedging instruments expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the net profit in the Statement of Profit and Loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in the cash flow hedging reserve is re-classified to net profit in the Statement of Profit and Loss.

1.11.3 De-recognition of financial instruments

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of financial liability) isderecognized from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

1.12 Fair value of financial instruments

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

The Group has investments in some entities which are not held for trading. The Company has elected the FVTOCI irrevocable option for these investments.

1.13 Impairment

a. Financial assets

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL, as applicable, as the case may be. The amount of ECLs (or reversals, if any) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the profit or loss.

b. Non-financial assets

(i) Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating units to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

1.14 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

Non-current assets are not depreciated or amortised while they are classified as held for sale and are presented separately from the other assets in the balance sheet.

1.15 Trade and other payables

The amount represents liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid as per payment terms of the contract. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

1.16 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

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

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

1.16.1 Borrowing costs

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

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

Notes to the consolidated financial statements for the year ended March 31, 2017

1.17 Provisions

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of the money and risks specific to the liability.

The Group estimates such costs based on historical experience and estimates are reviewed on a periodic basis for any material changes in assumptions and likelihood of occurrence.

1.18 Foreign currency

(i) Functional and presentation currency

The functional currency of the Company is the Indian rupee. The financial statements are presented in Indian rupee (rounded off to lakhs; one lakh equals 100 thousands)

(ii) Transactions and translations

Foreign-currency-denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rate in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

1.19 Earnings per equity share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

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

(ii) Diluted earnings per share

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

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

1.20 Income taxes

The income tax expense comprises current and deferred income tax. Income tax expense or credit for the period is the tax payable on the current period's taxable income using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. The Group periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax assets and liabilities are recognized for all temporary difference arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

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

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

1.21 Employee benefits

1.21.1 Gratuity

The Group provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and tenure of employment with the Company.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an Independent actuary, at each Balance Sheet date using the projected unit credit method. The Company fully contributes all ascertained liabilities to the "Indian Potash Executive Gratuity Fund Trust ('the Trust') and to "Indian Potash Non-executive Gratuity Fund Trust ('the Trust'). Trustees of the fund administer contributions made to the Trusts and contribution are invested in a scheme with SBI Life Insurance Company Limited as permitted by Indian Law.

The Group recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements, if any, of the net defined benefit liability/ (asset) are recognized in other comprehensive income. The actual return of the portfolio of the plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income. The effect of any plan amendments are recognized in the net profit in the Statement of Profit and Loss.

1.21.2 Superannuation

Certain employees of Indian Potash Limited are participants in a defined contribution plan. The Group has no further obligations to the plan beyond its monthly contributions which are periodically contributed to a trust fund, the corpus of which is invested with SBI Life Insurance Company Limited.

Notes to the consolidated financial statements for the year ended March 31, 2017

1.21.3 Provident fund

Eligible employees of Indian Potash Limited receive benefits from a provident fund, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The Company contributes a portion to the Indian Potash Staff Provident Fund Trust. The trust invests in specific designated instruments as permitted by Indian law. The remaining portion is contributed to the government-administered pension fund. The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate.

In respect of subsidiaries, eligible employees receive benefits from a provident fund, which is a defined contribution plan. Both the eligible employee and the respective companies make monthly contributions to this provident fund plan equal to a specified percentage of the covered employee's salary. Amount colleted under the provident fund plan are deposited in a government administered provident fund. The respective subsidiary companies have no further obligation to the plan beyond its monthly contributions.

1.21.4 Compensation absences

The Group has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary on each Balance Sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated on the Balance Sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

1.22 Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

1.23 Contributed equity

Equity shares are classified as equity.

1.23.1 Dividends

The final dividend on shares is recorded as a liability on the date of approval by the shareholders.

1.24 Service Tax input credit

Service Tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is certainty in availing / utilising the credits.

1.25 Operating Cycle

Based on the nature of products/activities of the company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

1.26. Rounding off amounts

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

Notes to the consolidated financial statements for the year ended March 31, 2017

Statement of Changes in Equity for the year ended 31st March 2017

(Rupees in lakhs)

Particulars	Equity Share Capital	OTHER EQUITY					Deffered Tax Asset/ (Liability)	Total equity attributable to equity holders of the Company
		Reserves & Surplus		Other Comprehensive Income				
		General Reserve	Retained Earnings	Debt instrument through other comprehensive income	Equity instrument through other comprehensive income	Other Items of Other comprehensive income		
Opening balance as at 1 April 2015 - as per previous GAAP	1,429.86	42,486.88	127,007.72	-	-	-	-	170,924.46
Fair valuation of Investments		-	-	2,471.18	3,760.80	-	(2,037.00)	4,194.98
Dividends	-	-	430.24	-	-	-	-	430.24
Fair valuation of Derivatives		-	1.47	-	-	-	-	1.47
Revaluation reserve		-	403.70	-	-	-	-	403.70
Deferred Rent liability		-	180.54	-	-	-	-	180.54
Expected Credit losses		-	(528.05)	-	-	-	-	(528.05)
Balance as at 1 April 2015 - as per Ind AS	1,429.86	42,486.88	127,495.62	2,471.18	3,760.80	-	(2,037.00)	175,607.34
Transfer to/(from) retained earnings	-	500.00	(500.00)	-	-	-	-	-
Fair valuation of Investments		-	-	735.58	841.57	-	(666.65)	910.50
Employee Benefits		-	131.09	-	-	-	-	131.09
Other Non Current Liability - Molasses Storage Reserve		-	(2.80)	-	-	-	-	(2.80)
Profit for the year	-	-	16,005.91	-	-	-	-	16,005.91
Dividends		-	(430.24)	-	-	-	-	(430.24)
Deferred Rent liability		-	3.06	-	-	-	-	3.06
Closing balance as at 31 Mar 2016	1,429.86	42,986.88	142,702.64	3,206.76	4,602.37	-	(2,703.65)	192,224.86
Dividends	-	-	(516.27)	-	-	-	-	(516.27)
Pre-operative expenditure adjusted - Prior year item			(70.94)					(70.94)
Acquistion of Sugar unit (Refer Note No. 32)		-	7,762.49	-	-	-	-	7,762.49
Fair valuation of Investments	-	-	-	1,273.61	11,546.79	-	(4,435.82)	8,384.58
Employee Benefits		-	81.73	-	-	-	-	81.73
Other Non Current Liability - Molasses Storage Reserve		-	(8.71)	-	-	-	-	(8.71)
Profit for the year	-	-	36,101.91	-	-	-	-	36,101.91
Closing balance as at 31 Mar 2017	1,429.86	42,986.88	186,052.85	4,480.37	16,149.16	-	(7,139.47)	243,959.65

Notes to the consolidated financial statements for the year ended March 31, 2017

Note 2 Property, plant and equipment

(Rs. in lakhs)

Particulars	Freehold Land	Buildings #	Plant and equipment	Furniture and Fixtures	Motor Vehicle	Office Equipment	A.V.Unit Van & Equipments	Computers	Total
Deemed Cost as at 1st April 2015	10,589.57	9,788.20	9,407.72	221.34	122.73	399.76	60.33	223.64	30,813.29
Additions	280.00	1,589.42	1,341.84	179.42	15.30	98.80	19.41	30.87	3,555.06
Assets included in a disposal group classified as held for sale	-	-	(0.72)	(9.02)	(12.64)	(21.73)	(11.82)	(17.52)	(73.45)
Impairment									-
Closing gross carrying amount (A)	10,869.57	11,377.62	10,748.84	391.74	125.39	476.83	67.92	236.99	34,294.90
Accumulated depreciation and impairment									
Depreciation charge during the year	-	441.65	903.46	34.94	21.54	73.83	21.05	151.31	1,647.78
Deductions and Adjustments	-	-	(0.05)	(7.70)	(5.96)	(8.37)	(11.28)	(16.66)	(50.02)
Closing accumulated depreciation and impairment (B)	-	441.65	903.41	27.24	15.58	65.46	9.77	134.65	1,597.76
Net carrying amount as on 31-03-2016 (C) (A-B)	10,869.57	10,935.97	9,845.43	364.50	109.81	411.37	58.15	102.34	32,697.14
Acquisition of Titawi sugar unit (Refer Note (i) below) (D)	20,074.00	3,212.40	19,036.16	3.23	0.86	16.66	-	37.19	42,380.50
Additions & Acquisition (E)	1,321.61	111.54	857.52	9.82	10.87	311.36	27.16	47.45	2,697.33
Disposals	-	-	(19.93)	(6.57)	(5.85)	(7.23)	(19.31)	(13.77)	(72.66)
Transfer	-	-	-	-	-	-	-	-	-
Closing gross carrying amount (F = A+D+E)	32,265.18	14,701.56	30,622.59	398.22	131.27	797.62	75.77	307.86	79,300.07
Accumulated depreciation and impairment									
Opening accumulated depreciation	-	441.65	903.41	27.24	15.58	65.46	9.77	134.65	1,597.76
Depreciation charge during the year	-	485.21	1,995.49	44.15	22.65	75.63	13.29	61.39	2,697.81
Disposals	-	-	(15.44)	(5.14)	(4.62)	(4.30)	(18.35)	(13.38)	(61.23)
Closing accumulated depreciation and impairment (G)	-	926.86	2,883.46	66.25	33.61	136.79	4.71	182.66	4,234.34
Net carrying amount as on 31.03.2017 (F-G)	32,265.18	13,774.70	27,739.13	331.97	97.66	660.83	71.06	125.20	75,065.73

i) Freehold Land of Rs. 20,074 measuring 71.84 acres located at Titawi, Muzaffarnagar, Uttar Pradesh, represents Land acquired from Mawana Sugars Limited during the year pursuant to a business transfer agreement. However the title deeds are yet to be transferred in the name of the Company. Refer Note No. 32.

\# Building include undivided share of Land, the value of which is not seperately ascertainable.

Notes to the consolidated financial statements for the year ended March 31, 2017

Note 3 Capital work-in-progress

Particulars	As at 1 April, 2015	Incurred during the year	Capitalised / Adjusted	As at March 31, 2016	Incurred during the year	Capitalised / Adjusted	As at 31 March, 2017
Capital work-in-progress	6,943.64	1,049.60	428.18	7,565.06	633.09	454.21	7,743.94
Capital Advances	3,470.91	-	974.74	2,496.17	4.22	-	2,500.39
Total	**10,414.55**	**1,049.60**	**1,402.92**	**10,061.23**	**637.31**	**454.21**	**10,244.33**

Note 4 Investments

Particulars	Face value	31 March 2017		31 March 2016		1 April 2015	
		No. of shares/ Units	Rupees in lakhs	No. of shares/ Units	Rupees in lakhs	No. of shares/ Units	Rupees in lakhs
Investment measured at Fair Value through Other Comprehensive Income							
(i) Equity Shares (Fully Paid up) - Unquoted :							
1. IFFCO - Tokio General Insurance Co. Limited	10	3,662,772	14,959.86	3,662,772	5,311.02	3,662,772	4,431.95
2. Mittal Chambers Owners Premises Co-Soceity Limited @	50	-	-	-	-	5	0.00
3. Suhavan and Supath Members Association @	100	-	-	-	-	10	0.01
4. New India Co-Operative Bank Limited	10	300	0.03	300	0.03	300	0.03
5. Indian Commodity Exchange Limited	5	26,800,000	2,680.00	20,000,000	180.00	20,000,000	180.00
6. SBC Owners Welfare Soceity		-	-	-	-	-	23.16
7. IFFCO CRWC LOGISTICS LIMITED	10	437,000	43.70	-	-	-	-
8. Wisekey India Private Limited	10	100,000	824.74	-	-	-	-
Sub-Total			**18,508.33**		**5,491.05**		**4,635.15**

