



E.I.D. - Parry (India) Limited

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CIN : L24211TN1975PLC006989

Website : www.eidparry.com

July 3, 2019

National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor
Plot No.C/1, G Block
Bandra-Kurla Complex
Bandra (E)
Mumbai 400 051.
Scrip Code: EIDPARRY

BSE Limited
1st Floor
New Trading Ring, Rotunda Building
P J Towers, Dalal Street
Fort
Mumbai 400 001.
Scrip Code No: 500125

Dear Sirs,

Sub: Notice for the annual general meeting and Annual Report for the financial year 2018-2019.

We enclose herewith Notice convening the 44th annual general meeting and Annual report for the year ended March 31, 2019.

This information is being submitted pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended.

Kindly take the above information on record.

Yours faithfully

For E.I.D. - Parry (India) Limited


Biswa Mohan Rath
Company Secretary

Enc: a/a



The background is a vibrant collage of abstract shapes and patterns. It includes a large teal circle with white dots in the top left, a red circle with white dots partially overlapping it, a yellow circle with white diagonal lines in the top right, a large yellow circle with white dots in the bottom right, a teal circle with white dots in the bottom left, and a white circle with green dots in the center. The text 'seeding the next' is overlaid on the right side.

seeding the next



E.I.D.- PARRY (INDIA) LIMITED
ANNUAL REPORT 2018-19

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Cautionary Statement

Certain statements in this annual report concerning our future growth prospects are forward-looking statements, which involve a number of the risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. We have tried wherever possible to identify such statements by using words such as anticipate, estimate, expect, project, intend, plan, believe and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievements of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise or should underlying assumptions prove inaccurate, our actual result could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



Two centuries and more, in a Nature-centered business, an abiding lesson we have learned is the need for renewal and regeneration, the need to surmount cyclicalities with new growth engines, the need to seed the new...

2018-19 - at E.I.D Parry, as we navigated through the ravages of drought, deluge, and the sectoral see-saw, we

- augmented existing capacities to address new growth areas
- enhanced efficiencies with newgen process systems
- added new command areas for sourcing cane
- explored adjacencies and sunrise opportunities
- enlarged our market and brand presence
- engaged more with our employees, customers and stakeholders and
- embedded an engaging and winning work culture.

Validating Nature's principle, we focused on
seeding the next...

seeding the next

Augmented
existing capacities,
enhanced efficiencies
and explored
revenue streams
in adjacencies to
address new growth
areas for seeding the
next...

E.I.D Parry pursued its 'seeding the next' strategies with capacity augmentation with new capabilities, enhancing operational efficiencies, focusing on lean manufacturing and product differentiation to address growth opportunities.

Capacity Investments



- Commissioned a 900 TPD back-end refinery at Haliyal to make a strategic expansion into the retail space.
- Added the Ion Exchange System (IEX) to the refinery at Haliyal Plant to gain the capability to produce sugar through a sulphur-free process. This would enable the company to cater to niche segments in the institutional space.
- Commissioned a facility to produce 40 TPD of Amrit brand of natural brown sugar at the Nellikuppam Plant to address the burgeoning demand for healthy sugar. Plans have been drawn to commission similar manufacturing facilities at Bagalkot, Haliyal and Sankili in the future, based on the increasing demand.
- Commenced retail packaging at Sankili, making it the 3rd Unit, after Nellikuppam and Haliyal, to commission this facility.



Process Efficiencies

- Treated and recycled distillery spent lee at Nellikuppam in the newly established Condensate Polishing Unit (CPU) to the extent of 15 lakh litres for the first time. This will reduce ground water withdrawal significantly and enhance sustainability in the manufacturing process.
- Conducted Decanter trial for sludge separation in the fermented wash. This will help in improving performance and efficiencies of distillation, bio digester and RO Plant.
- Achieved a benchmark in sustainable water utilisation with the water management systems at sugar factories calibrated to ensure 'zero' fresh water withdrawal and consumption from river, borewell, canal, and other water bodies.
- Recycled nearly 10 crore litres of waste water at Nellikuppam, in line with sustainable practices.
- Maintained near zero levels in emission and effluent generation with stringent on-line monitoring systems connected to the SPCB / CPCB monitoring systems.

Adjacencies and Additional Revenue Streams

Increased global awareness on Environment protection and the need for reducing emissions, has drawn the focus of Governments across the world to non polluting Bio-fuels as energy alternates.

