63rd ANNUAL REPORT 2017-18

INDIAN POTASH LIMITED IPL

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

63rd ANNUAL REPORT
2017 - 2018

IPL

INDIAN POTASH LIMITED

REGISTERED OFFICE

1ST FLOOR, SEETHAKATHI BUSINESS CENTRE,
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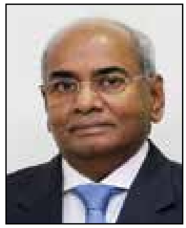
BOARD OF DIRECTORS

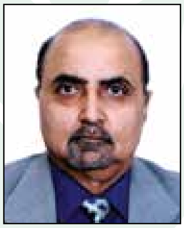
SHRI. SUNDEEP KUMAR NAYAK, IAS
Chairman

SHRI. B.S. NAKAI



DR. U.S. AWASTHI

Ms. MEENAKSHI GUPTA
AS & FA



SHRI. DEVINDER KUMAR

SHRI. A.M. TIWARI, IAS

Ms. SWATI MEENA NAIK, IAS

SHRI. M.V. RAO, IAS

SHRI. P.C. MUNSHI

Ms. REENA KAISHING

SHRI. DILEEP SANGHANI

SHRI. AMARJIT SINGH SAMRA

SHRI. ANTONYSAMY JOHN PETER

SHRI. SONY SEBASTIAN

DR. P.S.GAHLAUT
Managing Director

BANKERS

STATE BANK OF INDIA

HDFC BANK LTD

BANK OF BARODA

PUNJAB NATIONAL BANK

IDBI BANK LTD

ICICI BANK LTD

CANARA BANK

AXIS BANK LTD

ALLAHABAD BANK

INDUSIND BANK LTD

DBS BANK LTD

DEUTSCHE BANK AG

AUDITORS

Messrs. Price Waterhouse Chartered Accountants LLP

DIRECTORS' REPORT

The Directors have pleasure in presenting their 63rd Annual Report along with the audited accounts of the Company for the year ended 31st March, 2018.

GENERAL

The year 2017-18 received good precipitation all over the country during South-West Monsoon season. The cumulative rainfall during South-West Monsoon 2017 was 5% less than the Long Period Average (LPA). After experiencing good rainfall in S-W Monsoon period, the country received deficient rainfall during post-Monsoon period (October – December 2017) and very deficient rainfall during Winter Monsoon (January – February 2018) . During 2017-18, Indian Agricultural sector expected growth is 2.10%.

According to World Bank estimates, half of the Indian population would be urban by the year 2050. It is estimated that percentage of agricultural workers in total work force would drop to 25.7 per cent by 2050 from 58.2 per cent in 2001. Thus, there is a need to enhance the level of farm mechanisation in the country.

Inspite of soaring international prices, timely imports by Industry / Government ensured adequate availability of all fertilisers at reasonable prices throughout the year as compared to 2016-17. In addition, the Government has implemented during 2017-18, a slew of measures to improve agriculture and increase farmer's welfare, the benefits of which have just started manifesting.

SALES

The imports of Urea and MOP has increased by 219% and 2% respectively during the year 2017-18. However, imports of DAP and Complex fertilisers have shown a decline during the year 2017-18 by 2.5% and 0.5% respectively. The Sales of all major fertilizers increased during 2017-18 as compared to the previous year 2016-17. The provisional fertiliser sales during 2017-18 increased by app. 3.36% over 2016-17. However our sales growth is 2.25% only. The marginal decrease in our sales growth is because of non-allocation of supply plan of P&K fertilizers during the months of February and March 2018 by DOF.

Our Urea import volume (in DOF A/c) has increased from 4.64 lakh MTs in the year 2016-17 to 14.23 lakh MTs during 2017-18.

FINANCIAL RESULTS FOR THE YEAR 2017-18

Your Company's total volume sales of all products excluding Urea on DOF account during the year 2017-18 is 5.05 million tonnes which is 2% lower than 5.13 million tonnes achieved in the year 2016-17.

The total income of the Company at Rs.13,530.20 crores has shown an increase of 13.2% vis-à-vis the total income of Rs.11,947.49 crores achieved in the previous fiscal. It is however to be noted that despite an increase in the total income, the Profit Before Tax has shown a decline for the year under review at Rs.525.68 crores from the Profit before tax of Rs.571.72 crores registered in the previous year. The Profit After Tax (PAT) at Rs.350.28 crores has also declined against Rs.367.34 crores in the same period last year.

The decrease in profits could be attributed to the following reasons :

1. Rupee remained fairly stable in first two quarters and strengthened towards month of December 2017 and weakened during the last quarter of 2017-18 and

this trend continued till the end of the fiscal year under review.

2. Department of Fertilisers had reduced the subsidy with effect from April 2017 on MOP by Rs 1,845/- per MT and there has not been any change since then and subsidy continues to remain at Rs 7,437/- per MT till the end of the fiscal year under review . This has impacted in per ton realisation on MOP . Because of rupee strengthening in first two quarters of 2017-18, MRP was revised upwards marginally by Rs 890/- per MT which did not cover full reduction of subsidy impact.

3. The Sugar Division has shown marked improvement in terms of production but realisable value of finished sugar product and molasses has shown a decrease due to excess production of sugar in the market. This has had an impact on the sugar profitability to the extent of app. Rs 64 crores.

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

5. A major contribution of Rs.329.64 Crores which is higher by Rs.110 Crores compared to last year has come from “Other Income”. This is mainly due to company’s adopting and following an uniform provisioning policy of write back of liabilities for approx. Rs 189.58 crores beyond some years after ascertaining the adequacy and the need etc. and marginal interest saving from judicious deployment of funds and realization of various claims through arbitration / Court proceedings, suppliers, etc.

DIVIDEND

Considering the current performance of your company during the year and prospects for 2018-19, your Directors recommend to maintain a Dividend of Rs.3 per Equity Share of Rs.10/- each subject to approval of shareholders.

EXTENSION & PROMOTION ACTIVITIES CONDUCTED DURING 2017-18

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 189 Crops demonstrations, conducted 46 numbers of Field days. We have organized 77 Sales campaigns, 143 Farmer’s meetings, 21 Crop seminars and 51 numbers of Dealer’s training programs. We have also participated in 38 Agri fair/ Exhibitions. We have done 68831 sq. ft. of Wall/Trolley paintings in rural areas. Apart from this, we have also done during the year under review, 1954 Audio visual programs 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, Farmer’s Meeting and Crop Seminars. These promotional measures are an integral part of the Company’s initiative to reach out to farmer community at large.

UNDER COLLABORATIVE PROJECTS:

SOP

Similarly under SOP we had laid out 6 Demonstration, conducted 3 Field Days, organized 24 Farmer's meeting, 7 Sales campaigns, 3 Crop seminars, 8 Dealers Training Programme and participated in 5 Agri exhibitions. And we had undertaken 8235 sq. ft. of Wall paintings in rural areas.

ICPPP (INDO CANADIAN POTASH PROMOTION PROJECT)

This project has been phased over 3 years from 2015-16 and implemented in 5 states: Orissa, Haryana, Rajasthan, Gujarat, and Tamil Nadu during the year 2017-18. Under this project we had laid out 483 demonstrations, conducted 57 Field days, organized 109 Farmer's meeting, 24 nos. of Sales campaigns, 16 Crop Seminars, 13 Dealers/Retailers Training Programmes and also done 132,976 sq. ft. of Wall paintings. We have spent around Rs.1.80 crores out of Rs.2.00 crores budgeted.

POTASH FOR LIFE

This project has been phased over 5 years and implemented in 11 states: W. Bengal, Bihar, Uttar Pradesh, Jammu & Kashmir, Madhya Pradesh, Maharashtra, Chhattisgarh, Andhra Pradesh, Punjab, Telangana and Karnataka from October 2013 onwards with budgetary outlay of Rs.6.00 crores per annum to educate the farmers to correct the imbalance in use of fertilizers. During the year, we had laid out 1,363 field demonstrations, conducted 113 Field days, 160 Farmer's meeting, organized 48 Potash campaigns, 165 Crop seminars, 277464 sq. ft. of Wall painting and 26 dealers training programs etc.

PROSPECTS FOR 2018-19

From time to time, The Government of India is taking all the necessary measures for the economic reforms of the farmers by means of doubling their farm income by 2022.

In this mission, major stone will be turned by good monsoon and balanced use of fertilizers with timely availability in coming years. This is second consecutive year in which monsoon is expected to be normal as there is no chances of El Nino phenomenon. In the year 2018-19, India will get a normal Monsoon with rainfall expected at 97% of the average precipitation auguring well for agriculture and it is going to be a very good Monsoon so far as agriculture is concerned. So the time ahead may be good for fertilizer industry as well as for the farmers in terms of input sales growth and high farm productivity respectively.

Based on requirement of fertilisers finalized by Department of Fertilisers, Government of India, the Company expects substantial increase in demand for fertilisers during Kharif 2018.

However implementation of schemes like Direct benefit transfer (DBT), E-way Bill may affect sale of fertilizers due to various operational issues. Further to resolve these issues, industry may incur extra expenses which may result shrink in the profitability. A subsidy cut of Rs.763/- pmt on MOP together with fluctuating exchange rate will result in steep rise in the MRP of this product and farmers could reduce its use resulting in imbalanced use of nutrients which both Government and Industry have been trying to improve for better soil health and agricultural output. It will thus be a challenge this year to maintain last year's volume sales and profitability in the fertilisers segment.

The Company's focus in the year 2018-19 will be more on sale of non-subsidized products as due to introduction of Direct benefit transfer (DBT) , generation of subsidy claims and payment thereof by the Government has slowed down and thereby its impact on cashflows and block of working capital.

In Sugar Division, as Sugar realizable prices in the domestic market were under pressure during 2017-18 owing to excess production and this trend is expected to continue and will impact profitability to some extent in the coming years as well.

Cattle Feed and Dairy Division has been generating profits on a steady basis for the Company every year and we hope to continue this trend in 2018-19.

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.

Transfer to Investor education and protection fund (IEPF)

As required under Section 124 of the Companies Act, 2013, the unclaimed dividend amount aggregating to Rs.4,25,400/- lying with the Company for a period of seven years pertaining to the financial year ended 31.03.2018 was transferred during the financial year 2017-18 to the investor education and protection fund established by the Central Government.

Transfer of shares to IEPF

As required under Section 124 of the Companies Act 2013, 2,12,700 equity shares in respect of which dividend has not been claimed by the members for seven consecutive years or more, has been transferred by the company to IEPF authority during the financial year 2017 – 18.

AUDITORS

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

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

COST AUDITOR

The Board of Directors of the company, on the recommendation of the Audit Committee, have appointed Shri Jugal Kishore Puri, Cost Accountants, New Delhi as a Cost Auditor of the Company for auditing the cost accounts in respect of sugar products for the Financial Year 2018-19. Necessary approval in respect of their remuneration will be obtained at the ensuing Annual General Meeting of the company.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Pursuant to the provisions of Section 135 of the Companies Act, 2013, read with CSR Rules, the Company has constituted CSR Committee and formulated CSR Policy. During the year, the Company undertook several initiatives under the CSR Programme. Details of CSR Policy and CSR activities undertaken during the year are annexed to this Report as Annexure 1.

KEY MANAGERIAL PERSONNEL

Dr. P S Gahlaut, MD, 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 Sundeep Kumar Nayak, IAS, Managing Director, National Cooperative Development Corporation was appointed as a Nominee Director in place of Ms. Vasudha Mishra, IAS.

Shri Dnyaneshwar B Patil, IAS, Managing Director, Madhya Pradesh State Cooperative Marketing Federation Ltd was appointed as a Nominee Director in place of Dr. Sunil Kumar Singh.

Shri K Padmakumar, IPS, Managing Director, Kerala State Cooperative Marketing Federation Ltd was appointed as a Nominee Director in place of Shri K Sathyaseelan.

Shri Sony Sebastian, Chairman, Kerala State Cooperative Marketing Federation Ltd was appointed as a Nominee Director in place of Shri K Padmakumar, IPS.

Shri Dileep Sanghani, Chairman, Gujarat State Cooperative Marketing Federation Ltd. was appointed as a Nominee Director in place of Shri N P Patel.

Shri M Antonysamy John Peter, Managing Director, Tamil Nadu Cooperative Marketing Federation Ltd was appointed as a Nominee Director in place of Shri K V Sathyanarayana Reddy.

Shri Amarjit Singh Samra, Chairman, Punjab State Cooperative Supply and Marketing Federation Ltd was appointed as a Nominee Director of the Company.

The Board extends a warm welcome to the Directors who have come on Board during the current year under review.

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

1. Shri Amarjit Singh Samra
2. Shri Dileep Sanghani
3. Shri M Antonysamy John Peter

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

The Independent Directors, Shri Balwinder Singh Nakai, Shri Devinder Kumar and Ms. Reena Kaishing have given their declarations that they meet the Criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

Regular meetings of the Board are held to discuss and decide on various business policies, strategies and other businesses. The schedule of the Board/Committee meetings to be held in the forthcoming financial year is being circulated to the Directors in advance to enable them to plan their schedule for effective participation in the meetings. The Board met four (4) times during the FY 2017-18 viz. 29th June, 2017, 14th September 2017, 29th November 2017, 15th February 2018.

AUDIT COMMITTEE

Pursuant to the provisions under Section 177 of the Companies Act, 2013, the Board has constituted an Audit Committee comprising of Dr. U S Awasthi, Shri Devinder Kumar and Dr. P S Gahlaut as members. The Committee met on 16th June 2017, which was attended by all the members of the Committee. As part of emulating best practices followed by a listed company in India, we also plan to hold frequency of audit committee meetings to 3 – 4 meetings per year and also a limited review of audit every quarter with sign off from Statutory auditors .

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Pursuant to the provisions of Section 135 of the Companies Act, 2013 , read with CSR Rules, the Company has constituted CSR Committee comprising Shri M V Rao, IAS Shri Prem Chandra Munshi, Ms. Reena Kaishing and Dr. P S Gahlaut as members. The Committee met on 30th May 2017, 3rd November 2017 and 15th February 2018 which were attended by all the members of the Committee.

The Board wish to record and appreciate all the good work done by the CSR committee in the form of some initiatives undertaken during the year under review, to name a few like giving away vehicles to Women Self Help Groups for transportation of fish, various contributions towards road safety, education and health sectors and donation towards Fight for Hunger foundation and other various NGOs and this initiative will continue to be adopted in the coming years as well.

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 2017-18.The Company provided all assistance and facilities to the Secretarial Auditor for conducting their audit. The Report of Secretarial Auditor for the FY 2017-18 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, 2018 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, 2018, the applicable accounting standards had been followed along with proper explanation relating to material departures.

The Directors have 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 have 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 have prepared the annual accounts for the Financial Year ended 31st March, 2018 on a going concern basis.

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

PARTICULARS OF EMPLOYEES

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

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

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

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

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

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

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

ACKNOWLEDGEMENT

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

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

On behalf of the Board

Chairman

ANNEXURE 5 TO THE DIRECTORS REPORT

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

A) Conservation of Energy:-

a) Boiler:

In Boilers of both 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 ensures saving in power consumption. The power factor is also maintained at 0.9921 which results in saving of electrical energy and protection of the equipment 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 120 KWp capacity with capital invest of Rs. 82.85 lakhs to generate the electricity and same is used in production.

C) (a) 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 in 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 palletization for improving palletizing efficiency especially when moisture level in raw material is on higher side.

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

D) Foreign Exchange Earnings and outgo:-

Earnings	: Rs.	53,395.91 Lakhs
Outgo	: Rs.	10,57,175.23 Lakhs

On Behalf of the Board

Date: May 28, 2018

Chairman

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)**

Sl. 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	-	2017-18	100.00	(10.16)	91.02	91.02	-	-	2.53	-	2.53	-	100%	INDIA
2	IPL SUGARS AND ALLIED INDUSTRIES LTD	INR	-	2017-18	100.00	(566.43)	2,497.46	2,497.46	-	-	(38.30)	-	(38.30)	-	100%	INDIA
3	GOLDLINE MILKFOOD & ALLIED INDUSTRIES LTD	INR	-	2017-18	69.43	595.78	1,279.83	1,279.83	-	-	(22.93)	(8.84)	(14.08)	-	100%	INDIA

Name of Subsidiaries which are yet to commence operations:

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

ANNEXURE 1

CORPORATE SOCIAL RESPONSIBILITY POLICY

1. CSR Policy is appended.

CONCEPT

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

CONSTITUTION

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

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

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

DEFINITION

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

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

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

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

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

MEMBERSHIP

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

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

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

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

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

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

MEETINGS OF THE CSR COMMITTEE

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

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

ACTIVITIES TO BE UNDERTAKEN AND MODE OF EXECUTION

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

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

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

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

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

    e) Protection of national heritage, art and culture.

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

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

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

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

j) Rural development projects.

k) Slum area development

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

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

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

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

EXCLUSION FROM CSR ACTIVITIES

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

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

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

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

QUANTUM OF AMOUNT TO BE SPENT ON CSR ACTIVITIES

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

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

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

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

CSR MONITORING & REPORTING FRAMEWORK

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

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

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

REPORTING

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

PUBLICATION OF THE POLICY

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

AMENDMENT

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

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

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

2. Composition of CSR Committee of the Company:

i. Shri M V Rao, IAS, Chairman

ii. Shri Prem Chandra Munshi, Member

iii. Ms. Reena Kaishing, Member

iv. Dr. P.S. Gahlaut, Member

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

Rs 742.96 lakhs

4. Details of CSR Spent during the Financial Year

attached

5. Reason for Shortfall:

We did not find suitable project with sustainable impact during the financial year 2017-18. The CSR activities accessible with few new initiatives that may be considered in future and the Company will endeavour to spend the complete amount on CSR Activities in accordance with the statutory requirements.

6. Responsibility statement:-

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

M V Rao
Chairman of CSR Committee

Dr. P.S. Gahlaut
Managing Director

Details of CSR spent during the Financial Year:

a) Total amount to be spent for the financial year : Rs. 742.96 lakhs

b) The amount spent during the financial year : Rs. 208.04 lakhs

c) Manner in which the amount spent during the Financial Year - 2017-18

SL NO	CSR PROJECT OR ACTIVITY IDENTIFIED	SECTOR IN WHICH THE PROJECT IS COVERED	PROJECTS OR PROGRAMS (1) LOCAL AREA OR OTHER (2) SPECIFY THE STATE AND DISTRICT WHERE PROJECT OR PROGRAMS WAS UNDER TAKEN	AMOUNT OUTLAY (BUDGET) PROJECT OR PROGRAMS WISE	AMOUNT SPENT ON THE PROJECTS OR PROGRAMS SUB HEADS (1) DIRECT EXPENDITURE ON PROJECT OR PROGRAMS (2) OVER HEADS	CUMULATIVE EXPENDITURE UP TO THE REPORTING PERIOD	AMOUNT SPENT DIRECT OR THROUGH IMPLEMENTING AGENCY
1	Eradicating hunger, poverty and malnutrition, promoting preventive health care	Eradicating hunger, poverty and malnutrition, promoting preventive health care	IPL Mobile Dispensary to World Brother Hood Organization/ Sir Ganga Ram Hospital., Delhi, NCR	19,46,809	19,46,809	19,46,809	Agency- World Brother Hood Organization
2	Eradicating hunger, poverty and malnutrition, promoting preventive health care	Eradicating hunger, poverty and malnutrition, promoting preventive health care	Fight Hunger Foundation, Baran, Rajasthan	10,30,000	10,30,000	10,30,000	Direct
3	Eradicating hunger, poverty and malnutrition	Eradicating hunger, poverty and malnutrition	Grocery Food Packets distributed in Gandak river cane area zone during flood by Khadda Sugar Unit. Khadda, Khushi Nagar	25,000	25,000	25,000	Direct
4	Livelihood Enhancement Projects	Livelihood Enhancement Projects	4 Tata Ace vehicles given to Co-operative societies 1- Fisherwoman Co-operative society, Kalluru, Khammam. 2- Fisherwoman Co-operative society, Siddiknagar, Konijeria Mandal, Khammam. 3- Fisherwoman Co-operative society, Bethupalli Gangaram, Sathupalli, Mandal, Khammam. 4- Fisherwoman Co-operative society, Aswaraopet, Khammam	24,47,000	24,47,000	24,47,000	Direct
5	Rural development projects.	Rural development projects.	Distribution of LED lights in rural areas. Under command area of IPL Sugar Units	4,82,896	4,82,896	4,82,896	Direct
6	Rural development projects.	Rural development projects.	Installation of Electric Poles, army parade ground near Chandigarh	7,16,000	7,16,000	7,16,000	Direct
7	Maintaining Quality of Soil,Air, Water	Maintaining Quality of Soil,Air, Water	Research project on- Municipal solid waste composting- issues in scaling up operations and the way forward, Phase 2, Karnataka.	6,77,839	6,77,839	6,77,839	Direct

8	Promoting Education	Promoting Education	Financial Aid to Saraswati Vidya Mandir School, Sakhoti Tanda, Meerut.	3,03,000	3,03,000	3,03,000	Direct
9	Promoting Education	Promoting Education	Amount of Rs.10,000 given to Girl Poona Devi at Rohana Kalan Sugar unit. Muzaffarnagar"	10,000	10,000	10,000	Direct
10	Eradicating hunger, poverty and malnutrition, promoting preventive health care	Eradicating hunger, poverty and malnutrition, promoting preventive health care	Placement of retroreflective tapes on Tractor and trollies of farmers . Khadda, Jarwal Road, Rohankalan, U.P	23,05,720	23,05,720	23,05,720	"Agency- International Road Federation"
11	Promoting preventive health care	Promoting preventive health care	Installation of Gyms under command area of Titawi Sugar Complex. Meerut, Muzaffarnagar and Baghpat district	69,31,446	69,31,446	69,31,446	Direct
12	Promoting Education	Promoting Education	Budgetary support of Dr. Radhika Raman School, Rohatas, Bihar, run by NANAK NGO, Rohatas, Bihar	5,73,100	5,73,100	5,73,100	Agency-NANAK NGO
13	Promoting Education	Promoting Education	Installation of CCTV cameras in classrooms of Amrit Inter College, Rohana Kalan. Muzaffarnagar	2,98,400	2,98,400	2,98,400	Direct
14	Employment enhancing Vocation Skill, Livelihood Enhancement Projects	Employment enhancing Vocation Skill, Livelihood Enhancement Projects	Advertising and Incidental Support for Skill India Mission Raibarely and Muzaffarnagar District of U.P.	6,00,000	6,00,000	6,00,000	Agency-Apparel Made ups Home furnishings Sector skill council
15	Promoting preventive health care	Promoting preventive health care	Budgetary Support to Bhartiya Gramin Parishad to build 8 Bio-toilets ,Delhi NCR and Haryana	3,00,000	3,00,000	3,00,000	Agency-Bhartiya Grameen Parishad
16	Promoting Education	Promoting Education	Rejuvenation of Kasturba Gandhi Vidyalaya in command area of Khadda Sugar unit Khadda, Khushi Nagar	75,000	75,000	75,000	Direct
17	Eradicating hunger, poverty and malnutrition	Eradicating hunger, poverty and malnutrition	Action for Ability Development and Inclusion Chhattisgarh Chapter	45,000	45,000	45,000	Direct
18	Livelihood Enhancement Projects	Livelihood Enhancement Projects	Distribution of Mini Rice Mills at Raipur	5,25,000	5,25,000	5,25,000	Direct
19	Eradicating hunger, poverty and malnutrition, promoting preventive health care	Eradicating hunger, poverty and malnutrition, promoting preventive health care	Gramin Health Care Project, Under Command Area of IPL Sugar Unit, Khadda Sugar Unit. Khadda, Khushi Nagar, U.P	5,00,000	5,00,000	5,00,000	Agency - Paridyam Health Care Pvt. Ltd.
20	Livelihood Enhancement Projects	Livelihood Enhancement Projects	Financial Support to Sundarban Dream Society Jogeshganj Bazar, P.S. – Hemnagar, Coastal, West Bengal	4,30,000	4,30,000	4,30,000	Direct
21	Rural development projects.	Rural development projects.	Construction of Bus Stop Shed at Sakhoti Tanda, U.P	3,31,800	3,31,800	3,31,800	Direct
22	Rural development projects.	Rural development projects.	Installation of Street Lights, Village Dhoblai, Govindgarh, Jaipur.	2,50,000	2,50,000	2,50,000	Direct
TOTAL				**208,04,010**	**208,04,010**	**208,04,010**	

ANNEXURE 2

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH 2018

[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 2018, 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 2018 according to the provisions of:

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

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

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

IV. Few Other applicable laws.

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

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

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

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

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

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

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

We further report that during the audit period we found that the Company has transferred 72,000 share to M/s. Zuari Global Limited. Moreover, the Company has also transferred shares of M/s. shaw Wallace Financial Services Limited and M/s. Fertilisers & Inputs (P) Limited to Investor Education & Protection Fund Account during the period ended. 31st March,2018.

