

**61ST ANNUAL REPORT
2015 - 2016**



INDIAN POTASH LIMITED

REGISTERED OFFICE

1ST FLOOR, SEETHAKATHI BUSINESS CENTRE,
684-690, ANNA SALAI, CHENNAI - 600 006.

TELEPHONE : 044 - 28297855

FAX : 044 - 28297407

BOARD OF DIRECTORS



Ms. VASUDHA MISHRA, IAS
Chairperson



SHRI. B.S. NAKAI



DR. U.S. AWASTHI



SHRI. N.P. PATEL



SHRI. R.G. RAJAN



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



SHRI. V. SATHYASEELAN



DR. P.S. GAHLAUT
Managing Director

BANKERS

STATE BANK OF INDIA
STATE BANK OF HYDERABAD
STATE BANK OF PATIALA
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 61st Annual Report along with the audited accounts of the Company for the year ended 31st March, 2016.

GENERAL

The Year 2015/16 had started off on a good note with timely onset of monsoon. However, the rains played truant after the first round in large parts of the country viz. Maharashtra, Telangana, part s of Karnataka, Saurashtra region of Gujarat which faced drought conditions for the second successive year. The Government declared more than 200 districts as drought affected and started relief operations. The Industry, however, was encouraged by the early good rains and the first half of the year saw big spurt in the imports of all fertilisers. But failure of the monsoon in the second half and excessive imports led to a glut of fertilisers in the market leading to discounting of prices and extension of long credits so as to liquidate stocks. This inevitably took a toll on the profitability of the Fertiliser Industry. The Government also took a major decision in the year to allow 100% neem coating of both domestic production and imported urea. Partly because of the muted demand and partly possibly because of better use efficiency due to neem coating, the farmers did not face any shortage of urea also in the country after a few seasons of shortages. In fact, almost all fertiisers are today available to farmers at prices lower than the MRPs.

SALES

The total volume sales of all products during the year 2015-16 at 7.8 million tonnes is 3% higher than 7.57 million tonnes achieved in the year 2014-15.

FINANCIAL RESULTS FOR THE YEAR 2015-16

Your Company's total volume sales of all products during the year 2015/16 is 7.80 million tonnes which is 3 per cent higher than sale of 7.57 million tonnes achieved in the year 2014/15. The total revenue of the Company during the year at Rs.16650.23 crores shows an increase of 6.33% over the previous fiscal which stood at Rs.15659.18 crores.

The Company has earned a Pre-tax Profit of Rs.247.47 crores and Net Profit of Rs.161.91 crores as compared to Rs.295.79 crores and Rs.211.26 crores respectively during the previous year. Of course, the actual PBT figure is better than the budgeted figure of PBT at Rs.160.94 crores. We may mention for ready reference of Members of the Board that while seeking approval for the Budget for 2015/16, the Management had foreseen a difficult year and had explained the reasons for lower budgeting of Profit Before Tax to the satisfaction of the Board Members.

The principal reasons for adverse variance of the profit are :

1. The second successive drought year causing a glut of all products in the market and heavy discounting of prices/ long credits to trade by companies.
2. Despite Industry frequently raising its concerns at all forums, the subsidy reimbursement position is not showing any improvement – in fact, it is deteriorating to an extent that as on 1.4.16, 90% 'on account' subsidy had been paid only up to September 2015, balance payments only up to September 2013 and freight and other expenses only up to August 2015 with secondary freight arrears dating back to even 2008/09.

3. As a result of second successive year of drought, the growth in urea sales in 2015/16 at 3.35 per cent over last year was lowest in last several years.
4. The general sale of our flagship product MOP declined from 27.84 lakh MTs in 2014/15 to 24.41 lakh MTs i.e. a decline of 12.32 per cent. DAP, on the other hand, showed an unexplainable increase in sales by 28.7%. But it is now clear that companies had only pre-positioned stocks and the material had not actually been consumed which is having an impact on Kharif 2016/17.
5. The depreciation in currency has become a recurring problem with dollar strengthening from 1 USD = Rs.62.5050 as on 31.3.15 to 1 USD = Rs.66.255 as on 31.3.16, the profitability of the Company was eroded to the extent of almost Rs.200 crores. While in good years, it is possible to pass on the extra cost in MRP but in 2015/16, a part of this extra cost had to be absorbed by the Company.

On the positive side, the losses of Sugar Division have almost been considerably reduced and we are confident of making profits in 2016/17 as per Budget for 2016/17. The interest cost has been controlled at Rs.128.29 crores in 2015/16 vis-à-vis Rs.146.46 crores in 2014/15.

We have also perused financial results of other major P&K fertiliser companies for 2015/16 like CIL, MCFL, ZACL etc. and all of them have reported lower profits for 2015/16 vis-à-vis 2014/15.

DIVIDEND

Considering the current performance of your company during the current year, your Directors recommend a Dividend of Rs. 3/- per Equity Share of Rs.10/- each subject to

approval of shareholders. The Company had paid dividend of Rs.2.50/- per Equity Share of Rs.10/- each for the previous year ended 31st March 2015. An amount of Rs. 5 Crores has transferred to General Reserve of the Company.

EXTENSION & PROMOTION ACTIVITIES CONDUCTED DURING 2015-16

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 178 crops demonstrations, conducted 36 nos. of field days. We have organized 85 nos. of Sales Campaigns, 143 nos. of farmers meetings, 25 nos. of crop seminars, 35 nos. of Dealers Training Programmes. We have also participated in 38 nos. of Agri fair/ exhibitions. We have done 60,140 sq.ft. of Wall / Trolley paintings in rural areas. Apart from this we have done 1963 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 Meetings and Crop Seminars. In this behalf we have spent 1.48 crores against our budget of Rs.2.00 crore.

UNDER COLLOBORATIVE PROJECTS:

SOP:

Similarly under SOP we have laid out 25 demonstration, conducted 6 field days, organized 51 farmers meetings, 37 Sales

Campaigns, 9 crop seminars, 8 Dealers Training Programme and participated in 13 Agri exhibitions. And we have undertaken 10,908 sq. ft. of wall paintings in rural areas. In this behalf we have spent Rs.17.83 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 Tamilnadu. Under this project we have laid out 200 demonstration, conducted 11 fields days, organized 20 farmers meeting, 30 nos. of sales campaigns, 20 Dealers/Retailer Training Programmes and also done 30,000 sq.ft. of wall paintings. We have spent around Rs. 79.00 Lakhs 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, Chhatsigarh, Andra 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 have laid out demonstrations, conducted field days and farmers meetings,organized potash campaigns, crop seminars, wall paintings, Dealers Training Programmes etc.

PROSPECTS FOR 2016/17

The Year 2016/17 has started with a reduction in the MRPs of all P&K fertilisers by Rs.1000/- per MT i.e. Rs.50 per bag which should specially help the drought hit farmers with impaired purchasing power. The monsoon forecast is positive though the progress of monsoon so far has not been satisfactory. The prices of agri commodities have, however, not shown any buoyancy and there may not be any

growth in fertiiser consumption in areas under cash crops like tea, coffee, spices, jute etc. As the trade is saddled with heavy unsold stocks, we may not see any increase in fertiliser sales in Kharif 2016 even if the monsoon ultimately turns out to be good. However, this will ensure a better Rabi 2016/17 season with a upsurge of 8 – 10% in fertiliser demand. The Company is carefully monitoring the situation and our imports and sales will be accordingly planned and regulated.

In case of Sugar Division, we have brought about lot of changes in the working and Sugar Recovery has also shown improvement. As a result of Export Promotion Incentives, the sugar prices in the domestic market also showed improvement and we are hopeful to make profit in this division during 2016/17.

The improvement in the working of Cattle Feed and Dairy Division should continue during 2016/17 as we have now consolidated all our operations at one location at Sikanderabad, U.P. This has freed up capacity at Kundli which we are now planning to put to some new and different use. We expect the profits of this Division to go up in spite of higher depreciation coverage.

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

Messers Deloitte Haskins & Sells, Chartered Accountants holding Firm's Registration No.008072S, the Statutory Auditor of the company shall retire at the conclusion of the ensuing Annual General Meeting and, being eligible and offer themselves for re-appointment.

As required under the provisions of Section 139 of the Companies Act, 2013, the Company has accepted a written consent and 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 satisfied the criteria as laid down in Section 141 of the Companies Act, 2013.

Based on the recommendations of the Audit Committee, the Board has recommended their appointment as a statutory of the company for period of one year.

If appointed, they shall hold office from the conclusion of the ensuing Annual General Meeting till the conclusion of the next annual general meeting subject to the ratification by the members at the next Annual General Meeting of the company.

COST AUDITORS

The Board of Directors of the company, on the recommendation of the Audit Committee, have appointed Sri. Jugal Kishore Puri, Cost Accountants, New Delhi as a Cost Auditor for auditing the cost accounts in respect of sugar products for the Financial Year 2016-17. Necessary approval in respect of their remuneration will be obtained at the

ensuing Annual General Meeting of the company.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In compliance with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2014, the Company has established Corporate Social Responsibility (CSR) Committee and statutory disclosures with respect to the CSR Committee and an Annual Report on CSR Activities forms part of 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 Ashok Kumar Yadav, IAS, Managing Director, Haryana State Co-operative Supply and Marketing Federation Limited was appointed as a Nominee Director in place of Shri Shyamal Misra. Dr. Mary Neelima Kerketta, IAS, Maharashtra State Co-operative Marketing Federation Ltd was appointed as a Nominee Director in place of Shri Nand Kumar. Shri K N Behera, IAS, Managing Director, West Bengal State Co-operative Marketing Federation Limited was appointed as a Nominee Director in place of Shri Manoranjan Pattanaik, IAS. Shri Chander Parkash, IAS, Managing Director, Haryana State Cooperative Supply and Marketing Federation Ltd was appointed as a Nominee Director in place of Shri Ashok

Kumar Yadav. Shri M V Rao, IAS, Managing Director, West Bengal State Cooperative Marketing Federation Limited (Benfed) was appointed as a Nominee Director in place of Shri K N Behera, IAS. Smt. Sukriti Likhi, IAS, Managing Director, Haryana State Co-Operative Supply and Marketing Federation Ltd. (Hafed) was appointed as a Nominee Director in place of Shri Chandra Prakash, IAS. Dr. Mary Neelima Kerketta was ceased to be a Nominee Director of the company. Shri V Sathyaseelan, Chairman, Kerala State Cooperative Marketing Federaion Limited was appointed as a Nominee Director of the company.

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 ensuing Annual General Meeting and are eligible for re-election.

Dr. U S Awasthi

Shri M V Rao

Shri K V Satyanarayana Reddy

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 four (4) times during the FY 2015-16 viz. 5th June, 2015, 31st August, 2015, 6th November 2015 and 24th February 2016. Additionally, several committee meetings were held including Audit Committee Meeting, which met two times during the year.

AUDIT COMMITTEE

Pursuant to the provisions under Section 177 of the Companies Act, 2013, the Board had constituted an Audit Committee with the following Directors as its members.

Dr. U S Awasthi

Shri Devinder Kumar

Dr. P S Gahlaut

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 2015-16. The Company provided all assistance and facilities to the Secretarial Auditor for conducting their audit. The Report of Secretarial Auditor for the FY 2015-16 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, 2016 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, 2016, 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, 2016 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, 20 as amended from time to time is not given as no employee is in receipt of remuneration as specified under Rule 5(2) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 20

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.

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 4** 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 1

Details of CSR spent during the Financial Year:

- a) Total amount to be spent for the financial year : Rs. 521.00 lakhs
 b) The amount has spent during the financial year : Rs. 15.26 lakhs
 c) Manner in which the amount spent during the Financial Year -2015-16

SL NO	CSR PROJECT OR ACTIVITY IDENTIFIED	SECTOR IN WHICH THE PROJECT IS COVERED	PROJECTS OR PROGRAMS (1) LOCAL AREA OR OTHER 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	AMRIT COLLEGE - ROHANA KALAN	72481.00	72481.00	72481.00	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	692271.00	692271.00	692271.00	DIRECT
3	MAINTAINING QUALITY OF SOIL, AIR, WATER	MAINTAINING QUALITY OF SOIL, AIR, WATER	INSTITUTE FOR FINANCIAL MANAGEMENT & RESEARCH (IFMR) " TOWARDS IIND INSTALMENT OF 20% OF TOTAL FEE FOR MUNICIPAL SOLID WASTE COMPOSTING PROJECT"	461514.00	461514.00	461514.00	DIRECT
4	MAINTAINING QUALITY OF SOIL, AIR, WATER	MAINTAINING QUALITY OF SOIL, AIR, WATER	CONTRIBUTION TO ORGANISED SOUTH ASIA: SOIL AND HUMAN HEALTH SUMMIT-2015 BY AMITY UNIVERSITY, NOIDA SPONERSHIP OF NATIONAL SEMINAR ON "SERIOUS PROBLEMS IN AGRICULTURE SECTOR IN INDIA, ITS CAUSES AND REMEDIAL MEASURES" ORGANISED BY GRAMIN KALYAN SANSTHAN, LUCKNOW.	300000.00	300000.00	300000.00	DIRECT
TOTAL					1526266.00	1526266.00	

**FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH 2016**

[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 2016, 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 2016 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
- VI. During the period under review, the company has complied with the provisions of the act, rules, regulation, guidelines, standards, etc., mentioned above.

Forms part of my secretarial audit report Dt.21.04.2016 issued to the members of M/s. Indian Potash Limited

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 Chairperson, 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

Place : Chennai
Date : 22nd June, 2016

Ashish Kumar Jain
Proprietor
C.P. No. 7353

Forms part of my secretarial audit report Dt.21.04.2016 issued to the members of M/s. Indian Potash Limited

ANNEXURE TO SECRETARIAL 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 Ashish Kumar Jain & Associates
Company Secretary in Practice

Ashish Kumar Jain
Proprietor
C.P. No. 7353

Place : Chennai
Date : 22nd June, 2016

ANNEXURE 3
Extract of Annual Return as on the financial year ended on 31st MARCH 2016
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) IPI 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
Gujarat State Fertilisers and Chemical Ltd.	1125000	7.87
Fertilisers & Chemicals Travancore Ltd.	324000	2.27
Public Sector-Total	2937600	20.54
Private Sector		
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 Ravichandran	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
Ms.G Mythri	8300	0.06
Mrs.Vasanadu Nirmala	37,500	0.26
Mr.Vasanadu Karthik	7600	0.05
Mr.V Srikanth	1800	0.01
Zuari Industries 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	1321500	9.24
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 31.03.2016

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, 1 st 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	20.98
2	Di Ammonium Phosphate	46692	19.31
3	Urea	46692	28.35

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-2015]				No. of Shares held at the end of the year[As on 31-March-2016]				% 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									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
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-2015]				No. of Shares held at the end of the year[As on 31-March-2016]				% 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								
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.):				
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.):				
3	At the end of the year				

NIL

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	421392000.00	-		421392000.00
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not due	1746789.70	-		1746789.70
Total (i+ii+iii)	423138789.70	-		423138789.70
Change in Indebtedness during the financial year				
* Addition	16251600000.00	14410483434.64		30662083434.64
* Reduction	13250000000.00	5828457193.64		19078457193.64
Net Change	3001600000.00	8582026241.00		11583626241.00
Indebtedness at the end of the financial year				
i) Principal Amount	3422992000.00	8582026241.00		12005018241.00
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not due	3883666.41	63851869.41		67735535.82
Total (i+ii+iii)	3426875666.41	8645878110.41		12072753776.82

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	4760662	2977862	853563	8592087
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	325682	210645	312340	848667
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-

S. N.	Particulars of Remuneration	Name of MD/MTD/ 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	786974	548225	188262	1523461
	Total (A)	5873318	3736732	1354165	10964215
	Ceiling as per the Act	5 % of Net Profit	NA	NA	

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors		Total Amount
		Ms. Reena Kaishing	Shri. Balvinder Singh Nakai	
1	Independent Directors			
	Fee for attending board committee meetings	20000.00	40000.00	60000.00
	Commission	-	250000.00	250000.00
	Others, please specify	-	-	-
	Total (1)	20000.00	290000.00	310000.00
2	Other Non-Executive Directors			
	Fee for attending board committee meetings	760000.00 (as per annexure II)		760000.00
	Commission	1000000.00 (as per annexure II)		1000000.00
	Others, please specify			
	Total (2)	1760000.00		1760000.00
	Total (B)=(1+2)	1780000.00	290000.00	2070000.00
	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					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

Attachment for Remuneration of Non Executive Directors

SL NO	Name of the Directors	Fees / Commission
1	SHRI.ASHOK KUMAR YADAV	20,000
2	M/S.DEPARTMENT OF FERTILISERS	20,000
3	SHRI.DEVINDER KUMAR	370,000
4	DR. MARY NEELIMA KERKETTA	40,000
5	SHRI.H.S.BAWA	20,000
6	SHRI.K.V.SATHYANARAYANA REDDY	60,000
7	SHRI.KASI NATH BEHERA	20,000
8	SHRI.MALLELA VENKATESWARA RAO	20,000
9	SHRI.N.P.PATEL	310,000
10	SHRI.PREM CHANDRA MUNSHI	330,000
11	M/S.RASHTRIYA CHEMICALS & FERTILISERS LIMITED	60,000
12	DR.SUNIL KUMAR SINGH	60,000
13	DR.U.S.AWASTHI	350,000
14	MS.VASUDHA MISHRA	80,000
TOTAL		1,760,000

ANNEXURE 4 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 installed 'on Grid' Solar Power Plant of 60 KWp capacity with capital invest of Rs. 44.71 lac to generate the electricity and same is used in the offices and plant.