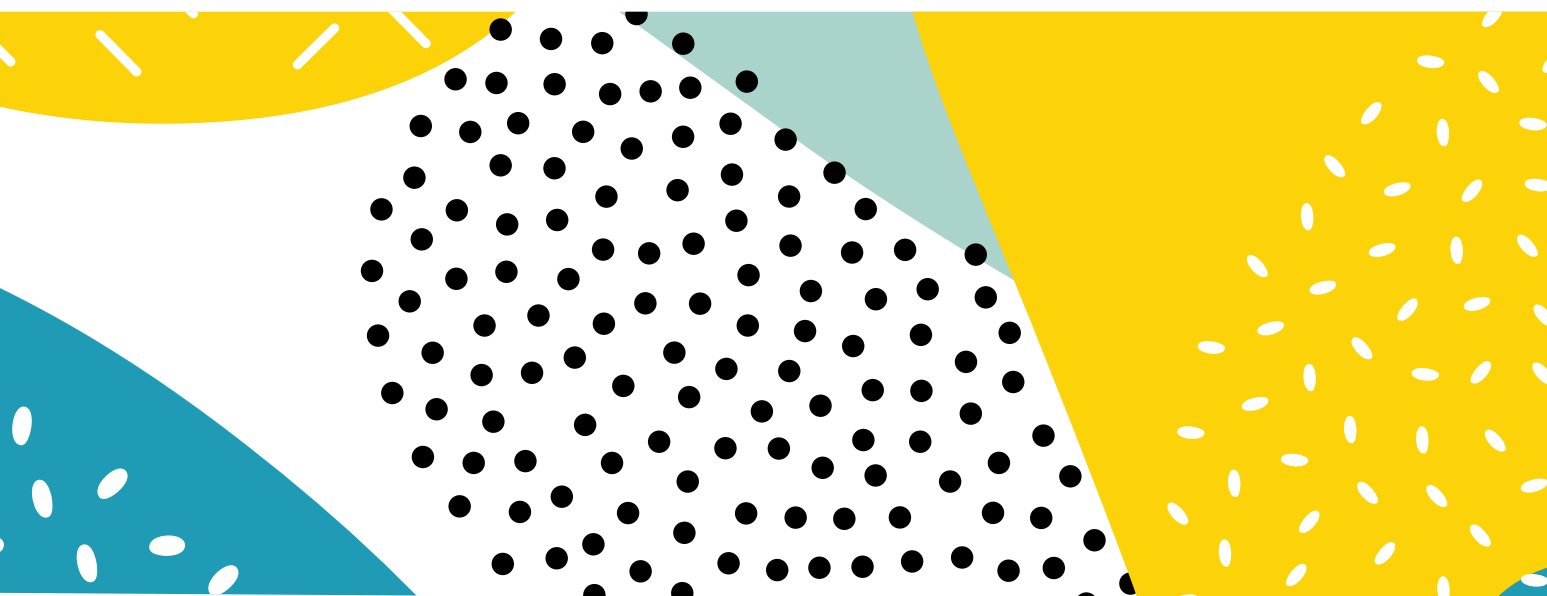
The Government of India's Bio-fuels' programme has set a target of 10% ethanol blending by 2022 as against 3-4% blending rates at present. This would help to reduce crude import burden, lower emissions and promote the revenue growth of the agri-industry.

The International Energy Agency (IEA), has predicted that fuel ethanol would account for two-thirds of the worldwide growth in conventional bio-fuels between 2018 and 2023. In line with its strategies for growing the ethanol stream as an additional revenue earner, E.I.D Parry has mapped out expansion plans at the distilleries at Nellikuppam, Haliyal and Sankili, including the commissioning of a new distillery at Bagalkot. The Company has obtained in principle, approval from the Department of Food & Public Distribution, for its expansion projects, under the Central Government

Scheme, extending financial assistance to mills for enhancement and augmentation of Ethanol Production Capacity. These projects will be taken up for implementation based on the confirmation of sustained availability of molasses.

- Sankili and Sivaganga Plants began manufacturing ethanol for the first time during the year, adding to the total output.
- Explored the potential of bagasse as a revenue stream in addition to co-generation.
- Enhanced production of CO₂ at Nellikuppam distillery, the highest for any given year since inception.
- Expanded the 'Waste to Wealth' initiative with the conversion of the distillery effluent waste into potash-rich fertilizer, K-ash and K-boost, as an additional revenue earner, in addition to reducing carbon footprint.

In line with its strategies of seeding the next leap in growth, the Company is exploring step-outs in new adjacencies including sunrise opportunities in the non-sugar space.



seeding the next

At E.I.D Parry, our vision of enriching and energising lives in agriculture dictates our course for seeding the next...

Strengthening source capabilities

Sustainable growth and profitability of the sugar business is dependant on steady supply of high quality sugarcane.


E.I.D Parry is the first and among the few sugar manufacturers in India to have a dedicated Cane Research and Breeding Centre recognised by the Department of Scientific and Industrial Research (DSIR), Ministry of Science & Technology, Government of India. The Company is continuously engaged in developing new cane varieties that are robust, pest resistant and increase yield and recovery for the farmers.