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

Aashish Kumar Jain
Proprietor
C.P. No. 7353

Place : Chennai
Date : May 28, 2018

ANNEXURE TO SECRETRIAL AUDIT REPORT

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

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

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

Aashish Kumar Jain
Proprietor
C.P. No. 7353

Place : Chennai
Date : May 28, 2018

ANNEXURE - 3

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2018

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

I. REGISTRATION & OTHER DETAILS:

1	CIN	U14219TN1955PLC000961
2	Registration Date	17/06/1955
3	Name of the Company	Indian Potash Limited
4	Category/Sub-category of the Company	Public Limited
5	Address of the Registered office & contact details	Seethakathi Business Centre, 1st Floor, 684-690, Anna Salai, Chennai-600 006. Ph.No.28297855/28297869
6	Whether listed company	Not Listed
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Cameo Corporate Services Ltd "Subramanian Building" #1, Club House Road Chennai 600 002 - India. Ph : 91-44 - 2846 0390 (5 lines)

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	35
2	Di Ammonium Phosphate	46692	28
3	Urea	46692	21

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-2017]				No. of Shares held at the end of the year[As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter's									
(1) Indian									
a) Individual/ HUF									
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.									
e) Banks / FI									
f) Any other									
Total shareholding of Promoter (A)									
B. Public Shareholding									
1. Institutions									
a) Mutual Funds				NIL					
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-Total (B)(1):-									

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2017]				No. of Shares held at the end of the year[As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.		4073400	4073400	28.49%		4073400	4073400	28.49%	
i) Indian									
ii) Overseas									
b) Individuals		185700	185700	1.29%		185700	185700	1.29%	
i) Individual share holders holding nominal share capital upto Rs. 1 lakh		27300	27300	0.18%		27300	27300	0.18%	
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh		158400	158400	1.11%		158400	158400	1.11%	
c) Others (specify)		10039500	10039500	70.22%		10039500	10039500	70.22%	
Non Resident Indians									
Overseas Corporate Bodies									
Foreign Nationals									
Clearing Members									
Trusts									
Foreign Bodies - D R									
Sub-Total (B)(2):-		14298600	14298600	100.00%		14298600	14298600	100.00%	
Total Public Shareholding (B)=(B)(1)+ (B)(2)		14298600	14298600	100.00%		14298600	14298600	100.00%	
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)		**14298600**	**14298600**	**100.00%**		**14298600**	**14298600**	**100.00%**	

B) Shareholding of Promoter-

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

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

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

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

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

E) Shareholding of Directors and Key Managerial Personnel:

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

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	114,261,336.00	8,820,000,000.00		**8,934,261,336.00**
ii) Interest due but not paid	-	-		**-**
iii) Interest accrued but not due	1,281,918.27	1,595,068.49		**2,876,986.76**
Total (i+ii+iii)	115,543,254.27	8,821,595,068.49		**8,937,138,322.76**
Change in Indebtedness during the financial year				
* Addition	17,011,564,397.12	19,776,424,420.20		**36,787,988,817.32**
* Reduction	8,406,668,727.91	23,312,913,872.95		**31,719,582,600.86**
Net Change	8,604,895,669.20	-3,536,489,452.75		**5,068,406,216.45**
Indebtedness at the end of the financial year				
i) Principal Amount	8,719,157,005.20	5,283,510,547.25		**14,002,667,552.45**
ii) Interest due but not paid	-	-		
iii) Interest accrued but not due	699,655.06	14,081,069.19		**14,780,724.25**
Total (i+ii+iii)	**8,719,856,660.27**	**5,297,591,616.44**		**14,017,448,276.71**

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
		Dr. P.S. GAHLAUT, MD
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	79,51,096.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	92,816.00
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-
2	Stock Option	NIL
3	Sweat Equity	NIL
4	Commission - as % of profit - others, specify…	-
5	Others, please specify Provident Fund, Superannuation Fund, Gratuity	10,38,280.00
	Total	**90,82,192.00**
	Ceiling as per the Act	5 % of Net Profit

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors			Total Amount
		Ms. Reena Kaishing	Shri.Balvinder Singh Nakai	Shri.Devinder Kumar	
1	Independent Directors				
	Fee for attending board committee meetings	1,60,000.00	80,000.00	1,40,000.00	**3,80,000.00**
	Commission	2,50,000.00	2,50,000.00	2,50,000.00	**7,50,000.00**
	Others, please specify	-	-	-	**0.00**
	Total (1)	**4,10,000.00**	**3,30,000.00**	**3,90,000.00**	**11,30,000.00**
2	Other Non-Executive Directors				
	Fee for attending board committee meetings	9,00,000.00 (as per annexure ii)			**9,00,000.00**
	Commission	5,00,000.00 (as per annexure ii)			**5,00,000.00**
	Others, please specify	-	-	-	**-**
	Total (2)	**14,00,000.00**	**-**	**-**	**14,00,000.00**
	Total =(1+2)	**18,10,000.00**	**3,30,000.00**	**3,90,000.00**	**25,30,000.00**
	Total Managerial				
	Remuneration				
	Overall Ceiling as per the Act				

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

SN	Particulars of Remuneration	Key Managerial Personnel		Total
		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	41,40,000.00	15,06,323.00	56,46,323.00
	(b) Value of perquisites u/s 17(2) Income-Tax Act, 1961	22,611.00	15,945.00	38,556.00
	(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 (Provident Fund, Super annuation Fund, Gratuity)	-	2,48,035.00	2,48,035.00
	Total	41,62,611.00	17,70,303.00	59,32,914.00

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	134	Compounding of offences under Section 134 read with 135 of Companies Act	Rs.1,00,000	NCLT	
B. DIRECTORS: Managing Director					
Penalty					
Punishment					
Compounding	134	Compounding of offences under Section 134 read with 135 of Companies Act	Rs.1,00,000	NCLT	
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding	134	Compounding of offences under Section 134 read with 135 of Companies Act	Rs.1,00,000 each for CFO and Company Secretary	NCLT	

ANNEXURE II

Attachment for Remuneration of Non Executive Directors

Amount in Rs.

SL NO	Name of the Directors	Fees / Commission
1	Ms.Vasudha Mishra,IAS	60,000.00
2	Shri. Sundeep Kumar Nayak,IAS	40,000.00
3	Dr. U.S.Awasthi	3,70,000.00
4	Shri. Prem Chandra Munshi	4,10,000.00
5	Shri. Dnyaneshwar B Patil, IAS	20,000.00
6	Shri. Mallela Venkateswara Rao,IAS	1,20,000.00
7	Shri. Amarjit Singh Samra	60,000.00
8	Shri. Dileep Sanghani	40,000.00
9	Shri. M. Antonysamy John Peter	60,000.00
10	Shri. K.V.Sathyanarayana Reddy	40,000.00
11	Dr.Sunil Kumar Singh	40,000.00
12	M/s. Haryana State Co-Op Supply and Marketing Federation Ltd	20,000.00
13	M/s. Madras Fertilizers Limited	60,000.00
14	M/s. Gujarat State Fertilisers and Chemical Ltd	60,000.00
	TOTAL	**14,00,000.00**

ANNEXURE- 4

Name of Employee	Designation of Employee	Remuneration received	Nature of Employment	Qualification & Experience of Employee	Date of Commencement of Employment	Age	Last Employment held
Dr. P.S. Gahlaut	Managing Director	Rs.90,82,192.00	Managing Director	Hons in B.Sc(Chemistry) Post Graduate Diploma in Marketing Management, FMS, University Delhi Phd in Business Management from Inter American University, Florida	1st May, 1985	70 Yrs	M/s. Bharat Alums & Chemicals Ltd

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF INDIAN POTASH LIMITED

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

1. We have audited the accompanying standalone Ind AS financial statements of Indian Potash Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018 the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

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

Auditor's Responsibility

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

4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its total comprehensive income (comprising of profit and other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The Standalone Ind AS financial statements of the Company for the year ended March 31, 2017, were audited by another firm of chartered accountants under the Companies Act, 2013 who, vide their report dated June 29, 2017, expressed an unmodified opinion on those financial statements. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.

11. As required by Section 143 (3) of the Act, we report that:

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

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

(c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

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

(e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

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

i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2018 on its financial position in its standalone Ind AS financial statements – Refer Note 27;

ii. The Company has long-term contracts as at March 31, 2018 for which there were no material foreseeable losses. The Company did not have any derivative contracts as at March 31, 2018

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018.

iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2018.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016
Chartered Accountants

Subramanian Vivek
(Partner)
Membership Number: 100332

Place : New Delhi
Date : May 28, 2018

ANNEXURE "A" TO INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Indian Potash Limited on the standalone Ind AS financial statements for the year ended March 31, 2018)

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

1. We have audited the internal financial controls with reference to financial statements of Indian Potash Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements 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 with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016
Chartered Accountants

Subramanian Vivek
(Partner)
Membership Number: 100332

Place : New Delhi
Date : May 28, 2018

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Indian Potash Limited on the standalone Ind AS financial statements as of and for the year ended March 31, 2018)

(i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of immovable properties, as disclosed in Note 2 on Property, plant and equipment and note 6 on Other non-current assets to the financial statements, are held in the name of the Company 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	5,620.00	4,950.77	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) The physical verification of inventory excluding stocks with third parties, have been physically verified by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not material

(iii) The Company has granted unsecured loans, to three of its Subsidiary covered in the register maintained under Section 189 of the Act. The Company has not granted any secured/ unsecured loans to firms /LLPs/ other parties covered in the register maintained under Section 189 of the Act.

(a) In respect of the aforesaid loans, the terms and conditions under which such loans were granted are not prejudicial to the Company's interest.

(b) In respect of the aforesaid loans, no schedule for repayment of principal and payment of interest has been stipulated by the Company. Therefore, in absence of stipulation of repayment terms we do not make any comment on the regularity of repayment of principal and payment of interest.

(c) In respect of the aforesaid loans, there is no amount which is overdue for more than ninety days.

(iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the grant of loans and investments made, and guarantees and security, as applicable provided by it.

(v) The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

(vi) Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

(vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of Income Tax, provident fund, employees' state insurance, Goods and Service Tax with effect from July 1, 2017 though there has been a slight delay in few cases, and is regular in depositing undisputed statutory dues, including sales tax, service tax, duty of customs, duty of excise, value added tax and cess, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax, sales tax, service tax, duty of customs duty of excise and value added tax as at March 31, 2018, which have not been deposited on account of a dispute, are as follows:

Name of Statute	Nature of Dues	Amount unpaid (Rs. in lakhs)	Period to which the amount relates	Forum where Dispute is pending
Customs Act, 1962	Customs Duty	6,856.28	2010 - 2013	CESTAT, Ahmedabad
Customs Act, 1962	Customs Duty	3,689.89	Various years	CESTAT, Bangalore

Name of Statute	Nature of Dues	Amount unpaid (Rs. in lakhs)	Period to which the amount relates	Forum where Dispute is pending
Income Tax Act, 1961	Income Tax	51.98	2014 – 2015	Commissioner of Income Tax (Appeals), Chennai
Central Excise Act, 1944	Cenvat Credit	11.61	2016 - 2017	CESTAT, Allahabad
Central Excise Act, 1944	Excise Duty	5.69	2013	Additional Commissioner (Appeal), Allahabad
Central Excise Act, 1944	Excise Duty	4.04	2014	Assistant Commissioner (Appeal), Gorakhpur
Central Excise Act, 1944	Excise Duty	1.75	2013 - 2014	Assistant Commissioner (Appeal), Meerut
Central Excise Act, 1944	Excise Duty	1.99	2010-11 & 2012-13	CESTAT, Allahabad
Central Excise Act, 1944	Excise Duty	15.36	2002-03, 2009-10, 2010 -11, 2015-16	CESTAT, New Delhi
Central Excise Act, 1944	Excise Duty	20.58	2008, 2010 - 2011, 2013 - 2014	Commissioner (Appeal), Allahabad
Central Excise Act, 1944	Excise Duty	1.94	2017 - 2018	Superintendent, Central excise, Gorakhpur
Central Sales Tax Act, 1956	Trade Tax (Entry Tax)	7.33	2006-2007	Additional Commissioner, Grade -2 (Appeal), Commercial Tax, Muzaffarnagar
Central Sales Tax Act, 1956	Trade Tax (Entry Tax)	36.71	2004-2005	Commercial Tax, Department Muzaffarnagar
Central Sales Tax Act, 1956	Trade Tax (Entry Tax)	30.38	2007 - 2008 & 2008 - 2009	Joint Commissioner (Appeals)
Central Excise Act, 1944	Cenvat Credit	47.90	2011 - 2012 & 2015 - 2016	CESTAT, Allahabad
Central Excise Act, 1944	Cenvat Credit	3.35	2008 - 2009, 2011 - 2012 & 2014 – 2015	Commissioner (Appeals), Meerut

Name of Statute	Nature of Dues	Amount unpaid (Rs. in lakhs)	Period to which the amount relates	Forum where Dispute is pending
The Finance Act, 1994	Service Tax	2.09	2005 - 2006 & 2007 - 2008	CESTAT, Allahabad
The Finance Act, 1994	Service Tax	1.81	2009	Commissioner (Appeal), Allahabad
Uttar Pradesh Trade Tax Act, 1948	Trade Tax (Entry Tax)	7.90	2008 - 2009 & 2013 - 2014	Additional Commissioner (Appeal), Gorakhpur
Uttar Pradesh Trade Tax Act, 1948	Trade Tax (Entry Tax)	1.73	2015 - 2016	Deputy Commissioner, Commercial Tax, Maharajganj
Uttar Pradesh Trade Tax Act, 1948	Trade Tax (Entry Tax)	31.22	2005 - 2006	Deputy Commissioner Commercial Tax, Muzaffarnagar
Uttar Pradesh Trade Tax Act, 1948	Trade Tax (Entry Tax)	17.62	1993 – 1994, 2001 – 2004, 2005 – 2006 & 2006 – 2008	Trade Tax Tribunal

viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government as at the balance sheet date. The Company has not issued any debentures.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments). According to 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.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016
Chartered Accountants

Subramanian Vivek
(Partner)
Membership Number: 100332

Place : New Delhi
Date : May 28, 2018

Standalone balance sheet as at 31 March 2018

All amounts in Indian Rupees lakhs, unless otherwise stated

Particulars	Notes	As at 31 March 2018	As at 31 March 2017
ASSETS			
Non-current assets			
Property, plant and equipment	2	79,994.09	74,842.32
Capital work-in-progress		1,646.04	7,660.57
Intangible assets	3	682.81	-
Financial assets			
i. Investments	4(a)	45,818.99	60,919.11
ii. Loans	4(e)	4,374.51	-
iii. Other financial assets	4(f)	347.80	880.87
Deferred tax assets (net)	5	17,215.23	7,073.46
Other non-current assets	6	9,118.35	7,255.49
Total non-current assets		**1,59,197.82**	**1,58,631.82**
Current assets			
Inventories	7	2,53,320.97	2,22,294.06
Financial assets			
i. Trade receivables	4(b)	4,36,184.25	5,05,216.79
ii. Cash and cash equivalents	4(c)	1,21,747.63	24,953.77
iii. Bank balances other than cash and cash equivalents	4(d)	597.09	478.09
iv. Loans	4(e)	8.29	3,748.79
v. Other financial assets	4(f)	3,014.76	2,304.08
Other current assets	8	35,974.81	5,045.32
Total current assets		**8,50,847.80**	**7,64,040.90**
Total assets		**10,10,045.62**	**9,22,672.72**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	9(a)	1,429.86	1,429.86
Other equity :			
Reserves and surplus	9(b)	2,74,367.21	2,29,318.46
Other reserves	9(c)	4,358.10	13,490.06
Total equity		**2,80,155.17**	**2,44,238.38**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i. Borrowings	11(a)	-	571.29
ii. Other financial liabilities	11(c)	3,704.94	3,827.10
Employee benefits obligations	12	846.80	-
Other non-current liabilities	10	123.76	114.24
Total non-current liabilities		**4,675.50**	**4,512.63**
Current liabilities			
Financial liabilities			
i. Borrowings	11(a)	5,47,687.55	5,25,989.17
ii. Trade payables	11(b)	1,14,259.62	90,680.44
iii. Other financial liabilities	11(c)	25,434.63	32,775.90
Employee benefits obligations	12	885.57	397.73
Current tax liabilities (net)	13	19,175.28	16,718.31
Other current liabilities	14	17,772.30	7,360.16
Total current liabilities		**7,25,214.95**	**6,73,921.71**
Total liabilities		**7,29,890.45**	**6,78,434.34**
Total equity and liabilities		**10,10,045.62**	**9,22,672.72**
The accompanying notes are an integral part of these financial statements.			
This is the standalone balance sheet referred to in our report of even date.			

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants

For and on behalf of the Board of Directors

Subramanian Vivek
Partner
Membership No.: 100332

Sundeep Kumar Nayak
Chairman
DIN: 02140600

P.S.Gahlaut
Managing Director
DIN: 00049401

U.S.Awasthi
Director
DIN: 00026019

George Zachariah
Chief Financial Officer

Rajesh Kumar Sadangi
Company Secretary

Place: New Delhi
Date: May 28, 2018

Standalone statement of profit and loss for the year ended 31 March 2018

All amounts in Indian Rupees lakhs, unless otherwise stated

Particulars	Note	Year ended 31 March 2018	Year ended 31 March, 2017
Revenue from operations	15	13,20,055.60	11,72,807.37
Other income	16	32,964.22	21,941.22
Total Income		**13,53,019.82**	**11,94,748.59**
Expenses			
Cost of materials consumed	17	1,33,184.32	1,15,291.02
Purchases of stock-in-trade		9,95,014.74	8,51,240.40
Changes in inventories of work-in-progress, stock-in-trade and finished goods	18	(29,612.62)	(23,095.36)
Excise duty on sale of goods		479.05	3,706.64
Employee benefits expense	19	7,557.59	5,843.67
Depreciation and amortisation expense	20	4,850.57	2,659.09
Other expenses	21	1,73,874.67	1,67,100.68
Finance costs	22	15,103.66	14,830.92
Total expenses		**13,00,451.98**	**11,37,577.06**
Profit before tax		**52,567.84**	**57,171.53**
Income tax expense	22		
Current tax		22,382.99	26,600.00
Deferred tax		(4,844.11)	(6,162.28)
Total tax expense		**17,538.88**	**20,437.72**
Profit for the year		**35,028.96**	**36,733.81**
Other comprehensive income			
Items that may be reclassified to profit or loss :			
Debt instruments through other comprehensive income	9(b)	(97.61)	1,273.61
Income tax relating to items that may be reclassified to profit or loss		97.32	(440.67)
		(0.29)	**832.94**
Items that will not be reclassified to profit or loss:			
Gain/ losses on equity instruments at fair value through other comprehensive income (FVOCI)	9(b)	(43.14)	11,546.79
Remeasurements of defined benefit plans	9(b)	(954.26)	81.73
Income tax relating to items that will not be reclassified to profit or loss	9(b)	2,411.31	(3,995.15)
		1,413.91	**7,633.37**
Total other comprehensive income		**1,413.62**	**8,466.31**
Total comprehensive income for the year		**36,442.58**	**45,200.12**
Earnings per equity share	23		
Basic (in Rs.)		244.98	256.90
Diluted (in Rs.)		244.98	256.90

The accompanying notes are an integral part of these financial statements.
This is the standalone statement of profit and loss referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants
Subramanian Vivek
Partner
Membership No.: 100332

For and on behalf of the Board of Directors

Sundeep Kumar Nayak
Chairman
DIN: 02140600

P.S.Gahlaut
Managing Director
DIN: 00049401

U.S.Awasthi
Director
DIN: 00026019

George Zachariah
Chief Financial Officer

Rajesh Kumar Sadangi
Company Secretary

Place: New Delhi
Date: May 28, 2018

Standalone statement of changes in equity for the year ended 31 March 2018

All amounts in Indian Rupees lakhs, unless otherwise stated

a. Equity share capital

	Note	
Balance as at 1 April 2016		1,429.86
Changes in equity share capital during 2016-17	9(a)	-
Balance as at 31 March 2017		**1,429.86**
Changes in equity share capital during 2017-18	9(a)	-
Balance as at 31 March 2018		**1,429.86**

b. Other equity

Particulars	OTHER EQUITY					Total equity attributable to equity holders of the Company
	Reserves & Surplus			Other Comprehensive Income		
	Capital Reserve	General Reserve	Retained Earnings	Debt instrument through other comprehensive income	Equity instrument through other comprehensive income	
Opening balance as at 1 April 2016	**-**	**42,986.88**	**1,42,278.53**	**2,096.53**	**3,008.95**	**1,90,370.89**
Profit for the year	-	-	36,733.82	-	-	36,733.82
Other comprehensive income	-	-	81.73	832.94	7,551.64	8,466.31
Total comprehensive income for the year	**-**	**42,986.88**	**1,79,094.08**	**2,929.47**	**10,560.59**	**2,35,571.02**
Acquistion of Titawi sugar unit (Refer Note 25)	7,762.49	-	-	-	-	7,762.49
Transfer to Molasses Storage Facilities Reserve Fund (Refer Note 10.1)	-	-	(8.71)	-	-	(8.71)
Transactions with owners in their capacity as owners:						
Final dividend	-	-	(428.94)	-	-	(428.94)
Dividend distribution tax	-	-	(87.33)	-	-	(87.33)
Closing balance as at 31 March 2017	**7,762.49**	**42,986.88**	**1,78,569.10**	**2,929.47**	**10,560.59**	**2,42,808.53**
Opening balance as at 1 April 2017	**7,762.49**	**42,986.88**	**1,78,569.10**	**2,929.47**	**10,560.59**	**2,42,808.53**
Profit for the year	-	-	35,028.96	-	-	35,028.96
Other comprehensive income (net of tax)	-	-	(624.01)	(0.29)	2,037.92	1,413.62
Total comprehensive income for the year	**7,762.49**	**42,986.88**	**2,12,974.05**	**2,929.18**	**12,598.51**	**2,79,251.11**
Transfer to Molasses Storage Facilities Reserve Fund (Refer Note 10.1)	-	-	(9.52)	-	-	(9.52)
Transfer to retained earnings on sale of investments, net of tax	-	-	11,169.59	-	(11,169.59)	-
Transactions with owners in their capacity as owners:						
Final dividend	-	-	(428.95)	-	-	(428.95)
Dividend distribution tax	-	-	(87.33)	-	-	(87.33)
Closing balance as at 31 March 2018	**7,762.49**	**42,986.88**	**2,23,617.84**	**2,929.18**	**1,428.92**	**2,78,725.31**

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

This is the standalone statement of changes in equity referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants
Subramanian Vivek
Partner
Membership No.: 100332

Place: New Delhi
Date: May 28, 2018

For and on behalf of the Board of Directors

Sundeep Kumar Nayak
Chairman
DIN: 02140600

P.S.Gahlaut
Managing Director
DIN: 00049401

U.S.Awasthi
Director
DIN: 00026019

George Zachariah
Chief Financial Officer

Rajesh Kumar Sadangi
Company Secretary

Standalone statement of Cash Flows for the year ended 31 March 2018

All amounts in Indian Rupees lakhs, unless otherwise stated

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
A. Cash flow from operating activities		
Profit before tax	52,567.84	57,171.53
Adjustments for :		
Add:		
Depreciation and amortisation expense	4,850.57	2,659.09
Finance costs	15,103.66	14,830.92
Unrealised exchange rate difference	4,620.21	16,433.85
Bad trade receivables written off	997.37	4,598.94
Provision for doubtful trade and other receivables, loans and advances	17,981.51	20,795.59
Less:		
Dividend income	(2,475.41)	(2,288.34)
Interest Income on financial assets	(3,365.30)	(3,662.70)
Provision for bad trade and other receivables no longer required written back	(23,217.18)	(4,011.79)
Liablities/ duties no longer required, written back	-	(247.46)
Profit on sale of investment	(0.14)	(35.71)
Profit on sale of fixed assets, net	(367.46)	(1.26)
Sub - Total	**66,695.67**	**1,06,242.66**
Change in operating assets and liabilities		
(Increase)/decrease in trade receivables	50,073.37	(95,509.73)
(Increase)/decrease in other financial assets	(271.29)	90,887.95
(Increase)/decrease in other non-current assets	125.64	141.31
(Increase)/decrease in other current assets	(30,911.09)	5,863.02
(Increase)/decrease in inventories	(31,026.91)	(26,656.13)
Increase/(decrease) in trade payables	46,518.19	2,992.76
Increase/(decrease) in other financial liabilities	152.09	31.73
Increase/(decrease) in other non-current liabilities	9.52	69.68
Increase/(decrease) in employee benefit obligations	1,334.64	99.40
Increase/(decrease) in other current liabilities	10,412.14	13,983.24
Payable towards acquistion of business	-	8,304.00
Cash generated from operations	**1,13,111.97**	**1,06,449.89**
Less: Income taxes paid	(23,775.03)	(19,414.77)
Net cash inflow from operating activities	**89,336.94**	**87,035.12**

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
B. Cash flow from investing activities:		
Payments for property, plant and equipment, intangible assets and capital work in progress	(6,570.83)	(3,248.31)
Acquisition of Titawi Sugar unit	(8,304.00)	(42,380.50)
Sale proceeds of property, plant and equipment	380.08	8.21
Proceeds from sale of investments	14,960.00	-
Proceeds from sale of current investments	11,17,004.65	10,62,026.38
Purchase of current investments	(11,14,529.24)	(10,15,356.93)
Purchase of non-current investments	(0.50)	(868.44)
Bank deposits (made) / realised	(116.87)	(160.72)
Interest received on financial assets	3,458.98	3,417.65
Dividend received on equity Instruments at fair value through other comprehensive income	-	2.54
Loans to wholly owned subsidiaries (made)/realised	(634.01)	(223.46)
Net cash inflow from investing activities	**5,648.26**	**3,216.42**
C. Cash flow from financing activities		
Proceeds from long term borrowings	-	0.01
Repayment of long term borrowings	(571.32)	(3,087.32)
Proceeds from / Repayment of short term borrowings	17,317.89	(56,080.48)
Dividend on shares (including dividend distribution tax)	(516.27)	(516.27)
Amounts deposited in bank accounts towards unpaid dividends	-	6.38
Interest paid	(14,421.64)	(14,844.08)
Net cash from/(used in) financing activities	**1,808.66**	**(74,521.76)**
Net increase/(decrease) in cash and cash equivalents	96,793.86	15,729.78
Add: Cash and cash equivalents at the beginning of the financial year	24,953.77	9,223.99
Cash and cash equivalents at the end of the year	**1,21,747.63**	**24,953.77**
The accompanying notes are an integral part of these Ind AS financial statements. This is the standalone statement of cash flows referred to in our report of even date.		