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 pelletization 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. 73781.14 Lakhs

Outgo : Rs. 1505595.43 Lakhs

On Behalf of the Board

Date: 22nd June, 2016

Chairperson

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF INDIAN POTASH LIMITED**

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **INDIAN POTASH LIMITED** (“the Company”), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management’s Responsibility for the Standalone Financial Statements

The Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act, as applicable.

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 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 financial statements based on 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 and the Order under section 143 (11) of the Act.

We conducted our audit of the standalone 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal

financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards prescribed under section 133 of the Act, as applicable.
 - e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 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, 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 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 has been no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
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 : 22nd June, 2016



IPL

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, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

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, 2016, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

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

Geetha Suryanarayanan
(Partner)
(Membership No. 29519)

Place : Chennai
Date : 22nd June, 2016

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 fixed assets:
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) Some of the fixed assets 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 fixed assets at 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.

In respect of immovable properties of land that have been taken on lease and disclosed as fixed assets 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:
- The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.
 - 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.
 - There is no overdue amount remaining outstanding as at the 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:
- 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.
 - 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 2016 for a period of more than six months from the date they became payable.
 - Details of dues of Service Tax, Excise Duty and which have not been deposited as on 31st March 2016 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

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)	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
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 Section 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 of section 192 of the Companies Act, 2013 are not applicable.

The Company is not required to be registered under section 45-I 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 : 22nd June, 2016



INDIAN POTASH LIMITED

Statement of Profit and Loss for the year ended 31 March, 2016

Rupees in Lakhs

Particulars	Note No.	For the year ended 31 March, 2016	For the year ended 31 March, 2015
1 Revenue from operations (gross)	22	1,647,884.64	1,555,287.17
Less: Excise duty		1,791.26	1,047.48
Revenue from operations (net)		1,646,093.38	1,554,239.69
2 Other income	23	18,929.17	11,678.29
3 Total revenue (1+2)		1,665,022.55	1,565,917.98
4 Expenses			
(a) Cost of materials consumed	24 a.	45,117.20	44,890.42
(b) Purchases of stock-in-trade	24 b.	1,357,331.15	1,355,000.55
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	24 c.	(5,315.34)	(73,017.50)
(d) Manufacturing and Operational expenses	25	128,114.25	127,835.62
(e) Employee benefits expense	26	5,463.53	5,554.18
(f) Finance costs	27	51,147.75	26,777.09
(g) Depreciation and amortisation expense	11	1,791.08	1,636.74
(h) Other expenses	28	56,625.85	50,557.42
Total expenses		1,640,275.47	1,539,234.52
5 Profit before exceptional items (3-4)		24,747.08	26,683.46
6 Exceptional Item (Refer Note No. 11(i))		-	2,895.61
7 Profit before tax (5+6)		24,747.08	29,579.07
8 Tax expense:			
(a) Current tax		11,900.00	8,800.00
(b) Tax expense relating to earlier year		169.49	-
(c) Deferred tax		(3,513.11)	(346.63)
		8,556.38	8,453.37
9 Profit after Tax (7-8)		16,190.70	21,125.70
Basic /Diluted Earnings Per Share (Face value of Rs. 10 each)		113.23	147.75
See accompanying notes forming part of the financial statements 1 & 2			

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 : 22nd June, 2016

Audit for the year ended 31st March 2016

Cash Flow Statement

Rupees in Lakhs

Description	For the year ended 31 March 2016		For the year ended 31 March 2015	
A. Cash flow from operating activities				
Profit before tax and exceptional items		24,747.08		26,683.46
Adjustments for :				
Depreciation and amortisation expense	1,791.08		1,636.74	
(Profit) /Loss on sale of assets	0.46		(253.85)	
Profit on sale of Investments	(3,385.22)		(27.13)	
Finance costs	51,147.75		26,777.09	
Interest income	(3,436.85)		(3,209.22)	
Dividend income	(2,057.58)		(5,851.31)	
Provision for liabilities/ duties no longer required	(7,457.05)		(37.80)	
Provision for bad trade and other receivables no longer required	(270.62)		(455.85)	
Provision for diminution in the to the carrying amount Long term investments	-		820.00	
Provision for doubtful trade receivables	11,290.12		5,094.41	
Bad Debts Written Off	903.81		2,460.54	
Net unrealised exchange (gain) / loss	4,776.23	53,302.13	7,651.64	34,605.25
Operating profit before working capital changes		78,049.21		61,288.71
Adjustments for (increase) / decrease in operating assets :				
Inventories	(4,795.43)		(71,421.85)	
Trade receivables	(58,994.30)		66,094.20	
Short-term loans and advances	2,063.83		(1,612.24)	
Long-term loans and advances	541.84		(625.63)	
Other current assets	(90,287.98)		(7,236.85)	
Adjustments for increase / (decrease) in operating liabilities :				
Trade payables	(51,503.46)		(91,876.65)	
Other current liabilities	417.65		7,619.25	
Other long-term liabilities	3.06	(202,554.79)	3.06	(99,056.71)
Cash generated from operations				
Net income tax (paid) / refunds		1,125.92		(12,132.64)
Net cash flow used in operating activities (A)		(123,379.66)		(49,900.64)
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances	(3,882.14)		(8,287.97)	
Proceeds from sale of fixed assets	22.49		266.15	
Proceeds from sale of Investments	-		-	
Bank balances not considered as Cash and cash equivalents				
- Placed	(114.89)		(9.29)	

Current investments not considered as Cash and cash equivalents			
- Purchased	(1,650,747.86)	(1,386,570.68)	
- Proceeds from sale	1,614,164.23	1,392,449.12	
Purchase of long-term investments			
- Others	(5,014.36)	-	
Interest received			
- Fertilizer Bonds	2,530.01	2,606.80	
- Others	1,039.86	327.78	
Net cash flow (used in)/ from investing activities (B)		(42,002.66)	781.90
C. Cash flow from financing activities			
Proceeds from long-term borrowings	2,516.00	-	
Net increase in short term borrowings	112,336.80	122,071.15	
Finance costs	(50,222.37)	(27,242.51)	
Dividends paid	(352.15)	(352.15)	
Tax on dividend	(72.77)	(60.75)	
Net cash from financing activities (C)		64,205.51	94,415.74
Net (decrease) / increase in Cash and cash equivalents (A+B+C)		(101,176.81)	45,297.00
Cash and cash equivalents at the beginning of the year		110,400.79	65,103.79
Cash and cash equivalents at the end of the year		9,223.98	110,400.79
See accompanying Notes forming part of the financial statements			
Reconciliation of Cash and cash equivalents with the Balance Sheet :			
Cash and cash equivalents		9,541.35	110,597.95
Less : Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements: #			
(i) In other deposit accounts			
- original maturity more than 3 months		286.53	171.64
(ii) In earmarked accounts (Refer Note (ii) below)			
- Unpaid dividend accounts		30.84	25.52
Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) included in Note 19		9,223.98	110,400.79

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 : 22nd June, 2016

Notes forming part of the financial statements**Note 1****Corporate Information**

IPL is in the business of import and distribution of Muriate of Potash, Sulphate of Potash, Di-Ammonium Phosphate, Urea, Rock Phosphate, Gypsum etc. IPL is also one of the canalising agency of Government of India for import of UREA. The distribution of fertilisers across the country including the inaccessible areas is serviced by Regional Offices in almost all state capitals. IPL efficiently handles fertiliser shipments of more than 7.50 Million tonnes per annum at all the major and minor ports in the country.

IPL has also entered into the business of Cattle Feed , Milk and Milk Products and trading of Gold and other precious metals. During the year 2010-11, IPL had acquired five sugar mills from U.P.State Sugar Corporation and commenced production of sugar.

Note 2**Significant Accounting Policies****2.10 Basis of accounting and preparation of financial statements**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 (“the 2013 Act”) / Companies Act, 1956 (“the 1956 Act”), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention except for certain categories of fixed assets acquired before 31st March 1995, that are carried at revalued amounts. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2.11 Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.12 Inventories

- i) Inventories are valued at the lower of cost on weighted average basis and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

- ii) In respect of :
 - a) Raw materials, trading stocks and stores and spares, cost is determined on weighted average basis.
 - b) Packing materials, cost is determined on First-in-First –out basis.
- iii) By products are valued at net realizable value

2.13 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.14 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.15 Depreciation and amortisation

Tangible Assets

“Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case 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.”

Godowns on Leasehold Land- over the duration of lease

Godowns on Freehold Land - 10 years

Leasehold land is amortised over the duration of the lease.

2.16 Revenue recognition

- a) Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty but exclude sales tax and value added tax.
- b) Subsidy 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 from the State Government is recognised when there is reasonable assurance that the subsidy will be received and all attaching conditions will be complied with.

- c) All Income and Expenses are accounted generally on accrual basis with the exception of interest on trade receivables, insurance claims, dispatch / demurrage claim and compensation / recoveries made by Government of India, which are accounted as and when received, on account of uncertainty in their collection.
- d) Service Charges 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, purchases include actual cost plus expenditure incurred. Sales against these purchases are accounted for on FOB / CIF cost plus fixed service charges and bank charges.

2.17 Other income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

2.18 Fixed Assets (Tangible / Intangible)

- a) Fixed Assets (other than those which have been revalued) are stated at historical cost less accumulated depreciation / amortisation and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. Cost includes related taxes, duties, freight, insurance etc. attributable to acquisition and installation of assets, but excludes duties and taxes that are recoverable subsequently from taxing authorities.
- (b) The Company revalued all its Land and Building (other than factory building) that existed on 31st March 1995. The revalued assets are carried at the revalued amounts less accumulated depreciation and impairment losses, if any. The revalued fixed assets are stated at their estimated replacement values as on 31st March 1995, determined by an independent valuer.
- (c) Intangible assets are stated at cost less accumulated amortization.

Capital work-in-progress:

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

2.19 Foreign currency transactions and translations

Initial Recognition

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement at the balance sheet date

Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

Treatment of exchange differences

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

Accounting for forward contracts

Premium / discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to monetary items as at the Balance Sheet date.

2.20 Investments

Long-term investments, are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

2.21 Employee benefits

Employee benefits include provident fund, superannuation fund, gratuity fund, compensated absences and post-employment medical benefits.

i) Defined Contribution Plan

The Company's contribution to provident fund and superannuation fund, for certain categories of employees are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made and when services are rendered by the employees.

ii) Defined Benefit Plan

The liability for Gratuity to employees as at Balance Sheet date is determined on the basis of actuarial valuation based on Projected Unit Credit method and is paid to a Gratuity fund administered by the trustees and managed by SBI Life Insurance Company. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur.

The Company makes monthly contributions for certain categories of employees to the Indian Potash Limited Staff Provident Fund Trust, equal to a specified percentage of the covered employee's salary. The interest rate payable by the Trust to the beneficiaries is being notified by the Government every year. 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.

iii) Long term Compensated absences

The liability for Compensated absences to employees as at Balance Sheet date is determined on the basis of actuarial valuation based on Projected Unit Credit method and is paid to a fund administered and managed by HDFC Life Insurance Limited. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur.

iv) Short term employee benefits

“The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under :

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.”

2.22 Borrowings

Borrowing cost includes interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowings of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

2.23 Segment reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under “unallocated revenue / expenses / assets / liabilities”.

2.24 Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis.

2.25 Earnings Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of tax effect, if any) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

2.26 Taxes on Income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

2.27 Impairment of assets

“The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

- (a) an intangible asset that is not yet available for use; and

- (b) an intangible asset that is amortised over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.”

2.28 Provisions and Contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

2.29 Derivative Contracts

The Company enters into derivative contracts in the nature of forward contracts with an intention to hedge its existing assets and liabilities. Derivative contracts which are closely linked to the existing assets and liabilities are accounted as per the policy stated for Foreign currency transactions and translations.

2.30 Insurance claims

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.

2.31 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.

2.32 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.

Notes forming part of the financial statements

Note 3 Share capital		Rupees in Lakhs			
Particulars	As at 31 March, 2016		As at 31 March, 2015		
(a) Authorised					
Equity shares of Rs. 10 each	50,000,000	5,000.00	50,000,000	5,000.00	
(b) Issued					
Equity shares of Rs. 10 each	16,568,200	1,656.82	16,568,200	1,656.82	
(c) Subscribed and fully paid up					
Equity shares of Rs. 10 each	14,298,600	1,429.86	14,298,600	1,429.86	
Total	14,298,600	1,429.86	14,298,600	1,429.86	

(i) There is no movement in Equity share capital during the year.

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

Class of shares / Name of shareholder	As at 31 March, 2016		As at 31 March, 2015	
	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
Gujarat State Co-operative Marketing Federation Limited	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
Andhra Pradesh State Cooperative Marketing Federation Limited	891,000	6.23	891,000	6.23
Madras Fertilisers Limited	792,000	5.54	792,000	5.54

(iii) 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 4 Reserves and surplus		Rupees in Lakhs	
Particulars	As at 31 March, 2016	As at 31 March, 2015	
(a) Revaluation reserve			
Opening balance	322.88	327.05	
Less : Written back during the year on sale	-	4.17	
Closing balance	322.88	322.88	
(b) General reserve			
Opening balance	42,486.88	39,486.88	
Add: Transferred from surplus in Statement of Profit and Loss	500.00	3,000.00	
Closing balance	42,986.88	42,486.88	
(c) Molasses Storage Facilities Reserve Fund			
Opening balance	41.76	39.26	
Add: Additions / transfers during the year #	2.80	2.50	
Closing balance	44.56	41.76	
(d) Surplus in Statement of Profit and Loss			
Opening balance	126,562.65	109,237.33	
Add: Profit for the year	16,190.70	21,125.70	
Less:			
Depreciation on Transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with NIL remaining useful life (Net of deferred tax) (Refer Note no 11(i))	-	367.64	
Dividends proposed to be distributed to equity shareholders (Rs. 3.00 per share, Previous year Rs. 2.50 per share)	428.96	357.47	
Tax on dividend	87.31	72.77	
Transfer to:			
General reserve	500.00	3,000.00	
Molasses Storage Facilities Reserve Fund #	2.80	2.50	
# 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.			
Closing balance	141,734.28	126,562.65	
Total	185,088.60	169,414.17	

Notes forming part of the financial statements

Note 5 Long-term borrowings		Rupees in Lakhs	
Particulars	As at 31 March, 2016	As at 31 March, 2015	
Term loan			
From a Bank (Refer Notes below)			
Secured	4,229.92	1,713.92	
Less: Amount transferred to Current maturities of Long Term Debt (Refer Note 9)	3,087.32	-	
	1,142.60	1,713.92	

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

Particulars		Rupees in Lakhs	
		As at 31 March, 2016	As at 31 March, 2015
		Secured	Secured
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.	1,713.92	1,713.92
	Repayable in full on 22nd September 2016	2,516.00	
TOTAL		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 6 Other Long Term Liabilities		Rupees in Lakhs	
Particulars	As at 31 March, 2016	As at 31 March, 2015	
Deferred Rent Liability (Refer Note No.36)	183.60	180.54	
Total	183.60	180.54	

Notes forming part of the financial statements

Note 7 Short-term borrowings		Rupees in Lakhs	
Particulars	As at 31 March, 2016	As at 31 March, 2015	
Secured (Refer Note (i) below)			
From Bank			
Working capital facilities	-	2,723.02	
Foreign Currency Loan	10,000.00	-	
Rupee Loans	20,000.00	-	
	30,000.00	2,723.02	
Unsecured			
From Bank			
Foreign Currency Loan	3,251.00	-	
Rupee Loans	82,569.26	-	
Buyers Credit (Denominated in Foreign Currency)	449,997.99	445,583.95	
	535,818.25	445,583.95	
Total	565,818.25	448,306.97	

(i) Details of security for the secured short-term borrowings: Rupees in Lakhs

Particulars		As at 31 March, 2016	As at 31 March, 2015
Working Capital Facilities			
State Bank of Hyderabad	Secured by hypothecation of stocks and sundry debtors	-	222.93
Allahabad bank		-	0.09
New India Co-operative Bank	Security of land and building situated at Sikandrabad, Uttar Pradesh.	-	2,500.00
DBS Bank	Secured by hypothecation of stocks and sundry debtors	20,000.00	-
Deutsche Bank		10,000.00	-
		30,000.00	2,723.02

Note 8 Trade payables		Rupees in Lakhs	
Particulars	As at 31 March, 2016	As at 31 March, 2015	
Trade payables:			
Acceptances	20,004.21	24,796.21	
Other than Acceptances (Refer Note (i) & (ii) below)	28,202.00	74,483.29	
Total	48,206.21	99,279.50	

Notes forming part of the financial statements

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, 2016	As at 31 March, 2015
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	NIL	NIL
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	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
(iv) The amount of interest due and payable for the year	NIL	NIL
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	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

Note (ii) There are no dues to enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006, as at 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 9 Other current liabilities		
Rupees in Lakhs		
Particulars	As at 31 March, 2016	As at 31 March, 2015
(a) Current maturities of long-term debt (Refer Note (i) below)	3,087.32	-
(b) Interest accrued but not due on borrowings	1,704.60	779.22
(c) Unpaid dividends	30.84	25.52
(d) Employee Benefits :		
(i) Gratuity (Refer Note (ii) below)	287.98	466.84
(ii) Compensated absences (Refer Note (iii) Below)	209.15	302.99
(e) Other payables		
(i) Statutory remittances	3,233.17	2,978.56
(ii) Payables on purchase of fixed assets	2,810.00	2,810.00

Notes forming part of the financial statements

Note 9 Other current liabilities (Continued)		Rupees in Lakhs	
Particulars	As at 31 March, 2016	As at 31 March, 2015	
(iii) Trade / security deposits received	3,443.78	3,686.15	
(iv) Advances from customers	3,965.76	4,104.21	
(v) Port handling expenses	27,937.76	31,820.41	
(vi) Customer Discounts	7,120.63	10,632.71	
(vii) Freight & other claims	12,888.53	12,746.76	
(viii) Others	3,734.86	3,122.41	
Total	70,454.38	73,475.78	

Note (i) : Current maturities of long-term debt (Refer Notes (i) in Note 5 - Long - term borrowings for details of security and guarantee).