- The Company's progressive cane management programmes and supportive farmer-centric initiatives enabled it to register more than 2000 acres of fresh cane crop during the year at Nellikuppam, despite the challenging situation.
- Added new cane command areas at Nellikuppam and at Pudukottai with

potential to source 15000 MT and 3000 MT of sugarcane in total from these villages.

- Increased productivity of land and labour by promoting cooperative farming and mechanisation of farm operations.
- Developed clean seed cane plots using 3 tier nursery systems to eliminate disease in cane and increase growth.
- Scaled up production of high sugar varieties in Karnataka and Andhra Pradesh leading to increase in revenue for farmer.
- Expanded Farmer Support Programmes for capability building of farmers in sustainable sugarcane production.
- Project 'Y60' launched to improve cane yield resulted in doubling of yield for farmers, selected for the trial planting in 3 districts. The success of the project has galvanized the company to further scale it up in 2019-20.





We believe, increasing farm yield, recovery ratios and productivity with environmentally responsible cultivation practices, is vital for seeding the next...

Scientific Cultivation Practices

- Collaborated with farmers to establish scientific and sustainable cultivation practices such as pro-tray and single bud seedling, inter-cropping, wider row spacing, ratoon management, bio-manuring and soil management to enhance yield.
- Global warming and climate change can pose a serious problem in agriculture due to depleting ground water levels. The Company collaborated with both International and Government of India agencies to reduce water and carbon footprints in sugarcane cultivation, deploying water probes to capture data on ground water levels and advise farmers on efficient management of water resources through drip and sprinkler irrigation.
- Pursued watershed development initiatives including catchment area treatment through de-silting, establishment of percolation tanks, digging and recharging of open wells and borewells and partnering with the Government in building check-dams. Around 30 borewell recharges were completed to mitigate the affect of drought in Pugalur, Pettavaithalai and Pudukottai.
- 'K-boost', the organic nutrient developed by the Company was issued to farmers covering an area of 3,000 acres. This contributed to an increase in sugarcane yield and recovery ratios at Nellikuppam.
- A novel trash decomposer product has been evaluated with excellent results from initial field trials. R&D is currently working to develop the formulation and commercialise the product.
- Pioneered the concept and developed a sustainable model for nurturing several farmer entrepreneurs as rural Agri Service Providers (ASP) in farm mechanisation.
- The Pest and Disease management initiative is based entirely on an integrated eco-friendly concept, with bio-control agents produced from in-house units located at respective factories and also through promotion of rural entrepreneurs, thus bringing in inclusiveness among the farming community in technology transfer.

seeding the next

Driving rural prosperity with scientific and sustainable farming methods is fundamental to our focus of seeding the next...

E.I.D Parry is the only sugar company in India involved in an elaborate and novel sugarcane breeding program for development of new varieties with a germplasm collection of over 1700.

- The Company introduced 10 new varieties of disease-free seed material for farmers, through the three tier 'Clean seed nursery program' from the Company's state-of-the-art, PCR certified, tissue culture lab for seedling production. Plant varieties that are robust, pest resistant and drought tolerant ensure higher revenue for farmers.
- The Company's centralised soil testing facility at Pugalur provides farmers with soil testing and need based fertiliser

prescriptions based on soil mapping. This service was further expanded during the year, by opening a soil testing lab at Haliyal to cater to the needs of farmers in Karnataka command areas.

- Promoted scientific practices among farmers such as green manuring, mulching, vermicomposting and the use of biofertilisers, biopesticides and fungicides to reduce dependence on inorganic nutrients and help in soil rejuvenation and moisture conservation.
- Continued to play the role of pioneer in the adoption of bio-control agents and bio-pesticides for promoting sustainable farming practices.



Sustainability Collaborative Projects

- Sustainability collaborative projects with renowned international agencies on water conservation and carbon footprinting are in progress facilitating easy implementation with novel decision support software and tools in the management of these resources.
- Good Agronomic Practices (GAP) like direct seedling planting, soil organic content improvement technologies, wider spaced cultivation and farm mechanisation are being constantly developed and extensively promoted amongst farmers to economise cost of cane cultivation and increase productivity.
- R&D farms are operational at all Plants to effectively demonstrate to farmers location-specific suitability of technologies like varietal improvement, crop agronomy and pest and disease management strategies.
- Our R&D initiative for pest management and crop protection with bio-control agents were validated in the field with two new in-house insect pheromone traps to control the pest infestation which affected more than 1500 acres of cane crops.
- Qualified and trained exclusive extension wing for effective transfer of technologies from 'Lab to Land' using innovative training modules and programs.
- The Company holds the distinction of being the first in India and in Asia to be certified for 'Bonsucro' international certification for responsible and sustainable cane cultivation and sugar production. This has transformed the rural livelihood of many farmers through the sustainability plank.



seeding the next

Adopting emerging trends in digital transformation in agriculture is integral to Parry's drive for seeding the next..