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants

For and on behalf of the Board of Directors

Subramanian Vivek
Partner
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George Zachariah
Chief Financial Officer

Rajesh Kumar Sadangi
Company Secretary

Place: New Delhi
Date: May 28, 2018

Notes to the standalone financial statements for the year ended 31 March 2018

1. Overview and significant accounting policies

1.1 Company Overview

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

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

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

1.2 Basis of preparation of standalone financial statements

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

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

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

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

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable

Notes to the standalone financial statements for the year ended 31 March 2018

and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

1.3 Use of estimates and judgements

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

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

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

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

The areas involving critical estimates and judgements are :

S.No.	Particulars	Note
1.	Useful lives of property plant and equipment	1.5
2.	Fair value measurements and valuation processes	1.10 and 1.11
3.	Revenue recognition (sale of goods)	1.4
4.	Provision for doubtful receivables	1.13
5.	Provision for employee benefits	1.21
6.	Provision for Taxes	1.20
7.	Estimation of Net realisable value of inventories	1.10

1.4 Revenue Recognition

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

1.4.1 Sale of goods

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

Notes to the standalone financial statements for the year ended 31 March 2018

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

In case of Fertilizers imported on behalf of the Government of India /Business associates, purchase cost include actual cost plus expenditure incurred. Sales against these purchases are accounted for on cost plus fixed service charges.

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

1.4.2 Subsidy

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

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

1.4.3 Rendering of Services

Revenue from providing services are recognized in the books as and when services are rendered.

1.4.4 Dividend and Interest income

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

Notes to the standalone financial statements for the year ended 31 March 2018

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

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

1.5 Property, plant and equipment

Freehold land is carried at historical cost and is not depreciated. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is included in the profit & loss within 'Other Income'.

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

Depreciation methods, estimated useful lives and residual value

The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. In respect of the following categories of assets, the life of the assets has been assessed as under based on technical advice, taking into account the nature, the estimated usage and the operating conditions of the asset:

Buildings	5 – 60 years
Plant and equipment	5 – 26 years
Furniture & fixtures	10 years
Office equipment and computers	5 – 26 years
Vehicles	8 – 10 years
AV van and equipment	5 – 8 years
Electrical installation	3 - 25 years

Notes to the standalone financial statements for the year ended 31 March 2018

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

1.6. Intangible assets and amortisation

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the group are recognised as intangible assets when the following criteria are met:

(a) it is technically feasible to complete the software so that it will be available for use

(b) management intends to complete the software and use or sell it

(c) there is an ability to use or sell the software

(d) it can be demonstrated how the software will generate probable future economic benefits

(e) adequate technical, financial and other resources to complete the development and to use or sell the software are available, and

(f) the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

Computer software is amortised over a period of three years.

1.7. Leases

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

1.8. Cash and cash equivalents

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

Notes to the standalone financial statements for the year ended 31 March 2018

1.9. Trade receivables

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

1.10. Inventories

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

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

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

1.11 Financial instruments

1.11.1 Initial recognition

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

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

Financial Assets

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

1.11.2 Subsequent measurement

a. Non-derivative financial instruments

(i) Financial assets carried at amortized cost

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

Notes to the standalone financial statements for the year ended 31 March 2018

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

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

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

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

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

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

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

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

(iv) Financial liabilities

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

Notes to the standalone financial statements for the year ended 31 March 2018

(v) Investment in subsidiaries

Investment in subsidiaries is carried at cost in the Standalone Ind AS financial statements.

b. Derivative financial instruments

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

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

1.11.3. De-recognition of financial instruments

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

1.12. Fair value of financial instruments

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

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

1.13. Impairment

a. Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade

Notes to the standalone financial statements for the year ended 31 March 2018

receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL, as applicable, as the case may be. The amount of ECLs (or reversals, if any) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the profit or loss.

b. Non-financial assets

(i) Intangible assets and property, plant and equipment

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

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

1.14. Non-current assets held for sale

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

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

1.15. Trade and other payables

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

Notes to the standalone financial statements for the year ended 31 March 2018

1.16. Borrowings

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

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

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

1.16.1 Borrowing costs

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

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

1.17 Provisions

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

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

1.18. Foreign currency translation

(i) Functional and presentation currency

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

Notes to the standalone financial statements for the year ended 31 March 2018

(ii) Transactions and balances

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

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

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

1.19. Earnings per equity share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

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

(ii) Diluted earnings per share

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

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

1.20 Income taxes

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

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

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

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

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

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

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

1.21 Employee benefits

1.21.1. Short-term employee obligations

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

1.21.2. Other long-term employee obligations

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

Notes to the standalone financial statements for the year ended 31 March 2018

1.21.3. Post employment obligations

1.21.3.1. Gratuity

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

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

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

1.21.3.2. ***Superannuation***

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

1.21.3.3. ***Provident fund***

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

Notes to the standalone financial statements for the year ended 31 March 2018

1.22. Segment reporting

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

The board of directors of the Company assesses the financial performance and position of the group, and makes strategic decisions. The board of directors, which has been identified as being the chief operating decision maker, consists of the chief executive officer, the chief financial officer and the manager for corporate planning. Refer note 29 for segment information presented.

1.23. Cash flow statement

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

1.24. Contributed equity

Equity shares are classified as equity.

1.25. Dividend

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

1.26. Rounding off amounts

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

1.27. Recent accounting pronouncements

Indian Accounting Standard (Ind AS) 115, Revenue from Contracts with Customers is applicable from FY 2018-19, the management believes that the adoption of Ind AS 115 does not have any significant impact on the standalone financial statements.

The management believes that the adoption of amendment to Ind AS 21, Foreign currency transactions and advance consideration and amendment to Ind AS 12 Income Taxes does not have any significant impact on the standalone financial statements.

The amendment to Ind AS 40, Investment Property is not applicable.

Notes to standalone financial statements for the year ended March 31, 2018

All amounts in Indian Rupees lakhs, unless otherwise stated

2 Property, plant and equipment (See accounting policy in Note 1.5)

Particulars	Land - Freehold	Buildings#	Plant and equipment	Furnitures and Fixtures	Vehicles	Office equipment and computers	AV Van and Equipment	Total
Year ended 31 March 2017:								
GROSS CARRYING AMOUNT								
As at 1 April 2016	10,775.59	11,337.68	10,587.88	391.33	125.39	712.83	67.92	33,998.62
Additions during the year	1,321.61	111.54	855.66	9.82	10.86	358.46	27.16	2,695.11
Acquisition of Titawi Sugar Unit	20,074.00	3,212.40	19,036.16	3.23	0.86	53.85	-	42,380.50
Disposals	-	-	(0.11)	(6.57)	(5.85)	(21.00)	(19.31)	(52.84)
As at 31 March 2017	**32,171.20**	**14,661.62**	**30,479.59**	**397.81**	**131.26**	**1,104.14**	**75.77**	**79,021.39**
ACCUMULATED DEPRECIATION								
As at 1 April 2016	-	437.98	875.77	27.18	15.58	199.60	9.77	1,565.88
Depreciation charge during the year	**-**	**481.26**	**1,961.53**	**44.04**	**22.65**	**136.32**	**13.29**	**2,659.09**
Disposals	**-**	**-**	**(0.11)**	**(5.14)**	**(4.62)**	**(17.68)**	**(18.35)**	**(45.90)**
As at 31 March 2017	**-**	**919.24**	**2,837.19**	**66.08**	**33.61**	**318.24**	**4.71**	**4,179.07**
NET CARRYING AMOUNT								
As at 31 March 2017	**32,171.20**	**13,742.38**	**27,642.40**	**331.73**	**97.65**	**785.90**	**71.06**	**74,842.32**
Year ended 31 March 2018:								
GROSS CARRYING AMOUNT								
As at 1 April 2017	32,171.20	14,661.62	30,479.59	397.81	131.26	1,104.14	75.77	79,021.39
Additions during the year	8,745.02	886.84	897.95	12.38	34.75	1,162.08	9.24	11,748.26
Disposals / adjustments	(2,030.76)	(125.12)	(0.01)	(0.47)	(6.53)	(17.23)	(6.90)	(2,187.02)
As at 31 March 2018	**38,885.46**	**15,423.34**	**31,377.53**	**409.72**	**159.48**	**2,248.99**	**78.11**	**88,582.63**
ACCUMULATED DEPRECIATION								
As at 1 April 2017	-	919.24	2,837.19	66.08	33.61	318.24	4.71	4,179.07
Depreciation charge during the year	-	693.55	3,370.87	48.60	27.28	399.66	13.15	4,553.11
Disposals	-	(116.57)	(0.01)	(0.42)	(3.70)	(16.39)	(6.55)	(143.64)
As at 31 March 2018	**-**	**1,496.22**	**6,208.05**	**114.26**	**57.19**	**701.51**	**11.31**	**8,588.54**
NET CARRYING AMOUNT								
As at 31 March 2018	**38,885.46**	**13,927.12**	**25,169.48**	**295.46**	**102.29**	**1,547.48**	**66.80**	**79,994.09**

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

Freehold Land of Rs. 20,074 measuring 71.84 acres located at Titawi, Muzaffarnagar, Uttar Pradesh, represents Land acquired from Mawana Sugars Limited during the year 16-17 pursuant to a business transfer agreement and the title deeds are transferred in the name of the Company through the conveyance deed executed on September 27, 2017. Refer Note No. 25.

Capital work-in-progress majorly comprises of Godown buildings under constructions and Plant and machinery pending installations at Sugar units

Notes to standalone financial statements for the year ended March 31, 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

3. Intangible assets
(See accounting policy in Note 1.6)

Particulars	Computer software	Total
As at April 1, 2017		
GROSS CARRYING AMOUNT		
Additions	980.27	980.27
Disposals	-	-
Balance as at 31 March 2018	**980.27**	**980.27**
ACCUMULATED AMORTISATION		
Amortisation charge for the year	297.46	297.46
Balance as at 31 March 2018	**297.46**	**297.46**
NET CARRYING AMOUNT		
As at 31 March 2018	**682.81**	**682.81**

4. Financial assets

4(a) Non-current investments
(See accounting policy in Note 1.11)

Particulars	As at 31 March 2018	As at 31 March 2017
Investments measured at FVOCI		
Investments in equity instruments (fully paid-up)		
Quoted		
19,480 (31 March 2017: 19,480) equity shares of BSE Limited	147.31	190.45
	147.31	**190.45**
Unquoted		
NIL (31 March 2017: 3,662,772) equity shares of IFFCO - Tokio General Insurance Co. Limited	-	14,959.86
300 (31 March 2017: 300) equity shares of New India Co-Operative Bank Limited	0.03	0.03
26,800,000 (31 March 2017: 26,800,000) equity shares of Indian Commodity Exchange Limited	2,680.00	2,680.00
100,000 (31 March 2017: 100,000) equity shares of Wisekey India Private Limited	824.74	824.74
Sub-total	**3,504.77**	**18,464.63**
Investments in Debt Instruments **Quoted**		
75,500 (31 March 2017: 75,500) units of IRFC Tax Free Bonds - 2030 - 7.28%	847.11	846.36
285,698 (31 March 2017: 285,698) units of NHAI Tax Free Bonds -2031- 7.35%	3,028.40	3,025.54

Notes to standalone financial statements for the year ended 31 March 2018

All amounts in Indian Rupees lakhs, unless otherwise stated

Particulars	As at 31 March 2018	As at 31 March 2017
140,139 (31 March 2017: 140,139) units of HUDCO Tax Free Bonds- 2031 - 7.39%	1,550.60	1,401.39
37,240,000 (31 March 2017: 37,240,000) units of Special Fertiliser Bonds - 2022 - 7.00%	36,423.36	36,673.80
50 (31 March 2017: 50) units of Special Fertiliser Bonds- 2023 - 6.65%	0.05	0.05
Sub-total	**41,849.52**	**41,947.14**
Investment in government securities - Measured at Amortised Cost		
Unquoted		
1 (31 March 2017: Nil) unit of National Savings Certificate - VIII Issue (Face value: Rs.50,000)	0.50	-
34 (31 March 2017: 34) units of National Savings Certificate - VIII Issue (Face value: Rs.10,000)	3.40	3.40
51 (31 March 2017: 51) units of National Savings Certificate - VIII Issue (Face value: Rs.5,000)	2.55	2.55
15 (31 March 2017: 15) units of National Savings Certificate - VIII Issue (Face value: Rs.1,000)	0.15	0.15
2 (31 March 2017: 2) units of National Savings Certificate - VIII Issue (Face value: Rs.500)	0.01	0.01
Sub-total	**6.61**	**6.11**
Investments measured at cost		
Investment in equity instruments (fully paid-up) of subsidiary companies		
Unquoted		
1,000,000 (31 March 2017: 1,000,000) equity shares of IPL Gujarat Port Limited	100.00	100.00
69,426 (31 March 2017: 69,426) equity shares of Goldline Milkfood and Allied Industries Limited	67.08	67.08
1,000,000 (31 March 2017: 1,000,000) equity shares of IPL Sugars and Allied Industries Limited	100.00	100.00
Sub-total	**267.08**	**267.08**
Investment in equity instruments (fully paid-up) of a joint venture company		
Unquoted		
437,000 (31 March 2017: 437,000) equity shares of IFFCO CRWC Logistics Limited	43.70	43.70
Sub-total	**43.70**	**43.70**
Total non-current investments	**45,818.99**	**60,919.11**
Aggregate amount of quoted investments and market value thereof	41,996.83	42,137.59
Aggregate amount of unquoted investments	3,822.16	18,781.52
Aggregate amount of impairment in the value of investments	-	-

Notes to standalone financial statements for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

4. Financial assets (continued)

4(b) Trade receivables

(See accounting policy in Note 1.9)

Particulars	As at 31 March 2018	As at 31 March 2017
Trade receivables (including subsidy receivables Rs.336,391.05 (March 31, 2017: 354,314.14)	4,93,562.74	5,44,633.48
Less: Allowance for doubtful debts (including provision on subsidy receivables Rs. 19,574.64 (March 31, 2017: Rs 20,674.76)	(57,378.49)	(39,416.69)
Total receivables	**4,36,184.25**	**5,05,216.79**
Non-current	-	-
Current	4,36,184.25	5,05,216.79
Breakup of security details		
Unsecured, considered good	4,36,184.25	5,05,216.79
Unsecured, considered Doubtful	57,378.49	39,416.69
	4,93,562.74	**5,44,633.48**
Allowance for credit loss	(57,378.49)	(39,416.69)
Net trade receivables	**4,36,184.25**	**5,05,216.79**

Also, refer Note 11(a)(ii) for loans secured against trade receivables

4(c) Cash and cash equivalents

(See accounting policy in Note 1.8)

Particulars	As at 31 March 2018	As at 31 March 2017
Bank balances in current accounts	21,717.79	24,927.56
Deposits with maturity of less than three months	1,00,000.00	-
Cash on hand	29.84	26.21
Total Cash and cash equivalents	**1,21,747.63**	**24,953.77**

4(c)(i) Disclosure on Specified Bank Notes (SBNs):

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	15.01	7.45	22.46
Add: Permitted receipts	5.09	91.18	96.27
Less: Permitted payments	-	77.00	77.00
Less: Amount deposited in Banks	(20.10)	(5.23)	(25.33)
Closing cash in hand as on December 30, 2016	**-**	**170.40**	**170.40**

Notes to standalone financial statements for the year ended 31 March 2018

All amounts in Indian Rupees lakhs, unless otherwise stated

4(d) Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2018	As at 31 March 2017
Bank balances in dividend accounts	39.35	37.22
Bank deposits with original maturity of more than 3 months	382.15	270.89
Molasses storage fund deposit account #	175.59	169.98
Total Bank balances other than cash and cash equivalents	**597.09**	**478.09**

Also, refer Note 10.1 below

4(e) Loans

	As at 31 March 2018		As at 31 March 2017	
	Current	Non-current	Current	Non-current
Unsecured and considered good				
Loans to wholly owned subsidiaries *	-	4,374.51	3,748.79	-
Loans to employees	**8.29**	-	-	-
Total Loans	**8.29**	**4,374.51**	**3,748.79**	-

* Refer Note 28

4(f) Other financial assets

	As at 31 March 2018		As at 31 March 2017	
	Current	Non-current	Current	Non-current
Security deposits	728.13	347.80	-	869.09
Advances to employees	53.63	-	45.93	11.78
Interest accrued on deposits	27.89	-	217.83	-
Interest accrued on bonds	1,153.09	-	1,056.83	-
Claims receivable	1,052.02	-	983.49	-
Total other financial assets	**3,014.76**	**347.80**	**2,304.08**	**880.87**

5. Deferred tax assets

(See accounting policy in Note 1.20)

Particulars	As at 31 March 2018	As at 31 March 2017
Deferred tax assets:		
Provision for compensated absences	195.21	69.98
Provision for doubtful trade receivables	20,447.10	13,861.46
Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961	1,299.47	2,528.00
Others	64.16	63.53
Total Deferred tax assets	**22,005.94**	**16,522.97**

Notes to standalone financial statements for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

Particulars	As at 31 March 2018	As at 31 March 2017
Deferred tax liabilities:		
On difference between book balance and tax balance of fixed assets	2,948.73	2,310.04
On reserve for debt and equity instruments through OCI	1,841.98	7,139.47
Total of Deferred Tax Liabilities	**4,790.71**	**9,449.51**
Deferred tax assets (net)	**17,215.23**	**7,073.46**

6. Other non-current assets

Particulars	As at 31 March 2018	As at 31 March 2017
Capital advances	143.01	4.20
Leasehold land (Refer Note 6.1 below)	8,975.34	7,125.65
Balances with Statutory authorities	-	125.64
Total Other non-current assets	**9,118.35**	**7,255.49**

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

7. Inventories

(See accounting policy in Note 1.10)

Particulars	As at 31 March 2018	As at 31 March 2017
Raw materials	3,264.41	1,518.19
Packing Materials	1,530.52	1,445.84
Work-in-progress	1,255.19	3,179.80
Finished goods (other than those acquired for trading)	53,167.61	46,146.81
Stock-in-trade (acquired for trading) *	1,93,200.68	1,68,684.25
Stores and spares	902.56	1,319.17
Total Inventories	**2,53,320.97**	**2,22,294.06**
* Includes Goods in transit	28,672.03	36,231.01

8. Other current assets

Particulars	As at 31 March 2018	As at 31 March 2017
Unsecured and considered good		
Leasehold land (Refer Note 6.1)	193.98	175.58
Advance to suppliers	19,651.25	2,479.60
Balances with statutory authorities		
- Goods and services tax	14,720.05	-

Notes to standalone financial statements for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

Particulars	As at 31 March 2018	As at 31 March 2017
- Cenvat credit	207.35	422.38
- Value added tax	36.37	101.07
- Customs duty	-	3.14
- Others	23.98	50.78
Prepaid expenses	1,141.83	1,590.95
Other advances	-	221.82
	35,974.81	**5,045.32**
Unsecured and considered doubtful		
Balances with statutory authorities	1,135.43	1,135.43
Less: Provision towards doubtful balances	(1,135.43)	(1,135.43)
Total Other current assets	**35,974.81**	**5,045.32**

9(a). Equity share capital

Particulars	As at 31 March 2018	As at 31 March 2017
Authorised		
50,000,000 (Previous year: 50,000,000) equity shares of Rs 10/- each	5,000.00	5,000.00
Issued, subscribed and paid-up		
14,298,600 (Previous year: 14,298,600) equity shares of Rs 10/- each, fully paid up	1,429.86	1,429.86
Total Equity share capital	**1,429.86**	**1,429.86**

(i) Movement in equity share capital

Equity Shares

	31 March 2018		31 March 2017	
	No. of shares	Amount	No. of shares	Amount
At the commencement of the year	142,98,600	1,429.86	142,98,600	1,429.86
Add: Shares issued during the year	-	-	-	-
At the end of the year	**142,98,600**	**1,429.86**	**142,98,600**	**1,429.86**

(ii) Terms and rights attached to equity shares

Equity shares have a par value of INR 10. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held.

Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Notes to standalone financial statements for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

(iii) Particulars of shareholders holding more than 5% of equity shares

	31 March 2018		31 March 2017	
	No. of shares	% of equity shares	No. of shares	% of equity shares
Equity shares of Rs 10/- each fully paid up, held by:				
Indian Farmers Fertilisers Cooperative Limited	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

9(b). Reserves and surplus

Particulars	As at 31 March 2018	As at 31 March 2017
Capital reserve	7,762.49	7,762.49
General reserve	42,986.88	42,986.88
Retained earnings	2,23,617.84	1,78,569.09
	2,74,367.21	**2,29,318.46**
(i) Capital reserve		
Opening balance	7,762.49	-
Movements	-	7,762.49
Closing balance	**7,762.49**	**7,762.49**
(ii) General reserve		
Opening balance	42,986.88	42,986.88
Movements - Transferred from Statement of Profit and Loss	-	-
Closing balance	**42,986.88**	**42,986.88**
(iii) Retained earnings		
Opening balance	1,78,569.09	1,42,278.53
Profit attributable to owners of the Company	35,028.96	36,733.81
Other comprehensive income arising from remeasurement of defined benefit obligation, net of tax	(624.01)	81.73
Transfer from OCI of profit on sale of investments, net of tax	11,169.59	-
Final dividend	(428.94)	(428.94)
Dividend distribution tax	(87.33)	(87.33)
Others - Transferred to Molasses Storage Facilities Reserve Fund	(9.52)	(8.71)
Closing balance	**2,23,617.84**	**1,78,569.09**

In respect of the previous year ended March 31, 2017, the directors had proposed a final dividend of Rs. 3/- per share on the fully paid equity shares.

Notes to standalone financial statements for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

9(c). Other reserves

Particulars	As at 31 March 2018	As at 31 March 2017
Reserve for debt instruments through OCI	2,929.18	2,929.47
Reserve for equity instruments through OCI	1,428.92	10,560.59
	4,358.10	**13,490.06**
(i) Reserve for debt instruments through OCI		
Opening balance	2,929.47	2,096.53
Changes in fair value of debt instruments	(97.61)	1,273.61
Deferred tax on the above	97.32	(440.67)
Closing balance	**2,929.18**	**2,929.47**
(ii) Reserve for equity instruments through OCI		
Opening balance	10,560.59	3,008.95
Transfer to retained earnings on disposal of investments, net of tax	(11,169.59)	-
Changes in fair value of debt instruments	(43.14)	11,546.79
Tax on the above	2,081.06	(3,995.15)
Closing balance	**1,428.92**	**10,560.59**

10. Other non-current liabilities

Particulars	As at 31 March 2018	As at 31 March 2017
Molasses Storage Facility Reserve Fund (refer Note 10.1 below)	123.76	114.24
Total Other non-current liabilities	**123.76**	**114.24**

10.1 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.

11. Financial liabilities

11(a) Borrowings
(See accounting policy in Note 1.16)

11(a) (i) Non-current borrowings

Particulars	As at 31 March 2018	As at 31 March 2017
Secured, at amortised cost		
From a bank		
Term loans	571.29	1,142.61
Total non-current borrowings	571.29	1,142.61
Less: Current liabilities of long-term debt [included in Note 11(c)]	(571.29)	(571.32)
Total Non-current borrowings	**-**	**571.29**

Notes to standalone financial statements for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

Nature of security and terms of repayment for non-current borrowings:

Secured term loans from HDFC Bank are secured by first charge on the movable fixed assets of sugar units (excluding Titawi Sugar unit) of the Company. The loan balance aggregating to INR 2,516 was repaid in full on 22 September 2016 and the balance amount is repayable in 12 quarterly instalments of Rs.142.83 Lakhs commencing from June 2016 and ending March 2019. The Company has availed the interest free loan under 'Scheme for Extending Financial Assistance to Sugar Undertakings 2013', from Sugar Development Fund.

11(a)(ii) Current borrowings

Particulars	As at 31 March 2018	As at 31 March 2017
Unsecured, at amortised cost		
From banks		
Buyers' credit	87,146.74	3,70,426.98
Commercial paper	-	80,000.00
Other working capital loans	61,936.18	-
Secured, at amortised cost		
From banks		
Buyers' credit	3,23,311.09	69,053.63
Other working capital loans	77,667.00	8,200.00
Total current borrowings	**5,50,061.01**	**5,27,680.61**
Less: Interest accrued [included in Note 11(c)]	(2,373.46)	(1,691.44)
Current borrowings (as per balance sheet)	**5,47,687.55**	**5,25,989.17**

Nature of security and terms of repayment for current borrowings:

(a) Buyers' credit from consortium of banks are secured against stock and trade receivables of the Company and are repayable generally within 180 days of availment. These facilities carry interest rates ranging between 1.73% and 2.82%.