Note (ii) : 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	2015-16	2014-15	
Current service cost	158.76	138.13	
Interest cost	177.29	150.71	
Expected return on plan assets	(153.96)	(138.82)	
Actuarial losses/ (gains)	(127.53)	236.11	
Total expense recognised in the Statement of Profit and Loss	54.56	386.13	

Net Asset/ Liability recognised in the Balance Sheet		Rupees in Lakhs	
Present value of Defined benefit obligation (DBO)	(2,452.29)	(2391.40)	
Fair value of plan assets at the end of the year	2,164.31	1924.56	
Asset/(Liability) recognized in the balance sheet	(287.98)	(466.84)	

Changes in the Defined Benefit Obligation (DBO) during the year		Rupees in Lakhs	
Present value of DBO at the beginning of year	2,391.41	2007.71	
Interest cost	177.29	150.71	
Current Service cost	158.76	138.13	
Benefits paid	(165.82)	(158.50)	
Actuarial (Gains) / Losses	(109.35)	253.36	
Present value of DBO at the end of year	2,452.29	2391.41	

Notes forming part of the financial statements

Changes in the fair value of assets during the year:		Rupees in Lakhs	
Particulars	2015-16	2014-15	
Plan assets at beginning of year	1,924.56	1,835.50	
Expected return on plan assets	153.96	138.82	
Actual company contributions	233.42	91.49	
Benefits paid	(165.82)	(158.50)	
Actuarial gain / (loss)	18.18	17.25	
Plan assets as at end of year	2,164.30	1924.56	

Composition of the Plan assets is as follows:		Rupees in Lakhs	
Pattern	2015-16	2014-15	
Debt	85.87%	78.24%	
Equity	5.02%	5.14%	
Fixed Deposits and Other Assets	9.11%	16.62%	

Actuarial Assumptions:		
Particulars	2015-16	2014-15
Discount Rate	7.68%	7.81%
Expected rate of return on assets	8.00%	8.00%
Expected rate of salary Increase:		
- Executives	5.00%	5.00%
- Non-Executives	5.00%	5.00%
Attrition Rate	3.00%	3.00%
Mortality	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

	Rupees in Lakhs	
Estimate of amount of contribution in the immediate next year	-	-

Notes forming part of the financial statements

Rupees in Lakhs

Experience Adjustments	2015 - 2016	2014 - 2015	2013-2014
Present value of DBO	2,452.29	2,391.41	2,007.71
Fair value of plan assets	2,164.30	1,924.56	1,835.50
Funded status [Surplus / (Deficit)]	(287.99)	(466.85)	(172.21)
Experience gain / (loss) adjustments on plan liabilities	(109.35)	253.36	285.93
Experience gain / (loss) adjustments on plan assets	18.18	17.25	16.79

The expected rate of return on plan assets is determined after considering several applicable factors such as the composition of the plan assets, investment strategy, market scenario, etc.. In order to protect the capital and optimise returns within acceptable risk parameters, the plan assets are well diversified. The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

The details of experience adjustments arising on account of plan assets and liabilities as required by paragraph 120(n)(ii) of AS 15 (Revised) on "Employee Benefits" are furnished to the extent of available information.

The estimates of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

Note (iii) Compensated absences
Actuarial Assumptions:

Particulars	2015 - 16	2014 - 15
Discount Rate	7.68%	7.81%
Expected rate of Return on Assets	8.00%	8.00%
Expected rate of salary Increase:	5.00%	5.00%
Attrition Rate	3.00%	3.00%
Mortality	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

Note 10 Short-term provisions

Rupees Rin Lakhs

Particulars	As at 31 March, 2016	As at 31 March, 2015
(i) Provision for tax (net) - (net of advance tax Rs.92,065.60 Lakhs)	10,975.41	-
(i) Provision for Proposed Equity Dividend	428.96	357.47
(ii) Provision for tax on Proposed Dividends	87.31	72.77
Total	11,491.68	430.24

Notes forming part of the financial statements
Note 11 Fixed assets

Rupees in Lakhs

A. Tangible assets	Gross block			Accumulated depreciation and impairment			Net block	
	Balance as at 1 April, 2015	Additions	Disposals	Balance as at 31 March, 2016	Balance as at 31 March, 2016	Eliminated on disposal of assets	Balance as at 31 March, 2016	Balance as at 31 March, 2015
(a) Land								
Freehold	10,495.59	280.00	-	10,775.59	-	-	10,775.59	10,495.59
Leasehold #	8,564.04	-	-	8,564.04	175.58	-	7,476.81	7,652.39
(b) Buildings								
Factory Building	2,630.54	611.53	-	3,242.07	75.06	-	2,578.99	2,042.52
Other than Factory Building	10,670.94	975.32	-	11,646.26	362.92	-	8,320.71	7,708.31
(c) Plant and Equipment	11,939.01	1,332.49	0.72	13,270.78	875.82	0.05	9,712.11	9,256.11
(d) Furniture and Fixtures	311.17	179.42	9.02	481.57	34.88	7.70	364.15	220.93
(e) Vehicles	199.77	15.30	12.64	202.43	21.54	5.96	109.81	122.73
(f) Office Equipment	1,306.01	128.93	38.37	1,396.57	224.23	24.63	513.24	622.28
(g) Audio Visual Van & Equipment	155.21	19.41	11.82	162.80	21.05	11.28	58.15	60.33
Total	46,272.28	3,542.40	72.57	49,742.11	1,791.08	49.62	9,832.55	38,181.19
B. Capital Work in Progress							7,111.57	6,771.84
Total (A+B+C)							47,021.13	44,953.03

Leasehold amount includes Rs 5,620 Lakhs (Previous year Rs 5,620 lakhs) for which the lease deed is pending registration.

@ Includes amount added on revaluation Rs. 895.60 Lakhs (Previous Year Rs. 895.60 Lakhs), as on 31 March 1995.

\$ Buildings include undivided share of Land, the value of which is not separately ascertainable.

Notes forming part of the financial statements
Note 11 Fixed assets (Previous Year)

Rupees in Lakhs

	Gross block			Accumulated depreciation and impairment					Net block	
	Balance as at 1 April, 2014	Additions	Disposals	Balance as at 31 March, 2015	Balance as at 1 April, 2014	Depreciation /amortisation	Eliminated on disposal of assets	Transition adjustment recorded against Surplus balance in Statement of Profit and Loss (Refer Note 1 Below)	Balance as at 31 March, 2015	Balance as at 31 March, 2014
A. Tangible assets										
(a) Land										
Freehold	10,280.77	214.82	-	10,495.59	-	-	-	-	10,495.59	10,280.77
Leasehold	8,564.04	-	-	8,564.04	736.06	175.59	-	-	7,652.39	7,827.98
(b) Buildings										
Factory Building	2,623.27	7.27	-	2,630.54	1,016.42	(435.99)	-	7.59	2,042.52	1,606.85
Other than Factory Building	8,468.76	2,210.38	8.20	10,670.94	2,302.55	252.39	9.44	417.13	7,708.31	6,166.21
(c) Plant and Equipment										
Furniture and Fixtures	11,076.05	863.10	0.14	11,939.01	3,741.89	(1,084.13)	0.13	25.27	9,256.11	7,334.16
(d) Vehicles	210.35	111.08	10.26	311.17	117.55	(32.16)	8.21	13.06	220.93	92.80
(e) Office Equipment	208.42	10.33	18.98	199.77	111.51	(22.52)	12.06	0.11	122.73	96.91
(f) Audio Visual Van & Equipment	1,229.40	136.16	59.55	1,306.01	752.59	(90.94)	55.13	77.21	622.28	476.81
(g) Total	153.10	7.79	5.68	155.21	104.94	(21.11)	5.54	16.59	60.33	48.16
Total	42,814.16	3,560.93	102.81	46,272.28	8,883.51	(1,258.87)	90.51	556.96	38,181.19	33,930.65
B. Capital Work in Progress									6,771.84	2,044.79
Total (A+B)									44,953.03	35,975.44

Notes forming part of the financial statements
Note : 11(i) Fixed assets Continued

During the previous year, the Company changed its accounting policy of providing depreciation on fixed assets effective April 1, 2014. Depreciation is now provided on Straight Line basis for all assets which was hitherto depreciated on Written Down Value basis, and on Straight Line basis for other assets. Accordingly an amount of Rs. 2,895.61 Lakhs for the period up to 31 March, 2014 had been recognized and disclosed as an 'Exceptional Item', in the Statement of Profit and Loss in the previous year.

For the previous year, pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013, the Company has fully depreciated the carrying values of assets (determined after considering the change in the method of depreciation from WDV to SLM) where the remaining useful life of the asset was determined to be NIL as at April 1, 2014, and had adjusted an amount of Rs 367.64 Lakhs (net of deferred tax of Rs. 189.31 Lakhs) against the opening surplus balance in the Statement of Profit and Loss under "Reserves and Surplus".

The details of previously applied depreciation method, rates / useful life are as follows:

Asset	Basis	Previous depreciation rate / useful life	Useful life as per Schedule II	Useful Life Adopted
Factory Buildings	Schedule - II	30 years	30 years	30 years
Other Than factory Buildings	Schedule - II	30 years	30 years	30 years
Computers and Data Processing Equipment (included in Plant & Equipment)	Schedule - II	6 years	3 years / 6 years	3 years / 6 years
Plant and Equipment - Continuous Process Plant	Schedule - II	19 years	25 years	25 years
Plant and Equipment - Other than Continuous Process Plant	Schedule - II	20 years	15 years	15 years
Furniture and Fixtures	Schedule - II	15 years	10 years	10 years
Vehicles	Schedule - II	10 years	8 years	8 years
Office Equipment	Schedule - II	20 years	5 years	5 years
Audio Visual Van & Equipment	Schedule - II	20 years	8 years	8 years

Note 11(ii)

Includes amount added on revaluation Rs. 895.60 Lakhs (Previous Year Rs. 948.70 Lakhs), as on 31 March 1995.

Note 11(iii)

Buildings include undivided share of Land, the value of which is not separately ascertainable.

Notes forming part of the financial statements

Note 12 Deferred tax assets (net)		Rupees in Lakhs	
Particulars	As at 31 March, 2016	As at 31 March, 2015	
Deferred tax (liability) / asset			
<u>Tax effect of items constituting deferred tax liability</u>			
On difference between book balance and tax balance of fixed assets	1,928.85	1,751.84	
<u>Tax effect of items constituting deferred tax assets</u>			
Provision for compensated absences, gratuity and other employee benefits	72.38	104.86	
Provision for doubtful debts / advances	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	
Others	522.09	250.60	
Net deferred tax (liability) / asset	8,050.66	4,537.55	

Note 13 Non-current investments		Rupees in lakhs	
		As at 31 March, 2016	As at 31 March, 2015
Investments (At cost):			
A. Trade			
(a) Investment in equity instruments of subsidiaries (Unquoted)			
1	IPL Gujarat Port Ltd 1,000,000 (As at 31 March, 2015: 1,000,000) shares of Rs. 10 each fully paid up	100.00	100.00
2	Goldline Milkfood and Allied Industries Limited 69,426 (As at 31 March, 2015: 69,426) shares of Rs. 100 each fully paid up	67.08	67.08
3	IPL Sugars and Allied Industries Limited 1,000,000 (As at 31 March, 2015: 1,000,000) shares of Rs. 10 each fully paid up	100.00	100.00
	Total - Trade (A)	267.08	267.08
B. Other investments			
(a) Investment in equity instruments of other entities(Unquoted)			
1	IFFCO - Tokio General Insurance Co. Limited 3,662,772 (As at 31 March, 2015: 3,662,772) shares of Rs. 10 each fully paid up	671.15	671.15

Notes forming part of the financial statements
Note 13 Non-current investments (continued)

Rupees in lakhs

Note 13 Non-current investments		Rupees in lakhs	
		As at 31 March, 2016	As at 31 March, 2015
2	Mittal Chambers Owners Premises Co-Society Limited Nil (As at 31 March, 2015: 5) shares of Rs. 50 each fully paid up	-	-
3	Suhavan and Supath Members Association Nil (As at 31 March, 2015: 10) shares of Rs. 100 each fully paid up	-	0.01
4	New India Co-Operative Bank Limited 300 (As at 31 March, 2015: 150) shares of Rs. 10 each fully paid up	0.03	0.03
5	Indian Commodity Exchange Limited (20,000,000 (As at 31 March, 2015: 20,000,000) shares of Rs. 5 each fully paid up)	1,000.00	1,000.00
6	BSE Ltd (Refer note below)	150.00	150.00
7	SBC Owners Welfare Society	-	23.16
(b) Investment in government securities			
Government securities (Unquoted)			
1	National Savings Certificate - VIII Issue (nominal value of Rs. 10,000 each)	2.00	0.50
2	National Savings Certificate - VIII Issue (nominal value of Rs. 5,000 each)	1.50	2.00
3	IRFC Tax Free Bonds - 2030 (75,500 Bonds of nominal value of Rs.1,000 each)	755.00	-
4	NHAI Tax Free Bonds - 2031 (285,698 Bonds of nominal value of Rs.1,000 each)	2,856.98	-
5	HUDCO Tax Free Bond - 2031 (140,139 Bonds of nominal value of Rs.1,000 each)	1,401.39	-
		6,838.05	1,846.85
	Less: Provision for Diminution in value of Investment	820.00	820.00
	Total - Other investments (B)	6,018.05	1,026.85
	Total - Aggregate amount of Non-Current Investments (A+B)	6,285.13	1,293.93
Note: 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.			

Notes forming part of the financial statements
Note 14 Long-term loans and advances
(Unsecured and considered good unless otherwise stated)

Particulars	Rupees in Lakhs	
	As at 31 March, 2016	As at 31 March, 2015
(a) Capital advances	-	358.70
(b) Security deposits	666.33	623.88
(c) Loans and advances to a wholly owned subsidiary	3,525.33	3,727.44
(d) Loans and advances to employees		
Secured, considered good	9.78	9.58
Unsecured, considered good	24.68	50.34
	34.46	59.92
(e) Balances with government authorities (includes amounts paid under protest)		
(i) Provident fund Commissioner	16.34	16.34
(ii) District High Courts	4.37	4.37
(iii) Labour Courts	15.02	15.02
(iv) Sales tax authorities	37.96	37.53
(v) Land Acquisition Officer	2.97	2.97
(vi) Excise authorities	4.67	3.12
(vii) Commissioner of sugars	10.04	10.04
	91.37	89.39
(f) Advance tax (net of provision Rs.100,302.11 Lakhs)	-	4,763.40
Total	4,317.49	9,622.73

Particulars	Rupees in Lakhs	
	As at 31 March, 2016	As at 31 March, 2015
(1) Special Fertiliser Bonds - 2022 - 7.00%	32,453.35	32,453.35
(2) Special Fertiliser Bonds - 2022 - 6.65%	0.05	0.05
Total	32,453.40	32,453.40

Notes forming part of the financial statements

Note 16 Current investments		Rupees in Lakhs	
Particulars	As at 31 March, 2016	As at 31 March, 2015	
Other current investments (At lower of cost and market value, unless otherwise stated)			
(a) Investment in government securities (Unquoted)			
(i) National Savings Certificate - VIII Issue (nominal value of Rs. 10,000 each)	1.40	0.90	
(ii) National Savings Certificate - VIII Issue (nominal value of Rs. 5,000 each)	1.05	0.05	
(ii) National Savings Certificate - VIII Issue (nominal value of Rs. 1,000 each)	0.15	0.15	
(ii) National Savings Certificate - VIII Issue (nominal value of Rs. 500 each)	0.01	0.01	
	2.61	1.11	
(b) Investment in mutual funds (Unquoted)			
SBI Mutual Fund	15,010.34	-	
HDFC Mutual Fund	12,006.80	-	
RELIANCE Mutual Fund	15,009.28	-	
	42,029.02	1.11	
Aggregate amount of Current Investments	42,029.03	1.11	

Note 17 Inventories (At lower of cost and net realisable value)		Rupees in Lakhs	
Particulars	As at 31 March, 2016	As at 31 March, 2015	
(a) Raw materials	1,486.16	1,539.08	
(b) Work-in-progress (Refer Note (i) below)	3,393.98	3,172.24	
(c) Finished goods (other than those acquired for trading)	22,099.50	28,295.09	
(d) Stock-in-trade (acquired for trading)	166,432.94	155,143.75	
(e) Stores and spares	780.59	900.09	
(f) Packing Materials	1,444.76	1,792.25	
Total	195,637.93	190,842.50	