The future of Agriculture, is supposed to be linked inextricably to its ability to adopt new and emerging trends in digital technology. For farmers digital transformation would pave the way for greater control on farming environments, lead to better yielding crops and greater productivity, with prudent resource management.

E.I.D Parry is the first in India in the sugar industry to introduce Smart Farming, with digital capturing of data using IoT. The company has rolled out a series of initiatives to enable the migration to the digital platform:

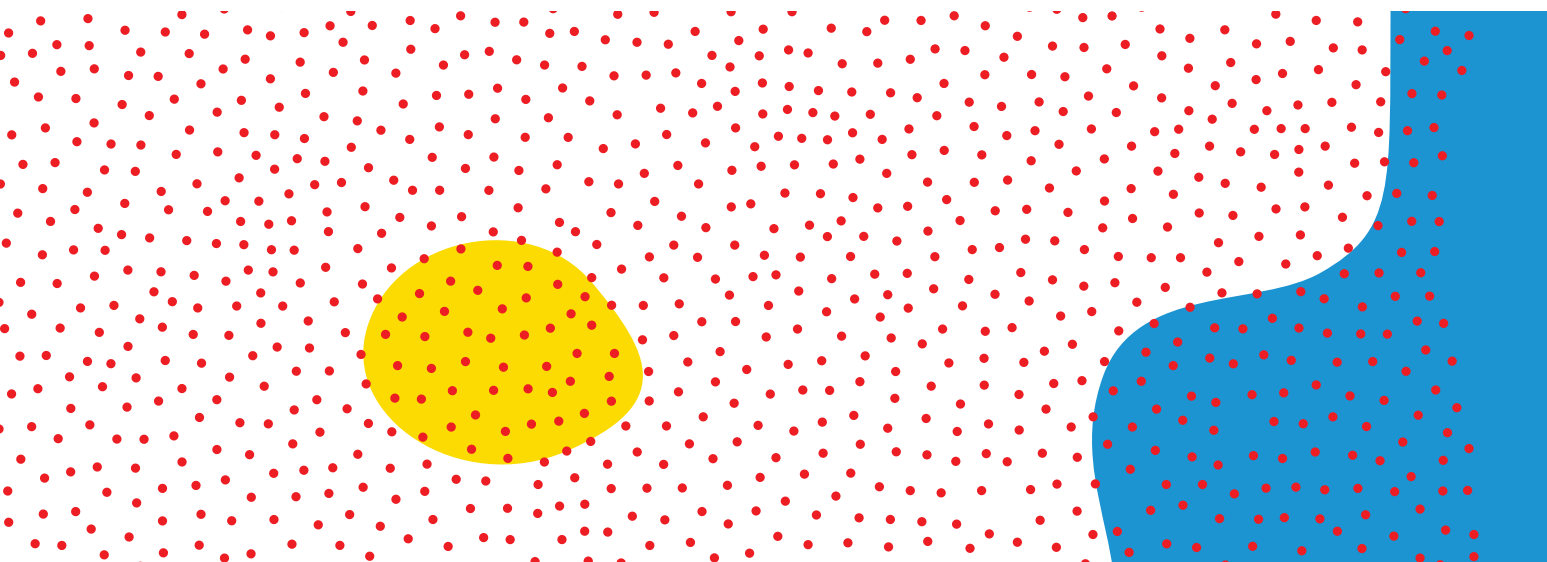
- Launched autonomous farming as a pilot project at Nellikuppam with GPS enabled devices for yield mapping and harvest documentation.
- Introduced a novel soil moisture based harvest and irrigation scheduling system with an innovative, automatic, moisture recording device, with probes and meters to assess soil moisture and plan cane cutting schedules. This resulted in significant improvements in water conservation and yield and recovery improvement for farmers.



- Launched a new app-based aggregator model of Agri Mechanisation Service for farmers. Covering more than 2000 acres in its first phase, this 'on-call' service has enabled ease of technology access, speedier work execution and greater productivity for the farming community.
- Established the 'Farmer Connect App - a novel IT enabled crop management and advisory tool to engage with and intensify 'farmer connect'. The multi-lingual, mobile enabled App was rolled out across locations to more than 5,000 + farmers providing information on their planting schedules and farming operations.