(b) Commercial papers outstanding as at 31 March 2017 amounting to Rs. 50,000 from HDFC and Rs. 30,000 from SBI, were repaid during April and June 2017 respectively. These instruments carried an interest rate of 6.60%.

(c) Other secured working capital loans include:

(i) Loan from SBI, aggregating to Rs.77,667.00 (31 March 2017: Rs.Nil), under a Special banking arrangement approved by Ministry of Finance, which carry a net interest rate of 0.96% for the Company. The loan is secured against subsidy receivables from Government of India. The loan is repayable by May 2018.

(ii) Loans from Deutsche Bank aggregating to Rs. Nil (31 March 2017: Rs.8,200 Lakhs) was repaid during October 2017. These loans were availed at an interest rate of 7.10% per annum and are secured against inventories and trade receivables.

Notes to standalone financial statements for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

(d) Other unsecured working capital loans include:

(i) Short-term working capital loans from HSBC Bank aggregating to Rs.52,967.71 (31 March 2017: Rs.Nil). These loans are repayable by September 2018 and carry interest rates ranging between 6.95%- 7.75% per annum.

(ii) PCFC Loan from HDFC Bank aggregating to Rs.8,968.47 (31 March 2017: Rs.Nil) is repayable by April 2018 and carry an interest rate of 3.44% per annum.

Net Debt Reconciliation

Particulars	As at 31 March 2018	As at 31 March 2017
Cash and cash equivalents	1,21,747.63	24,953.77
Bank balances other than cash and cash equivalents	597.09	478.09
Current Borrowings	(5,50,061.01)	(5,27,680.61)
Non-current borrowings	(571.29)	(1,142.61)
Net Debt	**(4,28,287.58)**	**(5,03,391.36)**

Particulars	Other assets	Liabilities from financing activities		Total
	Cash and other bank balances	Non-current borrowings	Current borrowings	
Net Debt as at March 31, 2017	25,431.86	(1,142.61)	(5,27,680.61)	(5,03,391.36)
Cash Flows	96,912.86	571.32	(17,317.89)	80,166.29
Foreign Exchange adjustments	-	-	(4,380.49)	(4,380.49)
Interest expense	-	-	(15,103.66)	(15,103.66)
Interest paid	-	-	14,421.64	14,421.64
Net Debt as at March 31, 2018	**1,22,344.72**	**(571.29)**	**(5,50,061.01)**	**(4,28,287.58)**

11(b) Trade payables

Particulars	As at 31 March 2018	As at 31 March 2017
Trade payables		
- total outstanding dues of micro and small enterprises	-	-
- total outstanding dues of creditors other than micro and small enterprises [refer Note 11(b)(i)] *	1,14,259.62	90,680.44
Total Trade payables	**1,14,259.62**	**90,680.44**

* Of the above trade payables, the Company has issued letter of credits aggregating to Rs. 8,998.41 Lakhs (31 March 2017: Rs. 38,814.42 Lakhs)

Notes to standalone financial statements for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

11(b)(i) Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31 March 2018	As at 31 March 2017
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(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	-	-

11(c) Other financial liabilities

	As at 31 March 2018		As at 31 March 2017	
	Current	Non-current	Current	Non-current
Current maturities of long-term debt [refer Note 11(a)(i)]	571.29	-	571.32	-
Interest accrued [refer Note 11(a)(ii)]	2,373.46	-	1,691.44	-
Unpaid dividends	39.35	-	37.22	-
Held for trading derivatives not designated in Hedge accounting relationship	-	-	37.31	-
Payables on purchase of fixed assets	2,814.36	-	2,810.00	-
Payable on acquistion of business - Sugar unit (Refer Note 25)	-	-	8,304.00	-
Customer discounts	18,603.43	-	18,212.63	-
Employee benefits payable	1,032.74	-	1,111.98	-
Trade / security deposits received	-	3,704.94	-	3,827.10
Total Other financial liabilities	**25,434.63**	**3,704.94**	**32,775.90**	**3,827.10**

Notes to standalone financial statements for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

12. Employee benefits obligations
(See accounting policy in Note 1.21)

	As at 31 March 2018		As at 31 March 2017	
	Current	Non-current	Current	Non-current
Employee benefits:				
- Gratuity	379.16	793.59	195.52	-
- Compensated absences	506.41	53.21	202.21	-
	885.57	**846.80**	**397.73**	**-**

Disclosure of Post employment benefits:

	Provident fund		Gratuity	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Components of employer's expense:				
Interest cost	-	-	177.41	175.93
Current service cost	-	-	198.21	175.08
Expected return on plan assets	-	-	(168.60)	(161.74)
Actuarial losses/ (gains)	-	-	970.21	(81.73)
Total expense recognised in the Statement of Profit and Loss	**-**	**-**	**1,177.23**	**107.54**
Net asset/ liability recognised in the balance sheet:				
Present value of Defined benefit obligation (DBO)	5,487.49	4,880.58	3,567.62	2,509.84
Fair value of plan assets at the end of the year	5,487.49	4,880.58	2,394.87	2,314.32
Asset/(Liability) recognized in the balance sheet	-	-	(1,172.75)	(195.52)
Changes in the Defined Benefit Obligation (DBO) during the year:				
Present value of DBO at the beginning of year	5,487.49	4,880.58	2,509.84	2,452.28
Interest cost	-	-	177.41	175.93
Current service cost	-	-	198.21	175.08
Benefits paid	-	-	(272.10)	(223.14)
Actuarial (gains) / losses	-	-	954.26	(70.31)
Present value of DBO at the end of year	**5,487.49**	**4,880.58**	**3,567.62**	**2,509.84**

Notes to standalone financial statements for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

	Provident fund		Gratuity	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Changes in the fair value of assets during the year:				
Plan assets at beginning of year	5,487.49	4,880.58	2,314.32	2,164.30
Expected return on plan assets	-	-	168.60	161.74
Actual company contributions	-	-	200.00	200.00
Benefits paid	-	-	(272.10)	(223.14)
Actuarial gain / (loss)	-	-	(15.95)	11.42
Plan assets as at end of year	**5,487.49**	**4,880.58**	**2,394.87**	**2,314.32**
Current portion	-	-	379.16	195.52
Non-current portion	-	-	793.59	-
	-	-	**1,172.75**	**195.52**
Actuarial assumptions:				
Discount Rate	7.70%	7.40%	7.40%	7.36%
Expected rate of return on assets	9.17%	7.40%	7.40%	7.36%
Expected rate of salary Increase	5.00%	5.00%	5.00%	5.00%
Attrition Rate	5.00%	5.00%	5.00%	5.00%
Mortality	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

Experience adjustments	**2017-18**	**2016-17**
Present value of DBO	3,567.62	2,509.84
Fair value of plan assets	-	-
Funded status [Surplus / (Deficit)]	(3,567.62)	(2,509.84)
Experience gain / (loss) adjustments on plan liabilities	961.95	(137.25)
Experience gain / (loss) adjustments on plan assets	-	-

Notes to standalone financial statements for the year ended 31 March 2018

All amounts in Indian Rupees lakhs, unless otherwise stated

12. Employee benefits obligations (Conti.)

Sensitivity analysis

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

	Change in assumption			Impact on Defined Benefit Obligation				
				Increase in assumption			Decrease in assumption	
	31-Mar-18	31-Mar-17		31-Mar-18	31-Mar-17		31-Mar-18	31-Mar-17
Discount rate	1%	1%	Decrease by	(188.84)	(124.83)	Increase by	179.27	87.32
Salary growth	1%	1%	Increase by	182.91	103.84	Decrease by	(190.61)	(114.71)

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

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

13. Current tax assets and liabilities

Particulars	As at 31 March 2018	As at 31 March 2017
Current tax assets		
Advance tax and tax deducted at source	1,34,108.90	1,10,333.87
	1,34,108.90	1,10,333.87
Current tax liabilities		
Income tax payable	1,53,284.18	1,27,052.18
	1,53,284.18	1,27,052.18
Net current tax (assets) / liabilities	**19,175.28**	**16,718.31**

14. Other current liabilities

Particulars	As at 31 March 2018	As at 31 March 2017
Advances from customers	16,265.93	4,124.41
Statutory dues payables	1,506.37	3,235.75
Total Other current liabilities	**17,772.30**	**7,360.16**

Notes to standalone financial statements for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

15. Revenue from operations

(See accounting policy in Note 1.4)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Sale of products (including excise duty and Government Subsidy)	13,56,486.31	12,24,527.95
Less: Sales discounts	38,573.20	58,378.59
	13,17,913.11	**11,66,149.36**
Sale of services	310.53	76.33
Other operating revenues	1,831.96	6,581.68
Total revenue from operations	**13,20,055.60**	**11,72,807.37**
Particulars		
Sale of products comprises :		
Manufactured goods		
Sugar and by Products	82,330.57	66,490.70
Cattle feed Products	5,634.45	7,894.76
Milk & Milk Products	48,456.96	40,610.48
Total - Sale of manufactured goods	**1,36,421.98**	**1,14,995.94**
Traded goods		
Muriate of Potash	2,97,536.37	2,97,943.24
Di Ammonium Phosphate	2,41,205.98	2,86,976.17
Urea	2,84,387.15	1,05,421.75
Complex Fertilisers	34,625.92	39,775.97
Others	25,517.66	35,063.02
Sales discounts	(38,573.20)	(58,378.59)
Total - Sale of traded goods	**8,44,699.88**	**7,06,801.56**
Total - Sale of products	**9,81,121.86**	**8,21,797.50**
Government subsidy comprises:		
Traded goods		
Muriate of Potash	1,58,914.18	1,85,020.43
Di Ammonium Phosphate	1,29,017.06	1,36,368.24
Complex Fertilisers	16,664.36	20,014.65
Others	32,195.65	2,948.54
Total - of Subsidy	**3,36,791.25**	**3,44,351.86**
Grand Total - Sale of products	**13,17,913.11**	**11,66,149.36**

Notes to standalone financial statements for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Other operating revenues		
- Differential freight claim on Urea handling	-	5,320.59
- Sale of scrap	383.87	-
- Packing charges recovered	15.52	-
- Amount received from suppliers/agents towards Shortages	554.63	113.30
- Despatch / Demurrage (net)	877.94	1,147.79
Total Other operating revenues	**1,831.96**	**6,581.68**

16. Other income

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Interest Income		
- Interest income earned on financial assets that are not designated as at FVTPL	294.21	590.45
- Bank deposits (at amortised cost)	92.29	96.93
- Interest income from Debt instruments at fair value through other comprehensive income	2,978.80	2,975.32
Dividends from mutual funds	2,475.41	2,288.34
Profit on sale of fixed assets (net)	367.46	1.26
Profit on sale of investments	0.14	35.71
Provision / liabilities no longer required, written back	23,217.18	4,259.25
Receipts towards insurance claims	879.67	605.12
Net gain on foreign currency transactions and translation	2,522.74	10,798.55
Miscellaneous income	136.32	290.29
Total **Other income**	**32,964.22**	**21,941.22**

17. Cost of materials consumed

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Raw materials		
Raw materials at the beginning of the year consumed	1,518.19	1,486.16
Add: Purchases	1,34,930.54	1,15,323.05
Less: Raw materials at the end of the year	(3,264.41)	(1,518.19)
Total cost of materials consumed	**1,33,184.32**	**1,15,291.02**
Material consumed comprises:		
Sugarcane	78,715.25	66,970.48
Others	54,469.07	48,320.54
Total	**1,33,184.32**	**1,15,291.02**

Notes to standalone financial statements for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Purchase of stock-in-trade		
Muriate of Potash	3,66,904.35	3,68,069.63
Di-Ammonium Phosphate	3,22,371.71	3,25,031.42
Urea	2,53,569.59	92,395.83
Complex Fertilisers	41,348.06	47,851.64
Others	10,821.03	17,891.88
Total Purchase of stock-in-trade	**9,95,014.74**	**8,51,240.40**

18. Changes in inventories of finished goods, work-in progress and stock in trade

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Opening stock		
Finished goods	46,146.81	22,099.50
Finished goods on date of acquisition of sugar unit	-	2,989.08
Work in progress	3,179.80	3,393.98
Stock-in-trade	1,68,684.25	1,66,432.94
Total opening balance	**2,18,010.86**	**1,94,915.50**
Closing stock		
Finished goods	(53,167.61)	(46,146.81)
Work in progress	(1,255.19)	(3,179.80)
Stock-in-trade	(1,93,200.68)	(1,68,684.25)
Total closing balance	**(2,47,623.48)**	**(2,18,010.86)**
Total changes in inventories of finished goods, work-in progress and stock in trade	**(29,612.62)**	**(23,095.36)**

19. Employee benefit expenses

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Salaries, wages and bonus	6,937.16	4,975.48
Contribution to provident and other funds (Refer Note 12)	365.95	700.11
Staff welfare expenses	254.48	168.08
Total Employee benefit expenses	**7,557.59**	**5,843.67**

Note: The Company makes contribution to Superannuation Fund which is a defined contribution plan, for qualifying employees. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs.54.70 (Year ended 31 March 2017: Rs.45.30) for Superannuation Fund contributions in the Statement of Profit and Loss. The contributions payable to superannuation plan by the Company are at rates specified in the rules of the schemes.

Notes to standalone financial statements for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

20. Depreciation and amortisation expense

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Depreciation of tangible fixed assets	4,553.11	2,659.09
Amortisation of intangible fixed assets	297.46	-
Total Depreciation and amortisation expense	**4,850.57**	**2,659.09**

21. Other expenses

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Consumption of stores and spare parts	2,817.46	515.39
Power and fuel	1,629.09	1,626.56
Freight and Forwarding charges	92,732.80	88,281.08
Discharge & clearance expenses	24,083.15	19,562.97
Packing materials Consumed - indigenous	13,596.03	14,006.67
Godown Rent	4,935.83	5,228.19
Rent including lease rentals [Refer Note 26(c)]	1,932.57	3,504.66
Repairs and maintenance - Buildings	296.23	204.24
Repairs and maintenance - Machinery	2,546.69	1,926.12
Repairs and maintenance - Others	710.20	99.07
Restitching & Rebagging Charges	245.17	111.81
Storage & Transit Insurance	827.02	889.28
Cost of services	-	1,027.69
Shortages	-	116.20
Insurance	48.96	59.63
Rates and taxes	5,244.20	2,620.09
Communication	150.78	78.78
Travelling and conveyance	438.77	382.21
Printing and stationery	56.06	54.67
Business promotion	294.73	22.19
Legal and professional	577.30	259.77
Payments to auditors [Refer note 21(a) below]	106.60	80.46
Corporate social responsibility expenses [Refer note 21(b) below]	208.04	156.44
Directors sitting fees and commission	25.75	29.44
Bad trade receivables written off	997.37	4,598.94
Provision for doubtful trade and other receivables, loans and advances	17,981.51	20,795.59
Miscellaneous expenses	1,392.36	862.54
Total other expenses	**1,73,874.67**	**1,67,100.68**

Notes to standalone financial statements for the year ended 31 March 2018

All amounts in Indian Rupees lakhs, unless otherwise stated

21(a) Details of payments to auditors:

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Payment to auditors		
As auditor:		
Audit fee	25.00	25.00
Tax audit fee	4.00	4.00
In other capacities:		
Taxation matters	-	1.50
Certification fees	76.60	29.63
Reimbursement of expenses	1.00	20.33
	106.60	**80.46**

21(b) CSR expenditure

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Amount required to be spent as per Section 135 of the Act	742.96	466.87
Amount spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above	208.04	156.44

22. Finance costs

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Interest on bank overdraft and loans (other than those from related parties)	12,163.83	13,090.75
Other interest & bank charges	2,939.83	1,740.17
Total Finance costs	**15,103.66**	**14,830.92**

23. Income tax expense

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
A. Income tax expense recognized in Profit and Loss:		
Current tax	22,382.99	26,600.00
Deferred tax	(4,844.11)	(6,162.28)
Total Income Tax expense recognized during the year	**17,538.88**	**20,437.72**
Income tax reconciliation:		
Profit before tax	52,567.84	57,171.53
Applied tax rate	0.35	0.35
Income tax expense calculated at Applied Tax rate	18,192.68	19,785.92
Total income tax expense recognized during the year	17,538.88	20,437.72
Differential tax impact	**(653.80)**	**651.80**

Notes to standalone financial statements for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Differential tax impact due to the following Tax benefits / (Tax expense) :		
Tax on exempt Income	(971.95)	(1,044.09)
Interest on tax liability	375.02	1,590.25
Expenses not allowable, net	73.80	105.64
Change in tax rate	(129.17)	-
Others	(1.50)	-
Total	**(653.80)**	**651.80**
B. Income tax recognized in other comprehensive income		
Increase in Fair Value of Equity and Debt Instruments measured at FVTOCI	(2,508.63)	4,435.82
Items that will be reclassified to Profit and Loss	(97.32)	440.67
Items that will not be reclassified to Profit and Loss	(2,411.31)	3,995.15

24. Earnings per share

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Profit attributable to the equity holders of the Company	35,028.96	36,733.81
Weighted average number of equity shares outstanding during the year (in Nos.)	142,98,600	142,98,600
Face value of share (Rs.)	10.00	10.00
Earnings per Share		
- Basic (Rs.)	244.98	256.90
- Diluted (Rs.)	244.98	256.90

25. Acquisition of Titawi Sugar unit

Pursuant to a Business Transfer Agreement (BTA) entered into with Mawana Sugars Limited (Seller), the Company had acquired the assets and liabilities of Titawi Sugar Unit(TSU) of the seller together with rights, title and interest of the seller in TSU as a going concern on an “as is where is basis” for a lump sum consideration aggregating to Rs.37,752.97 lakhs, with effect from 1 November 2016. The said consideration was allocated to respective assets and liabilities based on their respective fair values as determined by an independent valuer. The Company had taken over the Land, Buildings, Plant and Machinery, Office equipments, Vehicles and current assets and liabilities. The difference between the fair value of the net assets taken over and the lumpsum consideration paid aggregating to Rs.7,762.49 lakhs was accounted as Capital Reserve and disclosed in Note 9(b) to the financial statements.

Notes to standalone financial statements for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

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

Particulars	**Amount in INR Lakhs**
Land	20,074.00
Buildings	3,212.40
Plant & Equipment	19,036.16
Furniture fixtures	3.23
Vehicles	0.86
Office Equipment	16.66
Computers	37.19
Subtotal	**42,380.50**
Current & Non-current assets	5,113.51
Total assets	**47,494.01**
Less: Current & Non-current liabilities	(1,978.55)
Net assets	**45,515.46**
Less: Purchase considertion	(37,752.97)
Capital reserve	**7,762.49**

The Statement of profit and loss of the Company for the year ended 31 March 2017 had been prepared after considering the revenues earned and expenses incurred by TSU for the period 1 November 2016 to 31 March 2017, as the Company had taken over the management control of TSU from 1 November 2016 and all key activities were directed and controlled by the Company.

26. Commitments

26(a) Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars	**Year ended 31 March 2018**	**Year ended 31 March 2017**
Property, plant and equipment	1,013.69	1,641.53

26(b) Other commitments

Purchase of traded goods	1,64,499.79	82,330.81

26(c) Non-cancelleble operating 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 5% every year.

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

Within one year	473.11	469.20
Later than one year but not later than five years	123.17	596.28
Later than five years	-	-

Rental expense relating to operating leases

Minimum lease payments	1,932.57	3,504.66
Total rental expense relating to operating leases	1,932.57	3,504.66

Notes to standalone financial statements for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

27. Contingent liabilities

Outstanding guarantees and indemnities (excluding performance guarantees)	-	-
Claims against the Company not acknowledged as debt - Disputed dues relating to supplies / other civil cases	90.00	1,434.00
Disputed customs duty demand for which the Company has preferred an appeal before the CESTAT	7,119.51	-
Disputed income tax demands for which the department has preferred an appeal before the Income Tax Appellate Tribunal.	-	5,276.27
Disputed income tax demands contested in Appeals not provided for:		
- Appeal pending before Commissioner of Income Tax (Appeals) for the AY 2014-15	52.00	52.00

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.

28. Related party transactions

A. List of related parties

Name of the related party and nature of relationship

Investing party
Indian Farmers' Fertiliser Co-operative Limited (IFFCO)

Subsidiary companies
Goldline Milk Food and Allied Industries Limited
IPL Sugars and Allied Industries Limited
IPL Gujarat Port Limited
Srikrishna Fertilizers Limited

Associate companies
IFFCO CRWC Logistics Limited

Key management personnel
Dr.P.S.Gahlaut

B. Transactions with key management personnel

	Year ended 31 March 2018	Year ended 31 March 2017
Remuneration and other benefits *	90.82	65.79
	90.82	**65.79**

* Amount attributed to post employment benefits and compensated absences have not been disclosed as the same cannot be identified distinctly in the actuarial valuation.

Compensation of the Company's key managerial personnel includes salaries, non-cash benefits and contributions to post employment defined benefit plan.

Notes to standalone financial statements for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

C. Transactions with related parties other than key management personnel

Investing party - Indian Farmers' Fertiliser Co-operative Limited (IFFCO)		
Sale of goods	87,110.50	1,01,539.62
Insurance charges recovered	32.17	39.94
Service charges recovered	36.57	-
Discounts	8,812.74	16,601.13
Dividend paid	145.80	145.80
Subsidiary company - Srikrishna Fertilizers Limited (SKFL)		
Loans given to SKFL	485.57	195.26
Interest income	66.35	-
Services availed	75.80	73.95
Subsidiary company - IPL Sugars and Allied Industries Limited (ISAIL)		
Loans given to ISAIL	32.50	32.62
Subsidiary company - Goldline Milk Food and Allied Industries Limited (GML)		
Loans given to GML	0.73	-
Interest income	40.57	-
Loans repaid by GML	-	53.85

D. Balances due as at the reporting date

	Year ended 31 March 2018	Year ended 31 March 2017
Balance receivable:		
Indian Farmers' Fertiliser Co-operative Limited (IFFCO)	116.53	16.09
Goldline Milk Food and Allied Industries Limited	533.82	492.52
IPL Sugars and Allied Industries Limited	2,960.17	2,927.67
Srikrishna Fertilizers Limited (SKFL)	880.52	328.60
Balance payable:		
Indian Farmers' Fertiliser Co-operative Limited (IFFCO)	5,812.87	-

29. Segment reporting

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

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All amounts in Indian Rupees lakhs, unless otherwise stated

Business segment of the company comprise of:-

(i) Fertilisers - Trading of fertilisers

(ii) Sugar and its related by-products.

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

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

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

A. BUSINESS SEGMENT INFORMATION

Particulars	Year ended 31 March 2018				Year ended 31 March 2017			
	Fertiliser	SUGAR	Others	Total	Fertiliser	SUGAR	Others	Total
Revenue from operations	11,83,618.10	82,346.09	54,091.41	13,20,055.60	10,57,811.43	66,490.70	48,505.24	11,72,807.37
Identifiable operating expenses	11,61,643.88	84,817.69	53,990.41	13,00,451.98	10,02,233.04	64,287.45	47,794.60	11,14,315.09
Segment operating income	21,974.22	-2,471.60	101.00	19,603.62	55,578.39	2,203.25	710.64	58,492.28
Unallocable expenses				-				23,261.97
Operating profit				19,603.62				35,230.31
Other income	23,217.18			23,217.18	4,259.25			4,259.25
Unallocable income				9,747.04				17,681.97
Profit before income tax				52,567.84				57,171.53
Income tax expense				17,538.88				20,437.72
Net profit				35,028.96				36,733.81

B. SEGMENT ASSETS

Particulars	Year ended 31 March 2018				Year ended 31 March 2017			
	Fertiliser	SUGAR	Others	Total	Fertiliser	SUGAR	Others	Total
Segment assets	6,70,869.28	1,40,717.45	3,925.05	8,15,511.78	7,37,797.11	1,05,267.71	10,346.78	8,53,411.60
Unallocated Corporate assets				1,94,533.84				69,261.12
Total Assets				10,10,045.62				9,22,672.72

Notes to standalone financial statements for the year ended 31 March 2018

All amounts in Indian Rupees lakhs, unless otherwise stated

C. SEGMENT LIABILITIES

Segment Liabilities	5,89,200.00	1,11,086.00	10,430.00	7,10,716.00	6,38,532.48	20,025.38	858.17	6,59,416.03
Unallocated Corporate liabilities				19,175.00				19,018.30
Total Liabilities				7,29,891.00				6,78,434.33
Capital Expenditure	1,663.46	3,233.73	7,831.34	12,728.53	1,697.28	43,848.72	82.81	45,628.81

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.