Notes to the consolidated financial statements for the year ended March 31, 2017

Particulars	Face value	31 March 2017		31 March 2016		1 April 2015	
		No. of shares/ Units	Rupees in lakhs	No. of shares/ Units	Rupees in lakhs	No. of shares/ Units	Rupees in lakhs
ii) Equity Shares (Fully Paid up) - Quoted:							
BSE Ltd (Refer note below for 2015)	2	19,480	190.45	38,961	112.50	15,000,000	150.00
(iii) Debt Instruments - Unquoted :							
IRFC Tax Free Bonds - 2030 - 7.28%	1000	75,500	846.36	75,500	771.61	-	-
NHAI Tax Free Bonds - 2031 - 7.35%	1000	285,698	3,025.54	285,698	2,971.26	-	-
HUDCO Tax Free Bonds - 2031 - 7.39%	1000	140,139	1,401.39	140,139	1,401.39	-	-
Special Fertiliser Bonds - 2022 - 7.00%	100	37,240,000	36,673.80	37,240,000	35,529.22	37,240,000	34,924.53
Special Fertiliser Bonds - 2023 - 6.65%	100	50	0.05	50	0.05	50	0.05
Sub-Total			**41,947.14**		**40,673.53**		**34,924.58**
Total			**60,645.92**		**46,277.08**		**39,709.73**

Particulars	Face value	31 March 2017		31 March 2016		1 April 2015	
		No. of shares/ Units	Rupees in lakhs	No. of shares/ Units	Rupees in lakhs	No. of shares/ Units	Rupees in lakhs
Investment in government securities - Measured at Amortised Cost							
Unquoted :							
National Savings Certificate - VIII Issue	10000	15	1.50	20	2.00	5	0.50
National Savings Certificate - VIII Issue	5000	20	1.00	30	1.50	40	2.00
Sub-total			2.50		3.50		2.50
Total non-current investments			60,648.42		46,280.58		39,712.23
Aggregate amount of quoted investments			190.45		112.50		#
Aggregate amount of unquoted investments			60,457.97		46,168.08		39,712.23

@ Amount is below the rounding off norm adopted by the group..

The company was holding 15,000,000 equity shares of Rs 1 each fully paid up in United stock exchange of India Limited(USEIL). Pursuant to the scheme of amalgamation between USEIL and BSE Limited as approved by the Bombay High Court on 24th April 2015, the company has been allotted 38,961 equity shares of Rs 1 each fully paid up in BSE Limited. On 29-Nov-2016, the said shares were converted into 19,480 shares of Rs.2 each.

Unquoted in 2015. Refer note above

Notes to the consolidated financial statements for the year ended March 31, 2017

Note 5 Other Financial Assets

Rupees in Lakhs

Particulars	As at 31 March, 2017		As at 31 March, 2016		As at 1 April, 2015	
	Current	Non-Current	Current	Non-Current	Current	Non-Current
Security Deposit	-	869.09	-	666.33	-	623.88
Advances to employees	45.93	11.78	43.66	34.46	18.47	59.92
Held for trading derrivatives not designated in Hedge accounting relationship	-	-	-	-	1.47	-
Interest accrued on deposits	217.83	-	145.78	-	355.60	-
Interest accrued on bonds	1,056.83	-	883.83	-	807.04	-
Due from Ministry of Chemicals and Fertilizers, Government of India - For Urea Handling	14,226.51	-	105,541.85	-	15,253.87	-
Total other assets	**15,547.10**	**880.87**	**106,615.12**	**700.79**	**16,436.45**	**683.80**

Note 6 Deferred tax Assets (net)

Rupees in Lakhs

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Deferred tax assets:			
Provision for compensated absences, gratuity and other employee benefits	69.98	72.38	104.86
Provision for doubtful debts / advances	13,861.46	8,249.48	4,798.37
Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961	1,135.56	1,135.56	1,135.56
MAT Credit Entitlement	-	2,590.00	-
Others	1,455.97	522.09	250.60
Total of Deferred Tax Assets	**16,522.97**	**12,569.51**	**6,289.39**
Deferred tax liabilities:			
On difference between book balance and tax balance of fixed assets	2,332.04	1,930.90	1,754.94
Deferred Tax Liability on reserve for debt and equity instruments through other comprehensive income	7,139.47	2,702.59	2,156.76
Deferred Tax (Asset) / Liability on certain items included in transition reserve	-	1.06	(119.76)
Total of Deferred Tax Liabilities	**9,471.51**	**4,634.55**	**3,791.94**
Deferred tax (net)	**7,051.46**	**7,934.96**	**2,497.45**

Notes to the consolidated financial statements for the year ended March 31, 2017

Note 7 : i) Other Non-Current Assets

Rupees in Lakhs

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
i. Leasehold Land			
Motipur Sugar Unit (Refer Note (a) below)	4,944.11	5,037.77	5,131.44
Land (Manda-Jaipur)	592.50	599.03	605.58
Tuticorin Port	160.64	169.08	177.55
Vizag Port	1,188.49	1,243.15	1,297.75
Vizag Port	239.91	252.20	264.49
Sub-total	**7,125.65**	**7,301.23**	**7,476.81**
Balances with Statutory authorities	127.38	92.88	90.78
Security Deposits	20.74	20.75	11.62
Preliminary and pre-operative expenses	-	70.94	70.94
Total	**7,273.77**	**7,485.80**	**7,650.15**

Note (a) : Represents Leasehold land measuring 266 acres located at Motipur, Bihar.The Land was leased to the Company by Bihar State Sugar Corporation Limited (BSSCL) in 2011-2012. BSSCL's title to the land was challenged by shareholders of the sugar factory and consequently the lease to the company was also questioned as bad and illegal. However, the High Court of judicature at Patna during 2013-2014 has pronounced BSSCL as the owner of the Land and upheld its right to let it on lease to the Company. The Lease agreement is yet to be registered in the name of the company.

Note 7 : ii) Other Current Assets

Rupees in Lakhs

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Leasehold Land (Refer Note (a) below)	175.58	175.58	175.58
Other Advances	3,709.98	10,197.71	11,455.85
Balances with statutory authorities	-	-	-
- Cenvat Credit	422.38	182.42	220.10
- VAT	101.07	46.74	80.81
- Customs duty	3.14	-	781.07
- Others	60.45	44.40	55.49
Prepaid Expenses	1,592.28	1,282.86	465.13
Advance tax (Net of provision Rs.100,302.11 Lakhs)	-	-	4,763.40
Total	**6,064.88**	**11,929.71**	**17,997.43**

Note (a) : Represents Leasehold land measuring 266 acres located at Motipur, Bihar.The Land was leased to the Company by Bihar State Sugar Corporation Limited (BSSCL) in 2011-2012. BSSCL's title to the land was challenged by shareholders of the sugar factory and consequently the lease to the company was also questioned as bad and illegal. However, the High Court of judicature at Patna during 2013-2014 has pronounced BSSCL as the owner of the Land and upheld its right to let it on lease to the Company. The Lease agreement is yet to be registered in the name of the company.

Notes to the consolidated financial statements for the year ended March 31, 2017

Note 8 Inventories

Rupees in Lakhs

Particulars		As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
a)	Fuel	1.60	0.43	1.43
b)	Stores and spares	1,319.26	780.68	900.46
c)	Raw materials	1,518.19	1,486.16	1,574.43
d)	Work-in-progress	3,179.80	3,393.98	3,172.55
e)	Finished goods (other than those acquired for trading)	46,146.81	22,099.50	28,303.45
f)	Stock-in-trade (acquired for trading)	168,684.25	166,432.94	155,143.75
g)	Packing Materials	1,450.30	1,444.76	1,807.07
h)	Crates	0.09	1.00	1.00
Total inventories		**222,300.30**	**195,639.45**	**190,904.14**

Note 9 Other Investments

Rupees in Lakhs

Particulars	Face value	31 March 2017		31 March 2016		1 April 2015	
		No. of Units	Amount (Rs. In lakhs)	No. of Units	Amount (Rs. In lakhs)	No. of Units	Amount (Rs. In lakhs)
Investment in government securities - Measured at Amortised Cost							
Unquoted							
(i) National Savings Certificate - VIII Issue	10,000	19	1.90	14	1.40	9	0.90
(ii) National Savings Certificate - VIII Issue	5,000	31	1.55	21	1.05	1	0.05
(iii) National Savings Certificate - VIII Issue	1,000	15	0.15	15	0.15	15	0.15
(iv) National Savings Certificate - VIII Issue	500	2	0.01	2	0.01	2	0.01
Investment in mutual funds - Measured at Fair Value through Profit and Loss Account :							
Quoted							
SBI Mutual Fund	1,675.03	-	-	896,124	15,010.34	-	-
HDFC Mutual Fund	1,019.82	876,338	88.34	1,177,345	12,006.80	-	-
Reliance Mutual Fund	1,528.74	-	-	981,808	15,009.29	-	-
Total (mutual funds)			**91.95**		**42,029.04**		**1.11**
Total current investments			**91.95**		**42,029.04**		**1.11**
Aggregate amount of Quoted investments			88.34		42,026.43		-
Aggregate amount of unquoted investments			3.61		2.61		1.11

Notes to the consolidated financial statements for the year ended March 31, 2017

Note 10 Trade receivables

Rupees in Lakhs

(Unsecured and considered good unless stated otherwise)

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Trade Receivable	519,636.76	438,182.10	380,071.46
Less: Allowance for doubtful debts	28,645.98	21,082.90	10,129.91
Total receivables	**490,990.78**	**417,099.20**	**369,941.55**

Note 11 Cash and cash equivalents

Rupees in Lakhs

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Balances with banks			
- in current accounts	24,978.98	9,307.46	14,964.55
- in deposits account with original maturity of less than three months	-	-	95,417.82
Cash on hand (Refer Note 11(i) below)	26.23	33.80	25.30
Total cash and cash equivalents	**25,005.21**	**9,341.26**	**110,407.67**

Note 11(i) : Disclosure on Specified Bank Notes:

Rupees in Lakhs

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on November 8,2016	15.03	7.54	22.56
(+) Permitted receipts	5.09	92.22	97.31
(-) Permitted payments	-	78.05	78.05
(-) Amount deposited in Banks	(20.12)	(5.23)	(25.34)
Closing cash in hand as on December 30, 2016	**-**	**16.48**	**16.48**

Note 12 Bank balances

Rupees in Lakhs

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Deposits with original maturity of more than three months but less than twelve months	729.53	713.55	633.55
Unclaimed dividend	37.22	30.84	25.52
Molasses storage fund Deposit account	169.98	61.74	82.19
Total	**936.73**	**806.13**	**741.26**

Notes to the consolidated financial statements for the year ended March 31, 2017

Note 13 Equity Share capital

Rupees in Lakhs

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Authorised Share Capital:			
Fully paid equity shares of Rs.10 each	5,000.00	5,000.00	5,000.00
Issued and subscribed capital comprises:			
fully paid equity shares of Rs.10 each (as at March 31, 2016: Rs.10 each; as at April 1, 2015: Rs.10 each)	1,429.86	1,429.86	1,429.86
Total	**1,429.86**	**1,429.86**	**1,429.86**

Fully paid equity shares	Number of shares	Rs. In lakhs
Balance at April 1, 2015	14,298,600	1,429.86
Movement	-	-
Total	**14,298,600**	**1,429.86**

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

Particulars	As at 31 March, 2017		As at 31 March, 2016		As at 1 April, 2015	
	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 with voting rights :						
Indian Farmers Fertilisers Cooperative Limited (Investing Party)	4,860,000	33.99	4,860,000	33.99	4,860,000	33.99
Gujarat State Co-operative Marketing Federation Limited	1,494,000	10.45	1,494,000	10.45	1,494,000	10.45
Gujarat State Fertilisers and Chemicals Limited	1,125,000	7.87	1,125,000	7.87	1,125,000	7.87
Andhra Pradesh State Cooperative Marketing Federation Limited	891,000	6.23	891,000	6.23	891,000	6.23
Madras Fertilisers Limited	792,000	5.54	792,000	5.54	792,000	5.54

The company has one class of equity shares having a par value of Rs.10/- per share. Each share holder is entitled for one vote. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General meeting. Repayment of share capital on liquidation will be in proportion to the number of equity shares held.