Notes forming part of the financial statements

Note (i) : Details of inventory of work-in-progress		
Particulars	As at 31 March, 2016	As at 31 March, 2015
Sugar	243.26	385.71
Molasses & others	236.20	-
Green SSP	2,914.52	2,786.53
Total	3,393.98	3,172.24

Note 18 Trade receivables		Rupees in Lakhs	
Particulars	As at 31 March, 2016	As at 31 March, 2015	
Trade receivables outstanding for a period exceeding six months from the date they were due for payment			
Unsecured, considered good	165,179.02	126,216.67	
Doubtful	20,609.98	9,601.86	
	185,789.00	135,818.53	
Less: Provision for doubtful trade receivables	20,609.98	9,601.86	
	165,179.02	126,216.67	
Other Trade receivables			
Unsecured, considered good	252,378.67	244,252.93	
	252,378.67	244,252.93	
Total	417,557.69	370,469.60	

Note 19 Cash and cash equivalents		Rupees in Lakhs	
Particulars	As at 31 March, 2016	As at 31 March, 2015	
(a) Cash on hand	33.78	24.60	
(b) Balances with banks			
(i) In current accounts	9,190.20	14,876.19	
(ii) In deposit accounts (Refer Note (i) and (ii) below)	224.79	95,589.45	
(iii) In unpaid dividend account	30.84	25.52	
(iv) Molasses storage fund Deposit account	61.74	82.19	
Total	9,541.35	110,597.95	

Notes forming part of the financial statements
Note 19 Cash and cash equivalents (Continued)

Rupees in Lakhs

Particulars	As at 31 March, 2016	As at 31 March, 2015
i) Balances with banks includes deposits with remaining maturity of more than 12 months from the Balance Sheet date.	286.53	171.64
ii) Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 <i>Cash Flow Statements</i>	9,223.98	110,400.79

Note 20 Short-term loans and advances
(Unsecured and considered good unless otherwise stated)

Rupees in Lakhs

Particulars	As at 31 March, 2016	As at 31 March, 2015
(a) Loans and advances to employees	43.66	18.47
(b) Prepaid expenses	1,281.79	464.50
(c) Balances with government authorities		
CENVAT Credit Receivable	182.42	220.10
VAT Credit Receivable	46.74	80.81
Purchase Tax and Others	21.87	21.87
	251.03	322.78
(d) Customs Duty Receivable		
Unsecured, considered good	0.00	781.07
Doubtful	706.86	706.86
	706.86	1,487.93
Less: Provision for doubtful advances	706.86	706.86
	0.00	781.07
(e) MAT Credit entitlement	2,590.00	-
(f) Trade Advances		
Unsecured, considered good	10,183.43	11,455.85
Doubtful	428.57	428.57
	10,612.00	11,884.42
Less: Provision for doubtful advances	428.57	428.57
	10,183.43	11,455.85
Total	14,349.91	13,042.67

Notes forming part of the financial statements

Note 21 Other current assets		Rupees in Lakhs	
Particulars	As at 31 March, 2016	As at 31 March, 2015	
(a) Accruals			
(i) Interest accrued on Deposits	145.78	355.60	
(ii) Interest accrued on Bonds	883.83	807.04	
(iii) Due from Ministry of Chemicals and Fertilizers, Government of India - For Urea Handling			
Unsecured, considered good	105,541.85	15,253.87	
Doubtful	2,080.14	2,080.14	
	107,621.99	17,334.01	
Less: Provision for doubtful advances	2,080.14	2,080.14	
	105,541.85	15,253.87	
Total	106,571.46	16,416.51	

Note 22 Revenue from operations		Rupees in Lakhs	
Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015	
(a) Sale of products (Refer Note (i) below)	1,264,954.66	1,176,450.64	
(b) Government Subsidy (Refer Note (ii) below)	368,901.07	375,666.92	
(c) Sale of services (Refer Note (iii) below)	466.01	387.87	
(d) Other operating revenues (Refer Note (iv) below)	13,562.90	2,781.74	
	1,647,884.64	1,555,287.17	
Less: Excise duty	1,791.26	1,047.48	
Total	1,646,093.38	1,554,239.69	

Notes forming part of the financial statements

Note 22 Revenue from operations (Continued)		Rupees in Lakhs	
Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015	
(i) Sale of products comprises :			
Manufactured goods			
Sugar & By Products	34,887.67	28,817.34	
Cattle feed Products	7,321.49	5,415.26	
Milk & Milk Products	5,477.30	3,840.09	
Total - Sale of manufactured goods	47,686.46	38,072.69	
Traded goods			
Muriate of Potash	345,376.84	380,985.69	
Di Ammonium Phosphate	317,910.23	296,693.28	
Urea	466,626.98	367,572.98	
Complex Fertilisers	48,469.50	50,307.45	
Others	38,884.65	42,818.55	
Total - Sale of traded goods	1,217,268.20	1,138,377.95	
Total - Sale of products	1,264,954.66	1,176,450.64	
(ii) Government Subsidy comprises :			
Traded goods			
Muriate of Potash	146,166.86	160,925.32	
Di Ammonium Phosphate	190,262.79	183,776.76	
Complex Fertilisers	27,469.33	26,779.41	
Others	5,002.09	4,185.43	
Total - of Subsidy	368,901.07	375,666.92	
(iii) Service Income on handling Urea & other Fertilisers	466.01	387.87	
Total - Sale of services	466.01	387.87	
(iv) Other operating revenues comprise :			
Differential Freight claim on Urea handling	9,831.27	-	
Sale of Exim Scrips	-	-	
Cane Purchase Subsidy	2,141.62	1,663.23	
Amount received from suppliers/agents towards Shortages	27.14	452.19	
Despatch / Demurrage (net)	1,562.87	666.32	
Total - Other operating revenues	13,562.90	2,781.74	

Notes forming part of the financial statements

Note 23 Other income		Rupees in Lakhs	
Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015	
Interest income (Refer Note (i) below)	3,436.85	3,209.22	
Dividend income for current investments:			
Mutual funds	2,057.58	5,851.31	
Other non-operating income : (Refer Note (ii) below)	13,434.74	2,617.76	
Total	18,929.17	11,678.29	

		Rupees in Lakhs	
Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015	
(i) Interest income comprises:			
Interest from banks on:			
Deposits	243.86	206.95	
Interest on overdue trade receivables	509.40	395.47	
Interest income from current investments :			
Special Fertiliser Bonds	2,606.80	2,606.80	
Other Bonds	76.79	-	
Total - Interest income	3,436.85	3,209.22	

		Rupees in Lakhs	
Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015	
(ii) Other non-operating income comprises:			
Profit on sale of fixed assets (Net)	-	253.85	
Profit on sale of Investments	3,385.22	27.13	
Miscellaneous income	657.54	708.65	
Liabilities/ duties no longer required, written back	7,457.05	37.80	
Provision for bad trade and other receivables no longer required written back	270.62	455.85	
Receipts towards Insurance Claims	970.28	1,089.60	
Bad trade and other receivables recovered	10.58	44.88	
Net Gain on foreign currency transactions and translation (other than considered as finance cost)	683.45	-	
Total - Other non-operating income	13,434.74	2,617.76	

Notes forming part of the financial statements

Note 24.a Cost of materials consumed		Rupees in Lakhs
Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Opening stock	1,539.08	3,604.97
Add: Purchases	45,064.28	42,824.53
	46,603.36	46,429.50
Less: Closing stock	1,486.16	1,539.08
Cost of material consumed (Refer Note 23 d below)	45,117.20	44,890.42
Material consumed comprises:		
Sugarcane	25,998.09	30,244.23
Others	19,119.11	14,646.19
Total	45,117.20	44,890.42

Note 24.b Purchase of traded goods		Rupees in Lakhs
Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Muriate of Potash	379,735.20	479,850.96
Di-Ammonium Phosphate	436,324.16	417,593.08
Urea	450,236.27	353,100.76
Complex Fertilisers	74,309.49	65,545.31
Others	16,726.03	38,910.44
Total	1,357,331.15	1,355,000.55

Note 24.c Changes in inventories of finished goods, work-in-progress and stock-in-trade		
Particulars	Rupees in Lakhs	
	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Inventories at the end of the year:		
Finished goods	22,099.50	28,295.09
Work-in-progress	3,393.98	3,172.24
Stock-in-trade	166,432.94	155,143.75
	191,926.42	186,611.08
Inventories at the beginning of the year:		
Finished goods	28,295.09	27,704.58
Work-in-progress	3,172.24	544.71
Stock-in-trade	155,143.75	85,344.29
	186,611.08	113,593.58
Net (increase) / decrease	(5,315.34)	(73,017.50)

Notes forming part of the financial statements

Note 24.d Details of consumption of imported and indigenous items	For the year ended 31 March, 2016	
	Rupees in Lakhs	%
<u>Imported</u>		
Raw materials	-	0.00
	(4,594.49)	5.00
<u>Indigenous</u>		
Raw materials	45,117.20	100.00
	(40,295.93)	95.00
Note: Figures / percentages in brackets relate to the previous year		

Note 25 Manufacturing & Operational Expenses	Rupees in Lakhs	
	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Particulars		
Discharge & clearance expenses	21,853.78	25,394.91
Packing materials Consumed - indigenous	15,278.54	17,299.23
Restitching & Rebagging Charges	69.33	123.66
Freight and Forwarding charges	85,522.52	80,725.82
Sales Tax Surcharge	1.21	(27.30)
Godown Rent	4,519.40	3,812.73
Storage & Transit Insurance	817.13	390.27
Shortages	52.34	116.30
Total	128,114.25	127,835.62

Note 26 Employee benefits expense	Rupees in Lakhs	
	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Particulars		
Salaries and wages	4,823.12	4,582.53
Contributions to provident and other funds (Refer Note below)	498.40	824.99
Staff welfare expenses	142.01	146.66
Total	5,463.53	5,554.18

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.402.71 Lakhs (Year ended 31 March, 2015 Rs. 405.33 Lakhs) for Provident Fund contributions and Rs.40.33 Lakhs (Year ended 31 March, 2015 Rs. 33.23 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.”

Notes forming part of the financial statements

Note 27 Finance costs		Rupees in Lakhs	
Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015	
(a) Interest expense on:			
Borrowings	10,622.70	12,453.10	
(b) Other borrowing costs	2,206.23	2,192.95	
(c) Net loss on foreign currency transactions and translation (considered as finance cost)	38,318.82	12,131.04	
Total	51,147.75	26,777.09	

Note 28 Other expenses		Rupees in Lakhs	
Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015	
Consumption of stores and spare parts (Note (i) below)	336.19	413.75	
Power and fuel	1,423.58	1,415.50	
Rent including lease rentals (Refer Note 36)	641.17	612.44	
Repairs and maintenance - Buildings	130.91	320.35	
Repairs and maintenance - Machinery	1,063.73	1,061.39	
Repairs and maintenance - Others	81.81	188.27	
Insurance	34.59	53.24	
Rates and taxes (Refer note (ii) below)	402.03	176.38	
Communication	76.00	75.13	
Travelling and conveyance	336.75	353.79	
Printing and stationery	51.56	55.99	
Sales discount	38,686.98	31,116.41	
Business promotion	24.12	16.16	
Legal and professional	449.74	397.77	
Corporate Social Responsibility Expenses (Refer note 39)	15.26	79.19	
Directors sitting Fees and Commission	23.68	20.67	
Payments to auditors (Refer Note (iii) below)	54.65	56.62	
Bad trade and other receivables written off	915.19		
Less: Release from provision	<u>11.38</u>		
	903.81	2,460.54	

Notes forming part of the financial statements

Note 28 Other expenses (Continued)	Rupees in Lakhs	
Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Loss on fixed assets sold /written off	0.46	-
Adjustments to the carrying amount of investments - reduction in the carrying amount of current investments	-	820.00
Provision for doubtful trade and other receivables, loans and advances	11,290.12	5,094.41
Net loss on foreign currency transactions and translation (other than considered as finance cost)	-	5,218.73
Miscellaneous expenses	598.71	550.69
Total	56,625.85	50,557.42

Note (i) Details of consumption of imported and indigenous items *	For the year ended 31 March, 2016	
	Rupees in Lakhs	%
<u>Imported</u> Spare parts	-	-
<u>Indigenous</u> Spare parts	336.19 (413.75)	100.00 (100.00)
Note: Figures / percentages in brackets relate to the previous year		

Note (ii)
Total Excise duty for the year excluding excise duty relating to difference between the closing stock and opening stock have been disclosed as deduction from turnover. Excise duty of Rs.277.47 Lakhs (Previous year - Rs. 108.17 Lakhs) relating to difference between the closing stock and opening stock has been adjusted/included in "Rate and Taxes" respectively above.

Note (iii)	For the year ended 31 March, 2016	For the year ended 31 March, 2015
As auditors - statutory audit	25.00	25.00
For taxation matters	1.50	1.50
For other services	21.23	23.36
Reimbursement of expenses	6.92	6.76
Total	54.65	56.62

Notes forming part of the financial statements

	Rupees in Lakhs					
	2015-16	2014-15				
29. Estimated amount of Contracts remaining to be executed and not provided for (net of advances)						
On Tangible Assets	720.00	1,050.00				
On Purchase of Traded Goods	110,525.00	NIL				
30. Contingent Liabilities						
i. Outstanding guarantees and indemnities given by the Company (excluding performance guarantees)	21,177.85	21,230.81				
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 contested in Appeals not provided:						
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Appeal pending before</th> <th style="width: 50%;">Assessment Year</th> </tr> </thead> <tbody> <tr> <td>Commissioner of Income Tax (Appeals)</td> <td style="text-align: center;">2002-03 to 2012-13</td> </tr> </tbody> </table>		Appeal pending before	Assessment Year	Commissioner of Income Tax (Appeals)	2002-03 to 2012-13
Appeal pending before	Assessment Year					
Commissioner of Income Tax (Appeals)	2002-03 to 2012-13					
	-	5,582.48				
iv. Disputed income tax demands for which the department has preferred an appeal before the Income Tax Appellate Tribunal.	5,276.27	-				
v. Central Excise, Trade Tax and Service Tax matters under appeal	331.05	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.						
31. C.I.F. Value of Imports - Traded Goods	1,285,599.56	1,257,378.00				
32. Foreign Exchange Receipts						
1. a. Recoveries of despatch earnings on imports	2,211.39	2,100.35				
b. Marine Insurance / Rebate etc. netted of against related expenses	57,801.58	39,155.04				
2. Earnings in Foreign Exchange						
FOB Value of Exports	13,768.16	14,708.19				
33. Expenditure incurred in Foreign Currency:						
Travel & Others	28.43	53.12				

Notes forming part of the financial statements
34. Related Party Transactions

List of Related Parties (as identified 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 IPL Sugars and Allied Industries Limited IPL Gujarat Port Limited Srikrishna Fertilizers Limited	Indian Farmers Fertiliser Co.operative Ltd - (IFFCO)	Dr.P.S.Gahlaut

Transaction with related parties :

Rupees in Lakhs

Particulars	Subsidiary Company		Investing Party		KMP	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Sale of Goods						
- GMAIL	275.14	546.70				
- IFFCO			117,995.28	122,376.00		
Loans given to/ (received back) from Subsidiaries						
- IPL Sugars and Allied Industries Limited	(330.72)	21.32				
- IPL Gujarat Port Limited	-	-				
- GMAIL	65.52	200.00				
- SKFL	112.52	16.60				
Services availed						
- SKFL	10.97	-				
Insurance Charges incurred / Rebate given						
- IFFCO			13,093.82	7,656.86		
Remuneration to Managing Director					57.59	50.70
Dividends Paid			121.50	121.50		
Balance Outstanding as on March 31, 2016						
Balance receivable						
- IFFCO			12.82	20.14		
- IPL Sugars and Allied Industries Limited	2,895.05	3,225.77				
- GMAIL	546.37	480.85				
- SKFL	133.34	20.82				
Balance Payable						
- IFFCO			3580.02	940.51	12.70	12.40

Notes forming part of the financial statements
35. Segment Information for the year ended March 31, 2016

The Company has identified Business Segment as the primary segment for disclosure.

The business segments are

- Fertilisers - Trading of fertilisers
- Others - Manufacturing of Cattle feed / Poultry feed, Sugar and its related by-products, Milk and Milk Products and trading of Gold and other precious metals.

The above segments have been identified based on the organisational structure as well as the differing risk and returns of these segments.

Segment assets include all operating assets used by respective segment and consist of operating cash, debtors, inventories and fixed assets net of allowances and provisions. Segment liabilities include all operating liabilities and consist primarily of creditors and accrued liabilities. Segment assets and liabilities do not include income tax assets and liabilities.