Digital transformation

- A new version of the Crop Calendar was released with additional features to help the monitoring of the entire cane operations for both farmers and the cane officers to enhance productivity and ease of operations.
- E.I.D Parry is the first in the sugar industry to introduce a satellite based decision support system for cane operations. The company is working on a predictive analysis model of mapping out areas with optimum potential for cane planting based on the data on soil types, rainfall patterns and water availability.
- The Company is in the process of deploying a digital ecosystem to facilitate collaborative work platforms, enhance employee engagement, improve productivity and bring in greater dynamics in communication.
- E.I.D Parry is the first sugar company in India to adopt the High Performance Analytics Appliance, for greater business agility and speed of operations. The Company is in the process of implementing the next generation of SAP Hana with embedded analytics and high digitisation of the entire spectrum of business operations.



seeding the next

Value-added
new product
categories,
customer
co-partnering,
expanding
market presence-
the focus was on
seeding the next.

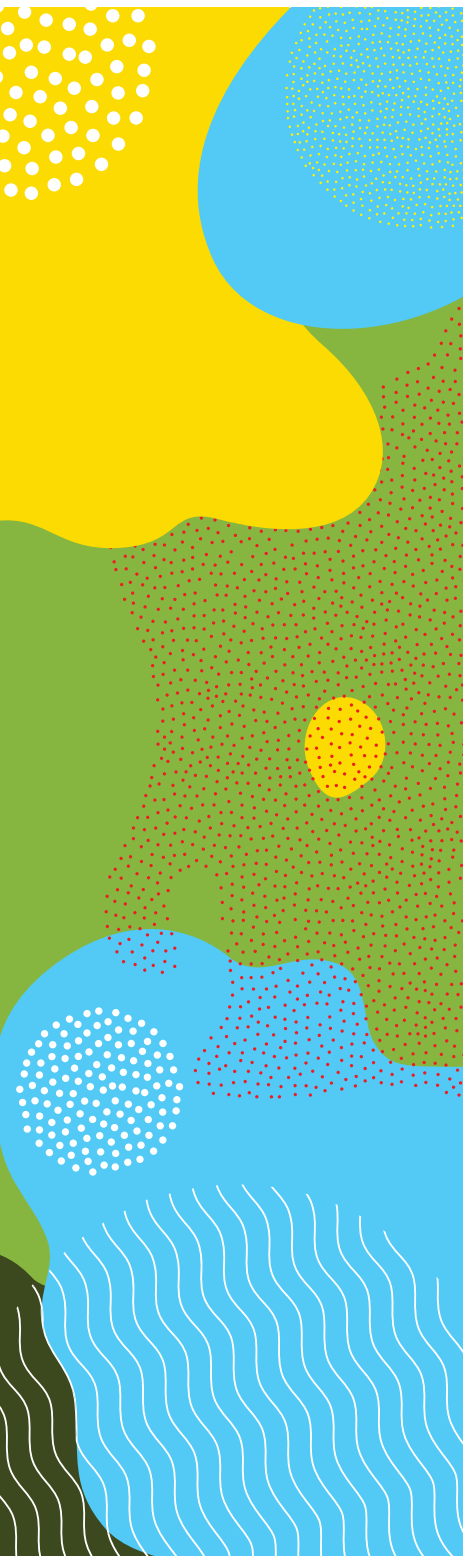
In line with its focus of de-risking the business, the Company re-segmented its sugar business to lessen the dependence on trade and increase focus on the value added institutional space and the consumer facing retail market.

Institutional Sales

Strong product customisation expertise, stringent quality systems, global certification standards makes E.I.D Parry the preferred supplier to major institutional customers. The Company's roster of institutional customers, comprise major pharmaceutical, soft drinks, beverage, food, confectionery, dairy, biscuit, ice cream manufacturers, accounting for almost 44% of its total sales. To propel its growth, the company focused on product differentiation and value addition for better price realization from the institutional segment.

Sale of value added sugar to institutional customers saw a significant rise during the year. The added capability to produce very fine sugar through a sulphur-free process, will enable the Company to address niche requirements in the institutional space.





Customer proximity and strategic locational advantage of the Company's mills provide a competitive edge in servicing multinational customers who seek large volumes.

The Company's Bonsucro certified sugar, produced from sustainable cultivation practices, has proven to be an advantage with large multinationals and discerning customers focusing on sustainable raw materials and practices.

During the year, Nellikuppam Plant was certified for Halal Assurance System Status. This is an important certification which enables greater penetration in the global market.

Retail Sales

The Company focused on its portfolio of branded sugar - Parrys White Label, Parrys Refined Pure and Amrit, for the retail market. 'Amrit' the Company's offering of 100% original cane sugar, with 10 times more nutrients than normal sugar expanded shelf space, addressing the consumer need for healthy sugar.

The Company focused on expanding its retail footprint and channel sales with customer

engagement initiatives and innovative marketing strategies.