Notes to the consolidated financial statements for the year ended March 31, 2017

Note 14 Other Equity

Rupees in Lakhs

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
General reserve	42,986.88	42,986.88	42,486.88
Reserve for debt instruments through other comprehensive income	4,480.37	3,206.76	2,471.18
Reserve for equity instruments through other comprehensive income	16,149.16	4,602.37	3,760.80
Retained earnings	177,802.46	142,214.74	127,007.72
Capital reserve	7,762.49	-	-
Others - Transition reserve	487.90	487.90	487.90
	249,669.26	193,498.65	176,214.48
Less:- Deferred Tax Liability on reserve for debt and equity instruments through other comprehensive income	7,139.47	2,702.59	2,156.76
Less:- Deferred Tax (Asset) / Liability on certain items included in transition reserve	-	1.06	(119.76)
Total	**242,529.79**	**190,795.00**	**174,177.48**

General reserve

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Balance at beginning of year	42,986.88	42,486.88	39,486.88
Movements - Transferred from Statement of Profit and Loss	-	500.00	3,000.00
Balance at end of year	**42,986.88**	**42,986.88**	**42,486.88**

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

Retained earnings

Rupees In lakhs

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Balance at beginning of year	142,214.74	127,007.72	109,682.40
Profit attributable to owners of the Company	36,101.91	16,005.91	21,125.70
Pre-operative expenditure adjusted - Prior year item	(70.94)		
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	81.73	131.09	-
Payment of dividends on equity shares transferred to transit reserve	-	(516.27)	(430.24)
Deferred Rent Written Back	-	3.06	-
	-	-	-
	(516.27)	86.03	-

Notes to the consolidated financial statements for the year ended March 31, 2017

Rupees in Lakhs

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Others - (i) Transferred to General reserve	-	(500.00)	(3,000.00)
(ii) Depreciation on Transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with NIL remaining useful life (Net of deferred tax)	-	-	(367.64)
(iii) Transferred to Molasses Storage Facilities Reserve Fund	(8.71)	(2.80)	(2.50)
Balance at end of year	**177,802.46**	**142,214.74**	**127,007.72**

In respect of the year ended March 31, 2017, the directors propose that a dividend of Rs.3.00 per share be paid on fully paid equity shares. This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these consolidated financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares. The total estimated equity dividend to be paid is Rs.428.96 Lakhs.

Capital Reserve (Refer Note No.32)

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Balance at beginning of year	-	-	-
Movement during the year	7,762.49	-	-
Balance at end of year	**7,762.49**	**-**	**-**

Transition Reserve

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Opening Balance	487.90	487.90	-
Deffered Rent written back	-	-	180.54
Proposed dividend	-	-	430.24
Expected Credit Loss on Subsidy	-	-	(528.05)
MTM Gain\loss	-	-	1.47
Revaluation Reserve	-	-	403.70
Balance at end of year	**487.90**	**487.90**	**487.90**

Notes to the consolidated financial statements for the year ended March 31, 2017

Note 15 Non-current borrowings

Rupees in Lakhs

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Secured - at amortised cost			
Term loans			
- from banks	571.29	1,142.60	1,713.92
Other loans			
- Un Secured NBIADA Seed Assistance Loan	-	-	4.20
Total	**571.29**	**1,142.60**	**1,718.12**

Notes:

(i) Details of terms of repayment for long-term borrowings and security provided in respect of secured long-term borrowings:

Rupees in Lakhs

Name of Bank	Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Term loan from a bank:				
HDFC Bank	Repayable in 12 quarterly instalments commencing from June 2016 & ending March 2019 @ Rs. 142.83 lakhs per instalment.	1,142.61	1,713.92	1,713.92
	Repayable in full on 22nd September 2016	-	2,516.00	-
NBIADA Seed assistance Loan		-	-	4.20
Total		**1,142.61**	**4,229.92**	**1,718.12**

ii) Details of Security — First charge on the moveable fixed assets of sugar units of the Company.

iii) Interest — The company has availed the interest free loan under "Scheme for Extending Financial Assistance to Sugar Undertakings 2013", from Sugar Development Fund.

Note 16 Provisions

Rupees in Lakhs

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Non - Current			
Provision for Gratuity	16.65	16.65	14.88
Provision for Leave Encashment	3.68	3.68	3.36
Total	**20.33**	**20.33**	**18.24**
Current			
Provision for Employee Benefits	6.05	6.05	8.22
Total	**6.05**	**6.05**	**8.22**

Notes to the consolidated financial statements for the year ended March 31, 2017

Note 17 Other non-current liabilities

Rupees in Lakhs

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Molasses Storage Facility Reserve Fund #	114.24	44.56	41.76
Total	**114.24**	**44.56**	**41.76**

Represents amount transferred from Statement of Profit and Loss for utilisation towards maintenance of adequate storage facilities in accordance with the order issued by the Controller of Uttar Pradesh State Sugar Corporation at the stipulated rate. The Company has earmarked bank deposits corresponding to this reserve.

Note 18 Current Borrowings

Rupees in Lakhs

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Unsecured - at amortised cost			
a) Other loans - Banks	88,200.00	85,820.26	6.52
(b) Buyers Credit	437,789.17	449,997.99	445,583.95
Secured -at amortised cost			
(a) Loans repayable on demand			
- Bank overdraft	-	-	2,723.02
(b) Other loans - Banks	-	30,000.00	-
Total	**525,989.17**	**565,818.25**	**448,313.49**

Notes:

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Working Capital Facilities			
DBS Bank #	-	20,000.00	
Deutsche Bank #	-	10,000.00	
State Bank of Hyderabad #	-	-	222.93
Allahabad Bank #	-	-	0.09
New India Co-operative Bank @	-	-	2,500.00
	-	**30,000.00**	**2,723.02**

@ Secured by land and building situated at Sikandrabad, Uttar Pradesh.

Secured by hypothecation of Stocks and Sundry Debtors

Notes to the consolidated financial statements for the year ended March 31, 2017

Note 19 Trade Payables

Rupees in Lakhs

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
- Acceptances	38,814.42	20,004.21	24,796.21
- Other than Acceptances (Refer Note (i) below)	6,085.52	28,264.05	74,538.63
Total	**44,899.94**	**48,268.26**	**99,334.84**

Note (i): Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Rupees in Lakhs

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	NIL	NIL	NIL
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	NIL	NIL	NIL
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	NIL	NIL	NIL
(iv) The amount of interest due and payable for the year	NIL	NIL	NIL
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	NIL	NIL	NIL
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	NIL	NIL	NIL

Note (ii) There are no dues to enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006, as at March 31, 2017 / March 31, 2016 / March 31, 2015 which is on the basis of such parties having been identified by the management and relied upon by the auditors.

Note 20: Other financial liabilities

Rupees in Lakhs

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
a) Current maturities of long-term debt	571.32	3,087.32	-
b) Interest accrued	1,699.37	1,712.53	781.38
c) Unpaid dividends	37.22	30.84	25.52
d) Held for trading derrivatives not designated in Hedge accounting relationship	37.31	5.58	-
e) Payables on purchase of fixed assets	2,810.00	2,810.00	2,810.00
f) Payable on acquisition of business - Sugar unit(Refer Note No. 40)	8,304.00	-	-
g) Trade / security deposits received	3,827.10	3,443.78	3,686.15
h) Port handling expenses	30,133.85	27,937.76	31,820.41
i) Customer Discounts	18,212.63	7,120.63	10,632.71
j) Freight & other claims	12,689.24	12,888.53	12,746.76
k) Expenses Payable	1.15	1.15	1.15
l) Security Deposits	5.00	5.00	-
m) Others	4,101.98	3,739.19	3,135.83
Total	**82,430.17**	**62,782.31**	**65,639.91**

Notes to the consolidated financial statements for the year ended March 31, 2017

Note 21 Current Tax assets and liabilities

Rupees in Lakhs

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Current tax Assets			
Others - Advance tax and tax deducted at source	110,333.87	89,476.77	-
	110,333.87	89,476.77	-
Current tax liabilities			
Income Tax payable	127,055.86	100,462.10	34.08
	127,055.86	100,462.10	34.08
Current tax Liabilities (net)	**16,721.99**	**10,985.33**	**34.08**

Note 22 Other current liabilities

Rupees in Lakhs

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
(a) Other advances - from Customers	4,124.41	3,965.76	4,104.21
(b) Employee benefits			
(i) Gratuity	195.52	287.98	466.84
(ii) Compensated absences	202.21	209.15	302.99
	397.73	497.13	769.83
(c) Statutory remittances	3,275.24	3,273.65	3,019.47
(d) Others	1.15	1.15	1.15
Total	**7,798.53**	**7,737.69**	**7,894.66**

Note (i) : Gratuity

The following tables sets out the funded status of the defined benefit scheme and the amount recognised in the Consolidated Financial statements:

Components of Employer's expense

Rs. In Lakhs

Particulars	2016-17	2015-16
Current service cost	175.08	158.76
Interest cost	175.93	177.29
Expected return on plan assets	(161.74)	(150.40)
Actuarial losses/ (gains)	(81.73)	(131.09)
Total expense recognised in the Statement of Profit and Loss	**107.54**	**54.56**

Net Asset/ Liability recognised in the Balance Sheet

Rs. In Lakhs

Particulars	2016-17	2015-16
Present value of Defined benefit obligation (DBO)	2,509.84	2,452.29
Fair value of plan assets at the end of the year	2,314.32	2,164.31
Asset/(Liability) recognized in the balance sheet	**(195.52)**	**(287.98)**

Notes to the consolidated financial statements for the year ended March 31, 2017

Changes in the Defined Benefit Obligation (DBO) during the year: Rs. In Lakhs

Particulars	2016-17	2015-16
Present value of DBO at the beginning of year	2,452.28	2,391.41
Interest cost	175.93	177.29
Current Service cost	175.08	158.76
Benefits paid	(223.14)	(165.82)
Actuarial (Gains) / Losses	(70.31)	(109.35)
Present value of DBO at the end of year	**2,509.84**	**2,452.29**

Changes in the fair value of assets during the year: Rs. In Lakhs

Particulars	2016-17	2015-16
Plan assets at beginning of year	2,164.31	1,924.56
Expected return on plan assets	161.74	150.40
Actual company contributions	200.00	233.42
Benefits paid	(223.14)	(165.82)
Actuarial gain / (loss)	11.41	21.75
Plan assets as at end of year	**2,314.32**	**2,164.31**

Composition of the Plan assets is as follows: Rs. In Lakhs

Particulars	2016-17	2015-16
Debt	44.45%	85.87%
Equity	6.02%	5.02%
Fixed Deposits and Other Assets	49.53%	9.11%

Actuarial Assumptions: Rs. In Lakhs

Particulars	2016-17	2015-16
Discount Rate	7.36%	7.68%
Expected rate of return on assets	7.36%	7.68%
Expected rate of salary Increase	5.00%	5.00%
Attrition Rate	5.00%	3.00%
Mortality	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

Experience Adjustments	2016-17	2015-16
Present value of DBO	2,509.84	2,452.29
Fair value of plan assets	2,509.84	2,452.29
Funded status [Surplus / (Deficit)]	-	-
Experience gain / (loss) adjustments on plan liabilities	(70.31)	(109.35)
Experience gain / (loss) adjustments on plan assets	11.41	21.75

Notes to the consolidated financial statements for the year ended March 31, 2017

The estimates of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors. The expected return on plan assets is based on expectation of the average long term rate of return expected on investment after fund during the estimated term of the obligation.