Particulars	Year ended 31 March 2018			Year ended 31 March 2017		
	India	Rest of the world	Total	India	Rest of the world	Total
Revenue by Geographical area	13,02,816.08	17,239.52	13,20,055.60	11,62,094.64	10,712.73	11,72,807.37
Carrying amount of Segment Assets	10,05,886.83	4,158.79	10,10,045.62	9,20,415.41	2,257.31	9,22,672.72
Additions to Tangible and Intangible assets	12,728.53	-	12,728.53	45,628.81	-	45,628.81
Non- Current assets	9,118.35	-	9,118.35	7,255.49	-	7,255.49

There are no single customer contributing to revenue more than 10% of the total revenue of the Company

For the revenue from major product categories, refer Note 15

30. Fair value measurements

30.1 Financial instruments by category

Particulars	Year ended 31 March 2018			Year ended 31 March 2017		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investment in equity Instruments #	-	3,652.08	-	-	18,655.08	-
Investment in debt instruments	-	41,849.52	-	-	41,947.14	-
Investment in government securities	-	-	6.61	-	-	6.11
Trade receivables	-	-	4,36,184.25	-	-	5,05,216.79
Cash and cash equivalents	-	-	1,21,747.63	-	-	24,953.77
Bank balances other than cash and cash equivalents	-	-	597.09	-	-	478.09
Loans	-	-	4,382.80	-	-	3,748.79
Other financial assets	-	-	3,362.56	-	-	3,184.95
TOTAL FINANCIAL ASSETS	**-**	**45,501.60**	**5,66,280.94**	**-**	**60,602.22**	**5,37,588.50**

Notes to standalone financial statements for the year ended 31 March 2018
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Particulars	Year ended 31 March 2018			Year ended 31 March 2017		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial liabilities						
Borrowings	-	-	5,47,687.55	-	-	5,26,560.46
Trade payables	-	-	1,14,259.62	-	-	90,680.44
Other financial liabilities	-	-	29,139.57	-	-	28,261.69
Derivative liabilities	-	-	-	37.31	-	-
Liability towards acquisition of business	-	-	-	8,304.00	-	-
TOTAL FINANCIAL LIABILITIES	**-**	**-**	**6,91,086.74**	**8,341.31**	**-**	**6,45,502.59**

Excludes investments which are measured at cost being:

a) investments in equity instruments of wholly owned subsidiaries aggregating to Rs. 267.08 (31 March 2017: Rs. 267.08) and

b) investments in equity instruments in Joint Venture company to Rs. 43.70 (31 March 2017: Rs.43.70)

The equity securities which are not held for trading, and for which the group has made an irrevocable election at intial recognition to recognise changes in fair value through OCI rather than profit or loss as these strategic investments and the group considered to be more relevent.

30.2 Valuation technique and processes:

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

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

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

The Company enters into derivative financial instruments with various counterparties, principally Banks with investment grade credit ratings. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation

Notes to standalone financial statements for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

techniques include forward pricing model, using present value calculations. As at each period presented, the marked-to-market value of derivative liability/asset position has been recognized in the financial statements.

30.3 Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair values - recurring fair value measurements - As at 31 March 2018	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments at FVTOCI				
Investment in Equity Instruments	147.31	-	3,504.77	3,652.08
Investment in Debt Instruments	5,426.11	36,423.41	-	41,849.52
Financial liabilities				
Held for trading derivatives not designated in Hedge accounting relationship - Derivative Financial Liabilities arising on Forward exchange contracts	-	-	-	-
Liability towards acquisition of business (Refer Table below and Note 25)	-	-	-	-

Financial assets and liabilities measured at amortised cost for which fair values are disclosed - As at 31 March 2018	Level 1	Level 2	Level 3	Total
Financial assets				
Investment in government securities	-	-	6.61	6.61
Financial liabilities				
Borrowings (including interest accrued)	-	-	5,50,061.01	5,50,061.01

Notes to standalone financial statements for the year ended 31 March 2018

All amounts in Indian Rupees lakhs, unless otherwise stated

Financial assets and liabilities measured at fair values - recurring fair value measurements - As at 31 March 2017	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments at FVTOCI				
Investment in Equity Instruments	190.45	-	19,289.37	19,479.82
Investment in Debt Instruments	5,273.29	36,673.85	-	41,947.14
Financial liabilities measured at fair value				
Held for trading derivatives not designated in Hedge accounting relationship - Derivative Financial Liabilities arising on Forward exchange contracts	-	37.31	-	37.31
Liability towards acquisition of business (Refer Table below and Note 25)	-	-	8,304.00	8,304.00

Financial assets and liabilities measured at amortised cost for which fair values are disclosed - As at 31 March 2017	Level 1	Level 2	Level 3	Total
Financial assets				
Investment in government securities	-	-	6.11	6.11
Financial liabilities				
Borrowings (including interest accrued)	-	-	5,28,251.90	5,28,251.90

Table for liability towards acquisition of business:

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

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

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Notes to standalone financial statements for the year ended 31 March 2018

All amounts in Indian Rupees lakhs, unless otherwise stated

Level 2 – The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

30.4 Fair value of financial assets and financial liabilities measured at amortised cost

	As at 31 March 2018		As at 1 March 2017	
	Carrying amount	**Fair value**	**Carrying amount**	**Fair value**
Financial assets				
Investment in government securities	6.61	6.61	6.11	6.11
Loans	4,382.80	4,382.80	3,748.79	3,748.79
TOTAL ASSETS	**4,389.41**	**4,389.41**	**3,754.90**	**3,754.90**
Financial liabilities				
Borrowings	5,50,061.01	5,50,061.01	5,28,251.90	5,28,251.90
TOTAL LIABILITIES	**5,50,061.01**	**5,50,061.01**	**5,28,251.90**	**5,28,251.90**

The carrying amounts of trade receivables, trade payables, other financial assets and liabilitis, cash and cash equivalents and other Bank balances are considered to be the same as their fair values, due to their short-term nature.

The fair values for loans are calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair values of borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

30.5 Derivative financial instruments

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

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

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The following table presents the aggregate contracted principal amounts of the Company's derivative contracts outstanding:

Particulars	31 March 2018	31 March 2017
USD (buy)	-	70,00,000

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

Non-designated derivative instruments (buy)		
Not later than 3 months		
USD	-	70,00,000

31. Financial risk management

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

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

31(i) Credit risk

Credit risk management

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

a) Trade and other receivables

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

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b) Investments

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

Expected credit loss for trade receivables under simplified approach (Non- Government receivables)

For the Year ended 31 March 2018

Ageing	Not due	0-90 past due	90 to 180 days past due	180 to 270 days past due	270 to 360 days past due	More than 360 days past due	Total
Gross carrying amount	53,879.52	41,160.94	22,776.41	7,881.45	2,523.59	28,949.78	1,57,171.69
Expected loss rate	3.00%	4.53%	9.92%	20.07%	60.69%	100.00%	
Expected credit losses (loss allowance provision)	(1,617.29)	(1,865.09)	(2,258.32)	(1,581.81)	(1,531.56)	(28,949.78)	(37,803.85)
Carrying amount of trade receivables (net of impairment)	**52,262.23**	**39,295.85**	**20,518.09**	**6,299.64**	**992.03**	**-**	**1,19,367.84**
For the Year ended 31 March 2017:							
Gross carrying amount	69,972.39	66,342.40	34,118.29	2,745.09	8,535.68	11,105.48	1,92,819.34
Expected loss rate	1.25%	2.53%	4.92%	9.57%	36.43%	100.00%	
Expected credit losses (loss allowance provision)	(876.58)	(1,679.26)	(1,676.98)	(262.71)	(3,109.80)	(11,105.48)	(18,710.80)
Carrying amount of trade receivables (net of impairment)	**69,095.81**	**64,663.14**	**32,441.31**	**2,482.38**	**5,425.89**	**-**	**1,74,108.53**

31(ii) Liquidity risk

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

The working capital position of the Company is given below:

	As at 31 March 2018	As at 31 March 2017
Cash and cash equivalents	**1,21,747.63**	**24,953.77**
Bank balances	597.09	478.09
Total	1,22,344.72	25,431.86

Notes to standalone financial statements for the year ended 31 March 2018

All amounts in Indian Rupees lakhs, unless otherwise stated

a) Financing arrangements

The Company has access to the following undrawn borrowing facilities at the end of the reporting period:

	As at 31 March 2018	As at 31 March 2017
Expiring within one year (short term borrowing and other facilities excluding buyers credit facility expiring 31 March 2018)	**1,28,211.63**	**9,01,457.00**

b) Maturities of financial liablities

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2018 and 31 March 2017:

	As at 31 March 2018			
	Less than one year	1-2 years	2 years and above	Total
Borrowings	5,47,687.55	-	-	5,47,687.55
Trade payables	1,14,259.62	-	-	1,14,259.62
Other financial liabilities	25,434.63	3,704.94	-	29,139.57
Total	**6,87,381.80**	**3,704.94**	**-**	**6,91,086.74**

	As at 31 March 2017			
	Less than one year	1-2 years	2 years and above	Total
Borrowings	5,25,989.17	571.29	-	5,26,560.46
Trade payables	90,680.44	-	-	90,680.44
Other financial liabilities	24,320.35	3,827.10	114.24	28,261.69
Derivative liabilties	37.31	-	-	37.31
Liability towards acquisition of business	8,304.00	-	-	8,304.00
Total	**6,49,331.27**	**4,398.39**	**114.24**	**6,53,843.90**

31(iii) Foreign currency risk

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

Notes to standalone financial statements for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

The following table presents foreign currency risk from non-derivative financial instruments as of 31 March 2018 and 31 March 2017:

For the Year ended 31 March 2018:

Particulars	USD Lakhs	INR Equivalent (in Lakhs)	EUR Lakhs	INR Equivalent	AED Lakhs	INR Equivalent
Liabilities:						
Borrowings	6,404.88	4,17,185.35	-	-	-	-
Trade payables	315.11	20,537.29	39.40	3,169.75	16.53	292.82

For the Year ended 31 March 2017

Particulars	USD Lakhs	INR Equivalent (in Lakhs)	EUR Lakhs	INR Equivalent	AED Lakhs	INR Equivalent
Assets:						
Trade receivables	71.76	4,655.24	-	-	-	-
Liabilities:						
Borrowings	6,748.72	4,37,789.17	-	-	-	-
Trade payables	572.06	37,109.79	-	-	-	-

Sensitivity analysis

	Impact on profit before tax	
	For the Year ended 31 March 2018	**For the Year ended 31 March 2017**
USD Sensitivity		
INR/USD - Increase by 10% (31 March 2017-10%)	43,797.53	47,955.38
INR/USD - Decrease by 10% (31 March 2017-10%)	(43,797.53)	(47,955.38)
Euro Sensitivity		
INR/EUR - Increase by 10% (31 March 2017-10%)	316.97	-
INR/EUR - Decrease by 10% (31 March 2017-10%)	(316.97)	-
AED Sensitivity		
INR/AED - Increase by 10% (31 March 2017-10%)	29.28	-
INR/AED - Decrease by 10% (31 March 2017-10%)	(29.28)	-

31(iv) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has been availing borrowings at fixed and variable rate of interest. These borrowings are carried at amortised cost. The borrowings on a fixed rate of interest basis are not subject to the interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of change in interest market rates. The borrowings on a variable rate on interest are subject to interest rate risk as defined in Ind AS 107.

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

Classification of borrowings by nature of interest rate:

	As at March 2018	As at March 2017
Borrowings at variable interest rate:		
- Current	1,39,455.37	-
- Non-current	-	-
Borrowings at fixed interest rate :		
- Current	5,50,632.30	5,28,251.93
- Non-current	-	571.29

Interest rate sensitivity analysis

	Impact on profit before tax	
	For the Year ended 31 March 2018	For the Year ended 31 March 2017
Interest rates increase by 10 base points *	-	-
Interest rates decrease by 10 base points	199.11	-

*The Company has availed short term loan facilities at a specified interest rates and such interest rates are linked to MIBOR. As per the terms of arrangement with the banks, any reduction in the MIBOR interest rates are refunded to the Company and increase in MIBOR rates are not charged back to the Company.

31(v) Price risk

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

If equity prices had been 1% higher/lower other comprehensive income/ equity for the year ended 31 March 2018 would increase/ decrease by Rs. 458.19 (31 March 2017: Rs. 606.46) as a result of the changes in fair value of equity and debt investments measured at FVTOCI. There is no impact of change in equity price on profit or loss.

32. Capital management

(i) Risk management

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

Notes to standalone financial statements for the year ended 31 March 2018
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	As at March 2018	As at March 2017
Net Debt	4,28,287.58	5,03,391.36
Total equity	2,80,155.17	2,44,238.38
Net Debt to Equity Ratio	152.88%	206.11%

(ii) Dividends

	As at March 2018	As at March 2017
(i) Equity shares		
Final dividend for the year ended 31 March 2018 of INR 3 (31 March 2017 – INR 3) per fully paid share	428.94	428.94
ii) Dividends not recognised at the end of the reporting period		
In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of INR 3 per fully paid equity share (31 March 2017 – INR 3). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	428.94	428.94

The Board of Directors of the Company in the Board meeting held on May 28, 2018, recommended a Bonus issue of shares in the ratio of 1:1 for the equity shares held by the shareholders as at the record date which is subject to the approval of the shareholders of the Company.

33. Disclosure of information in terms of section 186 (4) of the Companies Act, 2013 :

Name of entity	Nature of relationship	Purpose	31 March 2018	31 March 2017
Investments made:				
IFFCO - Tokio General Insurance Co. Limited	Not a related Party	Businees Needs and exigencies	-	14,959.86
New India Co-Operative Bank Limited	Not a related Party	To obtain borrowing facilities	0.03	0.03
Indian Commodity Exchange Limited	Not a related Party	To engage in Commodity trading business	2,680.00	2,680.00
BSE Limited	Not a related Party	General investment purposes	147.31	190.45
IPL Gujarat Port Limited	Related Party	To engage in business of Port Management	100.00	100.00

Name of entity	Nature of relationship	Purpose	31 March 2018	31 March 2017
Goldline Milkfood and Allied Industries Limited	Related Party	To engage in manufacture of milk and milk business	67.08	67.08
IPL Sugars and Allied Industries Limited	Related Party	To engage in manufacture of sugar and allied products	100.00	100.00
IFFCO CRWC LOGISTICS LIMITED	Related Party	To engage in warehousing business	43.70	43.70
Wisekey India Private Limited	Not a related Party	To engage in IT business	824.74	824.74
Sub- total			**3,962.86**	**18,965.86**
Loans given:				
Goldline Milk Food and Allied Industries Limited	Related Party	Businees needs and exigencies	533.82	492.52
IPL Sugars and Allied Industries Limited	Related Party	Businees needs and exigencies	2,960.17	2,927.67
Srikrishna Fertilizers Limited (SKFL)	Related Party	Businees needs and exigencies	880.52	328.60
Sub- total			**4,374.51**	**3,748.79**
Deposits made				
HDFC Limited	Not a related Party	General investment purposes	40,000.00	-
Grand Total			**48,337.37**	**22,714.65**

34 Subsequent to the Balance sheet Date, the Company has invested INR 64,968.99 (USD 954.13) in a Company for a stake of 27.38%

35 Previous Year's figures are recast/regrouped wherever necessary to conform to the classification of the current year.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants

For and on behalf of the Board of Directors

Subramanian Vivek
Partner
Membership No.: 100332

Sundeep Kumar Nayak
Chairman
DIN: 02140600

P.S.Gahlaut
Managing Director
DIN: 00049401

U.S.Awasthi
Director
DIN: 00026019

George Zachariah
Chief Financial Officer

Rajesh Kumar Sadangi
Company Secretary

Place: New Delhi
Date: May 28, 2018

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF INDIAN POTASH LIMITED

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

1. We have audited the accompanying consolidated Ind AS 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"), its joint venture; (refer Note 1.2) to the attached consolidated financial statements, comprising of the consolidated Balance Sheet as at March 31, 2018, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Cash Flow Statement for the year then ended and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and changes in equity of the Group including its joint venture in accordance with accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. The respective Board of Directors of the companies included in the Group and its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its joint venture respectively and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements 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 has been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

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

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

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

6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 8 of the Other Matters paragraph below, other than the unaudited financial statements as certified by the management and referred to in sub-paragraph 9 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group and its Joint Venture as at March 31, 2018, and their consolidated total comprehensive income (comprising of consolidated profit and consolidated other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Other Matters

8. We did not audit the financial statements of three subsidiaries whose financial statements reflect total assets of Rs 4,417.82 Lakhs and net assets of Rs (429.25) Lakhs as at March 31, 2018, total revenue of Rs. 111.64 Lakhs, total comprehensive income (comprising of profit/loss and other comprehensive income) of Rs (275.27) Lakhs and net cash flows amounting to Rs (70.68) Lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated Ind AS financial statements insofar as it

relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act insofar as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors. .

9. The consolidated Ind AS financial statements also include the Group's share of total comprehensive income (comprising of loss and other comprehensive income) of Rs. (1.45) Lakhs for the year ended March 31, 2018 as considered in the consolidated Ind AS financial statements, in respect of one joint venture, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management, and our opinion on the consolidated Ind AS financial statements insofar as it relates to the amounts and disclosures included in respect of the joint venture and our report in terms of sub-section (3) of Section 143 of the Act insofar as it relates to the aforesaid Joint Venture, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

   Our opinion on the consolidated Ind AS 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 and the financial statements certified by the Management.

10. The Consolidated Ind AS financial statements of the Company for the year ended March 31, 2017, were audited by another firm of chartered accountants under the Companies Act, 2013 who, vide their report dated June 29, 2017, expressed an unmodified opinion on those financial statements. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

11. As required by Section143(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 Ind AS financial statements.

(b) In our opinion, proper books of account as required by law maintained by the Holding Company, its subsidiaries included in the Group, Joint Venture incorporated in India including relevant records relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company, its subsidiaries included in the Group, Joint Venture incorporated in India including relevant records relating to the preparation of the consolidated Ind AS financial statements.

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

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, Joint Venture incorporated in India, none of the directors of the Group companies, its Joint Venture incorporated in India is disqualified as on March 31, 2018 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 with reference to financial statements of the Holding Company, its subsidiary companies, Joint Venture incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

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

i. The consolidated Ind AS financial statements disclose the impact of pending litigations as at March 31, 2018 on the consolidated financial position of the Group and its Joint Venture – Refer Note 27 to the consolidated Ind AS financial statements.

ii. The Group and its Joint Venture has long-term contracts as at March 31, 2018 for which there were no material foreseeable losses. The Group and its Joint Venture did not have any derivative contracts as at March 31, 2018.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group and its Joint Venture during the year ended March 31, 2018.

iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Group for the year ended March 31, 2018.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016
Chartered Accountants

Subramanian Vivek
(Partner)
Membership Number: 100332

Place : New Delhi
Date : May 28, 2018

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Indian Potash Limited on the consolidated Ind AS financial statements for the year ended March 31, 2018)

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

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2018, we have audited the internal financial controls with reference to financial statements of Indian Potash Limited (hereinafter referred to as "the Holding Company") and its subsidiaries, its Joint Venture, which are companies incorporated in India, as of that date. Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is not applicable to the Joint Venture incorporated in India namely IFFCO CRWC Logistics Limited, pursuant to MCA notification GSR 583(E) dated 13 June 2017.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding company and its subsidiary companies, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls over financial reporting is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on 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 Act.

Auditors' Responsibility

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

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors 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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements 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 with reference to financial statements

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

Opinion

8. In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2018, 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

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to three subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not qualified in respect of this matter.

.For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016
Chartered Accountants

Subramanian Vivek
(Partner)
Membership Number: 100332

Place : New Delhi
Date : May 28, 2018

Consolidated balance sheet as at 31 March 2018

All amounts in Indian Rupees lakhs, unless otherwise stated

Particulars	Notes	As at 31 March 2018	As at 31 March 2017
ASSETS			
Non-current assets			
Property, plant and equipment	2	80,531.58	75,065.73
Capital work-in-progress		1,718.44	7,743.94
Goodwill on consolidation		409.83	409.83
Intangible assets	3	682.85	-
Investments accounted for using equity method	34	42.25	43.70
Financial assets			
i. Investments	4(a)	45,508.21	60,608.33
ii. Other financial assets	4(f)	347.80	880.87
Deferred tax assets (net)	5	17,202.08	7,051.46
Other non-current assets	6	11,709.98	9,753.42
Total non-current assets		**1,58,153.02**	**1,61,557.28**
Current assets			
Inventories	7	2,53,332.98	2,22,300.30
Financial assets			
i. Investments	4(a)	-	88.34
ii. Trade receivables	4(b)	4,36,184.25	5,05,217.29
iii. Cash and cash equivalents	4(c)	1,21,869.75	25,005.21
iv. Bank balances other than cash and cash equivalents	4(d)	1,078.45	936.73
v. Loans	4(e)	8.29	-
vi. Other financial assets	4(f)	3,039.70	2,329.02
Other current assets	8	36,026.86	5,077.15
Total current assets		**8,51,540.28**	**7,60,954.04**
Total assets		**10,09,693.30**	**9,22,511.32**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	9(a)	1,429.86	1,429.86
Other equity			
Reserves and surplus	9(b)	2,73,811.76	2,29,039.73
Other reserves	9(c)	4,358.10	13,490.06
Equity attributable to owners of the Company		**2,79,599.72**	**2,43,959.65**
Total equity		**2,79,599.72**	**2,43,959.65**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i. Borrowings	11(a)	-	571.29
ii. Other financial liabilities	11(c)	3,734.67	3,832.10
Employee benefits obligations	12	846.80	-
Other non-current liabilities	10	123.76	114.24
Total non-current liabilities		**4,705.23**	**4,517.63**
Current liabilities			
Financial liabilities			
i. Borrowings	11(a)	5,47,687.55	5,25,989.17
ii. Trade payables	11(b)		
- total outstanding dues of micro and small enterprises		-	-
- total outstanding dues of creditors other than micro and small enterprises		1,14,346.38	90,715.30
iii. Other financial liabilities	11(c)	25,442.56	32,783.82
Employee benefits obligations	12	911.96	424.11
Current tax liabilities (net)	13	19,175.28	16,721.99
Other current liabilities	14	17,824.62	7,399.65
Total current liabilities		**7,25,388.35**	**6,74,034.04**
Total liabilities		**7,30,093.58**	**6,78,551.67**
Total equity and iabilities		**10,09,693.30**	**9,22,511.32**

The accompanying notes are an integral part of these financial statements.
This is the consolidated balance sheet referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants
Subramanian Vivek
Partner
Membership No.: 100332

Place: New Delhi
Date: May 28, 2018

For and on behalf of the Board of Directors

Sundeep Kumar Nayak
Chairman
DIN: 02140600

U.S.Awasthi
Director
DIN: 00026019

P.S.Gahlaut
Managing Director
DIN: 00049401

George Zachariah
Chief Financial Officer

Rajesh Kumar Sadangi
Company Secretary

Consolidated statement of profit and loss for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

Particulars	Note	Year ended 31 March 2018	year ended 31 March, 2017
Revenue from operations	15	13,20,055.60	11,72,807.37
Other income	16	32,893.15	21,988.63
Total Income		**13,52,948.75**	**11,94,796.00**
Expenses			
Cost of materials consumed	17	1,33,108.52	1,15,217.07
Purchases of stock-in-trade		9,95,014.74	8,51,240.40
Changes in inventories of work-in-progress, stock-in-trade and finished goods	18	(29,612.62)	(23,095.36)
Excise duty on sale of goods		479.05	3,706.64
Employee benefits expense	19	7,568.21	5,914.89
Depreciation and amortisation expense	20	4,884.58	2,697.81
Other expenses	21	1,74,118.80	1,67,719.32
Finance costs	22	15,103.74	14,831.04
Total expenses		**13,00,665.02**	**11,38,231.81**
Profit before share of net profits of investments accounted for using equity method and tax		**52,283.73**	**56,564.19**
Share of net profits of investments accounted for using equity method		1.45	-
Profit before tax		**52,282.28**	**56,564.19**
Income tax expense	23		
Current tax		22,382.99	26,604.61
Deferred tax		(4,852.95)	(6,142.33)
Total tax expense		**17,530.04**	**20,462.28**
Profit for the year		**34,752.24**	**36,101.91**
Other comprehensive income			
Items that may be reclassified to profit or loss :			
Debt instruments through other comprehensive income	9(b)	(97.61)	1,273.61
Income tax relating to items that may be reclassified to profit or loss(FVOCI)		97.32	(440.67)
		(0.29)	832.94
Items that will not be reclassified to profit or loss:			
Gain/ losses on equity instruments at fair value through other comprehensive income (FVTOCI)	9(b)	(43.14)	11,546.79
Remeasurements of defined benefit plans	9(b)	(954.26)	81.73
Income tax relating to items that will not be reclassified to profit or loss	9(b)	2,411.31	(3,995.15)
		1,413.91	7,633.37
Total other comprehensive income		**1,413.62**	**8,466.31**
Total comprehensive income for the year		**36,165.86**	**44,568.22**
Earnings per equity share	24		
Basic (in Rs.)		243.05	252.49
Diluted (in Rs.)		243.05	252.49

The accompanying notes are an integral part of these financial statements.
This is the consolidated statement of profit and loss referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants
Subramanian Vivek
Partner
Membership No.: 100332