Information about Primary Business Segments

Rupees in Lakhs

A PRIMARY SEGMENT INFORMATION	2015-16			2014-15			
	Particulars	Fertiliser	Others	Total	Fertiliser	Others	Total
1. REVENUE							
External Sales	1,597,254.20	48,839.18	1,646,093.38	1,515,044.15	39,195.54	1,554,239.69	
Other Income	9,768.60	280.92	10,049.52	2,118.25	499.52	2,617.77	
Total Revenue	1,607,022.80	49,120.10	1,656,142.90	1,517,162.40	39,695.06	1,556,857.46	
2. RESULT							
Segment Result	71,606.74	(3,593.72)	68,013.02	48,566.45	(3,189.94)	45,376.51	
Unallocated Corporate Expenses			(997.84)			(976.48)	
Interest Expenses			(51,147.75)			(26,777.09)	
Interest Received			3,436.85			3,209.22	
Dividend Income & Profit on Sale of - investment			5,442.80			5,851.31	
Exceptional item			-			2,895.61	
Profit before tax			24,747.08			29,579.07	
Income tax (Net Profit)			(8,556.38)			(8,453.37)	
Net Profit			16,190.70			21,125.70	
3. OTHER INFORMATION							
Segment Assets	742,148.39	49,235.06	791,383.45	682,341.30	67,677.65	750,018.95	
Unallocated Corporate assets			92,431.73			44,212.03	
Total Assets			883,815.18			794,230.98	
Segment Liabilities	667,829.56	13,561.97	681,391.53	607,753.40	13,308.85	621,062.25	
Unallocated Corporate liabilities			15,905.19			2,324.70	

Notes forming part of the financial statements

A PRIMARY SEGMENT INFORMATION	2015-16			2014-15			
	Particulars	Fertiliser	Others	Total	Fertiliser	Others	Total
Total Liabilities							623,386.95
Capital Expenditure	1,830.76	2,051.38	3,882.14	2,262.40	1,298.34		3,560.74
Depreciation (including impairment losses)	697.17	1,093.91	1,791.08	1,636.74	-		1,636.74
Non-Cash expenses other than depreciation:							
Provision for diminution in the value of Bonds	0.00	0.00	0.00	-	820.00		820.00
Provision for Bad and doubtful debts	11,290.12	-	11,290.12	5,094.41	-		5,094.41

Unallocated Corporate Assets includes Special Fertilizer Bonds of Rs. 32,453.40 Lakhs, classified as Other Non-Current Assets as 31 March, 2016.

Revenue

Rupees in Lakhs

B. SECONDARY SEGMENT INFORMATION	2015-16			2014-15		
	Geographical Segments	India	Rest of the world	Total	India	Rest of the world
Revenue by Geographical area	1,645,430.17	10,712.73	1,656,142.90	1,540,933.02	15,924.44	1,556,857.46
Carrying amount of Segment Assets	883,447.31	367.87	883,815.19	790,236.57	3,994.41	794,230.98
Additions to Tangible and Intangible assets	3,882.14	-	3,882.14	3,560.74	-	3,560.74

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.

36. 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 forming part of the financial statements

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, 2016	As at March 31, 2015
Not later than one year	486.80	469.20
Later than one year but not later than Five years	1,483.85	1,970.64
Later than Five years	-	-
Total	1,970.65	2,439.85

Lease payments recognised in the statement of Profit & Loss 472.26 472.26

Note 37 Earnings per share

Rupees in Lakhs

Particulars	Year ended 31-Mar-16	Year ended 31-Mar-15
Net Profit for the Year	16,190.70	21,125.70
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.)	113.23	147.75

38 Details on derivative instruments and unhedged foreign currency exposures

- (i) Outstanding forward exchange contracts entered into by the Company as on 31 March, 2016

Currency	Amount	Buy / Sell	Cross currency
USD	10,000,000.00	Buy	Rupees
USD	(20,216,000.00)	Buy	Rupees
EURO	-	Buy	Rupees
EURO	(213,690.13)	Buy	Rupees

Note: Figures in brackets relate to the previous year

- (ii) The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

As at 31 March, 2016		As at 31 March, 2015	
Receivable / (Payable)	Receivable/ (Payable) in Foreign currency	Receivable / (Payable)	Receivable/ (Payable) in Foreign currency
Rs. in Lakhs	(indicate amount with currency)	Rs. in Lakhs	(indicate amount with currency)
4,263.31	USD 6,434,700.00	6,270.16	USD 10,031,460.54
(484,356.72)	(USD 731,049,303.42)	(506,746.28)	(USD 810,729,193.70)
-	-	855.09	AED 5,027,165.17
-	-	(6,725.08)	(EURO 10,003,967.49)

Notes forming part of the financial statements

39. As per Section 135 of Companies Act, 2013, the company is required to spend Rs. 521.00 Lakhs towards CSR activities. The company has so far spent Rs. 15.26 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
40. 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 2016 in its meeting held on 22 June 2016.
41. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors

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 : 22nd June, 2016



IPL

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF INDIAN POTASH LIMITED****Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of INDIAN POTASH LIMITED (hereinafter referred to as “the Holding Company”) and its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”), comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated 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 and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, as applicable. 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 financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 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 financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the

consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated 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 Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 31st March, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

We did not audit the financial statements of four subsidiaries, whose financial statements reflect total assets of Rs. 525.22 Lakhs as at 31st March, 2016, total revenues of Rs.6,127.65 Lakhs and net cash flows amounting to Rs. 55.07 Lakhs for the year ended on that date, as considered in the consolidated 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 financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, 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

1. As required by Section 143(3) of the Act, 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 financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under Section 133 of the Act, as applicable.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India is disqualified as on 31st March, 2016 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 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 Holding company’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, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated 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 Holding Company and its subsidiary incorporated in India.

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

Geetha Suryanarayanan
(Partner)
(Membership No. 29519)

Place : Chennai
Date : 22nd June , 2016

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 financial statements of the Company as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of INDIAN POTASH 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 Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 and the audit evidence obtained by the other auditors of the subsidiary companies, which 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 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 Holding Company and its subsidiary 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, 2016, 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".

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 four subsidiary companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

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

Geetha Suryanarayanan
(Partner)
(Membership No. 29519)

Place : Chennai

Date : 22nd June , 2016



INDIAN POTASH LIMITED

Consolidated Balance Sheet as at 31 March, 2016

Rupees in Lakhs

Particulars	Note No.	As at 31 March, 2016	As at 31 March, 2015
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	1,429.86	1,429.86
(b) Reserves and surplus	4	185,512.67	169,949.90
		186,942.53	171,379.76
2 Non-current liabilities			
(a) Long-term borrowings	5	1,142.60	1,718.12
(b) Deferred tax liabilities		2.05	3.10
(c) Other long-term liabilities	6	183.60	180.79
(d) Long term provisions	7	20.34	18.24
Total of Non - Current Liabilities		1,348.59	1,920.25
3 Current liabilities			
(a) Short-term borrowings	8	565,818.25	448,309.83
(b) Trade payables	9		
(i) Total outstanding dues of micro enterprises and small Enterprises		-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small Enterprises		48,218.83	99,334.86
(c) Other current liabilities	10	70,520.54	73,473.30
(d) Short-term provisions	11	11,491.68	430.24
Total of - Current Liabilities		696,049.30	621,548.23
TOTAL		884,340.42	794,848.24
B ASSETS			
1 Non-current assets			
(a) Fixed assets	12		
(i) Tangible assets		40,174.37	38,466.51
(ii) Capital work-in-progress (including expenditure incurred during construction period)		7,565.06	6,943.64
		47,739.43	45,410.15
(b) Goodwill on consolidation		409.83	409.83
(c) Deferred tax asset (net)	13	8,050.66	4,537.55
(d) Non Current Investments	14	6,018.05	1,026.85
(e) Long-term loans and advances	15	792.15	9,007.49
(f) Other Non current assets	16	32,524.35	32,453.40
Total of Non - Current Assets		95,534.47	92,845.27
2 Current assets			
(a) Current investments	17	42,029.04	1.11
(b) Inventories	18	195,639.45	190,904.14
(c) Trade receivables	19	417,526.88	370,469.60
(d) Cash and cash equivalents	20	10,147.40	111,148.92
(e) Short-term loans and advances	21	16,873.13	13,051.05
(f) Other current assets	22	106,590.05	16,428.15
Total of - Current Assets		788,805.95	702,002.97
		884,340.42	794,848.24

See accompanying notes forming part of the 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 : 22nd June, 2016



INDIAN POTASH LIMITED

Consolidated Statement of Profit and Loss for the year ended 31 March, 2016

Rupees in Lakhs

Particulars	Note No.	For the year ended 31 March, 2016	For the year ended 31 March, 2015
1 Revenue from operations (gross)	23	1,654,012.29	1,565,059.97
Less: Excise duty		1,791.26	1,047.48
Revenue from operations (net)		1,652,221.03	1,564,012.49
2 Other income	24	18,984.86	11,732.35
3 Total revenue (1+2)		1,671,205.89	1,575,744.84
4 Expenses			
(a) Cost of materials consumed	25 a.	50,823.44	53,979.78
(b) Purchases of stock-in-trade	25 b.	1,357,331.15	1,355,000.55
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	25 c.	(5,305.60)	(73,010.32)
(d) Manufacturing and Operational expenses	26	128,393.66	128,311.75
(e) Employee benefits expense	27	5,549.87	6,056.98
(f) Finance costs	28	51,147.91	26,779.65
(g) Depreciation and amortisation expense	12	1,823.36	1,677.75
(h) Other expenses	29	56,785.73	50,194.51
Total expenses		1,646,549.52	1,548,990.65
5 Profit before exceptional items (3-4)		24,656.37	26,754.18
6 Exceptional Item (Refer Note No. 12(i))		-	2,895.61
7 Profit before tax (5+6)		24,656.37	29,649.79
8 Tax expense:			
(a) Current tax		11,909.92	8,834.08
(b) Deferred tax		(3,514.16)	(349.26)
(c) Tax Expenses relating to earlier years		171.72	0.52
		8,567.48	8,485.34
9 Profit after Tax (7-8)		16,088.89	21,164.45
Basic /Diluted Earnings Per Share (Face value of Rs. 10 each)		112.52	148.02
See accompanying notes forming part of the 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 : 22nd June, 2016

Consolidated Cash Flow Statement
Rupees in Lakhs

Description	For the year ended 31 March 2016		For the year ended 31 March 2015	
A. Cash flow from operating activities				
Profit before tax and exceptional items		24,656.37		26,754.18
<u>Adjustments for :</u>			-	
Depreciation and amortisation expense	1,823.36		1,677.75	
(Profit) / Loss on sale of assets	0.46		(253.85)	
Profit on sale of Investments	(3,385.22)		(27.13)	
Finance costs	51,147.75		26,779.65	
Interest income	(3,436.85)		(3,209.22)	
Dividend income	(2,057.58)		(5,851.31)	
Provision for liabilities/ duties no longer required	(7,457.05)		(37.80)	
Provision for bad trade and other receivables no longer required	(270.62)		(455.85)	
Provision for diminution to the carrying amount of Long term investments	-		820.00	
Provision for doubtful trade receivables	11,290.12		5,094.41	
Bad Debts Written Off	903.81		2,460.54	
Net unrealised exchange (gain) / loss	4,776.23	53,334.41	7,651.63	34,648.81
Operating profit before working capital changes		77,990.78		61,402.99
Adjustments for (increase) / decrease in operating assets :				
Inventories	(4,735.31)		(71,413.08)	
Trade receivables	(59,058.17)		66,166.20	
Short-term loans and advances	2,673.74		(1,381.76)	
Long-term loans and advances	541.84		(625.63)	
Other current assets	(90,294.37)		(7,236.31)	
Adjustments for increase / (decrease) in operating liabilities :				
Trade payables	(51,447.31)		(91,974.29)	
Other current liabilities	416.80		7,618.02	
Other long-term liabilities	2.81		3.06	
Short-term provisions	(24.16)		5.87	
Long-term provisions	2.10		4.89	
Cash generated from operations		(201,922.03)		(98,833.02)
Net income tax (paid) / refunds		1,113.77		(12,167.24)
Net cash flow from / (used in) operating activities (A)		(122,817.48)		(49,597.27)
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital work in progress & advances	(4,176.41)		(8,310.50)	
Proceeds from sale of fixed assets	22.49		266.15	
Bank balances not considered as Cash and cash equivalents				
- Placed	(114.89)		(9.29)	
Current investments not considered as Cash and cash equivalents				
- Purchased	(1,650,747.86)		(1,386,570.68)	
- Proceeds from sale	1,614,164.23		1,392,449.12	



INDIAN POTASH LIMITED

Description	For the year ended 31 March 2016		For the year ended 31 March 2015	
Purchase of long-term investments				
- Others	(5,014.37)		(273.17)	
Interest received				
- Fertilizer Bonds	2,530.01		2,606.80	
- Others	1,039.86		327.78	
Net cash flow (used in) / from investing activities (B)		(42,296.94)		486.22
C. Cash flow from financing activities				
Proceeds from long-term borrowings	2,728.40		63.73	
Repayment of long-term borrowings	(330.72)		(10.00)	
Net increase in working capital borrowings	-		(33,865.83)	
Proceeds from other short-term borrowings	112,336.80		437,864.44	
Repayment of other short-term borrowings	(94.51)		(281,910.40)	
Finance costs	(50,222.37)		(27,244.80)	
Dividends paid	(352.15)		(352.15)	
Tax on dividend	(72.77)		(60.75)	
Share Application Money received/paid	-		-	
Net cash from financing activities (C)		63,992.68		94,484.24
Net (decrease) / increase in Cash and cash equivalents (A+B+C)		(101,121.74)		45,373.19
Cash and cash equivalents at the beginning of the year		110,951.77		65,578.57
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents		-		-
Cash and cash equivalents at the end of the year		9,830.03		110,951.76
See accompanying notes forming part of the Financial Statements				
Reconciliation of Cash and cash equivalents with the Balance Sheet :				
Cash and cash equivalents		10,147.40		111,148.92
Less : Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements:		-		-
(i) In other deposit accounts		-		-
- original maturity more than 3 months		286.53		171.64
(ii) In earmarked accounts (Refer Note (ii) below)		-		-
- Unpaid dividend accounts		30.84		25.52
Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) included in Note 20		9,830.03		110,951.76

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 : 22nd June, 2016

Notes forming part of Consolidated Financial Statements**Note 1: Corporate Information**

IPL is in the business of import and distribution of Muriate of Potash, Sulphate of Potash, Di-Ammonium Phosphate, Urea, Rock Phosphate, Gypsum etc. IPL is also one of the canalising agency of Government of India for import of UREA. The distribution of fertilisers across the country including the inaccessible areas is serviced by Regional Offices in almost all state capitals. IPL efficiently handles fertiliser shipments of more than 7.5 Million tonnes per annum at all the major and minor ports in the country.

IPL has also entered into the business of Cattle Feed , Milk and Milk Products and trading of Gold and other precious metals. During the year 2010-11, IPL had acquired five sugar mills from U.P.State Sugar Corporation and commenced production of sugar.

Note 2 : Significant Accounting policies**2.10 Basis of accounting and preparation of Consolidated financial statements**

The consolidated financial statements of the Group and its subsidiaries (together “the group”) have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 (“the 2013 Act”) / Companies Act, 1956 (“the 1956 Act”), as applicable. The consolidated financial statements have been prepared on accrual basis under the historical cost convention except for certain categories of fixed assets acquired before 31st March 1995, that are carried at revalued amounts. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year.

2.11 Principles of Consolidation

The consolidated financial statements relate to Indian Potash Limited (the ‘Group’) and its subsidiary companies (together referred to as ‘Group’). The consolidated financial statements have been prepared on the following basis:

The financial statements of the subsidiary companies used in the consolidation are drawn upto the same reporting date as that of the Company i.e., 31 March, 2016.

The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered.

The excess of cost to the Company of its investments in the subsidiary company over its share of equity of the subsidiary companies at the dates on which the investments in the subsidiary companies were made, is recognised as ‘Goodwill’ being an asset in the consolidated financial statements and is tested for impairment on annual basis.

Minority Interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit / loss for the year of the subsidiaries attributable to minority interest is identified and adjusted against the profit after tax of the Group in order to arrive at the income attributable to shareholders of the Company.

Goodwill arising on consolidation is not amortised but tested for impairment.

Following subsidiary companies have been considered in the preparation of the consolidated financial statements:

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

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances with certain exceptions as mentioned below and are presented to the extent possible, in the same manner as the Company's separate financial statements.

2.12 Use of Estimates

The preparation of the Consolidated financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the consolidated financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.13 Inventories

- i) Inventories are valued at the lower of cost on weighted average basis and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

- ii) In respect of :
- a) Raw materials, trading stocks and stores and spares, cost is determined on weighted average basis.
 - b) Packing materials, cost is determined on First-in-First –out basis.
- iii) By products are valued at net realizable value

2.14 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.15 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

2.16 Depreciation and amortisation

Tangible Assets

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case 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.

Godowns on Leasehold Land- over the duration of lease

Godowns on Freehold Land - 10 years

Leasehold land is amortised over the duration of the lease.

In respect of GMAIL and IPSAL, Depreciation on tangible fixed assets has been provided on the Written Down Value method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Particulars	Entity	31 March 2016		31 March 2015	
		Rs. Lakhs	Proportion	Rs. Lakhs	Proportion
Depreciation expense	GMAIL	32.28	1.77%	41.01	2.44%
Depreciation expense (included in Capital Work in Progress)	IPSAL	-	0.00%	1.75	0.10%

Intangible assets:

Intangible assets comprising of “Leasehold Rights” is amortized over the period for which right is acquired for use, as per the agreement.

2.17 Revenue recognition

- a) Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty but exclude sales tax and value added tax.
- b) Subsidy 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. Can subsidy from the State Government is recognised when there is reasonable assurance that the subsidy will be received and all attaching conditions will be complied with.
- c) All Income and Expenses are accounted generally on accrual basis with the exception of interest on Trade receivables, insurance claims, dispatch / demurrage claim and compensation/recoveries made by Government of India, which are accounted as and when received, on account of uncertainty in their collection.
- d) Service Charges 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, purchases include actual cost plus expenditure incurred. Sales against these purchases are accounted for on FOB/ CIF cost plus fixed service charges and bank charges.