The experience adjustments, meaning difference between changes in plan assets and obligations expected on the basis of actuarial assumption and actual changes in those assets and obligation are given above.

Maturity Profile of Defined Benefit Obligations:

Rs. In Lakhs

Particulars	2016-17	2015-16
Year (1)	408.17	363.46
Year (2)	269.61	215.19
Year (3)	334.51	177.80
Year (4)	258.35	202.51
Year (5)	268.28	165.68
Year (6 - 10)	689.29	498.85
TOTAL	**2228.21**	**1623.49**

Note (iii) Compensated absences

Actuarial Assumptions:

Rs. In Lakhs

Particulars	2016-17	2015-16
Discount Rate	7.12%	7.68%
Expected rate of Return on Assets	8.00%	8.00%
Expected rate of salary Increase	5.00%	5.00%
Attrition Rate	5.00%	3.00%
Mortality	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

Note 23 Revenue from operations

Rupees in Lakhs

Particulars	For the Year Ended 31 March, 2017	For the Year Ended 31 March, 2016
(a) Sale of products (Refer Note 1 below) (including Excise Duty of Rs.3706.64 lakhs for the year ended 31 March, 2017 and Rs. 1,791. 26 Lakhs for the year ended March 31, 2016)	1,224,527.95	1,639,430.07
Less : Sales Discounts	58,378.59	25,626.79
	1,166,149.36	1,613,803.28
(b) Sale of Services	76.33	466.01

Notes to the consolidated financial statements for the year ended March 31, 2017

Particulars	For the Year Ended 31 March, 2017	For the Year Ended 31 March, 2016
(c) Other operating revenues		
- Differential Freight claim on Urea handling	5,320.59	9,831.27
- Cane Purchase Subsidy	-	2,141.62
- Amount received from suppliers/agents towards Shortages	113.30	27.14
- Despatch / Demurrage (net)	1,147.79	1,562.87
Total	**1,172,807.37**	**1,627,832.19**

Note 1:

Particulars	For the Year Ended 31 March, 2017	For the Year Ended 31 March, 2016
Sale of products comprises :		
Manufactured goods		
Sugar & By Products	66,490.70	34,818.76
Cattle feed Products	7,894.76	7,179.91
Milk & Milk Products	40,610.48	11,604.94
Total - Sale of manufactured goods	114,995.94	53,603.61
Traded goods		
Muriate of Potash	270,961.63	331,454.59
Di Ammonium Phosphate	261,436.65	310,201.29
Urea	104,213.17	465,491.72
Complex Fertilisers	37,125.27	47,403.57
Others	33,064.84	36,747.43
Total - Sale of traded goods	**706,801.56**	**1,191,298.60**
Total - Sale of products	**821,797.50**	**1,244,902.21**
Government Subsidy comprises :		
Traded goods		
Muriate of Potash	185,020.43	146,166.86
Di Ammonium Phosphate	136,368.24	190,262.79
Complex Fertilisers	20,014.65	27,469.33
Others	2,948.54	5,002.09
Total - of Subsidy	**344,351.86**	**368,901.07**
Grand Total - Sale of products	**1,166,149.36**	**1,613,803.28**

Notes to the consolidated financial statements for the year ended March 31, 2017

Note 24 Other income

Rupees in Lakhs

Particulars	For the Year Ended 31 March, 2017	For the Year Ended 31 March, 2016
a) Interest Income		
Interest income earned on financial assets that are not designated as at fair value through profit or loss:	590.45	509.40
Bank deposits (at amortised cost)	133.54	284.92
Interest income from Debt instruments at FVTOCI	2,975.32	2,683.59
Total	**3,699.31**	**3,477.91**
b) Dividend income		
Dividends from mutual funds	**2,292.98**	**2,061.96**
All dividends from mutual funds designated as at FVTPL recognised for both the years relate to investments held at the end of each reporting period		
c) Other non-operating income(net of expenses directly attributable to such income)		
Rental Income:	-	0.60
Profit on sale of fixed assets (Net)	2.62	-
Profit on sale of Investments	35.71	3,385.22
Miscellaneous income	295.09	660.62
Liablities/ duties no longer required, written back	247.46	7,463.62
Provision for bad trade and other receivables no longer required written back	4,011.79	325.75
Receipts towards Insurance Claims	605.12	970.28
Bad trade and other receivables recovered	1,558.33	10.58
Net Gain on foreign currency transactions and translation	10,798.55	-
Sub-total	**17,554.67**	**12,816.67**
Total (a+b+c)	**23,546.96**	**18,356.54**

Note 25. Cost of Material consumed

Rupees in Lakhs

Particulars	For the Year Ended 31 March, 2017	For the Year Ended 31 March, 2016
Raw materials at the beginning of the year	1,486.16	1,573.85
Add: Purchases	115,323.05	48,522.36
Less: Raw material at the end of the year	1,518.19	1,486.16
Total cost of material consumed	**115,291.02**	**48,610.05**
Material consumed comprises:		
Sugarcane	66,970.48	25,998.09
Others	48,320.54	22,611.96
Total	**115,291.02**	**48,610.05**

Notes to the consolidated financial statements for the year ended March 31, 2017

Note 26 a. Purchase of traded goods

Rupees in Lakhs

Particulars	For the Year Ended 31 March, 2017	For the Year Ended 31 March, 2016
Muriate of Potash	368,069.63	392,795.39
Di-Ammonium Phosphate	325,031.42	436,324.16
Urea	92,395.83	450,236.27
Complex Fertilisers	47,851.64	74,309.49
Others	17,891.88	14,878.03
Total	**851,240.40**	**1,368,543.34**

Note 26 b. Changes in inventories of finished goods, Stock-in-trade and work-in-progress

Rupees in Lakhs

Particulars	For the Year Ended 31 March, 2017	For the Year Ended 31 March, 2016
Inventories at the end of the year:		
Finished goods	46,146.81	22,099.50
Work-in-progress	3,179.80	3,393.98
Stock-in-trade	168,684.25	166,432.94
	218,010.86	**191,926.42**
Inventories at the beginning of the year:		
Finished goods	22,099.50	28,303.45
Finished goods - on the date of acquisition of sugar unit	2,989.08	-
Work-in-progress	3,393.98	3,175.60
Stock-in-trade	**166,432.94**	**155,143.75**
	194,915.50	**186,622.80**
Net (increase) / decrease	**(23,095.36)**	**(5,303.62)**

Note 27 Operating Expenditure

Rupees in Lakhs

Particulars	For the Year Ended 31 March, 2017	For the Year Ended 31 March, 2016
Discharge & clearance expenses	19,489.02	21,842.81
Packing materials Consumed - indigenous	14,006.67	15,278.54
Restitching & Rebagging Charges	111.81	69.33
Freight and Forwarding charges	88,281.08	85,522.52
Sales Tax Surcharge	0.56	1.21
Godown Rent	5,228.19	4,519.40
Storage & Transit Insurance	889.28	817.13
Cost of Services	1,027.69	-
Shortages	116.20	52.34
Total	**129,150.50**	**128,103.28**

Notes to the consolidated financial statements for the year ended March 31, 2017

Note 28 Employee benefits expense

Rupees in Lakhs

Particulars	For the Year Ended 31 March, 2017	For the Year Ended 31 March, 2016
Salaries and Wages	5,046.15	4,900.77
Contribution of provident fund and other funds	700.11	637.01
Staff Welfare Expenses	168.63	143.18
Total	**5,914.89**	**5,680.96**

The Company makes contribution to Provident Fund and Superannuation Fund which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 445.70 Lakhs (Year ended 31 March, 2016 Rs. 410.23 Lakhs) for Provident Fund contributions and Rs.45.30 Lakhs (Year ended 31 March, 2016 Rs. 40.33 Lakhs) for Superannuation Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Note 29 Finance Costs

Rupees in Lakhs

Particulars	For the Year Ended 31 March, 2017	For the Year Ended 31 March, 2016
Interest on Borrowings at Amortised Cost		
Interest on bank overdraft and loans (other than those from related parties)	13,090.75	10,622.70
Other interest expenses	1,740.31	2,206.39
Total	**14,831.06**	**12,829.09**

Note 30 General, administration and other expenses

Rupees in Lakhs

Particulars	For the Year Ended 31 March, 2017	For the Year Ended 31 March, 2016
Consumption of stores and spare parts	515.39	336.19
Power and fuel	1,674.87	1,545.30
Rent including lease rentals	3,504.66	4,322.85
Repairs and maintenance - Buildings	219.95	197.26
Repairs and maintenance - Machinery	1,926.12	1,063.73
Repairs and maintenance - Others	99.07	81.81
Insurance	61.10	37.06
Rates and taxes (Refer note (i) below)	2,627.12	402.03
Communication	79.14	76.68
Travelling and conveyance	382.48	337.65
Printing and stationery	54.88	51.78
Sales discount	-	-

Notes to the consolidated financial statements for the year ended March 31, 2017

Particulars	For the Year Ended 31 March, 2017	For the Year Ended 31 March, 2016
Business promotion	22.19	24.12
Legal and professional	273.63	454.39
Corporate Social Responsibility Expenses (Refer note (ii) below)	156.44	15.26
Directors sitting Fees and Commission	29.44	23.68
Payments to auditors (Refer Note (iii) below)	85.29	62.64
Bad trade and other receivables written off	4,598.94	915.19
Less: Release from provision	-	11.38
	4,598.94	903.81
Loss on fixed assets sold /written off	-	0.46
Provision for doubtful trade and other receivables, loans and advances	22,353.92	11,290.12
Net loss on foreign currency transactions and translation	-	37,642.42
Miscellaneous expenses	1,288.67	619.20
Production / Processing Charges	52.54	65.01
Consumable Expenses	47.34	154.90
Cess on Milk	-	4.85
Total	**40,053.18**	**59,713.20**

Note (i)

Includes the difference between the excise duty on closing stock and excise duty on opening stock aggregating to Rs. 1,302.40 Lakhs (Previous year - Rs.277.47 Lakhs)

Note (ii)

As per Section 135 of Companies Act, 2013, the company is required to spend Rs. 466.87 Lakhs towards CSR activities. The company has so far spent Rs. 156.44 Lakhs during the year. For the balance amount, the management is in the process of identifying suitable projects and programme which can be identified and which would complement the businesses of the company

Note (iii):

Rupees in Lakhs

As auditors - statutory audit	34.83	32.99
For taxation matters	1.50	1.50
For other services	29.63	21.23
Reimbursement of expenses	19.33	6.92
Total	**85.29**	**62.64**

Note 31: First time adoption of Ind AS

Transition to Ind AS

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1st April, 2016, with a transition date of 1st April, 2015. These financial statements for the year ended 31st March, 2017 are the first the Company has prepared under Ind AS. For all periods upto and including the year ended 31st March, 2016 , the Company prepared its financial statements in accordance with the previously applicable Indian GAAP (previous GAAP).

Notes to the consolidated financial statements for the year ended March 31, 2017

The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements be applied retrospectively and consistently for all financial years presented. Accordingly, the Company has prepared financial statements which comply with Ind AS for year ended 31st March, 2017, together with the comparative information as at and for the year ended 31st March, 2016. The Company's opening Ind AS Balance Sheet has been prepared as at 1st April, 2015, the date of transition to Ind AS.

In preparing its opening Ind AS balance sheet as at 1 April 2015, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act. An explanation of how the transition from previous GAAP to Ind AS has affected the group's financial position, financial performance and cash flows is set out in the following tables and notes.