Product and Quality Initiatives

- Production of 1kg retail sugar pack, white and pure sugar and 25 kg pack for S30 and M30 white and pure sugar.
- Sankili unit successfully migrated from OHSAS 18001 to ISO 45001:2018 and also the quality management system ISO 2001:2015.
- Nellikuppam and Haliyal Units upgraded to Food Safety System Certifications ISO 22000 Version 4.1
- Pudukottai, Nellikuppam and Haliyal Units upgraded to Quality Management System ISO 9001: 2015 Version.
- Nellikuppam and Haliyal qualified for SMETA 6.0 (Sedex Members Ethical Trade Audit).
- Continued the process of sustainable practices in sugar production, with the 'Bonsucro' International Certification for Pugalur, Nellikuppam and Haliyal Plants.

seeding the next

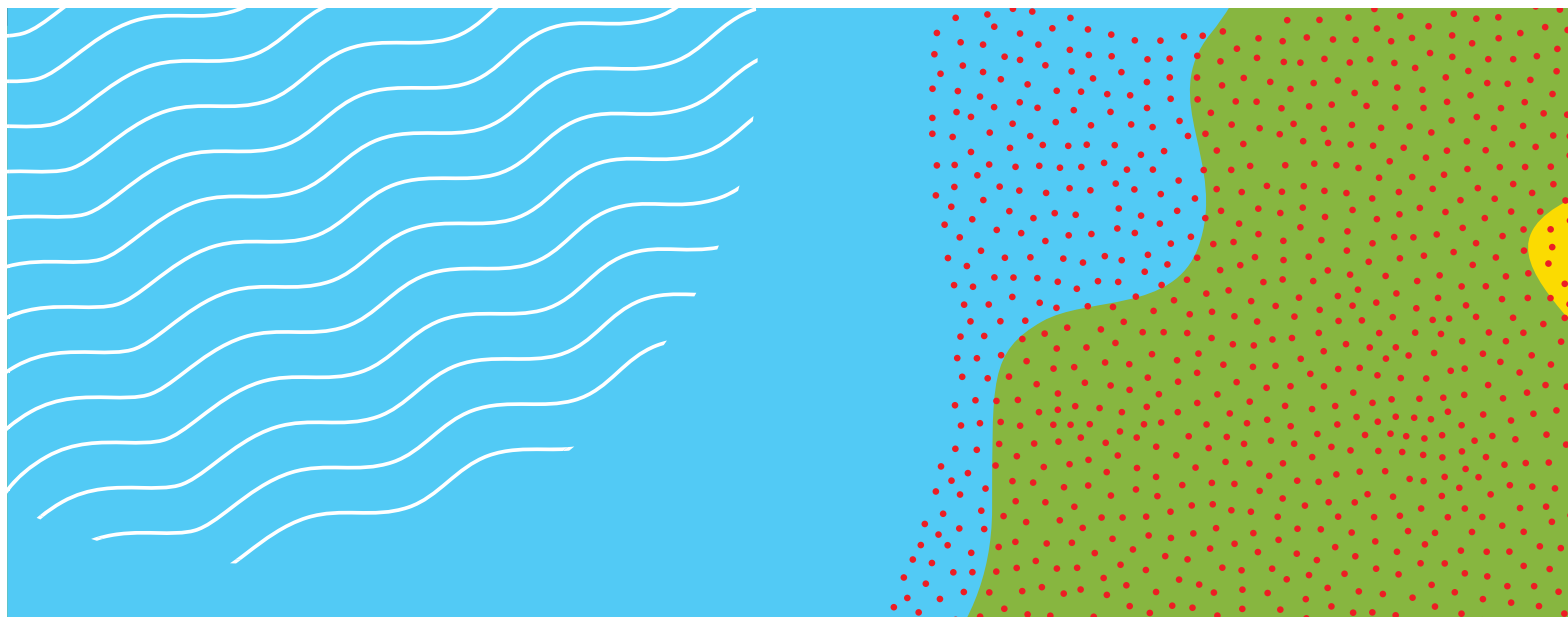
Building process capabilities, investing in research-led innovative product streams, expanding into new geographies- at Parry Nutraceuticals, seeding the next was the strategic priority.

A pioneer and global leader in Organic Spirulina, E.I.D Parry is the only Company in the world producing 3 micro algae at scale (Spirulina, Astaxanthin and Chlorella) with all major global certifications.

The Company is a leading supplier to several major global health supplement brands selling across North America, Europe and South East Asia.

In line with its strategies for seeding the next phase of growth, the Company rolled out new initiatives and strategies for enlarging its presence in niche and innovative products for the health and wellness space.