For and on behalf of the Board of Directors

Sundeep Kumar Nayak
Chairman
DIN: 02140600

P.S.Gahlaut
Managing Director
DIN: 00049401

U.S.Awasthi
Director
DIN: 00026019

George Zachariah
Chief Financial Officer

Rajesh Kumar Sadangi
Company Secretary

Place: New Delhi
Date: May 28, 2018

Consolidated statement of changes in equity for the year ended 31 March 2018

All amounts in Indian Rupees lakhs, unless otherwise stated

a. Equity share capital

	Note	
Balance as at 1 April 2016		1,429.86
Changes in equity share capital during 2016-17	9(a)	-
Balance as at 31 March 2017		**1,429.86**
Changes in equity share capital during 2017-18	9(a)	-
Balance as at 31 March 2018		**1,429.86**

b. Other equity

Particulars	OTHER EQUITY					Total equity attributable to equity holders of the Company
	Reserves & Surplus			Other Comprehensive Income		
	Capital Reserve	General Reserve	Retained Earnings	Debt instrument through other comprehensive income	Equity instrument through other comprehensive income	
Opening balance as at 1 April 2016	**-**	**42,986.88**	**1,42,702.64**	**2,096.53**	**3,008.95**	**1,90,795.00**
Profit for the year	-	-	36,101.91	-	-	36,101.91
Other comprehensive income	-	-	81.73	832.94	7,551.64	8,466.31
Total comprehensive income for the year	**-**	**42,986.88**	**1,78,886.28**	**2,929.47**	**10,560.59**	**2,35,363.22**
Acquistion of Titawi sugar unit (Refer Note 25)	7,762.49	-	-	-	-	7,762.49
Preoperative expenses adjusted - prior period item	-	-	(70.94)	-	-	(70.94)
Transfer to Molasses Storage Facilities Reserve Fund (Refer Note 10.1)	-	-	(8.71)	-	-	(8.71)
Transactions with owners in their capacity as owners:						
Final dividend	-	-	(428.94)	-	-	(428.94)
Dividend distribution tax	-	-	(87.33)	-	-	(87.33)
Closing balance as at 31 March 2017	**7,762.49**	**42,986.88**	**1,78,290.36**	**2,929.47**	**10,560.59**	**2,42,529.79**
Opening balance as at 1 April 2017	**7,762.49**	**42,986.88**	**1,78,290.36**	**2,929.47**	**10,560.59**	**2,42,529.79**
Profit for the year	-	-	34,752.24	-	-	34,752.24
Other comprehensive income	-	-	(624.01)	(0.29)	2,037.92	1,413.62
Total comprehensive income for the year	**7,762.49**	**42,986.88**	**2,12,418.59**	**2,929.18**	**12,598.51**	**2,78,695.65**
Transfer to Molasses Storage Facilities Reserve Fund (Refer Note 10.1)	-	-	(9.52)	-	-	(9.52)
Transfer to retained earnings on sale of investments, net of tax	-	-	11,169.59	-	(11,169.59)	-
Transactions with owners in their capacity as owners:						
Final dividend	-	-	(428.94)	-	-	(428.94)
Dividend distribution tax	-	-	(87.33)	-	-	(87.33)
Closing balance as at 31 March 2018	**7,762.49**	**42,986.88**	**2,23,062.39**	**2,929.18**	**1,428.92**	**2,78,169.86**

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

This is the consolidated statement of equity referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants
Subramanian Vivek
Partner
Membership No.: 100332

Place: New Delhi
Date: May 28, 2018

For and on behalf of the Board of Directors

Sundeep Kumar Nayak
Chairman
DIN: 02140600

P.S.Gahlaut
Managing Director
DIN: 00049401

U.S.Awasthi
Director
DIN: 00026019

George Zachariah
Chief Financial Officer

Rajesh Kumar Sadangi
Company Secretary

Consolidated statement of cash flows for the year ended 31 March 2018

All amounts in Indian Rupees lakhs, unless otherwise stated

Particulars	Year ended 31 March 2018		Year ended 31 March 2017
A. Cash flow from operating activities			
Profit before tax	52,283.73		56,564.19
Adjustments for :			
Depreciation and amortisation expense	4,884.58		2,697.81
Finance costs	15,103.74		14,831.04
Unrealised exchange rate difference	4,610.37		16,433.85
Bad trade receivables written off	997.37		4,598.94
Provision for doubtful trade and other receivables, loans and advances	17,981.50		20,795.59
Dividend income	(2,479.30)		(2,292.98)
Interest Income on financial assets	(3,396.86)		(3,699.31)
Bad trade and other receivables recovered	-		-
Provision for bad trade and other receivables no longer required written back	(23,217.18)		(4,011.79)
Liablities/ duties no longer required, written back	-		(247.46)
Profit on sale of investment	(0.14)		(35.71)
Profit on sale of fixed assets, net	(367.46)		(1.26)
Sub - Total	**66,400.35**		**1,05,632.91**
Change in operating assets and liabilities			
(Increase)/decrease in trade receivables	50,073.87		(95,509.72)
(Increase)/decrease in other financial assets	1,003.37		90,887.95
(Increase)/decrease in other non-current assets	125.52		141.31
(Increase)/decrease in other current assets and loans	(30,939.60)		5,863.02
(Increase)/decrease in inventories	(31,032.68)		(26,656.13)
Increase/(decrease) in trade payables	46,570.09		3,653.94
Increase/(decrease) in other financial liabilities	272.13		31.73
Increase/(decrease) in other non-current liabilities	9.52		69.68
Increase/(decrease) in employee benefit obligations	1,334.65		99.40
Increase/(decrease) in other current liabilities	10,424.97		13,983.24
Payable towards acquistion of business	-		8,304.00
Cash generated from operations	**1,14,242.19**		**1,06,501.33**
Less: Income taxes paid	(23,775.03)		(19,414.77)
Net cash inflow from operating activities	**90,467.16**		**87,086.56**

Particulars	Year ended 31 March 2018		Year ended 31 March 2017
B. Cash flow from investing activities:			
Payments for property, plant and equipment, intangible assets and capital work in progress	(7,002.59)		(3,248.31)
Acquisition of Titawi Sugar unit	(8,304.00)		(42,380.50)
Sale proceeds of property, plant and equipment	380.30		8.21
Proceeds from sale of non-current investments	14,960.00		
Proceeds from sale of current investments	11,17,008.54		10,62,026.38
Purchase of current investments	(11,14,529.24)		(10,15,356.93)
Purchase of non-current investments	(0.50)		(868.44)
Bank deposits (made) / realised	(139.59)		(160.72)
Interest received on financial assets	2,215.88		3,417.65
Dividend received on Equity Instruments at FVTOCI	-		2.54
Loans to wholly owned subsidiaries (made)/realised	-		(223.46)
Net cash inflow from investing activities	**4,588.80**		**3,216.42**
Cash flow from financing activities			
Proceeds from long term borrowings	-		0.01
Repayment of long term borrowings	(571.32)		(3,087.32)
Proceeds from / Repayment of short term borrowings	17,317.89		(56,080.48)
Dividend on shares (including dividend distribution tax)	(516.27)		(516.27)
Amounts deposited in bank accounts towards unpaid dividends	-		6.38
Interest paid	(14,421.72)		(14,844.08)
Net cash from/(used in) financing activities	**1,808.58**		**(74,521.76)**
Net increase/(decrease) in cash and cash equivalents	96,864.54		15,781.22
Add: Cash and cash equivalents at the beginning of the financial year	25,005.21		9,223.99
Cash and cash equivalents at the end of the year	**1,21,869.75**		**25,005.21**

The accompanying notes are an integral part of these financial statements.
This is the consolidated statement of Cash Flows referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants
Subramanian Vivek
Partner
Membership No.: 100332

For and on behalf of the Board of Directors

Sundeep Kumar Nayak
Chairman
DIN: 02140600

U.S.Awasthi
Director
DIN: 00026019

P.S.Gahlaut
Managing Director
DIN: 00049401

George Zachariah
Chief Financial Officer

Rajesh Kumar Sadangi
Company Secretary

Place: New Delhi
Date: May 28, 2018

Notes to consolidated financial statements for the year ended 31 March, 2018

1. Overview and significant accounting policies

1.1 Group overview

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

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

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

1.2. Basis of preparation of financial statements

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

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

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

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

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

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

Notes to consolidated financial statements for the year ended 31 March, 2018

1.2.1 Basis of consolidation

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

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

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

Name of the entity	Country of Incorporation	% of Holding and voting power either directly or indirectly through subsidiary as at	
		31 March 2018	31 March 2017
Goldline Milkfood and Allied Industries Limited (GML)	India	100%	100%
IPL Gujarat Port Limited	India	100%	100%
IPL Sugar and Allied Industries Limited (IPSAL)	India	100%	100%
ShreeKrishna Fertilizers Limited (Subsidiary of GML)	India	100%	100%

Joint arrangements

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligation of each investor, rather than the legal structure of the joint arrangement. Indian Potash Limited has determined its interest in a joint arrangement to be in the nature of joint venture.

Joint venture

Interests in joint ventures are accounted for using the equity method (see below), after initially being recognised at cost in the consolidated balance sheet.

Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 1.14 below

1.3 Business combinations

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

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

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

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

1.3.1 Goodwill

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

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

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

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

1.4 Use of estimates and judgements

In preparing these financial statements, Management has made judgments, estimates and assumptions

Notes to consolidated financial statements for the year ended 31 March, 2018

that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results could differ from those estimates.

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

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

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

The areas involving critical estimates and judgements are :

S.No.	Particulars	Note
1.	Useful lives of property plant and equipment	1.6
2.	Fair value measurements and valuation processes	1.12 and 1.13
3.	Revenue recognition (sale of goods)	1.5
4.	Provision for doubtful receivables	1.14
4.	Provision for employee benefits	1.22
5.	Provision for Taxes	1.21
6.	Estimation of Net realisable value of inventories	1.11

1.5 Revenue Recognition

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

1.5.1 Sale of goods

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

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

In case of Fertilizers imported on behalf of the Government of India /Business associates, purchase cost include actual cost plus expenditure incurred. Sales against these purchases are accounted for on cost plus fixed service charges.

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

1.5.2 Subsidy

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

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

1.5.3 Rendering of Services

Revenue from providing services are recognized in the books as and when services are rendered.

1.5.4 Dividend and Interest income

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

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

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

1.6 Property, plant and equipment

Freehold land is carried at historical cost and is not depreciated. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is included in the profit & loss within 'Other Income'.

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

Notes to consolidated financial statements for the year ended 31 March, 2018

Depreciation methods, estimated useful lives and residual value

The Group depreciates property, plant and equipment over their estimated useful lives using the straight-line method. In respect of the following categories of assets, the life of the assets has been assessed as under based on technical advice, taking into account the nature, the estimated usage and the operating conditions of the asset:

Buildings	5 – 60 years
Plant and equipment	5 – 26 years
Furniture & fixtures	10 years
Office equipment and computers	5 – 26 years
Vehicles	8 – 10 years
AV van and equipment	5 – 8 years
Electrical installation	3 - 25 years

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

1.7. Intangible assets and amortisation

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the group are recognised as intangible assets when the following criteria are met:

(a) it is technically feasible to complete the software so that it will be available for use

(b) management intends to complete the software and use or sell it

(c) there is an ability to use or sell the software

(d) it can be demonstrated how the software will generate probable future economic benefits

(e) adequate technical, financial and other resources to complete the development and to use or sell the software are available, and

(f) the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

Computer software is amortised over a period of three years.

1.8 Leases

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

Notes to consolidated financial statements for the year ended 31 March, 2018

1.9 Cash and Cash equivalents

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

1.10 Trade receivables

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

1.11 Inventories

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

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

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

1.12 Financial instruments

1.12.1 Initial recognition

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

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

Financial assets

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

1.12.2 Subsequent measurement

a. Non-derivative financial instruments

(i) Financial assets carried at amortized cost

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

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

Notes to consolidated financial statements for the year ended 31 March, 2018

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

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

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

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

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

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

(iv)Financial liabilities

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

b. Derivative financial instruments

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

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the net profit in the Statement of Profit and Loss. If the hedging instruments expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the forecasted transaction

Notes to consolidated financial statements for the year ended 31 March, 2018

occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the net profit in the Statement of Profit and Loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in the cash flow hedging reserve is re-classified to net profit in the Statement of Profit and Loss.

1.12.3 De-recognition of financial instruments

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

1.13. Fair value of financial instruments

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

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

1.14 Impairment

a. Financial assets

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

b. Non-financial assets

(i) Intangible assets and property, plant and equipment

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

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

Notes to consolidated financial statements for the year ended 31 March, 2018

1.15 Non-current assets held for sale

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

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

1.16 Trade and other payables

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

1.17 Borrowings

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

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

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

1.17.1 Borrowing costs

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

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

1.18 Provisions

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

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

1.19. Foreign currency translation

(i) Functional and presentation currency

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

(ii) Transactions and balances

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

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

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

1.20. Earnings per equity share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

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

(ii) Diluted earnings per share

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

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

1.21 Income taxes

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

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

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

Notes to consolidated financial statements for the year ended 31 March, 2018

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

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

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

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

1.22 Employee benefits

1.22.1. Short-term employee obligations

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

1.22.2. Other long-term employee obligations

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

1.22.3. Post employment obligations

1.22.3.1. Gratuity

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

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

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

1.22.3.2. Superannuation

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

1.22.3.3. Provident fund

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

1.23. Segment reporting

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

The board of directors of the Group assesses the financial performance and position of the group, and makes strategic decisions. The board of directors, which has been identified as being the chief operating decision maker, consists of the chief executive officer, the chief financial officer and the manager for corporate planning. Refer note 29 for segment information presented.

1.24. Cash flow statement

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

1.25. Contributed equity

Equity shares are classified as equity.

1.26. Dividend

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

1.27. Rounding off amounts

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

1.28. Recent accounting pronouncements

Indian Accounting Standard (Ind AS) 115, Revenue from Contracts with Customers is applicable from FY 2018-19, the management believes that the adoption of Ind AS 115 does not have any significant impact on the standalone financial statements.

The management believes that the adoption of amendment to Ind AS 21, Foreign currency transactions and advance consideration and amendment to Ind AS 12 Income Taxes does not have any significant impact on the standalone financial statements.

The amendment to Ind AS 40, Investment Property is not applicable.

Notes to consolidated financial statements for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

Note 2 Property, plant and equipment (See accounting policy in Note 1.6)

Particulars	Land - Freehold	Buildings	Plant and equipment	Furnitures and Fixtures	Vehicles	Office equipment and computers	AV Van and Equipment	Total
Year ended 31 March 2017:								
GROSS CARRYING AMOUNT								
As at 1 April 2016	10,869.57	11,377.62	10,748.84	391.74	125.39	713.82	67.92	34,294.90
Additions during the year	1,321.61	111.54	857.52	9.82	10.87	358.81	27.16	2,697.33
Acquisition of Titawi Sugar Unit	20,074.00	3,212.40	19,036.16	3.23	0.86	53.85	-	42,380.50
Disposals	-	-	(19.93)	(6.57)	(5.85)	(21.00)	(19.31)	(72.66)
As at 31 March 2017	**32,265.18**	**14,701.56**	**30,622.59**	**398.22**	**131.27**	**1,105.48**	**75.77**	**79,300.07**
ACCUMULATED DEPRECIATION								
As at 1 April 2016	-	441.65	903.41	27.24	15.58	200.11	9.77	1,597.76
Depreciation charge during the year	-	485.21	1,995.49	44.15	22.65	137.02	13.29	2,697.81
Disposals/Adjustments	-	-	(15.44)	(5.14)	(4.62)	(17.68)	(18.35)	(61.23)
As at 31 March 2017	**-**	**926.86**	**2,883.46**	**66.25**	**33.61**	**319.45**	**4.71**	**4,234.34**
NET CARRYING AMOUNT								
As at 31 March 2017	**32,265.18**	**13,774.70**	**27,739.13**	**331.97**	**97.66**	**786.03**	**71.06**	**75,065.73**
Year ended 31 March 2018:								
GROSS CARRYING AMOUNT								
As at 1 April 2017	32,265.18	14,701.56	30,622.59	398.22	131.27	1,105.48	75.77	79,300.07
Additions during the year	8,745.02	1,302.02	923.96	12.38	34.75	1,162.48	9.24	12,189.85
Disposals / adjustments	(2,124.74)	(125.12)	(0.27)	(0.47)	(6.53)	(17.23)	(6.90)	(2,281.26)
As at 31 March 2018	**38,885.46**	**15,878.46**	**31,546.28**	**410.13**	**159.49**	**2,250.73**	**78.11**	**89,208.66**
ACCUMULATED DEPRECIATION								
As at 1 April 2017	-	926.86	2,883.46	66.25	33.61	319.45	4.71	4,234.34
Depreciation charge during the year	-	701.20	3,396.31	48.68	27.28	399.80	13.15	4,586.42
Disposals	-	(116.57)	(0.05)	(0.42)	(3.70)	(16.39)	(6.55)	(143.68)
As at 31 March 2018	**-**	**1,511.49**	**6,279.72**	**114.51**	**57.19**	**702.86**	**11.31**	**8,677.08**
NET CARRYING AMOUNT								
As at 31 March 2018	**38,885.46**	**14,366.97**	**25,266.56**	**295.62**	**102.30**	**1,547.87**	**66.80**	**80,531.58**

Building include undivided share of Land, the value of which is not seperately ascertainable.
Freehold Land of Rs. 20,074 measuring 71.84 acres located at Titawi, Muzaffarnagar, Uttar Pradesh, represents Land acquired from Mawana Sugars Limited during the year 16-17 pursuant to a business transfer agreement and the title deeds are transferred in the name of the Company through the conveyance deed executed on September 27, 2017. Refer Note No. 25.
Capital work-in-progress majorly comprises of Godown buildings under constructions and Plant and machinery pending installations at Sugar units

Notes to consolidated financial statements for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

3. Intangible assets

Particulars	Computer software	Total
Year ended 31 March 2018:		
GROSS CARRYING AMOUNT		
As at 1 April 2017	-	-
Additions	981.01	981.01
Disposals	-	-
Balance as at 31 March 2018	**981.01**	**981.01**
ACCUMULATED AMORTISATION		
As at 1 April 2017	-	-
Amortisation charge for the year	298.16	298.16
Balance as at 31 March 2018	**298.16**	**298.16**
NET CARRYING AMOUNT		
As at 31 March 2018	682.85	682.85

4. Financial assets

4(a) Investments

4(a)(i) Non-current investments

(See accounting policy in Note 1.12)

Particulars	As at 31 March 2018	As at 31 March 2017
Investments measured at FVOCI		
Investments in equity instruments (fully paid-up)		
Quoted		
19,480 (31 March 2017: 19,480) equity shares of BSE Limited	147.31	190.45
Sub Total	**147.31**	**190.45**
Unquoted		
3,662,772 (31 March 2017: 3,662,772) equity shares of IFFCO - Tokio General Insurance Co. Limited	-	14,959.86
300 (31 March 2017: 300) equity shares of New India Co-Operative Bank Limited	0.03	0.03
100,000 (31 March 2017: 100,000) equity shares of Wisekey India Private Limited	824.74	824.74
26,800,000 (31 March 2017: 26,800,000) equity shares of Indian Commodity Exchange Limited	2,680.00	2,680.00
Sub-total	**3,504.77**	**18,464.63**

Notes to consolidated financial statements for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

Particulars	As at 31 March 2018	As at 31 March 2017
Investments in Debt Instruments		
Quoted		
75,500 (31 March 2017: 75,500) units of IRFC Tax Free Bonds - 2030 - 7.28%	847.11	846.36
285,698 (31 March 2017: 285,698) units of NHAI Tax Free Bonds - 2031 - 7.35%	3,028.40	3,025.54
140,139 (31 March 2017: 140,139) units of HUDCO Tax Free Bonds- 2031 - 7.39%	1,550.60	1,401.39
37,240,000 (31 March 2017: 37,240,000) units of Special Fertiliser Bonds - 2022 - 7.00%	36,423.36	36,673.80
50 (31 March 2017: 50) units of Special Fertiliser Bonds- 2023 - 6.65%	0.05	0.05
Sub-total	**41,849.52**	**41,947.14**
Investment in government securities - Measured at Amortised Cost		
Unquoted		
1 (31 March 2017: Nil) unit of National Savings Certificate - VIII Issue (Face value: Rs.50,000)	0.50	-
34 (31 March 2017: 34) units of National Savings Certificate - VIII Issue (Face value: Rs.10,000)	3.40	3.40
51 (31 March 2017: 51) units of National Savings Certificate - VIII Issue (Face value: Rs.5,000)	2.55	2.55
15 (31 March 2017: 15) units of National Savings Certificate - VIII Issue (Face value: Rs.1,000)	0.15	0.15
2 (31 March 2017: 2) units of National Savings Certificate - VIII Issue (Face value: Rs.500)	0.01	0.01
Sub-total	**6.61**	**6.11**
Total non-current investments	**45,508.21**	**60,608.33**
Aggregate amount of quoted investments and market value thereof	41,996.83	42,137.59
Aggregate amount of unquoted investments	3,511.38	18,470.74
Aggregate amount of impairment in the value of investments	-	-

4(a)(ii) Current investments

Particulars	As at 31 March 2018	As at 31 March 2017
Investments measured at fair value through profit and loss	-	88.34
Investments in mutual funds		
Total Current investments	-	**88.34**

Notes to consolidated financial statements for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

4(b) Trade receivables

(See accounting policy in Note 1.10)

Particulars	As at 31 March 2018	As at 31 March 2017
Trade receivables (including subsidy receivables Rs.336,391.05 (March 31, 2017: 354,314.14)	4,93,562.74	5,44,633.98
Less: Allowance for doubtful debts (including provision on subsidy receivables Rs. 19,574.64 (March 31, 2017: Rs 20,674.76)	(57,378.49)	(39,416.69)
Total receivables	**4,36,184.25**	**5,05,217.29**
Non-current	-	-
Current	4,36,184.25	5,05,217.29
Breakup of security details		
Unsecured, considered good	4,36,184.25	5,05,217.29
Unsecured, considered Doubtful	57,378.49	39,416.69
	4,93,562.74	**5,44,633.98**
Allowance for credit loss	(57,378.49)	(39,416.69)
Net trade receivables	**4,36,184.25**	**5,05,217.29**

4(c) Cash and cash equivalents

(See accounting policy in Note 1.9)

Bank balances in current accounts	21,839.66	24,978.98
Deposits with maturity of less than three months	1,00,000.00	-
Cash on hand	30.09	26.23
Total Cash and cash equivalents	**1,21,869.75**	**25,005.21**

4(c)(i) Disclosure on Specified Bank Notes (SBNs):

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	15.03	7.54	22.57
Add: Permitted receipts	5.09	92.22	97.31
Less: Permitted payments	-	(78.05)	(78.05)
Less: Amount deposited in Banks	(20.12)	(5.23)	(25.35)
Closing cash in hand as on December 30, 2016	**-**	**16.48**	**16.48**

Notes to consolidated financial statements for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

4(d) Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2018	As at 31 March 2017
Bank balances in dividend accounts	39.35	37.22
Bank deposits with original maturity of more than 3 months	863.51	729.53
Molasses storage fund deposit account #	175.59	169.98
	1,078.45	**936.73**

Also, refer Note 10.1 below

4(e) Loans

Particulars	As at 31 March 2018	As at 31 March 2017
Unsecured and considered good		
Loans to employees	8.29	-
	8.29	-

4(f) Other financial assets

	As at 31 March 2018		As at 31 March 2017	
	Current	Non-current	Current	Non-current
Security deposits	748.87	347.80	20.74	869.09
Advances to employees	53.63	-	45.93	11.78
Interest accrued on deposits	23.44	-	217.83	-
Interest accrued on investments	1,157.54	-	1,056.83	-
Claims receivable	1,056.22	-	987.69	-
Total Other financial assets	**3,039.70**	**347.80**	**2,329.02**	**880.87**

5. Deferred tax assets

(See accounting policy in Note 1.21)

Particulars	As at 31 March 2018	As at 31 March 2017
Deferred tax assets:		
Provision for compensated absences	195.21	69.98
Provision for doubtful trade receivables	20,447.10	13,861.46
Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961	1,299.47	2,528.00
Others	64.16	63.53
Total of Deferred tax assets	**22,005.94**	**16,522.97**
Deferred tax liabilities:		
On difference between book balance and tax balance of fixed assets	2,961.88	2,332.04
On reserve for debt and equity instruments through OCI	1,841.98	7,139.47
Total of Deferred Tax Liabilities	**4,803.86**	**9,471.51**
Deferred tax assets (net)	**17,202.08**	**7,051.46**

Notes to consolidated financial statements for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

6. Other non-current assets

Particulars	As at 31 March 2018	As at 31 March 2017
Capital advances	2,638.80	2,500.39
Leasehold land (Refer Note 6.1 below)	9,069.32	7,125.65
Balances with Statutory authorities	1.86	127.38
Total Other non-current assets	**11,709.98**	**9,753.42**

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

7. Inventories
(See accounting policy in Note 1.11)

Particulars	As at 31 March 2018	As at 31 March 2017
Raw materials	3,264.41	1,518.19
Packing Materials	1,539.51	1,450.30
Work-in-progress	1,255.19	3,179.80
Finished goods (other than those acquired for trading)	53,167.61	46,146.81
Stock-in-trade (acquired for trading) *	1,93,200.68	1,68,684.25
Stores and spares	905.58	1,320.95
	2,53,332.98	**2,22,300.30**
* Includes Goods in transit	28,672.03	36,231.01

Notes to consolidated financial statements for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

8. Other current assets

Particulars	As at 31 March 2018	As at 31 March 2017
Unsecured and considered good		
Leasehold land (Refer Note 6.1)	193.98	175.58
Advance to suppliers	19,651.25	2,479.60
Balances with statutory authorities	-	-
- Goods and services tax	14,720.05	-
- Cenvat credit	246.52	422.38
- Value added tax	36.37	106.54
- Customs duty	-	3.14
- Others	23.98	50.78
Prepaid expenses	1,145.32	1,592.24
Other advances	9.39	246.89
	36,026.86	**5,077.15**
Unsecured and considered doubtful		
Balances with statutory authorities	1,135.43	1,135.43
Less: Provision towards doubtful balances	(1,135.43)	(1,135.43)
Total Other current assets	**36,026.86**	**5,077.15**

9(a). Equity share capital

Particulars	31 March 2018	31 March 2017
Authorised		
50,000,000 (Previous year: 50,000,000) equity shares of Rs 10/- each	5,000.00	5,000.00
Issued, subscribed and paid-up		
14,298,600 (Previous year: 14,298,600) equity shares of Rs 10/- each, fully paid up	1,429.86	1,429.86
	1,429.86	**1,429.86**

(i) Movement in equity share capital

Equity Shares

	31 March 2018		31 March 2017	
	No. of shares	**Amount**	**No. of shares**	**Amount**
At the commencement of the year	142,98,600	1,429.86	142,98,600	1,429.86
Add: Shares issued during the year	-	-	-	-
At the end of the year	142,98,600	1,429.86	142,98,600	1,429.86

Notes to consolidated financial statements for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

(ii) Terms and rights attached to equity shares

Equity shares have a par value of INR 10. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held.