31.1. Exemptions and exceptions availed

In preparing these Ind AS financial statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and previous GAAP have been recognised directly in equity. This note explains the adjustments made by the Company in restating its previous GAAP financial statements, including the Balance Sheet as at 1st April, 2015 and the financial statements as at and for the year ended 31st March, 2016.

31.1.1 Ind AS optional exemptions

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

31.1.2 Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities.

Accordingly, the Group has elected to measure all of its property, plant and equipment (PPE) at their previous GAAP carrying value. Freehold land and certain items of PPE relating to Titawi Sugar unit acquired during the year (more fully described in Note No. 32)has been measured at fair value.

31.2 Ind AS mandatory exceptions

The company has applied the following exceptions from full retrospective application of Ind AS as mandatorily required under Ind AS 101:

Notes to the consolidated financial statements for the year ended March 31, 2017

31.2.1 Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Group made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

1) Impairment of financial assets based on expected credit loss model

2) Equity Investments other than in Subsidiaries have been carried at Fair Value through Other Comprehensive Income(FVTOCI).

3) Debt instruments have been carried at FVTOCI.

4) Outstanding Forward Exchange contracts have been fair valued through Profit and Loss Account(FVTPL)

31.2.2 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Consequently, the Company has applied the above assessment based on facts and circumstances that exist at the transition date.

31.3: Reconciliations between previous GAAP and Ind AS

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

The presentation requirements under previous GAAP differs from Ind AS and hence the previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The regrouped previous GAAP information is derived based on the audited financial statements of the Company for the year ended 31 March 2015 and 31 March 2016.

Notes to the consolidated financial statements for the year ended March 31, 2017

(Rupees in Lakhs)

Particulars	Opening Balance Sheet as at April 1, 2015			Balance Sheet as at March 31, 2016		
	IGAAP	Effects of transition to Ind AS	Ind AS	IGAAP	Effects of transition to Ind AS	Ind AS
ASSETS						
Non-current assets						
Property, plant and equipment	38,466.51	7,653.22	30,813.29	40,174.37	7,477.23	32,697.14
Capital work-in-progress	6,943.64	(3,470.91)	10,414.55	7,565.05	(2,496.18)	10,061.23
Goodwill	409.83	-	409.83	409.83	-	409.83
Financial assets						
(i) Investments	1,026.85	(38,685.38)	39,712.23	6,018.05	(40,262.53)	46,280.58
(ii) Long term Loans and Advances	9,007.49	9,007.49		792.16	792.16	
(iii)Other financial assets	-	(683.80)	683.80	-	(700.79)	700.79
Deferred tax assets (net)	4,537.55	2,040.10	2,497.45	8,050.66	115.70	7,934.96
Other non-current assets	32,453.40	24,803.25	7,650.15	32,524.35	25,038.55	7,485.80
Total non-current assets	92,845.27	663.97	92,181.30	95,534.46	(10,035.87)	105,570.33
Current assets						
Inventories	190,904.14	-	190,904.14	195,639.45	0.00	195,639.45
(i) Investments	1.11	-	1.11	42,029.04	(0.00)	42,029.04
(ii) Trade receivables	370,469.60	528.05	369,941.55	417,526.88	427.68	417,099.20
(iii) Cash and cash equivalents	111,148.92	741.25	110,407.67	10,147.40	806.14	9,341.26
(iv) Bank balances	-	(741.26)	741.26	-	(806.13)	806.13
(v) Short term loans and advances	13,051.05	13,051.05		16,873.13	16,873.13	
(vi) Other financial assets	-	(16,436.45)	16,436.45	-	(106,615.12)	106,615.12
(vii) Other current assets	16,428.15	(1,569.28)	17,997.43	106,590.05	94,660.34	11,929.71
Total current assets	702,002.97	(4,426.64)	706,429.61	788,805.95	5,346.04	783,459.91
Total assets	794,848.24	(3,762.67)	798,610.91	884,340.41	(4,689.83)	889,030.24
EQUITY AND LIABILITIES						
Equity						
Equity share capital	1,429.86	-	1,429.86	1,429.86	-	1,429.86
Other equity	169,949.90	(4,227.58)	174,177.48	185,512.67	(5,282.33)	190,795.00
Total equity	171,379.76	(4,227.58)	175,607.34	186,942.53	(5,282.33)	192,224.86
Liabilities						
Non-current liabilities						
Borrowings	1,718.12	-	1,718.12	1,142.60	-	1,142.60
Other financial liabilities	180.79	180.54	0.25	183.60	183.60	-
Provisions	18.24	(0.00)	18.24	20.34	0.01	20.33
Deferred tax liabilities (net)	3.10	3.10		2.05	2.05	
Other non-current liabilities	-	(41.76)	41.76	-	(44.56)	44.56
Total non-current liabilities	1,920.25	141.88	1,778.37	1,348.59	141.10	1,207.49
Current liabilities						
Borrowings	448,309.83	(3.66)	448,313.49	565,818.25	(0.00)	565,818.25
Trade payables	99,334.86	0.02	99,334.84	48,218.83	(49.43)	48,268.26
Other financial liabilities		(65,639.91)	65,639.91		(62,782.31)	62,782.31
Provisions	430.24	422.02	8.22	11,491.68	11,485.63	6.05
Current Tax Liabilities (net)	-	(34.08)	34.08		(10,985.33)	10,985.33
Other current liabilities	73,473.30	65,578.64	7,894.66	70,520.54	62,782.85	7,737.69
Total current liabilities	621,548.23	323.03	621,225.20	696,049.30	451.41	695,597.89
Total equity and liabilities	794,848.24	(3,762.67)	798,610.91	884,340.42	(4,689.82)	889,030.24

Notes to the consolidated financial statements for the year ended March 31, 2017

31.4. Reconciliation Statement of Profit and Loss as previously reported under IGAAP to Ind AS

(Rupees in Lakhs)

Particulars	Year ended March 31, 2016		
	IGAAP	Effects of transition to Ind AS	Ind AS
Revenue from operations	1,652,221.03	24,388.84	1,627,832.19
Other income	18,984.86	628.32	18,356.54
Total income	**1,671,205.89**	**25,017.16**	**1,646,188.73**
Cost of materials consumed	50,823.44	2,213.39	48,610.05
Purchases of stock-in-trade	1,357,331.15	(11,212.19)	1,368,543.34
Changes in inventories of finished goods, WIP & stock-in-trade	(5,305.60)	(1.98)	(5,303.62)
Excise duty on sale of goods	-	(1,791.26)	1,791.26
Operating expenditure	128,393.66	290.38	128,103.28
Employee benefits expense	5,549.87	(131.09)	5,680.96
Finance costs	51,147.91	38,318.82	12,829.09
Depreciation and amortisation expenses	1,823.36	175.58	1,647.78
Other expenses	56,785.73	(2,927.47)	59,713.20
Total expenses	**1,646,549.52**	**24,934.18**	**1,621,615.34**
Profit before tax	**24,656.37**	**82.98**	**24,573.39**

31.5: Notes to first-time adoption:

31.5.1: Accounting for Lease Hold Land

Under previous GAAP, the lease rentals paid in advance and lease deposits are recorded under Property, Plant And Equipment. Under Ind AS leases of Land are classified as Operating Leases unless the Title to the Lease Hold Land is expected to be transfered to the Company at the end of lease Term. Lease rentals paid in advance and lease rentals are recognised as other assets. The Lease rentals paid in advance are charged to the statement of Profit and Loss over the lease term.

31.5.2: Fair valuation of investments in Equity and Debt Instruments

Under Ind AS financial assets designated at fair value through other comprehensive income (FVTOCI) are fair valued at each reporting date with changes in fair value (net of defered taxes) recognised directly in other comprehensive income. Under previous GAAP, they are measured at Cost with provision for diminution other than temporary. Investments in Equity and Debt Instruments have been classified as FVTOCI . Consequently, fair value of such Equity and debt instruments designated at FVTOCI has resulted in a gain in Other Comprehensive Income.

Under Ind AS, financial instruments other than those designated at FVTPL and FVTOCI are measured at amortised cost. Security deposits are carried at amortised cost using effective interest method.Under previous GAAP,they are recognised at cost.

Notes to the consolidated financial statements for the year ended March 31, 2017

31.5.3: Arrangement accounted as Operating Lease

Under previous GAAP, Conversion charges as per contracts for manufacture of Single Super Phosphate (SSP) entered into certain SSP manufacturers were hitherto accounted for as cost of materials consumed. These contracts which are for a period of 2 to 3 years affords exclusive manufacturing rights to Company during the said period of the contract. Under Ind AS, these contracts partake the character of operating lease, as it gives the Company the right to use the asset in return for a payment as determined by the contract. Accordingly these payments have now been accounted as “”Rent including lease rentals”” in Note No.30 to the financial Statements.

31.5.4: Rebates / Discounts to customers

Under previous GAAP, rebates are presented as part of operating expense. However under Ind AS, discounts in form of rebate to customers are part of variable consideration and netted off against revenue. There is no impact on profit for the year ended 31 March 2016 consequent to above adjustment.

31.5.5: Dividend

Under Ind AS, liability for dividend is recognized in the period in which the obligation to pay is established. Under previous GAAP, a liability is recognized in the period to which the dividend relates, even though the dividend may be approved by the shareholders subsequent to the reporting date. Consequently, dividend payable under Ind AS is lower and retained earning is higher.

31.5.6: Derivative financial instruments

Under previous GAAP, derivatives are categorised in two categories:

(i) Forward contract to be accounted under Accounting Standard (AS) 11: The premium or discount arising at the inception is amortised over the life of the contract.

(ii) Derivative other than those covered in AS 11: For all derivative other than forward contract, on reporting date, mark to market losses (MTM) are recognised but MTM gains are ignored.

Under Ind AS, all derivatives are required to be fair valued on each reporting date with fair value changes to be recognised in statement of profit or loss.

31.5.7: Remeasurements of post-employment benefit obligations

Under previous GAAP, actuarial gains and losses were recognised in the statement of profit and loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined benefit liability/ asset which is recognised in other comprehensive income. Consequently, the tax effect of the same has also been recognised in other comprehensive income under Ind AS instead of the statement of profit and loss.

31.5.8: Retained earnings

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

31.5.9: Other comprehensive income

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

Notes to the consolidated financial statements for the year ended March 31, 2017

31.6: Impact of Ind AS adoption on the consolidated statements of cash flows

31.6.1: For the year ended 31 March 2016

Particulars	Previous GAAP	Adjustments	Ind AS
Net cash flow from operating activities	(122,817.48)	38,665.35	(161,482.83)
Net cash flow from investing activities	(42,296.93)	(416.40)	(41,880.53)
Net cash flow from financing activities	63,992.67	(38,304.28)	102,296.95
Net increase/(decrease) in cash and cash equivalents	(101,121.74)	(55.33)	(101,066.41)
Cash and cash equivalents as at 1 April 2015	110,951.77	544.10	110,407.67
Cash and cash equivalents as at 31 March 2016	9,830.03	488.77	9,341.26

31.6.2: For the year ended 31 March 2017

Particulars	Previous GAAP	Adjustments	Ind AS
Net cash flow from operating activities	**85,907.18**	(514.09)	86,421.27
Net cash flow from investing activities	**3,275.47**	(484.56)	3,760.03
Net cash flow from financing activities	**(74,007.45)**	509.90	(74,517.35)
Net increase/(decrease) in cash and cash equivalents	**15,175.20**	(488.76)	15,663.95
Cash and cash equivalents as at 1 April 2016	**9,830.03**	488.77	9,341.26
Cash and cash equivalents as at 31 March 2017	**25,005.23**	0.01	25,005.21

Under Ind AS, financial instruments other than those designated at FVTPL and FVTOCI are measured at amortised cost. Under previous GAAP,they are recognised at cost. Security deposits are carried at amortised cost using effective interest method.