2.18 Other income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

2.19 Fixed Assets (Tangible / Intangible)

- a) Fixed Assets (other than those which have been revalued) are stated at historical cost less accumulated depreciation / amortisation and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. Cost includes related taxes, duties, freight, insurance etc. attributable to acquisition and installation of assets, but excludes duties and taxes that are recoverable subsequently from taxing authorities.
- b) The Group revalued all its Land and Building (other than factory building) that existed on 31st March 1995. The revalued assets are carried at the revalued amounts less accumulated depreciation and impairment losses, if any. The revalued fixed assets are stated at their estimated replacement values as on 31st March 1995, determined by an independent valuer.

(c) Intangible assets are stated at cost less accumulated amortization.

Capital work-in-progress:

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

2.20 Foreign currency transactions and translations

Initial Recognition

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement at the balance sheet date

Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

Treatment of exchange differences

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

Accounting for forward contracts

Premium / discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to monetary items as at the Balance Sheet date.

2.21 Investments

Long-term investments, are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

2.22 Employee benefits

Employee benefits include provident fund, superannuation fund, gratuity fund, compensated absences and post-employment medical benefits.

i) Defined Contribution Plan

The Group's contribution to provident fund and superannuation fund, for certain categories of employees are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made and when services are rendered by the employees.

ii) Defined Benefit Plan

The liability for Gratuity to employees as at Balance Sheet date is determined on the basis of actuarial valuation based on Projected Unit Credit method and is paid

to a Gratuity fund administered by the trustees and managed by SBI Life Insurance Company. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur.

The Group makes monthly contributions for certain categories of employees to the Indian Potash Limited Staff Provident Fund Trust, equal to a specified percentage of the covered employee's salary. The interest rate payable by the Trust to the beneficiaries is being notified by the Government every year. The Group has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate.

iii) Long term Compensated absences

The liability for Compensated absences to employees as at Balance Sheet date is determined on the basis of actuarial valuation based on Projected Unit Credit method and is paid to a fund administered and managed by HDFC Life Insurance Limited. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur.

iv) Short term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under :

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; an
- (b) in case of non-accumulating compensated absences, when the absences occur.

2.23 Borrowings

Borrowing cost includes interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowings of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

2.24 Segment reporting

The Group identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments

are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Group. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on reasonable basis have been included under “unallocated revenue / expenses / assets / liabilities”.

2.25 Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis.

2.26 Earnings Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of tax effect, if any) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

2.27 Taxes on Income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are

recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Group has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

2.28 Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

- (a) an intangible asset that is not yet available for use; and
- (b) an intangible asset that is amortised over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

2.29 Provisions and Contingencies

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

2.30 Derivative Contracts

The Group enters into derivative contracts in the nature of forward contracts with an intention to hedge its existing assets and liabilities. Derivative contracts which are closely linked to the existing assets and liabilities are accounted as per the policy stated for Foreign currency transactions and translations.

2.31 Insurance claims

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.

2.32 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.

2.33 Operating Cycle

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



Notes forming part of Consolidated Financial Statements

Note 3 Share capital		Rupees in Lakhs		
Particulars	As at 31 March, 2016		As at 31 March, 2015	
(a) Authorised				
Equity shares of Rs. 10 each	17070,00,000	17,070.00	17070,00,000	17,070.00
(b) Issued				
Equity shares of Rs. 10 each	1699,28,600	1,699.29	1699,28,600	1,699.29
(c) Subscribed and fully paid up				
Equity shares of Rs. 10 each	142,98,600	1,429.86	142,98,600	1,429.86
Total	142,98,600	1,429.86	142,98,600	1,429.86

- (i) There is no movement in Equity share capital during the year.
- (ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2016		As at 31 March, 2015	
	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)	48,60,000	33.99	48,60,000	33.99
Gujarat State Co-operative Marketing Federation Limited	14,94,000	10.45	14,94,000	10.45
Gujarat State Fertilisers and Chemicals Limited	11,25,000	7.87	11,25,000	7.87
Andhra Pradesh State Cooperative Marketing Federation Limited	8,91,000	6.23	8,91,000	6.23
Madras Fertilisers Limited	7,92,000	5.54	7,92,000	5.54

- (iii) 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 Consolidated Financial Statements

Note 4 Reserves and surplus		Rupees in Lakhs	
Particulars	As at 31 March, 2016	As at 31 March, 2015	
(a) Revaluation reserve			
Opening balance	403.69	407.86	
Less: Utilised for set off against depreciation	-	-	
Less: Written back during the year on sale	-	4.17	
Closing balance	403.69	403.69	
(b) General reserve			
Opening balance	42,486.88	39,486.88	
Add: Transferred from surplus in consolidated statement of Profit and Loss	500.00	3,000.00	
Closing balance	42,986.88	42,486.88	
(c) Molasses Storage Facilities Reserve Fund			
Opening balance	41.76	39.26	
Add: Additions / transfers during the year #	2.81	2.50	
Closing balance	44.56	41.76	
(d) Capital Reserve on consolidation			
Opening balance	4.11	4.11	
Add/Less: Effect of changes in Group's Interest	-	-	
Closing balance	4.11	4.11	
(e) Surplus in Statement of Profit and Loss			
Opening balance	127,013.46	109,649.43	
Adjustment on Consolidation	(9.86)	-	
Add: Profit for the year	16,088.89	21,164.45	
Less:			
Depreciation on Transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with NIL remaining useful life (Net of deferred tax) (Refer Note no 12(i))	-	367.67	
Preliminary expenses of subsidiaries to the extent not written off	-	-	
Preoperative expenses of subsidiaries written off	-	-	
Dividends proposed to be distributed to equity shareholders (Rs. 2.50 per share)	428.96	357.47	
Tax on dividend	87.31	72.77	
Transfer to:			
General reserve	500.00	3,000.00	
Molasses Storage Facilities Reserve Fund #	2.81	2.50	
Closing balance	142,073.43	127,013.46	
Total	185,512.67	169,949.90	

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.

Notes forming part of Consolidated Financial Statements

Note 5 Long-term borrowings		Rupees in Lakhs	
Particulars	As at 31 March, 2016	As at 31 March, 2015	
Term loan			
From a Bank (Refer Notes below)			
Secured	1,142.60	1,713.92	
Other loans			
Unsecured- NBIADA Seed Assistance Loan	-	4.20	
	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:

Particulars		Rupees in Lakhs	
		As at 31 March, 2016	As at 31 March, 2015
		Secured	Secured
Term loan from a bank:			
HDFC Bank	Repayable in 12 quarterly installments commencing from June 2016 & ending March 2019 @ Rs. 142.83 lakhs per installment.	1,142.60	1,713.92
NBIADA Seed Assistance Loan	Terms of repayment Not specified	-	4.20
TOTAL		1,142.60	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 6 Other Long Term Liabilities		Rupees in Lakhs	
Particulars	As at 31 March, 2016	As at 31 March, 2015	
Deferred Rent Liability (Refer Note No.37)	183.60	180.79	
Total	183.60	180.79	

Notes forming part of Consolidated Financial Statements

Note 7 Long-term Provisions		Rupees in Lakhs	
Particulars	As at 31 March, 2016	As at 31 March, 2015	
Employee Benefits:			
i) Gratuity	16.66	14.88	
ii) Compensated absences	3.68	3.36	
Total	20.34	18.24	

Note 8 Short-term borrowings		Rupees in Lakhs	
Particulars	As at 31 March, 2016	As at 31 March, 2015	
Secured (Refer Note (i) below)			
Working capital facilities	-	2,723.02	
Foreign Currency Loans	20,000.00	-	
Rupees Loan	10,000.00	-	
	30,000.00	2,723.02	
Unsecured			
Rupee Loans	85,820.26	-	
Buyers Credit (Refer Note (ii) below)	449,997.99	445,583.94	
Loan from a Shareholder	-	2.87	
	535,818.25	445,586.81	
Total	565,818.25	448,309.83	

Notes

(i) Details of security for the secured short-term borrowings: Rupees in Lakhs

Particulars		As at 31 March, 2016	As at 31 March, 2015
Working Capital Facilities			
State Bank of Hyderabad	Secured by hypothecation of stocks and sundry debtors	-	222.93
Allahabad bank		-	0.09
State Bank of India	Secured by Hypothecation of Trade Receivables. (Charge is yet to be created)	-	-
New India Co-operative Bank	Security of land and building situated at Sikandrabad, Uttar Pradesh.	-	2,500.00
DBS Bank	Secured by hypothecation of stocks and sundry debtors	20,000.00	-
Deutsche Bank		10,000.00	-
		30,000.00	2,723.02

ii) Buyers Credit represents loans denominated in foreign currency.

Notes forming part of Consolidated Financial Statements

Note 9 Trade payables		Rupees in Lakhs	
Particulars	As at 31 March, 2016	As at 31 March, 2015	
Trade payables:			
Acceptances	20,004.21	24,796.21	
Other than Acceptances (Refer Note (i) below)	28,214.62	74,538.65	
Total	48,218.83	99,334.86	

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, 2016	As at 31 March, 2015	
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	NIL	NIL	
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	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	
(iv) The amount of interest due and payable for the year	NIL	NIL	
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	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	
<p>The dues to Micro and Small Enterprises in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 as of 31 March 2016 and 31 March 2015 are on the basis of such parties having been identified by the Management and relied upon by the auditors.</p>			

Notes forming part of Consolidated Financial Statements

Note 10 Other current liabilities		Rupees in Lakhs	
Particulars	As at 31 March, 2016	As at 31 March, 2015	
(a) Current maturities of long-term debt	3,087.32	-	
(b) Interest accrued but not due on borrowings	1,704.60	779.22	
(c) Unpaid dividends	30.84	25.52	
(d) Employee Benefits :			
(i) Gratuity	287.98	466.84	
(ii) Compensated absences	209.15	302.99	
(e) Other payables			
(i) Statutory remittances	3,273.67	2,981.64	
(ii) Payables on purchase of fixed assets	2,810.00	2,810.00	
(iii) Trade / security deposits received	3,443.78	3,686.15	
(iv) Advances from customers	3,965.76	4,104.21	
(v) Port handling expenses	27,937.76	31,820.41	
(vi) Customer Discounts	7,120.63	10,632.71	
(vii) Freight & other claims	12,888.53	12,746.76	
(viii) Others	3,760.52	3,116.85	
Total	70,520.54	73,473.30	

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	2015-16	2014-15	
Current service cost	158.76	138.13	
Interest cost	177.29	150.71	
Expected return on plan assets	(153.96)	(138.82)	
Actuarial losses/ (gains)	(127.53)	236.11	
Total expense recognised in the Statement of Profit and Loss	54.56	386.13	

Net Asset/ Liability recognised in the Balance Sheet		
Present value of Defined benefit obligation (DBO)	(2452.29)	(2391.40)
Fair value of plan assets at the end of the year	2164.31	1924.56
Asset/(Liability) recognized in the balance sheet	(287.98)	(466.84)

Notes forming part of Consolidated Financial Statements

Note 10 Other current liabilities	Rupees in Lakhs	
Changes in the Defined Benefit Obligation (DBO) during the year:	2015-16	2014-15
Present value of DBO at the beginning of year	2391.40	2007.71
Interest cost	177.29	150.71
Current Service cost	158.76	138.13
Benefits paid	(165.82)	(158.50)
Actuarial (Gains) / Losses	(109.35)	253.36
Present value of DBO at the end of year	2452.28	2391.41

Changes in the fair value of assets during the year:	2015-16	2014-15
Plan assets at beginning of year	1924.56	1,835.50
Expected return on plan assets	153.96	138.82
Actual company contributions	233.42	91.49
Benefits paid	(165.82)	(158.50)
Actuarial gain / (loss)	18.18	17.25
Plan assets as at end of year	2164.30	1924.56

Composition of the Plan assets is as follows:		
Pattern	2015-16	2014-15
Debt	85.87%	78.24%
Equity	5.01%	5.14%
Fixed Deposits and Other Assets	9.11%	16.62%

Actuarial Assumptions:		
Particulars	2015-16	2014-15
Discount Rate	7.68%	7.81%
Expected rate of return on assets	8.00%	8.00%
Expected rate of salary Increase:		
- Executives	5.00%	5.00%
- Non-Executives	5.00%	5.00%
Attrition Rate	3.00%	3.00%
Mortality	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

	Rupees in Lakhs	
Estimate of amount of contribution in the immediate next year	-	-

Notes forming part of Consolidated Financial Statements

Experience Adjustments	Rupees in Lakhs		
	2015 - 2016	2014 - 2015	2013-2014
Present value of DBO	2,452.28	2,391.41	1,429.48
Fair value of plan assets	2,164.30	1,924.56	1,357.38
Funded status [Surplus / (Deficit)]	(287.98)	(466.85)	(72.11)
Experience gain / (loss) adjustments on plan liabilities	(109.35)	253.36	71.17
Experience gain / (loss) adjustments on plan assets	18.18	17.25	(17.19)

The expected rate of return on plan assets is determined after considering several applicable factors such as the composition of the plan assets, investment strategy, market scenario, etc.. In order to protect the capital and optimise returns within acceptable risk parameters, the plan assets are well diversified. The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

The details of experience adjustments arising on account of plan assets and liabilities as required by paragraph 120(n)(ii) of AS 15 (Revised) on "Employee Benefits" are furnished to the extent of available information.

The estimates of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

Note (ii) Compensated absences
Actuarial Assumptions:

Particulars	2015 - 2016	2014 - 2015
Discount Rate	7.68%	7.81%
Expected rate of salary Increase:	5.00%	5.00%
Attrition Rate	3.00%	3.00%
Mortality	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

Note 11 Short-term provisions

Rupees in Lakhs

Particulars	As at 31 March, 2016	As at 31 March, 2015
(i) Provision for Tax	10,975.41	-
(ii) Provision for Proposed Equity Dividend	428.96	357.47
(iii) Provision for tax on Proposed Dividends	87.31	72.77
Total	11,491.68	430.24

Notes forming part of Consolidated Financial Statements
Note 12 Fixed assets

Rupees in Lakhs

A. Tangible assets	Gross block		Accumulated depreciation and impairment					Net block	
	Balance as at 1 April, 2015	Additions	Disposals	Balance as at 31 March, 2016	Balance as at 1 April, 2015	Depreciation / amortisation	Eliminated on disposal of assets	Balance as at 31 March, 2016	Balance as at 31 March, 2015
(a) Land									
Freehold	10,587.73	280.00	-	10,867.73	-	-	-	10,867.73	10,587.73
Leasehold #	8,565.87	-	-	8,565.87	909.76	175.58	-	7,480.53	7,656.11
(b) Buildings									
Factory Building	2,750.12	611.53	-	3,361.65	670.22	78.53	-	2,612.90	2,079.90
Other than Factory Building	10,670.94	975.32	-	11,646.26	2,962.63	362.92	-	8,320.71	7,708.31
(c) Plant and Equipment	12,546.21	1,338.93	0.72	13,884.42	3,140.19	903.46	0.05	9,840.82	9,406.02
(d) Furniture and Fixtures	317.05	179.42	9.02	487.45	95.71	34.94	7.70	364.50	221.34
(e) Vehicles	199.79	15.30	12.64	202.45	77.06	21.54	5.96	109.81	122.74
(f) Office Equipment	1,324.02	135.15	39.25	1,419.92	699.99	225.34	24.63	519.22	624.03
(g) Audio Visual Van & Equipment	155.21	19.41	11.82	162.80	94.88	21.05	11.28	58.15	60.33
Total	47,116.94	3,555.06	73.45	50,598.55	8,650.44	1,823.36	49.62	40,174.37	38,466.51
B. Capital Work in Progress								7,565.06	6,943.64
Total (A+B)								47,739.43	45,410.15

Leasehold amount includes Rs 5.620 Lakhs (Previous year Rs 5.620 lakhs) for which the lease deed is pending registration.

@ Includes amount added on revaluation Rs. 895.60 Lakhs (Previous Year Rs. 895.60 Lakhs), as on 31 March 1995.

\$ Buildings include undivided share of Land, the value of which is not separately ascertainable.