Expansions, infusion of new technologies, enhancing process efficiencies through rigorous Process Quality Assurance Systems - across Nutra Plants, the strategy was to build scale and capability for the future.



Building Capabilities

The Company scaled up the production of Chlorella to meet the growing global demand. Sales of Chlorella grew by 85% over the previous year, garnering customers in new geographies.

A new warehouse is slated to be opened in the EU, to offer last-mile-connectivity and speedier customer service.

Phycocyanin - Natural Blue Colour extract was launched by Algavista, a joint venture between E.I.D Parry and Synthite. In addition to strengthening the Company's product portfolio, it provides the business with the capability to address the opportunities of the growing global natural colour market for the food ingredient and Beverage space.

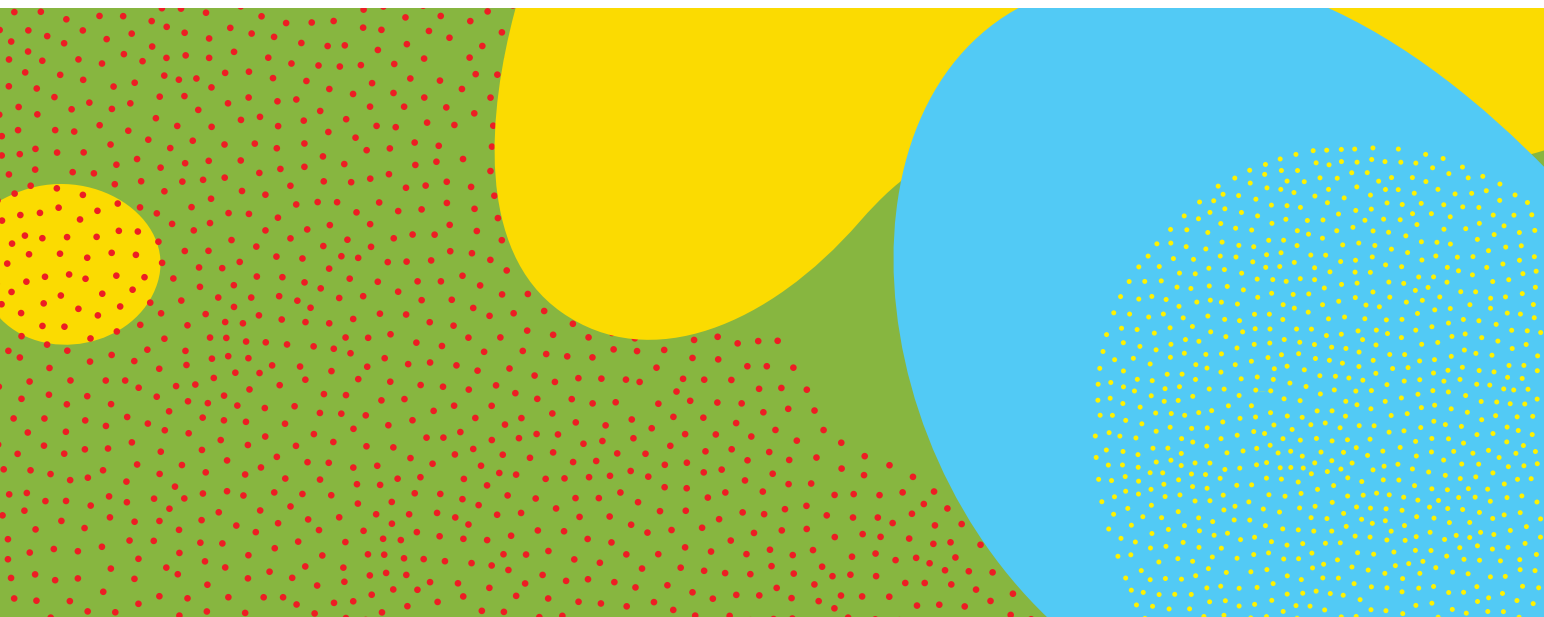
Certifications for Food, Safety and Quality Standards in various categories were completed to provide the business a competitive edge to expand its global presence and build the future.

Certifications

- ISO - QMS/EMS/FSMS - Upgraded to the new version of standards and successfully completed the audit and recertification process.
- Organic - Included new products such as Organic Spirulina Extract (Phycocyanin Powder) and Spirulina variants such as sticks/flakes/crunchies under the organic scope.
- Initiated India Organic program (NPOP) as per the new standard for microalgae.
- Initiated BRC Food Safety certificate for catering to customers in the UK and Europe and for the Phycocyanin colour segment.
- Expanded presence in value added products and adjacencies in Green Foods, Protein and Algal Omega.