Note 32 : Acquisition of Sugar unit

Pursuant to a Business Transfer Agreement (BTA) entered into with Mawana Sugars Limited (Seller), the Company acquired the assets and liabilities of Titawi Sugar Unit(TSU) of the seller together with rights, title and interest of the seller in TSU as a going concern on an “as is where is basis” for a lump sum consideration aggregating to Rs.37,752.97 lakhs, with effect from 1st November 2016. The said consideration has been allocated to respective assets and liabilities based on their respective fair values as determined by an independent valuer. The Company took over Land, Building, Plant and Machinery, Office equipments , Vehicles and current assets and liabilities. The difference between the fair value of the net assets taken over and the lumpsum consideration paid aggregating to Rs.7762.49 lakhs has been accounted as Capital Reserve and disclosed in Note no.15 to the financial statements.

Notes to the consolidated financial statements for the year ended March 31, 2017

The details of Assets and Liabilities taken over are as follows:

Particulars	Rs. Lakhs
Land	20,074.00
Buildings	3,212.40
Plant & Machinery	19,036.16
Furniture fixtures	3.23
Vehicles	0.86
Office Equipment	16.66
Computers	37.19
Subtotal	42,380.50
Current & Non Current Assets	5,113.51
Total Assets	47,494.01
Less: Current & Non- Current Liabilities	1,978.55
Net Assets	45,515.46
Less: Purchase Considertion	37,752.97
Capital Reserve	7,762.49

As at the reporting date, Land and Buildings are yet to be transferred in the name of the Company, pending release of charge over the assets by the lenders of the seller. This is expected to happen by 31st July 2017. As per the BTA the employees of TSU will be transfered on 31st July 2017. The liability towards gratuity payables to employees if any who opt not to be transfered to the Company will be settled by the seller. Accordingly as per the BTA the Compnay is not required to provide for the accrued liability for gratuity for these employees.

The Statement of Profit and Loss accounts of the Company includes Revenues earned and expenses incured by TSU for the period 1st November 2016 to 31st March 2017,as the Company has taken over the management control of TSU from 1st November 2016 and all key activities are directed and controlled by the Company.

(Rupees in Lakhs)

33 . Estimated amount of Contracts remaining to be executed and not provided for (net of advances)

	2016-17	2015-2016
On Tangible Assets	1,641.53	720.00
On Purchase of Traded Goods	82,330.81	110,525.00

Notes to the consolidated financial statements for the year ended March 31, 2017

34. Contingent Liabilities

		2016-17	2015-2016
i. Outstanding guarantees and indemnities given by the Company (excluding performance guarantees)		22,353.41	21,177.85
ii. Claims against the Company not acknowledged as debt - Disputed dues relating to supplies/other civil cases		1,434.00	1,434.00
iii. Disputed income tax demands for which the department has preferred an appeal before the Income Tax Appellate Tribunal.		5,276.27	5,276.27
iv. Disputed income tax demands contested in Appeals not provided:			
Appeal pending before	Assessment Year		
Commissioner of Income Tax (Appeals)	2014-15	52.00	-
v. Central Excise, Trade Tax and Service Tax matters under appeal		-	331.05
vi. Certain Industrial Disputes are pending before Tribunal / High Courts.The liability of the Company in respect of these disputes depends upon the final outcome of such cases and the quantum of which is not currently ascertainable.			
vii. Haryana urrah Buffalo and other Milch Animal Breed Act 2001		907.46	715.52

35. C.I.F. Value of Imports - Traded Goods 817,759.53 1,285,599.56

36. Foreign Exchange Receipts

(Rupees in Lakh)

1. a. Recoveries of despatch earnings on imports	1,689.77	2,211.39
b. Marine Insurance / Rebate etc. netted off against related expenses	80,826.98	57,801.58
2. Earnings in Foreign Exchange FOB Value of Exports	13,456.75	13,768.16

37. Expenditure incurred in Foreign Currency:

Travel & Others	19.39	28.43

38. Related Party Transactions

List of Related Parties (as identfied by the management and relied upon by the auditors)

Investing Party	Key Management Personnel (KMP)
Indian Farmers Fertiliser Co.operative Ltd (IFFCO)	Dr.P.S.Gahlaut

Notes to the consolidated financial statements for the year ended March 31, 2017

Transaction with related parties :

(Rupees in Lakhs)

Particulars	Investing Party		KMP	
	2016-17	2015-16	2016-17	2015-16
Sale of Goods				
IFFCO	101,539.62	117,995.28		
Insurance Charges incurred / Rebate given				
IFFCO	16,561.19	13,093.82		
Remuneration to Managing Director			65.79	57.59
Dividends Paid	145.80	121.50		
Balance Outstanding as on March 31, 2016				
-Balance Receivable				
IFFCO	16.09	12.82		
- Balance Payable				
IFFCO	-	3,580.02	18.97	12.70

39. Segment Information for the year ended March 31, 2017

Ind AS 108 establishes standards for reporting information about operating segments and related disclousre about product and services, geographical areas and major customers. Based on 'management approach' as defined in Ind AS 108, the chief operating decision maker evaluates the company perfomance and allocates resources based on analysis of various performance indicators by business segments and geographical segments. Accordingly information has been presented both along business segment and geographical segment. The accounting principle used in the preparation of financial statements are consistently applied to record revenue and expenditure in individual segment and or as set out in the significant accounting policies.

Business segment of the company comprise of:-

(i) Fertilisers - Trading of fertilisers

(ii) Sugar and its related by-products.

(iii) Others - Manufacturing of Cattle feed / Poultry feed, Milk and Milk Products and trading of Gold and other precious metals.

Segment assets are measured in the same way as in the financial statements. These assets are allocated based on the operations of the segment and the physical location of the assets. Segments assets do not include investments and income tax assets which are managed by treasury function.

Segment liabilities are measured in the same way as in the financial statements. These liabilities are allocated based on the operations of the segment. Segments liabilities do not include borrowings and income tax liabilities which are managed by treasury function.

Notes to the consolidated financial statements for the year ended March 31, 2017

A. BUSINESS SEGMENT INFORMATION

(Rupees in Lakhs)

Particulars	2016-17				2015-16			
	Fertiliser	SUGAR	Others	Total	Fertiliser	SUGAR	Others	Total
Revenue from operations	1,053,401.92	70,197.34	49,208.11	1,172,807.37	1,578,993.01	35,238.03	13,601.15	1,627,832.19
Identifiable operating expenses	1,002,233.04	64,287.45	48,449.35	1,114,969.84	1,535,416.06	37,191.97	17,810.94	1,590,418.97
Segment operating income	51,168.88	5,909.89	758.76	57,837.53				37,413.22
Unallocable expenses				24,820.30				31,207.47
Operating profit				33,017.23				6,205.74
Other income, net				23,546.96				18,356.54
Profit before income tax				56,564.19				24,562.28
Income tax expense				20,462.28				8,556.38
Net profit				36,101.91				16,005.90
Depreciation and amortization				2,697.81				1,647.78
Non-cash expenses other than depreciation and amortization				22,353.92				11,290.12

B. SEGMENT ASSETS

(Rupees in Lakhs)

Particulars	2016-17				2015-16			
	Fertiliser	SUGAR	Others	Total	Fertiliser	SUGAR	Others	Total
Segment Assets	734,184.86	107,768.41	11,087.87	853,041.14	747,151.90	39,050.12	10,184.95	796,386.97
Unallocated Corporate assets				69,470.22				92,643.27
Total Assets				922,511.36				889,030.24
C. SEGMENT LIABILITIES								
Segment Liabilities	113,158.88	18,883.92	930.15	132,972.95	102,171.74	12,485.93	1,076.04	115,733.71
Unallocated Corporate liabilities				545,578.76				581,071.67
Total Liabilities				678,434.33				696,646.99
Capital Expenditure	1,697.28	43,480.84	82.81	45,260.93	1,490.10	-	1,711.64	3,201.74

Geographical Segments

The geographical segments considered for disclosure are India and rest of the world. All trading locations, manufacturing facilities and sales offices are located in India. Geographical revenues are segregated based on location of customer who is invoiced or in relation to which revenue is otherwise recognized.

D. GEOGRAPHICAL SEGMENT INFORMATION

(Rupees in Lakhs)

	2016-17			2015-16		
	India	Rest of the world	Total	India	Rest of the world	Total
Revenue by Geographical area	1,156,962.95	15,844.42	1,172,807.37	1,617,119.46	10,712.73	1,627,832.19
Carrying amount of Segment Assets	920,254.05	2,257.31	922,511.36	888,662.37	367.87	889,030.24
Additions to Tangible and Intangible assets	45,260.93	-	45,260.93	3,201.74	-	3,201.74

Notes to the consolidated financial statements for the year ended March 31, 2017

Note No. 40 : Financial instruments

The carrying value and fair value of financial instruments by categories as at 31 March 2017, 31 March 2016 and 1 April 2015 is as follows :

(Rupees in Lakhs)

Particulars	Carrying Value			Fair Value		
	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-17	31-Mar-16	31-Mar-15
Financal Assets						
Amortised Cost						
Loans						
Trade Receivables	490,990.78	417,099.20	369,941.55	490,990.78	417,099.20	369,941.55
Cash and Cash Equivalents	25,005.21	9,341.26	110,407.67	25,005.21	9,341.26	110,407.67
Bank balances	936.73	806.13	741.26	936.73	806.13	741.26
Other Financial Assets	15,547.10	106,615.12	16,436.45	15,547.10	106,615.12	16,436.45
Investment in Debt Instruments	91.95	42,029.04	1.11	91.95	42,029.04	1.11
FVTOCI						
Investment in Equity Instruments	18,698.78	5,603.55	4,785.15	18,698.78	5,603.55	4,785.15
Investment in Debt Instruments	41,949.64	40,677.03	34,927.08	41,949.64	40,677.03	34,927.08
FVTPL						
Derivative Assets	-	-	1.47	-	-	1.47
Investments in Mutual Funds	88.34	42,026.43	-	88.34	42,026.43	-
TOTAL ASSETS	**593,308.53**	**664,197.76**	**537,241.74**	**593,308.53**	**664,197.76**	**537,241.74**
Financal Liabilities						
Amortised Cost						
Borrowings	526,560.46	566,960.85	450,031.61	526,560.46	566,960.85	450,031.61
Trade Payables	44,899.94	48,268.26	99,334.84	44,899.94	48,268.26	99,334.84
Other Financial Liabilities	82,430.17	62,782.31	65,639.91	82,430.17	62,782.31	65,639.91
FVTPL				-	-	-
Derivative Liabilties	37.31	5.58	-	37.31	5.58	-
Liability towards acquisition of business	8,304.00	-	-	8,304.00	-	-
TOTAL LIABILITIES	**662,231.88**	**678,017.00**	**615,006.36**	**662,231.88**	**678,017.00**	**615,006.36**

Notes to the consolidated financial statements for the year ended March 31, 2017

The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables, borrowings and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The fair value of the Equity instruments and Mutual Funds which are quoted are based on price quotations at reporting date. The fair value of unquoted Equity and Debt instruments , loans from banks and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or discount rate, the fair value of the equity instruments is also sensitive to a reasonably possible change in the growth rates. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

Fair values of the Company's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting year.

The Company enters into derivative financial instruments with various counterparties, principally Banks with investment grade credit ratings. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing model, using present value calculations. As at each period presented, the marked-to-market value of derivative liability/asset position has been recognized in the financial statements.

Fair value hierarchy

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis as at March 31, 2017, March 31, 2016 and April 1, 2015.