Notes forming part of Consolidated Financial Statements
Note 12 Fixed assets (Previous Year)

Rupees in Lakhs

	Gross block			Accumulated Depreciation and Amortisation				Net block			
	Balance as at 1 April, 2014	Additions	Disposals through business combinations	Balance as at 31 March, 2015	Balance as at 1 April, 2014	Depreciation / amortisation	Eliminated on disposal of assets	Reclassified as held for sale (Refer Note No.11.2)	Transition adjustment recorded against Surplus balance in Statement of Profit and Loss (Refer Note 1 Below)	Balance as at 31 March, 2015	Balance as at 31 March, 2014
A. Tangible assets											
(a) Land											
Freehold Leasehold (Refer Note 1)	10,372.91 8,565.87	214.82 -	- -	10,587.73 8,565.87	- 736.06	- 173.70	- -	- -	- -	10,587.73 7,656.11	10,372.91 7,828.25
(b) Buildings											
Factory Building	2,742.85	7.27	-	2,750.12	1,094.63	(432.00)	-	-	7.59	2,079.90	1,641.05
Other than Factory Building	8,468.76	2,210.38	8.20	10,670.94	252.39	9.44	-	417.13	-	7,708.31	6,166.21
(c) Plant and Equipment	11,683.25	863.10	0.14	12,546.21	2,302.55	(1,046.90)	0.13	-	25.27	9,406.02	7,445.72
(d) Furniture and Fixtures	216.23	111.08	10.26	317.05	122.91	(32.05)	8.21	-	13.06	221.34	93.63
(e) Vehicles	208.44	10.33	18.98	199.79	111.53	(22.52)	12.06	-	0.11	122.74	96.91
(f) Office Equipment	1,247.41	136.16	59.55	1,324.02	767.27	(89.36)	55.13	-	77.21	624.03	478.70
(g) Audio Visual Van & Equipment	153.10	7.79	5.68	155.21	104.94	(21.11)	5.54	-	16.59	60.33	48.16
Total	43,658.82	3,560.93	102.81	47,116.94	9,401.84	(1,217.85)	90.51	-	556.96	38,466.51	34,171.54
B. Capital Work in Progress											
Total (A+B)										6,943.64	2,263.08
										45,410.15	36,434.62

Note:

- Includes amount added on revaluation Rs. 895.60 Lakhs (Previous Year Rs. 948.70 Lakhs), as on 31 March 1995.
- Buildings include undivided share of Land, the value of which is not separately ascertainable.
- Pursuant to an Absolute Sale Deed dated 30th April 2014, the Apartment at Bangalore was sold for a consideration of Rs. 303.00 Lacs, and hence this asset has been reclassified as 'Asset held for sale (Refer Note No.22 - Other Current Assets)

Particulars	For the Year ended 31 March 2014
Depreciation Expenses as above	(1,217.85)
Less: Transfer from Revaluation Reserve	17.49
Depreciation as per Statement of Profit and Loss	(1,235.34)

Notes forming part of Consolidated Financial Statements

Note 12 Fixed assets (Continued)

Note : 12 (i)

During the previous year, the Holding Company changed its accounting policy of providing depreciation on fixed assets effective April 1, 2014. Depreciation is now provided on Straight Line basis for all assets which was hitherto depreciation on Written Down Value basis, and on Straight Line basis for other assets. Accordingly an amount of Rs. 2,895.61 Lakhs for the period up to 31 March, 2014 has been recognized and disclosed as an 'Exceptional Item', in the Statement of Profit and Loss.

In the previous year pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013, the Holding Company has fully depreciated the carrying values of assets (determined after considering the change in the method of depreciation from WDV to SLM) where the remaining useful life of the asset was determined to be NIL as at April 1, 2014, and has adjusted an amount of 367.64 Lakhs (net of deferred tax of Rs. 189.31 Lakhs) against the opening surplus balance in the Statement of Profit and Loss under "Reserves and Surplus".

The details of previously applied depreciation method, rates / useful life are as follows:

Asset	Basis	Previous depreciation rate / useful life	Useful life as per Schedule II	Useful Life Adopted
Factory Buildings	Schedule - II	30 years	30 years	30 years
Other Than factory Buildings	Schedule - II	30 years	30 years	30 years
Computers and Data Processing Equipment (included in Plant & Equipment)	Schedule - II	6 years	3 years / 6 years	3 years / 6 years
Plant and Equipment - Continuous Process Plant	Schedule - II	19 years	25 years	25 years
Plant and Equipment - Other than Continuous Process Plant	Schedule - II	20 years	15 years	15 years
Furniture and Fixtures	Schedule - II	15 years	10 years	10 years
Vehicles	Schedule - II	10 years	8 years	8 years
Office Equipment	Schedule - II	20 years	5 years	5 years
Audio Visual Van & Equipment	Schedule - II	20 years	8 years	8 years

In respect of subsidiaries :

The Fixed assets have been depreciated on written down value method at the rate specified in Schedule II to the Companies Act, 2013. The Depreciation adjustment to surplus in the statement to Profit and Loss as at 1 April 2014, on Transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with NIL remaining useful life is Rs. 0.03 Lakhs.

The impact of depreciation expense in the Statement of Profit and Loss consequent to the change in the useful life of the assets is not material.

Note 12(ii)

Includes amount added on revaluation Rs. 895.60 Lakhs (Previous Year Rs. 948.70 Lakhs), as on 31 March 1995.

Note 12(iii)

Buildings include undivided share of Land, the value of which is not separately ascertainable.

Notes forming part of Consolidated Financial Statements

Note 13 Deferred tax assets (net)		Rupees in Lakhs	
Particulars	As at 31 March, 2016	As at 31 March, 2015	
Deferred tax (liability) / asset			
<u>Tax effect of items constituting deferred tax liability</u>			
On difference between book balance and tax balance of fixed assets	1,928.85	1,751.84	
<u>Tax effect of items constituting deferred tax assets</u>			
Provision for compensated absences, gratuity and other employee benefits	72.38	104.86	
Provision for doubtful debts / advances	8,249.48	4,798.37	
Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961	1,135.57	1,135.56	
Others	522.08	250.60	
Net deferred tax (liability) / asset	8,050.66	4,537.55	

Note 14 Non-current investments		Rupees in lakhs	
	As at 31 March, 2016	As at 31 March, 2015	
Investments (At cost):			
Other investments			
(a) Investment in equity instruments of other entities (Unquoted)			
(1) IFFCO - Tokio General Insurance Company Limited 3,662,772 (As at 31 March, 2015: 3,662,772) shares of Rs. 10 each fully paid up	671.15	671.15	
(2) Mittal Chambers Owners Premises Co-Society Limited (Rs. 250 (previous year - Rs. 250) 5 (As at 31 March, 2015: 5) shares of Rs. 50 each fully paid up	-	0.00	
(3) Suhavan and Supath Members Association 10 (As at 31 March, 2015: 10) shares of Rs. 100 each fully paid up	-	0.01	

Notes forming part of Consolidated Financial Statements

Note 14 Non-current investments (Continued)		Rupees in lakhs	
	As at 31 March, 2016	As at 31 March, 2015	
(4) New India Co-Operative Bank Limited 300 (As at 31 March, 2015: 150) shares of Rs. 10 each fully paid up	0.03	0.03	
(5) Indian Commodity Exchange Limited 20,000,000 (As at 31 March, 2015: 20,000,000) shares of Rs. 5 each fully paid up	1,000.00	1,000.00	
(6) BSE Limited (Refer Note below)	150.00	150.00	
(7) SBC Owners Welfare Society	-	23.16	
(b) Investment in Government Securities			
Government securities (Unquoted)			
(1) National Savings Certificate - VIII Issue (nominal value of Rs. 10,000 each)	2.00	0.50	
(2) National Savings Certificate - VIII Issue (nominal value of Rs. 5,000 each)	1.50	2.00	
(3) IRFC Tax Free Bond - 2030 (75,500 Bonds of nominal value of Rs.1000 each)	755.00	-	
(4) NHAH Tax Free Bond 2031 (285,698 Bonds of nominal value of Rs.1000 each)	2,856.98	-	
(5) HUDCO Tax Free Bond 2031 (140,139 Bonds of nominal value of Rs.1000 each)	1,401.39	-	
	6,838.05	1,846.85	
Less: Provision for Diminution in value of Investment	820.00	820.00	
Total - Other investments	6,018.05	1,026.85	

Note: 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 Shares Rs.1 each fully paid up in BSE Limited.

Notes forming part of Consolidated Financial Statements
**Note 15 Long-term loans and advances
(Unsecured and considered good unless otherwise stated)**

Particulars	Rupees in Lakhs	
	As at 31 March, 2016	As at 31 March, 2015
(a) Capital advances	0.00	3,470.90
(b) Security deposits	666.33	623.88
(c) Loans and advances to employees		
Secured, considered good	9.78	9.58
Unsecured, considered good	24.68	50.34
	34.46	59.92
(d) Balances with government authorities (includes amounts paid under protest)		
(i) Provident fund Commissioner	16.34	16.34
(ii) District High Courts	4.37	4.37
(iii) Labour Courts	15.02	15.02
(iv) Sales tax authorities	37.96	37.53
(v) Land Acquisition Officer	2.97	2.97
(vi) Excise authorities	4.67	3.12
(vii) Commissioner of sugars	10.04	10.04
	91.37	89.39
(e) Advance tax (net of provision Rs.100,336.19 Lakhs) (Previous year- Rs. 91,427.82 lakhs)	-	4,763.40
Total	792.15	9,007.49

Note 16 Other Non Current Assets

Particulars	Rupees in Lakhs	
	As at 31 March, 2016	As at 31 March, 2015
(1) Special Fertiliser Bonds 7.00%	32,453.35	32,453.35
(2) Special Fertiliser Bonds 6.65%	0.05	0.05
(3) Preliminary expenses to the extent not written off	40.08	-
(4) Preoperative expenses	30.87	-
Total	32,524.35	32,453.40

Notes forming part of Consolidated Financial Statements

Note 17 Current investments		Rupees in Lakhs	
Particulars	As at 31 March, 2016	As at 31 March, 2015	
A. Other current investments (At lower of cost and market value, unless otherwise stated)			
(a) Investment in government securities			
(i) National Savings Certificate - VIII Issue (nominal value of Rs. 10,000 each)	1.40	0.90	
(ii) National Savings Certificate - VIII Issue (nominal value of Rs. 5,000 each)	1.05	0.05	
(ii) National Savings Certificate - VIII Issue (nominal value of Rs. 1,000 each)	0.15	0.15	
(ii) National Savings Certificate - VIII Issue (nominal value of Rs. 500 each)	0.01	0.01	
	2.61	1.11	
(b) Investment in mutual funds (Unquoted)			
SBI Mutual Fund	15,010.34	-	
HDFC Mutual Fund	12,006.80	-	
RELIANCE Mutual Fund	15,009.29	1.11	
Aggregate amount of Current Investments	42,029.04	1.11	
	42,029.04	1.11	

Note 18 Inventories (At lower of cost and net realisable value)		Rupees in Lakhs	
Particulars	As at 31 March, 2016	As at 31 March, 2015	
(a) Raw materials	1,486.16	1,573.54	
(b) Work-in-progress (Refer Note (i) below)	3,393.98	3,172.55	
(c) Finished goods (other than those acquired for trading)	22,099.50	28,303.45	
(d) Stock-in-trade (acquired for trading)	166,432.94	155,144.82	
(e) Stores and spares	782.11	900.46	
(f) Packing Materials	1,444.76	1,804.59	
(g) Consumable spares, accessories & others	-	4.73	
Total	195,639.45	190,904.14	

Notes forming part of Consolidated Financial Statements

Note (i) : Details of inventory of work-in-progress		Rupees in Lakhs	
Particulars	As at 31 March, 2016	As at 31 March, 2015	
Sugar	243.26	385.71	
Molasses & Others	236.20	0.31	
Green SSP	2,914.52	2,786.53	
Total	3,393.98	3,172.55	

Note 19 Trade receivables		Rupees in Lakhs	
Particulars	As at 31 March, 2016	As at 31 March, 2015	
Trade receivables outstanding for a period exceeding six months from the date they were due for payment			
Unsecured, considered good	165,183.21	126,216.67	
Doubtful	20,609.98	9,601.86	
	185,793.19	135,818.53	
Less: Provision for doubtful trade receivables	20,609.98	9,601.86	
	165,183.21	126,216.67	
Other Trade receivables			
Unsecured, considered good	252,343.67	244,252.93	
Doubtful	0.00	0.00	
	252,343.67	244,252.93	
Less: Provision for doubtful trade receivables	0.00	0.00	
	252,343.67	244,252.93	
Total	417,526.88	370,469.60	

Note 20 Cash and cash equivalents		Rupees in Lakhs	
Particulars	As at 31 March, 2016	As at 31 March, 2015	
(a) Cash on hand	33.80	25.30	
(b) Balances with banks			
(i) In current accounts	9,307.47	14,964.55	
(ii) In deposit accounts (Refer Note (i) and (ii))	713.55	96,051.36	
(iii) In unpaid dividend account	30.84	25.52	
(iv) Molasses storage fund Deposit account	61.74	82.19	
Total	10,147.40	111,148.92	

Notes forming part of Consolidated Financial Statements

Note 20 Cash and cash equivalents		Rupees in Lakhs	
Particulars	As at 31 March, 2016	As at 31 March, 2015	
i) Balances with banks includes deposits with remaining maturity of more than 12 months from the Balance Sheet date.	286.53	171.64	
ii) Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 <i>Cash Flow Statements</i>	9,830.03	110,951.76	

Note 21 Short-term loans and advances (Unsecured and considered good unless otherwise stated)		Rupees in Lakhs	
Particulars	As at 31 March, 2016	As at 31 March, 2015	
(a) Loans and advances to employees	43.66	18.47	
(b) Prepaid expenses	1,282.86	465.13	
(c) Balances with government authorities			
CENVAT Credit Receivable	182.42	220.10	
VAT Credit Receivable	46.74	80.81	
Purchase Tax and Others	24.25	29.62	
	253.41	330.53	
(d) Customs Duty Receivable			
Unsecured, considered good	0.00	781.07	
Doubtful	706.86	706.86	
	706.86	1,487.93	
Less: Provision for doubtful advances	706.86	706.86	
	0.00	781.07	
(e) MAT Credit entitlement	2,590.00	0.00	
(f) Advance tax (net of provision Rs. 9.92 Lakhs)	6.03	0.00	
(e) Trade Advances			
Unsecured, considered good	12,697.17	11,455.85	
Doubtful	428.57	428.57	
	13,125.74	11,884.42	
Less: Provision for doubtful advances	428.57	428.57	
	12,697.17	11,455.85	
Total	16,873.13	13,051.05	

Notes forming part of Consolidated Financial Statements

Note 22 Other current assets		Rupees in Lakhs	
Particulars	As at 31 March, 2016	As at 31 March, 2015	
(a) Accruals			
(i) Interest accrued on deposits	145.78	355.60	
(ii) Interest accrued on bonds	883.83	807.04	
(iii) Due from Ministry of Chemicals and Fertilizers, Government of India - For Urea Handling			
Unsecured, considered good	105,541.85	15,253.87	
Doubtful	2,080.14	2,080.14	
	107,621.99	17,334.01	
Less: Provision for doubtful advances	2,080.14	2,080.14	
	105,541.85	15,253.87	
(b) Others - Recoverable from Government authorities	18.59	11.64	
Total	106,590.05	16,428.15	

Note 23 Revenue from operations		Rupees in Lakhs	
Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015	
(a) Sale of products (Refer Note (i) below)	1,271,082.31	1,186,223.44	
(b) Government Subsidy (Refer Note (ii) below)	368,901.07	375,666.92	
(c) Sale of services (Refer Note (iii) below)	466.01	387.87	
(d) Other operating revenues (Refer Note (iv) below)	13,562.90	2,781.74	
	1,654,012.29	1,565,059.97	
Less:			
Excise duty	1,791.26	1,047.48	
Total	1,652,221.03	1,564,012.49	

Notes forming part of Consolidated Financial Statements

Note 23 Revenue from operations (Continued)		Rupees in Lakhs	
Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015	
(i) Sale of products comprises :			
Manufactured goods			
Sugar & By Products	34,887.67	28,817.34	
Cattle feed Products	7,321.49	5,415.26	
Milk & Milk Products	11,604.95	13,612.89	
Total - Sale of manufactured goods	53,814.11	47,845.49	
Traded goods			
Muriate of Potash	345,376.84	380,985.69	
Di Ammonium Phosphate	317,910.23	296,693.28	
Urea	466,626.98	367,572.98	
Complex Fertilisers	48,523.22	50,307.45	
Others	38,830.93	42,818.55	
Total - Sale of traded goods	1,217,268.20	1,138,377.95	
Total - Sale of products	1,271,082.31	1,186,223.44	
(ii) Government Subsidy comprises :			
Traded goods			
Muriate of Potash	146,166.86	160,925.32	
Di Ammonium Phosphate	190,262.79	183,776.76	
Complex Fertilisers	27,469.33	26,779.41	
Others	5,002.09	4,185.43	
Total - of Subsidy	368,901.07	375,666.92	
(iii) Service Income on handling Urea & other Fertilisers	466.01	387.87	
Total - Sale of services	466.01	387.87	
(iv) Other operating revenues comprise :			
Differential Freight claim on Urea handling	9,831.27	-	
Cane Purchase Subsidy	2,141.62	1,663.23	
Amount received from suppliers/agents towards Shortages	27.14	452.19	
Despatch / Demurrage (net)	1,562.87	666.32	
Total - Other operating revenues	13,562.90	2,781.74	

Notes forming part of Consolidated Financial Statements

Note 24 Other income		Rupees in Lakhs	
Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015	
Interest income (Refer Note (i) below)	3,477.89	3,249.34	
Dividend income for current investments:			
Mutual funds	2,061.96	5,856.10	
Other non-operating income : (Refer Note (ii) below)	13,445.01	2,626.91	
Total	18,984.86	11,732.35	

		Rupees in Lakhs	
Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015	
(i) Interest income comprises:			
Interest from banks on deposits	284.90	247.07	
Interest on Overdue trade receivables	509.40	395.47	
Interest income from current investments :			
Special Fertiliser Bonds	2,606.80	2,606.80	
Other Bonds	76.79	-	
Total - Interest income	3,477.89	3,249.34	

		Rupees in Lakhs	
Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015	
(ii) Other non-operating income comprises:			
Profit on sale of fixed assets (Net)	-	253.85	
Profit on sale of Investments	3,385.22	27.13	
Miscellaneous income	661.24	711.15	
Liabilities/ duties no longer required, written back	7,463.62	41.62	
Provision for bad trade and other receivables no longer required written back	270.62	458.68	
Receipts towards Insurance Claims	970.28	1,089.60	
Bad trade and other receivables recovered	10.58	44.88	
Net Gain on foreign currency transactions and translation (other than considered as finance cost)	683.45	-	
Total - Other non-operating income	13,445.01	2,626.91	