(iii) Particulars of shareholders holding more than 5% of equity shares

	31 March 2018		31 March 2017	
	No. of shares	% of equity shares	No. of shares	% of equity shares
Equity shares of Rs 10/- each fully paid up, held by:				
Indian Farmers Fertilisers Cooperative Limited	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

9(b). Reserves and surplus

Particulars	As at 31 March 2018	As at 31 March 2017
Capital reserve	7,762.49	7,762.49
General reserve	42,986.88	42,986.88
Retained earnings	2,23,062.39	1,78,290.36
	2,73,811.76	**2,29,039.73**
(i) Capital reserve		
Opening balance	7,762.49	-
Movements	-	7,762.49
Closing balance	7,762.49	7,762.49
(ii) General reserve		
Opening balance	42,986.88	42,986.88
Movements - Transferred from Statement of Profit and Loss	-	-
Closing balance	42,986.88	42,986.88
(iii) Retained earnings		
Opening balance	1,78,290.36	1,42,702.64
Profit attributable to owners of the Company	34,752.24	36,101.91
Pre-operative expenditure adjusted - prior year item	-	(70.94)
Other comprehensive income arising from remeasurement of defined benefit obligation, net of income tax	(624.01)	81.73
Transfer from OCI of profit on sale of investments, net of tax	11,169.59	-
Final dividend	(428.94)	(428.94)
Dividend distribution tax	(87.33)	(87.33)
Others - Transferred to Molasses Storage Facilities Reserve Fund	(9.52)	(8.71)
Closing balance	**2,23,062.39**	**1,78,290.36**

Notes to consolidated financial statements for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

In respect of the previous year ended March 31, 2017, the directors had proposed a final dividend of Rs. 3/- per share on the fully paid equity shares.

9(c). Other reserves

Particulars	As at 31 March 2018	As at 31 March 2017
Reserve for debt instruments through OCI	2,929.18	2,929.47
Reserve for equity instruments through OCI	1,428.92	10,560.59
	4,358.10	13,490.06
(i) Reserve for debt instruments through OCI		
Opening balance	2,929.47	2,096.53
Changes in fair value of debt instruments	(97.61)	1,273.61
Deferred tax on the above	97.32	(440.67)
Closing balance	**2,929.18**	**2,929.47**
(ii) Reserve for equity instruments through OCI		
Opening balance	10,560.59	3,008.95
Transfer to retained earnings on disposal of investments, net of tax	(11,169.59)	-
Changes in fair value of debt instruments	(43.14)	11,546.79
Deferred tax on the above	2,081.06	(3,995.15)
Closing balance	**1,428.92**	**10,560.59**

10. Other non-current liabilities

Molasses Storage Facility Reserve Fund (refer Note 10.1 below)	123.76	114.24

10.1 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.

11. Financial liabilities

11(a) Borrowings
(See accounting policy in Note 1.17)

11(a) (i) Non-current borrowings

Particulars	As at 31 March 2018	As at 31 March 2017
Secured, at amortised cost		
From a bank		
Term loans	571.29	1,142.61
Total non-current borrowings	571.29	1,142.61
Less: Current liabilities of long-term debt [included in Note 11(c)]	(571.29)	(571.32)
Non-current borrowings	**-**	**571.29**

Notes to consolidated financial statements for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

Nature of security and terms of repayment for non-current borrowings:

Secured term loans from HDFC Bank are secured by first charge on the movable fixed assets of sugar units (excluding Titawi Sugar unit) of the Company. The loan balance aggregating to INR 2,516 was repaid in full on 22 September 2016 and the balance amount is repayable in 12 quarterly instalments of Rs.142.83 Lakhs commencing from June 2016 and ending March 2019. The Company has availed the interest free loan under 'Scheme for Extending Financial Assistance to Sugar Undertakings 2013', from Sugar Development Fund.

11(a)(ii) Current borrowings

Particulars	As at 31 March 2018	As at 31 March 2017
Unsecured, at amortised cost		
From banks		
Buyers' credit	87,146.74	3,70,426.98
Commercial paper	-	80,000.00
Other working capital loans	61,936.18	-
Secured, at amortised cost		
From banks		
Buyers' credit	3,23,311.09	69,053.63
Other working capital loans	77,667.00	8,200.00
Total current borrowings	**5,50,061.01**	**5,27,680.61**
Less: Interest accrued [included in Note 11(c)]	(2,373.46)	(1,691.44)
Current borrowings (as per balance sheet)	**5,47,687.55**	**5,25,989.17**

Nature of security and terms of repayment for current borrowings:

(a) Buyers' credit from consortium of banks are secured against stock and trade receivables of the Company and are repayable generally within 180 days of availment. These facilities carry interest rates ranging between 1.73% and 2.82%.

(b) Commercial papers outstanding as at 31 March 2017 amounting to Rs. 50,000 from HDFC and Rs. 30,000 from SBI, were repaid during April and June 2017 respectively. These instruments carried an interest rate of 6.60%.

(c) Other secured working capital loans include:

(i) Loan from SBI, aggregating to Rs.77,667.00 (31 March 2017: Rs.Nil), under a Special banking arrangement approved by Ministry of Finance, which carries a net interest rate of 0.96% for the Company. The loan is secured against subsidy receivables from the Government of India. The loan is repayable by May 2018.

(ii) Loans from Deutsche Bank aggregating to Rs. Nil (31 March 2017: Rs.8,200 Lakhs) was repaid during October 2017. These loans were availed at an interest rate of 7.10% per annum and are secured against inventories and trade receivables.

Notes to consolidated financial statements for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

(d) Other unsecured working capital loans include:

(i) Short-term working capital loans from HSBC Bank aggregating to Rs.52,967.71 (31 March 2017: Rs.Nil). These loans are repayable by September 2018 and carry interest rates ranging between 6.95%- 7.75% per annum.

(ii) PCFC Loan from HDFC Bank aggregating to Rs.8,968.47 (31 March 2017: Rs.Nil) is repayable by April 2018 and carry an interest rate of 3.44% per annum.

Net Debt Reconciliation

Particulars	As at 31 March 2018	As at 31 March 2017
Cash and cash equivalents	1,21,747.63	24,953.77
Bank balances and other cash and cash equivalents	597.09	478.09
Current Borrowings	(5,50,061.01)	(5,27,680.61)
Non-current borrowings	(571.29)	(1,142.61)
Net Debt	**(4,28,287.58)**	**(5,03,391.36)**

	Other assets	Liabilities from financing activities		
	Cash and other bank balances	Non-current borrowings	Current borrowings	Total
Net Debt as at March 31, 2017	25,431.86	(1,142.61)	(5,27,680.61)	(5,03,391.36)
Cash Flows	96,912.86	571.32	(17,317.89)	80,166.29
Foreign Exchange adjustments	-	-	(4,380.49)	(4,380.49)
Interest expense	-	-	(15,103.66)	(15,103.66)
Interest paid	-	-	14,421.64	14,421.64
Net Debt as at March 31, 2018	**1,22,344.72**	**(571.29)**	**(5,50,061.01)**	**(4,28,287.58)**

11(b) Trade payables

Particulars	As at 31 March 2018	As at 31 March 2017
Trade payables		
- total outstanding dues of micro and small enterprises	-	-
- total outstanding dues of creditors other than micro and small enterprises [refer Note 11(b)(i)] *	1,14,346.38	90,715.30
Total Trade payables	1,14,346.38	90,715.30

Notes to consolidated financial statements for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

* Of the above trade payables, the Company has issued letter of credits aggregating to Rs. 8,998.41 Lakhs (31 March 2017: Rs. 38,814.42 Lakhs)

11(b)(i) Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31 March 2018	As at 31 March 2017
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(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	-	-

11(c) Other financial liabilities

	As at 31 March 2018		As at 31 March 2017	
	Current	Non-current	Current	Non-current
Current maturities of long-term debt [refer Note 11(a)(i)]	571.29	-	571.32	-
Interest accrued [refer Note 11(a)(ii)]	2,381.39	-	1,699.37	-
Unpaid dividends	39.35	-	37.22	-
Held for trading derivatives not designated in Hedge accounting relationship	-	-	37.31	-
Employee benefits payable	1,032.74	-	1,111.97	-
Payables on purchase of fixed assets	2,814.36	-	2,810.00	-
Payable on acquistion of business - Sugar unit (Refer Note 25)	-	-	8,304.00	-
Customer discounts	18,603.43	-	18,212.63	-
Trade / security deposits received	-	3,734.67	-	3,832.10
Total Other financial liabilities	**25,442.56**	**3,734.67**	**32,783.82**	**3,832.10**

Notes to consolidated financial statements for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

12. Employee benefits obligations
(See accounting policy in Note 1.22)

	As at 31 March 2018		As at 31 March 2017	
	Current	Non-current	Current	Non-current
Employee benefits:				
- Gratuity	401.87	793.59	218.22	-
- Compensated absences	510.09	53.21	205.89	-
Total Employee benefits obligations	**911.96**	**846.80**	**424.11**	**-**

Disclosure of Post employment benefits:

	Provident fund		Gratuity	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Components of employer's expense:				
Current service cost	-	-	200.12	175.93
Interest cost	-	-	198.21	175.08
Expected return on plan assets	-	-	(168.60)	(161.74)
Actuarial losses/ (gains)	-	-	970.21	(81.73)
Total expense recognised in the Statement of Profit and Loss	**-**	**-**	**1,199.94**	**107.54**
Net asset/ liability recognised in the balance sheet:				
Present value of Defined benefit obligation (DBO)	5,487.49	4,880.58	3,567.62	2,509.84
Fair value of plan assets at the end of the year	5,487.49	4,880.58	2,394.87	2,314.32
Asset/(Liability) recognized in the balance sheet	**-**	**-**	**(1,172.75)**	**(195.52)**
Changes in the Defined Benefit Obligation (DBO) during the year:				
Present value of DBO at the beginning of year	5,487.49	4,880.58	2,509.84	2,452.28
Current service cost	-	-	200.12	175.93
Interest cost	-	-	198.21	175.08
Benefits paid	-	-	(272.10)	(223.14)
Actuarial (gains) / losses	-	-	954.26	(70.31)
Present value of DBO at the end of year	**5,487.49**	**4,880.58**	**3,590.33**	**2,509.84**

Notes to consolidated financial statements for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

	Provident fund		Gratuity	
	March 18	March 17	March 18	March 17
Changes in the fair value of assets during the year:				
Plan assets at beginning of year	5,487.49	4,880.58	2,314.32	2,164.30
Expected return on plan assets	-	-	168.60	161.74
Actual company contributions	-	-	200.00	200.00
Benefits paid	-	-	(272.10)	(223.14)
Actuarial gain / (loss)	-	-	(15.95)	11.42
Plan assets as at end of year	**5,487.49**	**4,880.58**	**2,394.87**	**2,314.32**

Actuarial assumptions:				
Discount Rate	7.70%	7.40%	7.40%	7.36%
Expected rate of return on assets	9.17%	7.40%	7.40%	7.36%
Expected rate of salary Increase	5.00%	5.00%	5.00%	5.00%
Attrition Rate	5.00%	5.00%	5.00%	5.00%
Mortality	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

12. Employee benefits obligations (Conti.)

Sensitivity analysis

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

	Change in assumption			Impact on Defined Benefit Obligation				
				Increase in assumption			Decrease in assumption	
	31-Mar-18	31-Mar-17		31-Mar-18	31-Mar-17		31-Mar-18	31-Mar-17
Discount rate	1%	1%	Decrease by	(188.84)	(124.83)	Increase by	179.27	87.32
Salary growth	1%	1%	Increase by	182.91	103.84	Decrease by	(190.61)	(114.71)

The above sensitivity analyses are based on a change in assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation) calculated with the projected unit credit method at

Notes to consolidated financial statements for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

the end of the reporting period has been applied as when calculating the defined benefit liability recognized in the balance sheet.

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

13. Current tax assets and liabilities

Particulars	As at 31 March 2018	As at 31 March 2017
Current tax assets		
Advance tax and tax deducted at source	1,34,108.90	1,10,333.87
	1,34,108.90	1,10,333.87
Current tax liabilities		
Income tax payable	1,53,284.18	1,27,055.86
	1,53,284.18	1,27,055.86
Net current tax (assets) / liabilities	**19,175.28**	**16,718.31**

14. Other current liabilities

Particulars	As at 31 March 2018	As at 31 March 2017
Advances from customers	16,265.93	4,124.41
Statutory dues payables	1,558.69	3,275.24
Total Other current liabilities	17,824.62	7,399.65

15. Revenue from operations
(See accounting policy in Note 1.5)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Sale of products (including excise duty)	13,56,486.31	12,24,527.95
Less: Sales discounts	38,573.20	58,378.59
	13,17,913.11	**11,66,149.36**
Sale of services	310.53	76.33
Other operating revenues	1,831.96	6,581.68
Total revenue from operations	**13,20,055.60**	**11,72,807.37**

Notes to consolidated financial statements for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Sale of products comprises :		
Manufactured goods		
Sugar and by Products	82,330.57	66,490.70
Cattle feed Products	5,634.45	7,894.76
Milk & Milk Products	48,456.96	40,610.48
Total - Sale of manufactured goods	**1,36,421.98**	**1,14,995.94**
Traded goods		
Muriate of Potash	2,97,536.37	2,97,943.24
Di Ammonium Phosphate	2,41,205.98	2,86,976.17
Urea	2,84,387.15	1,05,421.75
Complex Fertilisers	34,625.92	39,775.97
Others	25,517.66	35,063.02
Sales discounts	(38,573.20)	(58,378.59)
Total - Sale of traded goods	**8,44,699.88**	**7,06,801.56**
Total - Sale of products	**9,81,121.86**	**8,21,797.50**
Government subsidy comprises:		
Traded goods		
Muriate of Potash	1,58,914.18	1,85,020.43
Di Ammonium Phosphate	1,29,017.06	1,36,368.24
Complex Fertilisers	16,664.36	20,014.65
Others	32,195.66	2,948.54
Total - of Subsidy	**3,36,791.25**	**3,44,351.86**
Grand Total - Sale of products	**13,17,913.11**	**11,66,149.36**
Other operating revenues		
- Differential freight claim on Urea handling	-	5,320.59
- Sale of scrap	383.87	-
- Packing charges recovered	15.52	-
- Amount received from suppliers/agents towards Shortages	554.63	113.30
- Despatch / Demurrage (net)	877.94	1,147.79
Total Other operating revenues	**1,831.96**	**6,581.68**

Notes to consolidated financial statements for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

16. Other income

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Interest Income		
- Interest income earned on financial assets that are not designated as at FVTPL	294.21	590.45
- Bank deposits (at amortised cost)	123.85	133.54
- Interest income from Debt instruments at FVTOCI	2,978.80	2,975.32
Dividend income		
- Dividends from mutual funds	2,479.30	2,292.98
Profit on sale of fixed assets (net)	367.46	2.62
Profit on sale of investments	0.14	35.71
Provision / liabilities no longer required, written back	23,217.18	4,259.25
Receipts towards insurance claims	879.67	605.12
Net gain on foreign currency transactions and translation	2,522.74	10,798.55
Miscellaneous income	29.80	295.09
Total Other income	**32,893.15**	**21,988.63**

17. Cost of materials consumed

Raw materials		
Raw materials at the beginning of the year consumed	1,518.19	1,486.16
Add: Purchases	1,34,854.74	1,15,249.10
Less: Raw materials at the end of the year	(3,264.41)	(1,518.19)
Total cost of materials consumed	1,33,108.52	1,15,217.07
Material consumed comprises:		
Sugarcane	78,715.25	66,970.48
Others	54,393.27	48,246.59
Total	**1,33,108.52**	**1,15,217.07**
Purchase of stock-in-trade		
Muriate of Potash	3,66,904.35	3,68,069.63
Di-Ammonium Phosphate	3,22,371.71	3,25,031.42
Urea	2,53,569.59	92,395.83
Complex Fertilisers	41,348.06	47,851.64
Others	10,821.03	17,891.88
Total	**9,95,014.74**	**8,51,240.40**

Notes to consolidated financial statements for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

18. Changes in inventories of finished goods, work-in progress and stock in trade

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Opening stock		
Finished goods	46,146.81	22,099.50
Finished goods on date of acquisition of sugar unit	-	2,989.08
Work in progress	3,179.80	3,393.98
Stock-in-trade	1,68,684.25	1,66,432.94
Total opening balance	**2,18,010.86**	**1,94,915.50**
Closing stock		
Finished goods	(53,167.61)	(46,146.81)
Work in progress	(1,255.19)	(3,179.80)
Stock-in-trade	(1,93,200.68)	(1,68,684.25)
Total closing balance	**(2,47,623.48)**	**(2,18,010.86)**
Total changes in inventories of finished goods, work-in progress and stock in trade	**(29,612.62)**	**(23,095.36)**

19. Employee benefit expenses

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Salaries, wages and bonus	6,947.78	5,046.70
Contribution to provident and other funds (Refer Note 12)	365.95	700.11
Staff welfare expenses	254.48	168.08
Total Employee benefit expenses	**7,568.21**	**5,914.89**

Note: The Company makes contribution to Superannuation Fund which is a defined contribution plan, for qualifying employees. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs.54.70 (Year ended 31 March 2017: Rs.45.30) for Superannuation Fund contributions in the Statement of Profit and Loss. The contributions payable to superannuation plan by the Company are at rates specified in the rules of the schemes.

20. Depreciation and amortisation expense

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Depreciation of tangible fixed assets	4,586.42	2,697.81
Amortisation of intangible fixed assets	298.16	-
Total Depreciation and amortisation expense	**4,884.58**	**2,697.81**

Notes to consolidated financial statements for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

21. Other expenses

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Consumption of stores and spare parts	2,847.33	573.87
Power and fuel	1,704.01	1,674.87
Freight and Forwarding charges	92,806.05	88,333.09
Discharge & clearance expenses	24,084.23	19,564.58
Packing materials Consumed - indigenous	13,596.03	14,006.67
Godown Rent	4,935.83	5,228.19
Rent including lease rentals [Refer Note 26(c)]	1,932.57	3,504.66
Repairs and maintenance - Buildings	296.23	204.24
Repairs and maintenance - Machinery	2,546.69	1,926.12
Repairs and maintenance - Others	716.54	100.67
Restitching & Rebagging Charges	245.51	115.31
Storage & Transit Insurance	827.02	889.28
Cost of services	-	1,027.69
Shortages	-	116.20
Insurance	48.96	59.63
Rates and taxes	5,246.34	2,621.56
Communication	151.62	85.81
Travelling and conveyance	438.77	382.21
Printing and stationery	56.06	54.67
Business promotion	294.97	22.39
Legal and professional	601.95	272.92
Payments to auditors [Refer note 21(a) below]	110.38	84.14
Corporate social responsibility expenses [Refer note 21(b) below]	208.04	156.44
Directors sitting fees and commission	25.75	29.44
Bad trade receivables written off	997.37	4,598.94
Provision for doubtful trade and other receivables, loans and advances	17,981.51	20,795.59
Miscellaneous expenses	1,419.04	1,290.14
Total other expenses	**1,74,118.80**	**1,67,719.32**

21(a) Details of payments to auditors:

Payment to auditors		
As auditor:		
Audit fee	25.00	25.00
Tax audit fee	4.00	4.00
In other capacities:		
Taxation matters	-	1.50
Certification fees	76.60	29.63
Reimbursement of expenses	1.00	20.33
Total Details of payments to auditors	**106.60**	**80.46**

Notes to consolidated financial statements for the year ended 31 March 2018
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21(b) CSR expenditure

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Amount required to be spent as per Section 135 of the Act	742.96	466.87
Amount spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above	208.04	156.44

22. Finance costs

Interest on bank overdraft and loans (other than those from related parties)	12,163.83	13,090.75
Other interest & bank charges	2,939.91	1,740.29
Total	**15,103.74**	**14,831.04**

23. Income tax expense

A. Income tax expense recognized in Profit and Loss:		
Current tax	22,382.99	26,600.00
Deferred tax	(4,852.95)	(6,162.28)
Total Income Tax expense recognized during the year	17,530.04	20,437.72
Income tax reconciliation:		
Profit before tax	52,283.73	56,564.19
Applied tax rate	34.60%	34.60%
Income tax expense calculated at Applied Tax rate	18,094.35	19,575.73
Total income tax expense recognized during the year	17,530.04	20,437.72
Differential tax impact	**(564.31)**	**861.99**
Differential tax impact due to the following Tax benefits / (Tax expense) :		
Tax on exempt Income	(971.95)	(1,044.09)
Interest on tax liability	375.02	1,590.25
Expenses not allowable, net	73.80	105.64
Change in tax rate	(129.17)	-
Others	87.99	210.19
Total	**(564.31)**	**861.99**
B. Income tax recognized in other comprehensive income		
Increase in Fair Value of Equity and Debt Instruments measured at FVTOCI	(2,508.63)	4,435.82
Items that will be reclassified to Profit and Loss	(97.32)	440.67
Items that will not be reclassified to Profit and Loss	(2,411.31)	3,995.15

Notes to consolidated financial statements for the year ended 31 March 2018
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24. Earnings per share

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Profit attributable to the equity holders of the Company	34,752.24	36,101.91
Weighted average number of equity shares outstanding during the year (in Nos.)	142,98,600	142,98,600
Face value of share (Rs.)	10.00	10.00
Earnings per Share		
- Basic (Rs.)	243.05	252.49
- Diluted (Rs.)	243.05	252.49

25. Acquisition of Titawi Sugar unit

Pursuant to a Business Transfer Agreement (BTA) entered into with Mawana Sugars Limited (Seller), the Company had acquired the assets and liabilities of Titawi Sugar Unit(TSU) of the seller together with rights, title and interest of the seller in TSU as a going concern on an “as is where is basis” for a lump sum consideration aggregating to Rs.37,752.97 lakhs, with effect from 1 November 2016. The said consideration was allocated to respective assets and liabilities based on their respective fair values as determined by an independent valuer. The Company had taken over the Land, Buildings, Plant and Machinery, Office equipments, Vehicles and current assets and liabilities. The difference between the fair value of the net assets taken over and the lump sum consideration paid aggregating to Rs.7,762.49 lakhs was accounted as Capital Reserve and disclosed in Note 9(b) to the financial statements.

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

Particulars	Amount in INR Lakhs
Land	20,074.00
Buildings	3,212.40
Plant & Equipment	19,036.16
Furniture & Fixtures	3.23
Vehicles	0.86
Office Equipment	16.66
Computers	37.19
Subtotal	**42,380.50**
Current & Non-current assets	5,113.51
Total assets	**47,494.01**
Less: Current & Non-current liabilities	(1,978.55)
Net assets	**45,515.46**
Less: Purchase consideration	(37,752.97)
Capital reserve	**7,762.49**

The Statement of profit and loss of the Company for the year ended 31 March 2017 had been prepared after considering the revenues earned and expenses incurred by TSU for the period 1 November 2016 to 31 March 2017, as the Company had taken over the management control of TSU from 1 November 2016 and all key activities were directed and controlled by the Company.

Notes to consolidated financial statements for the year ended 31 March 2018
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26. Commitments

26(a) Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars	As at 31 March 2018	As at 31 March 2017
Property, plant and equipment	1,257.58	1,641.53

26(b) Other commitments

Purchase of traded goods	1,72,029.53	82,330.81

26(c) Non-cancelleble operating 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 5% every year.