Quantitative disclosures of fair value measurement hierarchy for financial assets as at March 31, 2017:

(Rupees in Lakhs)

Particulars	Date of Valuation	Total	Fair value measurement using		
			Quoted Prices at Active Markets	Significant observable inputs	Significant unobservable inputs
			Level 1	Level 2	Level 3
FVTOCI financial assets designated at fair value					
Investment in Equity Instruments	31-Mar-17	18,698.78	190.45	-	18,508.33
Investment in Debt Instruments	31-Mar-17	41,947.14	-	41,947.14	-
FVTPL Financial Liabilities measured at fair value					
Held for trading derivatives not designated in Hedge accounting relationship - Derivative Financial Liabilities arising on Forward exchange contracts	31-Mar-17	37.31	-	37.31	-
Liability towards acquisition of business (Refer Table below and Note 20)	31-Mar-17	8,304.00	-	-	8,304.00

Notes to the consolidated financial statements for the year ended March 31, 2017

Name of financial liability	Valuation Techniques	Significant unobservable inputs	Sensivity of inputs to fair value
Liability towards acquisition of business	Discounted cash flow method was used to capture the present value of the expected future economic benefits that will flow out of the Company arising from the liability towards acquisition of business	Discount rate determined using a) capital asset pricing model b) Revenue, operating margins and synergies from the acquired entities	a) Any increase in the discount rate would result in a decrease in the fair value b) Any increase in the probable revenue, operating margin and synergies would result in increase in the fair value.

Quantitative disclosures of fair value measurement hierarchy for financial assets as at March 31, 2016:

(Rupees in Lakhs)

Particulars	Date of Valuation	Total	Fair value measurement using		
			Quoted Prices at Active Markets	Significant observable inputs	Significant unobservable inputs
			Level 1	Level 2	Level 3
FVTOCI financial assets designated at fair value					
Investment in Equity Instruments	31-Mar-16	5,603.55	112.50		5,491.05
Investment in Debt Instruments	31-Mar-16	40,673.53		40,673.53	-
FVTPL Financial assets measured at fair value					
Mutual funds	31-Mar-16	42,026.43	42,026.43	-	-
FVTPL Financial Liabilities measured at fair value					
Held for trading derivatives not designated in Hedge accounting relationship - Derivative Financial Liabilities arising on Forward exchange contracts	31-Mar-16	5.58	-	5.58	-

Quantitative disclosures of fair value measurement hierarchy for financial assets as at March 31, 2015:

(Rupees in Lakhs)

Particulars	Date of Valuation	Total	Fair value measurement using		
			Quoted Prices at Active Markets	Significant observable inputs	Significant unobservable inputs
			Level 1	Level 2	Level 3
Financial assets measured at fair value					
Held for trading derivatives not designated in Hedge accounting relationship - Derivative Financial Assets arising on Forward exchange contracts	31-Mar-15	1.47	-	1.47	-
FVTOCI financial assets designated at fair value					
Investment in Equity Instruments	31-Mar-15	4,785.15	-	-	4,785.15
Investment in Debt Instruments	31-Mar-15	34,924.58	-	34,924.58	

Notes to the consolidated financial statements for the year ended March 31, 2017

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

i) Reconciliation of fair value measurement of investment in unquoted equity and debt instruments classified as FVTOCI (Level 3):

(Rupees in Lakhs)

Particulars	31-Mar-17	31-Mar-16	31-Mar-15
Opening Balance	**5,491.05**	**4,785.15**	**4,785.15**
Add: Remeasurements recognized in OCI	13,017.28	705.90	-
Purchases	8,304.00	-	-
Sales	-	-	-
Closing Balance	**26,812.33**	**5,491.05**	**4,785.15**

ii) Reconciliation of fair value measurement of investment in unquoted equity and debt instruments(Level 2):

(Rupees in Lakhs)

Particulars	31-Mar-17	31-Mar-16	31-Mar-15
Opening Balance	**40,679.11**	**34,926.05**	**34,926.05**
Add: Remeasurements recognized in OCI	1,273.61	5,748.95	-
Purchases	37.31	5.58	-
Sales	-5.58	-1.47	-
Closing Balance	**41,984.45**	**40,679.11**	**34,926.05**

Derivative financials instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace.

Derivative financial instruments

The Company is exposed to foreign currency fluctuations on foreign currency assets/ liabilities and forecasted cash flows denominated in foreign currency. The Company follows established risk management policies, including the use of derivatives to hedge foreign currency assets/ liabilities and foreign currency forecasted cash flows. The counter party in these derivative instruments is a bank and the Company considers the risks of non-performance by the counterparty as non-material.

The following table presents the aggregate contracted principal amounts of the Company's derivative contracts outstanding: (Rupees in Lakhs)

Particulars	31-Mar-17	31-Mar-16	31-Mar-15
USD Lakhs (buy)	7,000,000.00	10,000,000.00	20,216,000.00
Euro Lakhs(buy)		-	213,690.13

The foreign exchange forward and option contracts mature anywhere between 0-1 year. The table below analyzes the derivative financial instruments into relevant maturity groupings based on the remaining period as at the reporting date : (Rupees in Lakhs)

Particulars	31-Mar-17	31-Mar-16	31-Mar-15
Non-designated derivative instruments (buy)			
Not later than 3 months			
USD Lakhs	7,000,000.00	10,000,000.00	20,216,000.00
Euro Lakhs	-	-	213,690.13

Notes to the consolidated financial statements for the year ended March 31, 2017

Financial risk management

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, foreign currency risk and interest rate risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivative for speculative purposes may be undertaken.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

a) Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer (Government and Non-Government). The risk relating to Trade receivables, dues from Government(which represents subsidy receivable) has been assessesd by the management as not to be material. In respect of Non-Government customers, the demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

b) Investments

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counterparties, and does not have any significant concentration of exposures to specific industry sectors.

ii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Also, the Company has unutilized credit limits with banks. The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The working capital position of the Company is given below: (Rupees in Lakhs)

Particulars	31-Mar-17	31-Mar-16	31-Mar-15
Cash and Cash Equivalents	25,005.21	9,341.26	110,407.67
Bank Balances	936.73	806.13	741.26
Mutual Funds		42,026.43	
Total	**25,941.94**	**52,173.82**	**111,148.93**

Notes to the consolidated financial statements for the year ended March 31, 2017

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2017, 31 March 2016 and 1 April 2015.

(Rupees in Lakhs)

Particulars	As at 31 March 2017			
	Total	Less than one year	1-2 years	2 years and above
Borrowings	526,560.46	525,989.17	571.29	-
Trade Payables	44,899.94	44,899.94	-	-
Other Financial Liabilities	82,430.17	82,315.93	-	114.24
Derivative Liabilties	37.31	37.31	-	-
Liability towards acquisition of business	8,304.00	8,304.00	-	-
Total	**662,231.88**	**661,546.35**	**571.29**	**114.24**

(Rupees in Lakhs)

Particulars	As at 31 March 2016			
	Total	Less than one year	1-2 years	2 years and above
Borrowings	566,960.85	565,818.25	1,142.60	-
Trade Payables	48,268.26	48,268.26	-	-
Other Financial Liabilities	62,782.31	62,737.75	-	44.56
Derivative Liabilties	5.58	5.58	-	-
Total	**678,017.00**	**676,829.84**	**1,142.60**	**44.56**

(Rupees in Lakhs)

Particulars	As at 31 March 2015			
	Total	Less than one year	1-2 years	2 years and above
Borrowings	450,031.61	448,317.69	1,713.92	-
Trade Payables	99,334.84	99,334.84	-	-
Other Financial Liabilities	65,639.91	65,598.15	-	41.76
Total	**615,006.36**	**613,250.68**	**1,713.92**	**41.76**

iii) Foreign Currency risk

The Company's exchange risk arises from foreign currency expenses, (primarily in U.S. Dollars and Euros) and foreign currency borrowings (in U.S. dollars). A significant portion of the Company's purchase of stock in trade are in these foreign currencies, As a result, if the value of the Indian rupee appreciates relative to these foreign currencies, the Company's costs measured in rupees may decrease. The exchange rate between the Indian rupee and these foreign currencies has changed in recent periods and may continue to fluctuate in the future. The Company has a Corporate Treasury department which meets on a periodic basis to formulate the strategy for foreign currency risk management. Consequently, the Company uses derivative financial instruments, such as foreign exchange forward contracts, to mitigate the risk of changes in foreign currency exchange rates in respect of its forecasted cash flows.

Notes to the consolidated financial statements for the year ended March 31, 2017

The following table presents foreign currency risk from non-derivative financial instruments as of 31 March 2017, 31 March 2016 and 1 April 2015.

Rs. in Lakhs

Particulars	AS at 31 March 2017	AS at 31 March 2016	AS at 31 March 2015		
	USD	USD	EURO	USD	AED
Assets:					
Trade Receivables	4,655.24	4,263.31	-	6,270.31	855.09
Liabilities:					
Borrowings	437,789.17	449,997.99	-	445,583.95	-
Trade Payables	37,109.79	34,358.73	6,725.08	61,162.33	-

Sensitivity analysis :

Rs. in Lakhs

As at 1 April 2015	USD	AED	EURO	Rs.	10 % increase Impact of Profit and Loss and Equity
Trade Receivables	100.31	50.27	-	7,125.40	712.54
Borrowings	7,128.78	-		445,583.95	44,558.40
Trade Payables	978.52	-	-	61,162.33	6,116.23
Trade Payables	-	100.03	-	6,725.08	672.51

Rs. in Lakhs

As at 31 March 2016	USD	Rs.	10 % increase Impact of Profit and Loss and Equity
Trade Receivables	64.35	4,263.31	426.33
Borrowings	6,791.91	449,997.99	44,999.80
Trade Payables	518.58	34,358.73	3,435.87

Rs. in Lakhs

As at 31 March 2017	USD	Rs.	10 % increase Impact of Profit and Loss and Equity
Trade Receivables	71.76	4,655.24	465.52
Borrowings	6,748.72	437,789.17	43,778.92
Trade Payables	572.06	37,109.79	3,710.98

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has been availing borrowings at fixed and variable rate of interest. These borrowings are carried at amortised cost. The borrowings on a fixed rate of interest basis are not subject to the interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of change in interest market rates. The borrowings on a variable rate on interest are subject to interest rate risk as defined on Ind AS 107. However as at the year end, there are no borrowings at variable interest rate and hence there is no exposure on this account, as at the year end.

Interest earned : Interest rates on debt instruments and bank deposits are fixed and hence do not expose the company to significant interest rate risk.

Notes to the consolidated financial statements for the year ended March 31, 2017

Classification of borrowings by nature of interest rate:

(Rupees in Lakhs)

Particulars	As at		
	31-Mar-17	31-Mar-16	31-Mar-15
Borrowings at variable interest rate :			
- Current	-	-	-
- Non current	-	-	-
Borrowings at fixed interest rate :			
- Current	526,560.49	538,905.57	445,590.47
- Non current	368.66	377.69	312.83

The Company is exposed to price risks arising from investments in Debt and Equity instruments. These investments are held for strategic purposes only and not for the purposes of trading. The sensitivity analyses given above have been determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 1% higher/lower other comprehensive income/ equity for the year ended 31 March 2017 would increase/ decrease by Rs. 606.46 Lakhs (Rs. 462.77 Lakh for the year ended 31 March 2016) as a result of the changes in fair value of equity and debt investments measured at FVTOCI. There is no impact of change in equity price on profit or loss.