Notes forming part of Consolidated Financial Statements

Note 25.a Cost of materials consumed		Rupees in Lakhs	
Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015	
Opening stock	1,573.54	3,629.40	
Add: Purchases	50,736.06	51,923.92	
	52,309.60	55,553.32	
Less: Closing stock	1,486.16	1,573.54	
Cost of material consumed (Refer Note 23 d below)	50,823.44	53,979.78	
Material consumed comprises:			
Sugarcane	25,998.09	30,244.23	
Others	24,825.35	23,735.55	
Total	50,823.44	53,979.78	

Note 25.b Purchase of traded goods		Rupees in Lakhs	
Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015	
Muriate of Potash	379,735.20	479,850.96	
Di-Ammonium Phosphate	436,324.16	417,593.08	
Urea	450,236.27	353,100.76	
Complex Fertilisers	74,309.49	65,545.31	
Others	16,726.03	38,910.44	
Total	1,357,331.15	1,355,000.55	

Note 25.c Changes in inventories of finished goods, work-in-progress and stock-in-trade		
Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
		Rupees in Lakhs
Inventories at the end of the year:		
Finished goods	22,099.50	28,303.45
Work-in-progress	3,393.98	3,172.55
Stock-in-trade	166,432.94	155,144.82
	191,926.42	186,620.82
Inventories at the beginning of the year:		
Finished goods	28,303.45	27,716.33
Work-in-progress	3,172.55	547.53
Stock-in-trade	155,144.82	85,346.95
	186,620.82	113,610.81
Net (increase) / decrease	(5,305.60)	(73,010.01)

Notes forming part of Consolidated Financial Statements

Note 25.d Details of consumption of imported and indigenous items	For the year ended 31 March, 2016	
	Rupees in Lakhs	%
Imported Raw materials	- (4,594.49)	0.00 8.51
Indigenous Raw materials	50,823.44 (53,979.78)	100.00 100.00

Note: Figures / percentages in brackets relate to the previous year

Note 26 Manufacturing & Operational Expenses	Rupees in Lakhs	
	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Particulars		
Power and fuel	109.76	161.40
Discharge & clearance expenses	21,853.78	25,394.91
Packing materials Consumed - indigenous	15,402.69	17,529.07
Restitching & Rebagging Charges	69.33	123.66
Freight and Forwarding charges	85,522.52	80,725.82
Sales Tax Surcharge	1.21	(27.30)
Godown Rent	4,519.40	3,812.73
Storage & Transit Insurance	817.13	390.27
Shortages	52.34	116.30
Chemicals and consumables	16.15	27.71
Processing fees	29.35	57.18
Total	128,393.66	128,311.75

Note 27 Employee benefits expense	Rupees in Lakhs	
	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Particulars		
Salaries and wages	4,897.71	5,061.33
Contributions to provident and other funds (Refer Note below)	500.86	840.99
Staff welfare expenses	151.30	154.66
Total	5,549.87	6,056.98

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. 410.23 Lakhs (Year ended 31 March, 2015 Rs. 421.33 Lakhs) for Provident Fund contributions and Rs.40.33 Lakhs (Year ended 31 March, 2015 Rs. 33.23 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.

Notes forming part of Consolidated Financial Statements

Note 28 Finance costs		Rupees in Lakhs	
Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015	
(a) Interest expense on: Borrowings	10,622.70	12,453.10	
(b) Other borrowing costs	2,206.39	2,195.51	
(c) Net loss on foreign currency transactions and translation (considered as finance cost)	38,318.82	12,131.04	
Total	51,147.91	26,779.65	

Note 29 Other expenses		Rupees in Lakhs	
Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015	
Consumption of stores and spare parts (Note (i) below)	350.78	413.75	
Power and fuel	1,435.53	1,417.77	
Rent including lease rentals	641.32	613.30	
Repairs and maintenance - Buildings	170.20	320.35	
Repairs and maintenance - Machinery	1,073.17	655.04	
Repairs and maintenance - Others	95.92	204.28	
Insurance	35.00	53.60	
Rates and taxes (Refer note (ii) below)	412.29	178.24	
Communication	76.68	75.69	
Travelling and conveyance	337.65	355.53	
Printing and stationery	51.61	55.99	
Sales discount	38,686.98	31,116.41	
Business promotion	24.12	16.16	
Legal and professional	454.28	396.77	
Corporate Social Responsibility Expenses	15.26	79.36	
Directors sitting Fees and Commission	23.85	22.25	
Payments to auditors (Refer Note (iii) below)	62.63	60.49	
Bad trade and other receivables written off	915.19		
Less: Release from provision	11.38		
	903.81	-	

Notes forming part of Consolidated Financial Statements

Note 29 Other expenses (Continued)	Rupees in Lakhs	
Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Loss on fixed assets sold / Written off	0.46	-
Adjustments to the carrying amount of investments - reduction in the carrying amount of current investments	-	820.00
Provision for doubtful trade and other receivables, loans and advances	11,290.12	5,094.41
Net loss on foreign currency transactions and translation (other than considered as finance cost)	-	5,218.73
Production Charges	24.73	-
Establishment charges	12.64	11.37
Miscellaneous expenses	606.70	554.48
Total	56,785.73	50,194.51

Note (i) Details of consumption of imported and indigenous items *	For the year ended 31 March, 2016	
	Rupees in Lakhs	%
<u>Imported</u>		
Spare parts	-	-
<u>Indigenous</u>		
Spare parts	350.78 (413.75)	413.75 (384.67)

Note: Figures / percentages in brackets relate to the previous year

Note (ii)
Total Excise duty for the year excluding excise duty relating to difference between the closing stock and opening stock have been disclosed as deduction from turnover. Excise duty of Rs. 277.47 Lakhs (Previous year - Rs. 108.17 Lakhs) relating to difference between the closing stock and opening stock has been adjusted/included in "Rate and Taxes" respectively above.

Note (iii)	For the year ended 31 March, 2016	For the year ended 31 March, 2015
As auditors - statutory audit	32.98	28.87
For taxation matters	1.50	1.50
For other services	21.23	23.36
Reimbursement of expenses	6.92	6.76
Total	62.63	60.49

Notes forming part of Consolidated Financial Statements

32. C.I.F. Value of Imports - Traded Goods 1,285,599.56 1,257,378.00

33. Foreign Exchange Receipts

1.	a. Recoveries of despatch earnings on imports	2,211.39	2,100.35
	b. Marine Insurance / Rebate etc. netted of against related expenses	57,801.58	39,155.04
2.	Earnings in Foreign Exchange		
	FOB Value of Exports	13,768.16	14,708.19

34. Expenditure incurred in Foreign Currency:

Travel & Others 28.43 53.12

35. Related Party Transactions

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

Parties over which the company exercise control (subsidiary companies)	Investing Party	Key Management Personnel (KMP)
Srikrishna Fertilizers Limited	Indian Farmers Fertiliser Co.operative Ltd - (IFFCO)	Dr.P.S.Gahlaut

Transaction with related parties :		Rupees in Lakhs			
Particulars	Investing Party		KMP		
	2015-16	2014-15	2015-16	2014-15	
Purchase of Goods					
- IFFCO (DAP)	-	0.00	-	-	
Sale of Goods					
-IFFCO	117,995.28	122,376.00	-	-	
L/C Insurance Charges incurred / Rebate given					
- IFFCO	13,093.82	7,656.86	-	-	
Remuneration to Managing Director	-	-	57.59	50.70	
Dividends Paid	121.50	121.50	0.00	0.00	
Balance Outstanding as on March 31, 2015					
- Balance receivable					
- IFFCO	12.82	20.14			
- Balance Payable					
- IFFCO	3580.02	940.51			

Notes forming part of Consolidated Financial Statements
36. Segment Information for the year ended March 31, 2016

The Company has identified Business Segment as the primary segment for disclosure.

The business segments are

Fertilisers - Trading of fertilisers and Port operations

Others - Manufacturing of Cattle feed / Poultry feed, Sugar and its related by-products, Milk and Milk Products and trading of Gold and other precious metals.

The above segments have been identified based on the organisational structure as well as the differing risk and returns of these segments.

Segment assets include all operating assets used by respective segment and consist of operating cash, debtors, inventories and fixed assets net of allowances and provisions. Segment liabilities include all operating liabilities and consist primarily of creditors and accrued liabilities. Segment assets and liabilities do not include income tax assets and liabilities.

Information about Primary Business Segments

Rupees in Lakhs

A. PRIMARY SEGMENT INFORMATION	2015-16			2014-15			
	Particulars	Fertiliser	Others	Total	Fertiliser	Others	Total
1. REVENUE							
External Sales	1,596,979.06	55,241.97	1,652,221.03	1,515,044.15	48,968.34	1,564,012.49	
Other Income	13,159.96	285.05	13,445.01	2,118.24	508.67	2,626.91	
Total Revenue	1,610,139.02	55,527.02	1,665,666.04	1,517,162.38	49,477.02	1,566,639.40	
2. RESULT							
Segment Result	71,207.22	(3,322.01)	67,885.21	48,566.45	(2,985.48)	45,580.97	
Unallocated Corporate Expenses			2379.22			(1,152.58)	
Interest Expenses			(51,147.91)			(26,779.65)	
Interest Received			3,477.89			3,214.01	
Dividend Income & Profit on Sale of							
- investment			2,061.96			5,891.43	
Exceptional Item			-			2,895.61	
Profit before tax			24,656.37			29,649.79	
Income tax			(8,567.48)			(8,485.34)	
Net Profit			16,088.89			21,164.45	

Notes forming part of Consolidated Financial Statements

Particulars	2015-16			2014-15		
	Fertiliser	Others	Total	Fertiliser	Others	Total
3. OTHER INFORMATION						
Segment Assets	741,336.11	50,358.95	791,695.06	678,362.73	72,273.48	750,636.21
Unallocated Corporate assets			92,645.36			44,212.03
Total Assets			884,340.42			794,848.24
Segment Liabilities	667,672.21	13,820.48	681,492.69	155,612.94	17,223.87	172,836.81
Unallocated Corporate liabilities			15,905.20			450,631.67
Total Liabilities			697,397.89			623,468.48
Capital Expenditure	1,843.42	1,711.64	3,555.06	2,262.63	1,298.30	3,560.93
Depreciation and Amortization	710.86	1,112.50	1,823.36	1,636.74	41.01	1,677.75
Non-Cash expenses other than depreciation:						
Provision for diminution in the value of Bonds	0.00	-	0.00	820.00		820.00
Provision for Bad and doubtful debts	11,290.12	-	11,290.12	5,094.41		5,094.41

Revenue

Rupees in Lakhs

B. SECONDARY SEGMENT INFORMATION	2015-16			2014-15		
	India	Rest of the world	Total	India	Rest of the world	Total
Revenue by Geographical area	1,654,953.31	10,712.73	1,665,666.04	1,550,714.96	15,924.44	1,566,639.40
Carrying amount of Segment Assets	883,972.55	367.87	884,340.42	790,853.83	3,994.41	794,848.24
Additions to Tangible and Intangible assets	3,555.06	-	3,555.06	3,560.93	-	3,560.93

Geographical Segments

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

37. 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:

Notes forming part of Consolidated Financial Statements

Rupees in Lakhs

Lease payments due	As at March 31, 2016	As at March 31, 2015
Not later than one year	486.80	469.20
Later than one year but not later than Five years	1,483.85	1,970.64
Later than Five years		
Total	1,970.65	2,439.85

Lease payments recognised in the statement of Profit & Loss	472.26	472.26
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Note 38 Earnings per share

Rupees in Lakhs

Particulars	Year ended 31-Mar-16	Year ended 31-Mar-15
Net Profit for the Year	16,088.89	21,164.45
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.)	112.52	148.02

39. Details on derivative instruments and unhedged foreign currency exposures

(i) Outstanding forward exchange contracts entered into by the Company as on 31 March, 2016

Currency	Amount	Buy / Sell	Cross currency
USD	10,000,000.00	Buy	Rupees
USD	(20,216,000.00)	Buy	Rupees
EURO	-	Buy	Rupees
EURO	213,690.13)	Buy	Rupees

Note: Figures in brackets relate to the previous year

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

As at 31 March, 2016		As at 31 March, 2015	
Receivable / (Payable)	Receivable/ (Payable) in Foreign currency	Receivable/ (Payable)	Receivable/ (Payable) in Foreign currency
Rs. in Lakhs	(indicate amount with currency)	Rs. in Lakhs	(indicate amount with currency)
4,263.31	USD 6,434,700.00	6,270.16	USD 10,031,460.54
(484,356.72)	(USD 731,049,303.42)	(506,746.28)	(USD 810,729,193.70)
-		855.09	AED 5,027,165.17
-		(6,725.08)	(EURO 10,003,967.49)

As per section 135 of Companies Act, 2013 the Company is required to spend Rs. 521.00 Lakhs towards CSR activities. The Company has so far spend Rs. 15.26 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 complement the business of the Company.

Notes forming part of Consolidated Financial Statements
40. 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	99.77%	186,520.76	100.63%	16,190.67
Subsidiaries				
(i) Goldline Milk Food & Allied Industries Limited	0.01%	10.79	-0.01%	(1.36)
(ii) IPL Gujarat Port Limited	0.22%	410.98	-0.62%	(100.42)
(iii) IPL Sugars & Allied Industries Limited	0.00%	0.00	0.00%	-
Total	100.00%	186,942.53	100%	16,088.89

41. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.
42. 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 consolidated financial statements. In addition, the Board has also confirmed the carrying value of the non-current assets in the consolidated financial statements. The Board, duly taking into account all the relevant disclosures made, has approved these consolidated financial statements for the year ended 31 March 2016 in its meeting held on 22nd June 2016.

For and on behalf of the Board of Directors

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 : 22nd June, 2016

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	-	2015-16	100	10.79	111.94	111.94	-	-	(1.36)	-	(1.36)	-	100.00%	INDIA
2	IPL SUGARS AND ALLIED INDUSTRIES LTD	INR	-	2015-16	100	-	2996.20	2996.20	-	-	-	-	-	-	100.00%	INDIA
3	GOLDLINE MILKFOOD & ALLIED INDUSTRIES LTD	INR	-	2015-16	69.43	558.28	1260.26	1260.26	273.18	6447.95	27.81	11.10	16.71	-	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



INDIAN POTASH LIMITED

TWELVE YEARS AT A GLANCE Operating Results 2005-2016

(Rs. in Lakhs)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
GROSS INCOME	328,904.08	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	1,665,022.55
COST OF SALES	323,690.70	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	1,587,336.64
PBDIT	5,213.38	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	77,685.91
Interest	1,139.72	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	51,147.75
PBDT	4,073.66	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	26,538.16
Depreciation	129.17	147.13	199.56	253.63	386.82	370.46	929.42	2,108.56	1,541.99	2,065.25	1,636.74	1,791.08
Exceptional Item											(2,895.61)	
PBIT	5,084.21	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	75,894.83
PROFIT BEFORE TAX	3,944.49	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	24,747.08
Tax	1,462.78	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
PROFIT AFTER TAX	2,481.71	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	16,190.70
Dividend	195.64	244.56	301.11	334.47	333.47	333.47	415.46	415.46	418.22	418.22	430.24	516.27
Retained Profits	2,286.07	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	15,674.43
Earning per Share (Rs.)	26.03	17.30	23.75	24.34	74.45	128.63	262.79	226.79	175.60	75.08	147.75	113.23
Dividend per share (Rs.)	1.80	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.)	0.25	0.21	0.31	0.31	0.34	0.34	0.41	0.41	0.42	0.42	0.51	0.61
Foreign Exchange Earnings	4,257.02	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
Sources and Applications of Funds 2005-2016												
SOURCES OF FUNDS												
Equity	953.24	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	8,715.81	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	169,414.17	185,088.60
Shareholders' Funds	9,669.05	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	170,844.03	186,518.46
Loan Funds	10,235.00	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
FUNDS EMPLOYED	19,904.05	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	620,864.92	753,479.32
APPLICATION OF FUNDS												
Fixed Assets (Gross)	2,785.13	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	46,272.24	49,742.11
Capital Work-in-Progress	228.64	11.76	24.38	1,115.86	860.89	3,501.32	762.56	783.04	3,216.65	2,044.79	6,771.84	7,111.58
Depreciation	1,088.89	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	8,091.03	9,832.55
Fixed Assets (Net)	1,924.88	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	44,953.05	47,021.14
Investments	562.07	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	1,295.04	48,314.16
Net Current / Non current Assets	17,377.88	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	570,079.29	650,093.36
Deferred Tax-Net	39.22	321.87	121.97	96.83	65.95	1,709.96	4,051.14	2,028.64	4,452.57	4,001.60	4,537.54	8,050.66
Profit and Loss Account												
NET ASSETS EMPLOYED	19,904.05	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	620,864.92	753,479.32
Net Worth per share (Rs.)***	95.54	79.29	100.93	123.17	195.28	321.57	581.69	805.57	978.25	1,050.41	1,192.57	1,302.19
Debt: Equity Ratio	1.06:1	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	2.63:1	3.04:1

* after rights issue in the ratio of 1:1 ** after bonus issue of one Bonus share for every Two equity shares held *** for calculating Net Worth Per Share: Reserves exclude Revaluation Reserve