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

Within one year	473.11	469.20
Later than one year but not later than five years	123.17	596.28
Later than five years	-	-

Rental expense relating to operating leases

Minimum lease payments	1,932.57	3,504.66
Total rental expense relating to operating leases	1,932.57	3,504.66

27. Contingent liabilities

Outstanding guarantees and indemnities (excluding performance guarantees)	-	-
Claims against the Company not acknowledged as debt - Disputed dues relating to supplies / other civil cases	90.00	1,434.00
Disputed customs duty demand for which the Company has preferred an appeal before the CESTAT	7,119.51	-
Disputed income tax demands for which the department has preferred an appeal before the Income Tax Appellate Tribunal.	-	5,276.27
Disputed income tax demands contested in Appeals not provided for:		
- Appeal pending before Commissioner of Income Tax (Appeals) for the AY 2014-15	52.00	52.00

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.

Notes to consolidated financial statements for the year ended 31 March 2018
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28. Related party transactions

A. List of related parties

Name of the related party and nature of relationship

Investing party

Indian Farmers' Fertiliser Co-operative Limited (IFFCO)

Subsidiary companies

Goldline Milk Food and Allied Industries Limited
IPL Sugars and Allied Industries Limited
IPL Gujarat Port Limited
Srikrishna Fertilizers Limited

Joint Venture

IFFCO CRWC Logistics Limited

Key management personnel

Dr.P.S.Gahlaut

B. Transactions with key management personnel

	As at 31 March 2018	As at 31 March 2017
Remuneration and other benefits *	90.82	65.79
	90.82	65.79

*Amount attributed to post employment benefits and compensated absences have not been disclosed as the same cannot be identified distinctly in the actuarial valuation.

Compensation of the Company's key managerial personnel includes salaries, non-cash benefits and contributions to post employment defined benefit plan.

C. Transactions with related parties other than key management personnel

Investing party - Indian Farmers' Fertiliser Co-operative Limited (IFFCO)		
Sale of goods	87,110.50	1,01,539.62
Insurance charges recovered	32.17	39.94
Service charges recovered	36.57	-
Discounts	8,812.74	16,601.13
Dividend paid	145.80	145.80

D. Balances due as at the reporting date

	As at 31 March 2018	As at 31 March 2017
Balance receivable:		
Indian Farmers' Fertiliser Co-operative Limited (IFFCO)	116.53	16.09
Balance payable:		
Indian Farmers' Fertiliser Co-operative Limited (IFFCO)	5,812.87	-

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29. Segment reporting

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

Business segment of the company comprise of:-

(i) Fertilisers - Trading of fertilisers

(ii) Sugar and its related by-products.

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

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

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

A. BUSINESS SEGMENT INFORMATION

Particulars	Year ended 31 March 2018				Year ended 31 March 2017			
	Fertiliser	SUGAR	Others	Total	Fertiliser	SUGAR	Others	Total
Revenue from operations	11,83,582.66	82,381.53	54,091.41	13,20,055.60	10,53,401.92	70,197.34	49,208.11	11,72,807.37
Identifiable operating expenses	11,61,856.92	84,817.69	53,990.41	13,00,665.02	10,02,233.04	64,287.45	48,449.35	11,14,969.84
Segment operating income	21,725.74	-2,436.16	101.00	19,390.58	51,168.88	5,909.89	758.76	57,837.53
Unallocable expenses				-				23,261.97
Operating profit				19,390.58				34,575.56
Other income	23,217.18			23,217.18	4,259.25			4,259.25
Unallocable income				9,675.97				17,729.38

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Profit before income tax				52,283.73				56,564.19
Share of net profits of investments accounted for using equity method				-1.45				
Income tax expense				17,530.04				20,462.28
Net profit				34,752.24				36,101.91

B. SEGMENT ASSETS

Particulars	As at 31 March 2018				As at 31 March 2017			
	Fertiliser	SUGAR	Others	Total	Fertiliser	SUGAR	Others	Total
Segment assets	6,70,516.97	1,40,717.45	3,925.05	8,15,159.47	7,34,184.86	1,07,768.41	10,960.72	8,52,913.99
Unallocated Corporate assets				1,94,533.83				69,597.33
Total Assets				**10,09,693.30**				**9,22,511.32**

C. SEGMENT LIABILITIES

Segment Liabilities	5,89,200.00	1,11,086.00	10,632.58	7,10,918.58	6,38,532.48	20,025.38	858.17	6,59,416.03
Unallocated Corporate liabilities				19,175.00				19,135.64
Total Liabilities				**7,30,093.58**				**6,78,551.67**
Capital Expenditure	1,663.46	3,233.73	8,272.93	13,170.12	1,697.28	43,848.72	82.81	45,628.81

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.

Particulars	As at 31 March 2018			As at 31 March 2017		
	India	Rest of the world	Total	India	Rest of the world	Total
Revenue by Geographical area	13,02,816.08	17,239.52	13,20,055.60	11,62,094.64	10,712.73	11,72,807.37
Carrying amount of Segment Assets	10,05,534.51	4,158.79	10,09,693.30	9,20,254.01	2,257.31	9,22,511.32
Additions to Tangible and Intangible assets	13,170.86	-	13,170.86	45,628.81	-	45,628.81
Non- Current assets	11,709.98	-	11,709.98	9,753.42	-	9,753.42

There are no single customer contributing to revenue more than 10% of the total revenue of the Company
For the revenue from major product categories, refer Note 15

Notes to consolidated financial statements for the year ended 31 March 2018
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30. Fair value measurements

30.1 Financial instruments by category

Particulars	As at 31 March 2018			As at 31 March 2017		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investment in equity Instruments (refer Note 32.1)#	-	3,652.08	-	-	18,655.08	-
Investment in debt instruments	-	41,849.52	-	-	41,947.14	-
Investment in government securities	-	-	6.61	-	-	6.11
Trade receivables	-	-	4,36,184.25	-	-	5,05,217.29
Cash and cash equivalents	-	-	1,21,869.75	-	-	25,005.21
Bank balances other than cash and cash equivalents	-	-	1,078.45	-	-	936.73
Loans	-	-	8.29	-	-	-
Other financial assets	-	-	3,387.50	-	-	3,209.89
TOTAL ASSETS	**-**	**45,501.60**	**5,62,534.85**	**-**	**60,602.22**	**5,34,375.23**
Financial liabilities						
Borrowings	-	-	5,47,687.55	-	-	5,26,560.46
Trade payables	-	-	1,14,346.38	-	-	90,715.30
Other financial liabilities	-	-	29,177.23	-	-	28,274.61
Derivative liabilities	-	-	-	37.31	-	-
Liability towards acquisition of business	-	-	-	8,304.00	-	-
TOTAL LIABILITIES	**-**	**-**	**6,91,211.16**	**8,341.31**	**-**	**6,45,550.37**

"Excludes investments which are measured at cost being

a) investments in equity instruments of wholly owned subsidiaries aggregating to Rs. 267.08 (31 March 2017: Rs. 267.08) and

b) investments in equity instruments of associate companies aggregating to Rs. 868.44 (31 March 2017: Rs.868.44)

The equity securities which are not held for trading, and for which the group has made an irrevocable election at intial recognition to recognise changes in fair value through OCI rather than profit or loss as these strategic investments and the group considered to be more relevent."

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30.2 Valuation technique and processes:

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

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

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

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

30.3 Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair values - recurring fair value measurements - As at 31 March 2018	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets				
Financial investments at FVTOCI				
Investment in Equity Instruments	147.31	-	3,504.77	3,652.08
Investment in Debt Instruments	5,426.11	36,423.41	-	41,849.52
Financial liabilities				
Held for trading derivatives not designated in Hedge accounting relationship - Derivative Financial Liabilities arising on Forward exchange contracts	-	-	-	-
Liability towards acquisition of business (Refer Table below and Note 25)	-	-	-	-

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Financial assets and liabilities measured at amortised cost for which fair values are disclosed	Level 1	Level 2	Level 3	Total
Financial assets				
Investment in government securities	-	-	6.61	6.61
Financial liabilities				
Borrowings	-	-	5,50,068.94	5,50,068.94

Financial assets and liabilities measured at fair values - recurring fair value measurements - As at 31 March 2017	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments at FVTOCI				
Investment in Equity Instruments	190.45	-	18,464.63	18,698.78
Investment in Debt Instruments	5,273.29	36,673.85	-	41,947.14
Financial liabilities measured at fair value				
Held for trading derivatives not designated in Hedge accounting relationship - Derivative Financial Liabilities arising on Forward exchange contracts	37.31	-	37.31	-
Liability towards acquisition of business (Refer Table below and Note 25)	8,304.00	-	-	8,304.00

Financial assets and liabilities measured at amortised cost for which fair values are disclosed	Level 1	Level 2	Level 3	Total
Financial assets				
Investment in government securities	-	-	6.11	6.11
Financial liabilities				
Borrowings	-	-	5,28,259.83	5,28,259.83

Table for liability towards acquisition of business:

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

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

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Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2 – The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

30.4 Fair value of financial assets and financial liabilities measured at amortised cost

	As at 31 March 2018		As at 31 March 2017	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Investment in government securities	6.61	6.61	6.11	6.11
Loans	8.29	8.29	-	-
TOTAL ASSETS	**14.90**	**14.90**	**6.11**	**6.11**
Financial liabilities				
Borrowings	5,50,068.94	5,50,068.94	5,28,259.83	5,26,560.46
TOTAL LIABILITIES	**5,50,068.94**	**5,50,068.94**	**5,28,259.83**	**5,26,560.46**

The carrying amounts of trade receivables, trade payables, other financial assets and liabilitis, cash and cash equivalents and other Bank balances are considered to be the same as their fair values, due to their short-term nature.

The fair values for loans are calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

30.5 Derivative financial instruments

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

Derivative financial instruments

The Company is exposed to foreign currency fluctuations on foreign currency assets/ liabilities and forecasted cash flows denominated in foreign currency. The Company follows established risk

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

The following table presents the aggregate contracted principal amounts of the Company's derivative contracts outstanding:

Particulars	31 March 2018	31 March 2017
USD (buy)	-	70,00,000

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

Non-designated derivative instruments (buy)		
Not later than 3 months		
USD	-	70,00,000

31. Financial risk management

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

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

31(i) Credit risk

Credit risk management

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

a) Trade and other receivables

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

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b) Investments

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

Expected credit loss for trade receivables under simplified approach (Non- Government receivables)

As at 31 March 2018:

Ageing	Not due	0-90 past due	90 to 180 days past due	180 to 270 days past due	270 to 360 days past due	More than 360 days past due	Total
Gross carrying amount	53,879.52	41,160.94	22,776.41	7,881.45	2,523.59	28,949.78	1,57,171.69
Expected loss rate	3.00%	4.53%	9.92%	20.07%	60.39%	100.00%	
"Expected credit losses (loss allowance provision) "	(1,617.29)	(1,865.09)	(2,258.32)	(1,581.81)	(1,523.99)	(28,949.78)	(37,796.28)
Carrying amount of trade receivables (net of impairment)	**52,262.23**	**39,295.85**	**20,518.09**	**6,299.64**	**999.60**	**-**	**1,19,375.41**
As at 31 March 2017:							
Gross carrying amount	69,972.39	66,342.40	34,118.29	2,745.09	8,535.68	11,105.48	1,92,819.34
Expected loss rate	1.25%	2.53%	4.92%	9.57%	36.43%	100.00%	
"Expected credit losses (loss allowance provision) "	(876.58)	1,679.26)	(1,676.98)	(262.71)	(3,109.80)	(11,105.48)	(18,710.80)
Carrying amount of trade receivables (net of impairment)	**69,095.81**	**64,663.14**	**32,441.31**	**2,482.38**	**5,425.89**	**-**	**1,74,108.53**

31(ii) Liquidity risk

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

The working capital position of the Company is given below:

	As at 31 March 2018	As at 31 March 2017
Cash and cash equivalents	1,21,869.75	25,005.21
Bank balances	1,078.45	936.73
Total	**1,22,948.20**	**25,941.94**

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a) Financing arrangements

The Group has access to the following undrawn borrowing facilities at the end of the reporting period:

	As at 31 March 2018	As at 31 March 2017
Expiring within one year (short term borrowing and other facilities excluding buyers credit facility expiring 31 March 2018)	1,28,211.63	9,01,457.00

b) Maturities of financial liablities

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2018 and 31 March 2017:

	As at 31 March 2018			
	Less than one year	1-2 years	2 years and above	Total
Borrowings	5,47,687.55	-	-	5,47,687.55
Trade payables	1,14,346.38	-	-	1,14,346.38
Other financial liabilities	25,442.56	3,734.67	-	29,177.23
Total	**6,87,476.49**	**3,734.67**	**-**	**6,91,211.16**

	As at 31 March 2017			
	Less than one year	1-2 years	2 years and above	Total
Borrowings	5,25,989.17	571.29	-	5,26,560.46
Trade payables	90,715.30	-	-	90,715.30
Other financial liabilities	24,328.27	3,832.10	114.24	28,274.61
Derivative liabilties	37.31	-	-	37.31
Liability towards acquisition of business	8,304.00	-	-	8,304.00
Total	**6,49,374.05**	**4,403.39**	**114.24**	**6,53,891.68**

31(iii) Foreign currency risk

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

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The following table presents foreign currency risk from non-derivative financial instruments as of 31 March 2018 and 31 March 2017:

As at 31 March 2018:

Particulars	USD Lakhs	INR Equivalent (in Lakhs)	EUR Lakhs	INR Equivalent	AED Lakhs	INR Equivalent
Assets:						
Trade receivables	-	-	-	-	-	-
Liabilities:						
Borrowings	6,404.88	4,17,185.35	-	-	-	-
Trade payables	315.11	20,537.29	39.40	3,169.75	16.53	292.82

As at 31 March 2017:

Assets:						
Trade receivables	71.76	4,655.24	-	-	-	-
Liabilities:						
Borrowings	6,748.72	4,37,789.17	-	-	-	-
Trade payables	572.06	37,109.79	-	-	-	-

Sensitivity analysis

	Impact on profit before tax	
	As at 31 March 2018	**As at 31 March 2017**
USD Sensitivity		
INR/USD - Increase by 10% (31 March 2017-10%)	43,772.27	47,024.38
INR/USD - Decrease by 10% (31 March 2017-10%)	(43,772.27)	(47,024.38)
Euro Sensitivity		
INR/EUR - Increase by 10% (31 March 2017-10%)	316.97	-
INR/EUR - Decrease by 10% (31 March 2017-10%)	(316.97)	-
AED Sensitivity		
INR/AED - Increase by 10% (31 March 2017-10%)	29.28	-
INR/AED - Decrease by 10% (31 March 2017-10%)	(29.28)	-

31(iv) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has been availing borrowings at fixed and

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variable rate of interest. These borrowings are carried at amortised cost. The borrowings on a fixed rate of interest basis are not subject to the interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of change in interest market rates. The borrowings on a variable rate on interest are subject to interest rate risk as defined in Ind AS 107.

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

Classification of borrowings by nature of interest rate:

	Year ended 31 March 2018	Year ended 31 March 2017
Borrowings at variable interest rate:		
- Current	1,39,455.37	-
- Non-current	-	-
Borrowings at fixed interest rate :		
- Current	4,11,176.93	5,28,251.93
- Non-current	-	571.29

Interest rate sensitivity analysis

	Impact on profit before tax	
	Year ended 31 March 2018	Year ended 31 March 2017
Interest rates increase by 10 base points *	-	-
Interest rates decrease by 10 base points	199.11	-

*The Company has availed short term loan facilities at a specified interest rates and such interest rates are linked to MIBOR. As per the terms of arrangement with the banks, any reduction in the MIBOR interest rates are refunded to the Company and increase in MIBOR rates are not charged back to the Company.

31(v) Price risk

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

If equity prices had been 1% higher/lower other comprehensive income/ equity for the year ended 31 March 2018 would increase/ decrease by Rs. 458.19 (31 March 2017: Rs. 606.46) as a result of the changes in fair value of equity and debt investments measured at FVTOCI. There is no impact of change in equity price on profit or loss.

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32. Capital management

(i) Risk management

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

	Year ended 31 March 2018	Year ended 31 March 2017
Net Debt	4,28,287.58	5,03,391.36
Total equity	2,79,599.72	2,43,959.65
Net Debt to Equity Ratio	153.18%	206.34%

(ii) Dividends

	Year ended 31 March 2018	Year ended 31 March 2017
(i) Equity shares		
Final dividend for the year ended 31 March 2018 of INR 3 (31 March 2017 – INR 3) per fully paid share	428.94	428.94
ii) Dividends not recognised at the end of the reporting period		
In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of INR 3 per fully paid equity share (31 March 2017 – INR 3). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	428.94	428.94

The Board of Directers of the Company in the Board meeting held on May 28, 2018, recommended a Bonus issue of shares in the ratio of 1:1 for the equity shares held by the shareholders as at the record date which is subject to the approval of the shareholders of the Company.

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33. Disclosure of information in terms of section 186 (4) of the Companies Act, 2013 :

Name of entity	Nature of relationship	Purpose	31 March 2018	31 March 2017
Investments made:				
IFFCO - Tokio General Insurance Co. Limited	Not a related Party	Business Needs and exigencies	-	14,959.86
New India Co-Operative Bank Limited	Not a related Party	To obtain borrowing facilities	0.03	0.03
Indian Commodity Exchange Limited	Not a related Party	To engage in Commodity trading business	2,680.00	2,680.00
BSE Limited	Not a related Party	General investment purposes	147.31	190.45
Sub- total			**2,827.34**	**17,830.34**
Deposits made				
HDFC Limited	Not a related Party	General investment purposes	40,000.00	-
			42,827.34	**17,830.34**

34 Interest in immaterial joint venture company

Set out below is the joint venture company in India of the Group as at 31 March 2018 which, in the opinion of the directors, are not material to the Group. The entities listed below have share capital consisting solely of equity shares, which are held directly by the group. The proportion of ownership interest is the same as the proportion of voting rights held.

Carrying value

Name of entity	% of ownership interest	Relationship	Accounting method	As at 31 March 2018	As at 31 March 2017
IFFCO CRWC Logistics Limited	10%	Joint venture	Equity method	42.25	43.70

Name of entity	Joint venture	
	As at 31 March 2018	As at 31 March 2017
Aggregate amounts of the Group's share of:		
Loss before tax	(1.45)	-
Other comprehensive income	-	-

Notes to consolidated financial statements for the year ended 31 March 2018
All amounts in Indian Rupees lakhs, unless otherwise stated

35 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

	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
Indian Potash Limited	100.06%	2,80,028.97	100.80%	35,028.96
Goldline Milk Food & Allied Industries Limited	0.08%	147.34	-0.69%	(239.50)
IPL Gujarat Port Limited	0.03%	(10.16)	0.01%	2.53
IPL Sugar & Allied Industries Limited	-0.17%	(566.43)	-0.11%	(38.30)
IFFCO CRWC Logistics Limited	0.00%	-	0.00%	(1.45)
Total	**100%**	**2,79,599.72**	**100.00%**	**34,752.24**

36 Subsequent to the Balance sheet Date, the Company has invested INR 64,968.99 (USD 954.13) in a Company for a stake of 27.38%

37 Previous Year's figures are recast/regrouped wherever necessary to conform to the classification of the current year.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants
Subramanian Vivek
Partner
Membership No.: 100332

For and on behalf of the Board of Directors

Sundeep Kumar Nayak
Chairman
DIN: 02140600

U.S.Awasthi
Director
DIN: 00026019

P.S.Gahlaut
Managing Director
DIN: 00049401

George Zachariah
Chief Financial Officer

Rajesh Kumar Sadangi
Company Secretary

Place: New Delhi
Date: May 28, 2018

TWELVE YEARS AT A GLANCE

Operating Results 2007-2018

(Rs. in Lakhs)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
GROSS INCOME	612,531.46	1,166,986.06	3,238,317.03	1,727,309.70	2,073,868.96	2,598,480.06	1,979,130.14	1,503,245.50	1,565,917.98	1,640,005.40	1,196,306.92	1,353,019.82
COST OF SALES	599,756.69	1,149,231.99	3,181,463.43	1,680,091.02	1,957,460.96	2,504,237.39	1,887,541.62	1,443,245.90	1,510,820.69	1,600,896.90	1,121,645.38	1,280,497.75
PBDIT	12,774.77	17,754.07	56,853.60	47,218.68	116,408.00	94,242.67	91,588.52	59,999.60	55,097.29	39,108.50	74,661.54	72,522.07
Interest	7,419.20	10,764.84	25,862.60	18,800.08	49,343.99	52,083.63	57,262.11	42,147.50	26,777.09	12,828.93	14,830.92	15,103.66
PBDT	5,355.57	6,989.23	30,991.00	28,418.60	67,064.01	42,159.04	34,326.41	17,852.10	28,320.20	26,279.57	59,830.62	57,418.41
Depreciation	199.56	253.63	386.82	370.46	929.42	2,108.56	1,541.99	2,065.25	1,636.74	1,615.50	2,659.09	4,850.57
Exceptional Item									(2,895.61)			
PBIT	12,575.21	17,500.44	56,466.78	46,848.22	115,478.58	92,134.11	90,046.53	57,934.35	53,460.55	37,493.00	72,002.45	67,671.50
PROFIT BEFORE TAX	5,156.01	6,735.59	30,604.18	28,048.14	66,134.59	40,050.48	32,784.42	15,786.85	29,579.07	24,664.07	57,171.53	52,567.84
Tax	1,759.89	3,255.15	19,958.88	9,655.99	28,558.82	7,622.50	7,676.07	5,050.97	8,453.37	8,556.38	20,437.72	17,538.88
PROFIT AFTER TAX	3,396.12	3,480.44	10,645.30	18,392.15	37,575.77	32,427.98	25,108.35	10,735.88	21,125.70	16,107.69	36,733.81	35,028.96
Dividend	301.11	301.11	334.57	333.47	415.46	415.46	418.22	418.22	430.24			
Other Comprehensive Income										1,708.25	12,902.12	1,413.62
Retained Profits	3,095.01	3,179.33	10,310.73	18,058.68	37,160.31	32,012.52	24,690.13	10,317.66	20,695.46	17,815.94	49,635.93	36,442.58
Earning per Share (Rs.)	23.75	24.34	74.45	128.63	262.79	226.79	175.60	75.08	147.75	112.65	256.90	244.98
Dividend per share (Rs.)	1.80	1.80	2.00	2.00	2.50	2.50	2.50	2.50	2.50	3.00		3.00
Dividend tax per share (Rs.)	0.31	0.31	0.34	0.33	0.41	0.41	0.42	0.42	0.51	0.61		0.61
Foreign Exchange Earnings	14,863.63	15,023.67	30,910.02	27,534.85	41,982.55	54,961.58	32,991.84	82,393.85	55,963.58	73,781.14	95,973.50	53,395.91

Sources and Applications of Funds 2007-2018

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
SOURCES OF FUNDS												
Equity	1,429.86	1,429.86	1,429.86	1,429.86	1,429.86	1,429.86	1,429.86	1,429.86	1,429.86	1,429.86	1,429.86	1,429.86
Reserves	13,507.22	16,661.30	26,938.90	44,975.40	82,146.80	114,139.43	138,810.71	149,090.52	173,651.59	190,370.89	242,808.53	278,725.31
Shareholders' Funds	14,937.08	18,091.16	28,368.76	46,405.26	83,576.66	115,569.29	140,240.57	150,520.38	175,081.45	191,800.75	244,238.39	280,155.17
Loan Funds	68,714.80	203,036.64	441,700.66	377,271.34	295,435.06	658,443.02	615,257.87	320,390.65	450,020.89	566,960.85	526,560.46	547,687.55
FUNDS EMPLOYED	83,651.88	221,127.80	470,069.42	423,676.60	379,011.72	774,012.31	755,498.44	470,911.03	625,102.34	758,761.61	770,798.85	827,842.72
APPLICATION OF FUNDS												
Fixed Assets (Gross)	4,266.41	5,251.91	7,933.00	11,547.81	25,966.96	35,171.73	37,871.92	42,814.16	30,528.80	32,432.75	74,842.32	79,994.09
Capital Work-in-Progress	24.38	1,115.86	860.89	3,501.32	762.56	783.04	3,216.65	2,044.79	7,130.54	7,111.57	7,664.77	1,646.04
Fixed Assets (Net)	2,892.85	4,720.93	6,787.05	12,671.57	23,419.97	30,570.85	34,182.51	35,975.44	37,659.34	39,544.32	82,507.09	81,640.13
Investments	617.36	98,390.63	263,653.60	458,447.14	126,881.56	34,824.22	36,506.53	34,544.32	39,980.42	88,576.70	60,919.11	45,818.99
Net Current / Non current Assets	80,019.70	117,919.41	199,562.82	(49,152.07)	224,659.05	706,588.60	680,356.85	396,389.67	544,962.03	622,703.58	620,299.19	683,168.37
Deferred Tax-Net	121.97	96.83	65.95	1,709.96	4,051.14	2,028.64	4,452.57	4,001.60	2,500.55	7,937.01	7,073.46	17,215.23
Profit and Loss Account	-	-	-	-	-	-	-	-	-	-	-	-
NET ASSETS EMPLOYED	83,651.88	221,127.80	470,069.42	423,676.60	379,011.72	774,012.31	755,498.44	470,911.03	625,102.34	758,761.61	770,798.85	827,842.72
Net Worth per share (Rs.)	100.93	123.17	195.28	321.57	581.69	805.57	978.25	1,050.41	1,224.47	1,341.40	1,708.13	1,959.32
Debt: Equity Ratio	4.60:1	11.22:1	15.57:1	8.13:1	3.53:1	5.70:1	4.39:1	2.13:1	2.57:1	2.96:1	2.16:1	1.95:1

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