Note 41 Capital Management

The Company's policy is to maintain a strong capital base so as to maintain shareholders' and lenders' confidence and to sustain future development of the business. Capital Base comprises of Equity Share Capital and Other Equity. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

(Rupees in Lakhs)

Particulars	31-Mar-17	31-Mar-16	31-Mar-15
Total Equity Capital	**1,429.86**	**1,429.86**	**1,429.86**
Current Borrowings	526,560.49	538,905.57	445,590.47
Non - Current Borrowings	571.29	1,142.60	1,718.12
Total Borrowings	527,131.78	540,048.17	447,308.59
% of Borrowing to Equity Capital	36866%	37769%	31283%
Total Capital (Equity and Borrowings)	**528,561.64**	**541,478.03**	**448,738.45**

Note 42 : Leases

The Company has entered into an operating lease arrangement for its office premises at New Delhi. The lease is non-cancellable and is for a period of 9 years and may be renewed for further periods based on mutual agreement of the parties. The lease agreement provides for increase in lease payments by 15% every 3 years.

Notes to the consolidated financial statements for the year ended March 31, 2017

The future minimum lease rental payments to be made under non-cancellable leases are as follows:

(Rupees in Lakhs)

Lease payments due	As at March 31, 2017	As at March 31, 2016
Not later than one year	539.52	486.80
Later than one year but not later than Five years	944.21	1,483.73
Later than Five years	-	-
Total	**1,483.73**	**1,970.53**
Lease payments recognised in the statement of Profit & Loss	472.26	472.26

Note 43 Earnings per share

(Rupees in Lakhs)

Particulars	Year ended 31-Mar-17	Year ended 31-Mar-16
Net Profit for the Year	36,101.91	16,005.91
The weighted average number of equity shares outstanding during the year (in Nos.)	14,298,600	14,298,600
Face Value of Share (Rs.)	10.00	10.00
Basic and Diluted Earnings per Share (Rs.)	**252.49**	**111.94**

Note 44 : Income Tax expense

(Rupees in Lakhs)

Particulars	Year ended 31-Mar-17	Year ended 31-Mar-16
A. Income Tax expense recognized in Profit and Loss :		
Current Tax	26,603.68	12,079.41
Deferred Tax	(6,142.33)	(3,514.16)
Previous Years' Tax	0.93	2.23
Total Income Tax expense recognized during the year	20,462.28	8,567.48
Income Tax reconciliation :		
Profit before Tax	56,564.19	24,573.39
Applied Tax Rate	34.608%	34.608%
Income Tax expense calculated at Applied Tax rate	19,575.73	8,504.36
Total Income Tax expense recognized during the year	20,462.28	8,567.48
Differential Tax impact	886.55	63.12
Differential Tax impact due to the following Tax benefits / (Tax expense) :		
Tax on exempt Income	(1,044.09)	(864.34)
Interest on Tax Liability	1,590.25	762.84
Expenses not allowable	340.39	164.62
Total	**886.55**	**63.12**

Notes to the consolidated financial statements for the year ended March 31, 2017

B. Income tax recognized in Other Comprehensive Income

(Rupees in Lakhs)

Particulars	Year ended 31-Mar-17	Year ended 31-Mar-16
Increase in Fair Value of Equity and Debt Instruments measured at FVTOCI	7,139.47	2,702.59
Items that will be reclassified to Profit and Loss	7,139.47	2,702.59
Items that will not be reclassified to Profit and Loss	-	-

45. Full particulars of loans given, investment made, guarantees given, security provided together with purpose in terms of section 186 (4) of the Companies Act, 2013 :

Name of entity	Amount (Rs. in Lakhs)	Full Particulars	Purpose
Investments made:			
IFFCO - Tokio General Insurance Co. Limited	14,959.86	Not a related Party	Businees needs and exigencies
Mittal Chambers Owners Premises Co-Society Limited &	-	Not a related Party	To occupy residential premises
Suhavan and Supath Members Association &	-	Not a related Party	To occupy residential premises
New India Co-Operative Bank Limited	0.03	Not a related Party	To obtain borrowing facilities
Indian Commodity Exchange Limited	2,680.00	Not a related Party	To engage in commodity trading business
IFFCO CRWC Logistics Limited	43.70	Not a related Party	To engage in warehousing business
Wisekey India Private Limited	824.74	Not a related Party	To engage in IT business
BSE Limited	190.45	Not a related Party	To engage in commodity trading business
Total	**18,698.78**		

& Amount is below the rounding off norm adopted by the Company.

Notes to the consolidated financial statements for the year ended March 31, 2017

46 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

Particulars	Net assets, i.e., total assets minus total liabilities		Share of profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
Parent				
Indian Potash Limited	100.11%	244,238.39	101.75%	36,733.81
Subsidiaries				
(i) Goldline Milk Food & Allied Industries Limited	0.11%	259.78	-0.42%	(151.24)
(ii) IPL Gujarat Port Limited	-0.01%	(14.07)	-0.05%	(17.08)
(iii) IPL Sugar & Allied Industries Limited	-0.21%	(524.45)	-1.28%	(463.58)
Total	**100%**	**243,959.65**	**100%**	**36,101.91**

47 The Board of Directors has reviewed the realisable value of all current assets of the Company and has confirmed that the value of such assets in the ordinary course of business will not be less than the value at which these are recognised in the financial statements. In addition, the Board has also confirmed the carrying value of the non-current assets in the financial statements. The Board, duly taking into account all the relevant disclosures made, has approved these financial statements for the year ended 31 March 2017 in its meeting held on 29 June 2017.

In terms of our report attached.
For DELOITTE HASKINS & SELLS
Chartered Accountants

For and on behalf of the Board of Directors

Geetha Suryanarayanan
Partner

Vasudha Mishra
Chairperson

U.S.Awasthi
Director

P.S.Gahlaut
Managing Director

George Zachariah
Chief Financial Officer

Rajesh Kumar Sadangi
Company Secretary

Place : New Delhi
Date : 29th June, 2017

TWELVE YEARS AT A GLANCE

Operating Results 2006-2017

(Rs. in Lakhs)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
GROSS INCOME	443,304.96	612,531.46	1,166,986.06	3,238,317.03	1,727,309.70	2,073,868.96	2,598,480.06	1,979,130.14	1,503,245.50	1,565,917.98	1,640,005.40	1,196,306.92
COST OF SALES	436,993.41	599,756.69	1,149,231.99	3,181,463.43	1,680,091.02	1,957,460.96	2,504,237.39	1,887,541.62	1,443,245.90	1,510,820.69	1,600,896.90	1,121,645.38
PBDIT	6,311.55	12,774.77	17,754.07	56,853.60	47,218.68	116,408.00	94,242.67	91,588.52	59,999.60	55,097.29	39,108.50	74,661.54
Interest	2,256.90	7,419.20	10,764.84	25,862.60	18,800.08	49,343.99	52,083.63	57,262.11	42,147.50	26,777.09	12,828.93	14,830.92
PBDT	4,054.65	5,355.57	6,989.23	30,991.00	28,418.60	67,064.01	42,159.04	34,326.41	17,852.10	28,320.20	26,279.57	59,830.62
Depreciation	147.13	199.56	253.63	386.82	370.46	929.42	2,108.56	1,541.99	2,065.25	1,636.74	1,615.50	2,659.09
Exceptional Item										(2,895.61)		
PBIT	6,164.42	12,575.21	17,500.44	56,466.78	46,848.22	115,478.58	92,134.11	90,046.53	57,934.35	53,460.55	37,493.00	72,002.45
PROFIT BEFORE TAX	3,907.52	5,156.01	6,735.59	30,604.18	28,048.14	66,134.59	40,050.48	32,784.42	15,786.85	29,579.07	24,664.07	57,171.53
Tax	1,433.62	1,759.89	3,255.15	19,958.88	9,655.99	28,558.82	7,622.50	7,676.07	5,050.97	8,453.37	8,556.38	20,437.72
PROFIT AFTER TAX	2,473.90	3,396.12	3,480.44	10,645.30	18,392.15	37,575.77	32,427.98	25,108.35	10,735.88	21,125.70	16,107.69	36,733.81
Dividend	244.56	301.11	301.11	334.57	333.47	415.46	415.46	418.22	418.22	430.24		
Other Comprehensive Income											1,708.25	12,902.12
Retained Profits	2,229.34	3,095.01	3,179.33	10,310.73	18,058.68	37,160.31	32,012.52	24,690.13	10,317.66	20,695.46	17,815.94	49,635.93
Earning per Share (Rs.)	17.30	23.75	24.34	74.45	128.63	262.79	226.79	175.60	75.08	147.75	112.65	256.90
Dividend per share (Rs.)	1.50	1.80	1.80	2.00	2.00	2.50	2.50	2.50	2.50	2.50	3.00	
Dividend tax per share (Rs.)	0.21	0.31	0.31	0.34	0.33	0.41	0.41	0.42	0.42	0.51	0.61	
Foreign Exchange Earnings	15,964.33	14,863.63	15,023.67	30,910.02	27,534.85	41,982.55	54,961.58	32,991.84	82,393.85	55,963.58	73,781.14	95,973.50

Sources and Applications of Funds 2006-2017

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
SOURCES OF FUNDS												
Equity	1,429.86	1,429.86	1,429.86	1,429.86	1,429.86	1,429.86	1,429.86	1,429.86	1,429.86	1,429.86	1,429.86	1,429.86
Reserves	10,439.58	13,507.22	16,661.30	26,938.90	44,975.40	82,146.80	114,139.43	138,810.71	149,090.52	173,651.59	190,370.89	242,808.53
Shareholders' Funds	11,869.44	14,937.08	18,091.16	28,368.76	46,405.26	83,576.66	115,569.29	140,240.57	150,520.38	175,081.45	191,800.75	244,238.39
Loan Funds	22,876.47	68,714.80	203,036.64	441,700.66	377,271.34	295,435.06	658,443.02	615,257.87	320,390.65	450,020.89	566,960.85	526,560.46
FUNDS EMPLOYED	34,745.91	83,651.88	221,127.80	470,069.42	423,676.60	379,011.72	774,012.31	755,498.44	470,911.03	625,102.34	758,761.61	770,798.85
APPLICATION OF FUNDS												
Fixed Assets (Gross)	3,372.54	4,266.41	5,251.91	7,933.00	11,547.81	25,966.96	35,171.73	37,871.92	42,814.16	30,528.80	32,432.75	74,842.32
Capital Work-in-Progress	11.76	24.38	1,115.86	860.89	3,501.32	762.56	783.04	3,216.65	2,044.79	7,130.54	7,111.57	7,664.77
Depreciation	1,219.91	1,397.94	1,646.84	2,006.84	2,377.56	3,309.55	5,383.92	6,906.06	8,883.51			
Fixed Assets (Net)	2,164.38	2,892.85	4,720.93	6,787.05	12,671.57	23,419.97	30,570.85	34,182.51	35,975.44	37,659.34	39,544.32	82,507.09
Investments	677.46	617.36	98,390.63	263,653.60	458,447.14	126,881.56	34,824.22	36,506.53	34,544.32	39,980.42	88,576.70	60,919.11
Net Current / Non current Assets	31,582.20	80,019.70	117,919.41	199,562.82	(49,152.07)	224,659.05	706,588.60	680,356.85	396,389.67	544,962.03	622,703.58	620,299.19
Deferred Tax-Net	321.87	121.97	96.83	65.95	1,709.96	4,051.14	2,028.64	4,452.57	4,001.60	2,500.55	7,937.01	7,073.46
Profit and Loss Account	-	-	-	-	-	-	-	-	-	-	-	-
NET ASSETS EMPLOYED	34,745.91	83,651.88	221,127.80	470,069.42	423,676.60	379,011.72	774,012.31	755,498.44	470,911.03	625,102.34	758,761.61	770,798.85
Net Worth per share (Rs.)	79.29	100.93	123.17	195.28	321.57	581.69	805.57	978.25	1,050.41	1,224.47	1,341.40	1,708.13
Debt: Equity Ratio	1.93:1	4.60:1	11.22:1	15.57:1	8.13:1	3.53:1	5.70:1	4.39:1	2.13:1	2.57:1	2.96:1	2.16:1

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