- Implemented sustainable and environment friendly processes in Waste, Water and Energy with the 'less for more' work discipline, optimising energy efficiency through renewable energy and reducing water and carbon footprint.
- Strengthening the raw material sourcing at Valensa, with sourcing strategies for saw palmetto directly from farmers.
- Launch of the prostrate health product line, direct to consumer, is slated for 2019.

Building manufacturing and process capabilities, expanding portfolio of research based, value added products and adjacencies in Green Foods, Plant Protein and Algal Omega and foraying into new markets are the strategic priorities of the business for seeding the next trajectory of growth.



seeding the next

Building an empowered, engaged, excellence driven and happy people resource is central to Parry's plans of seeding the next.

E.I.D. Parry believes that people are its key assets and nurturing and developing them is vital to realising its HR vision of "Building Organizational Capability to deliver superior business performance."

Concerted thrust on policy deployment initiatives and contemporary HR practices focused on four key imperatives: Capability Development, Talent Management, Employee Engagement and Productivity & Cost.

Competency Development Framework was institutionalised to enable employees to achieve high standards of performance and take up challenging goals to realise their true potential. To enhance internal efficiencies,

the Company scaled up capabilities across divisions by creating a talent bank of specialists with domain expertise. Structured interventions were rolled out to build the leadership pipeline through Individual Development Plans and Leadership Coach Accreditation programmes.

E.I.D Parry is committed to build the 'Best Employer' brand for the organisation and most importantly, provide a happy, nurturing ecosystem for employees. An ecosystem, that is not only empowering, but also helps build capabilities to meet the challenges of a fast changing, dynamic, global environment. The company believes that 'happy employees make happier customers'

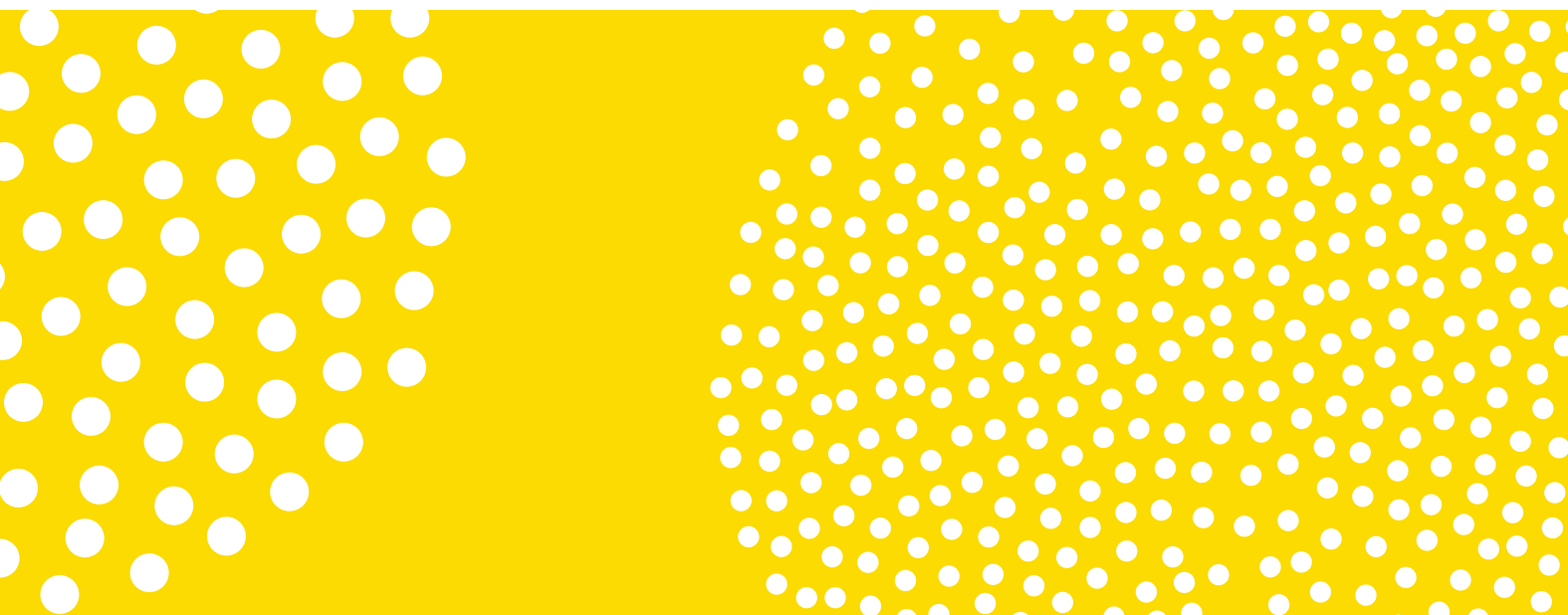


and a motivated people resource driven by a passion for innovation is vital to its plans of seeding the next.

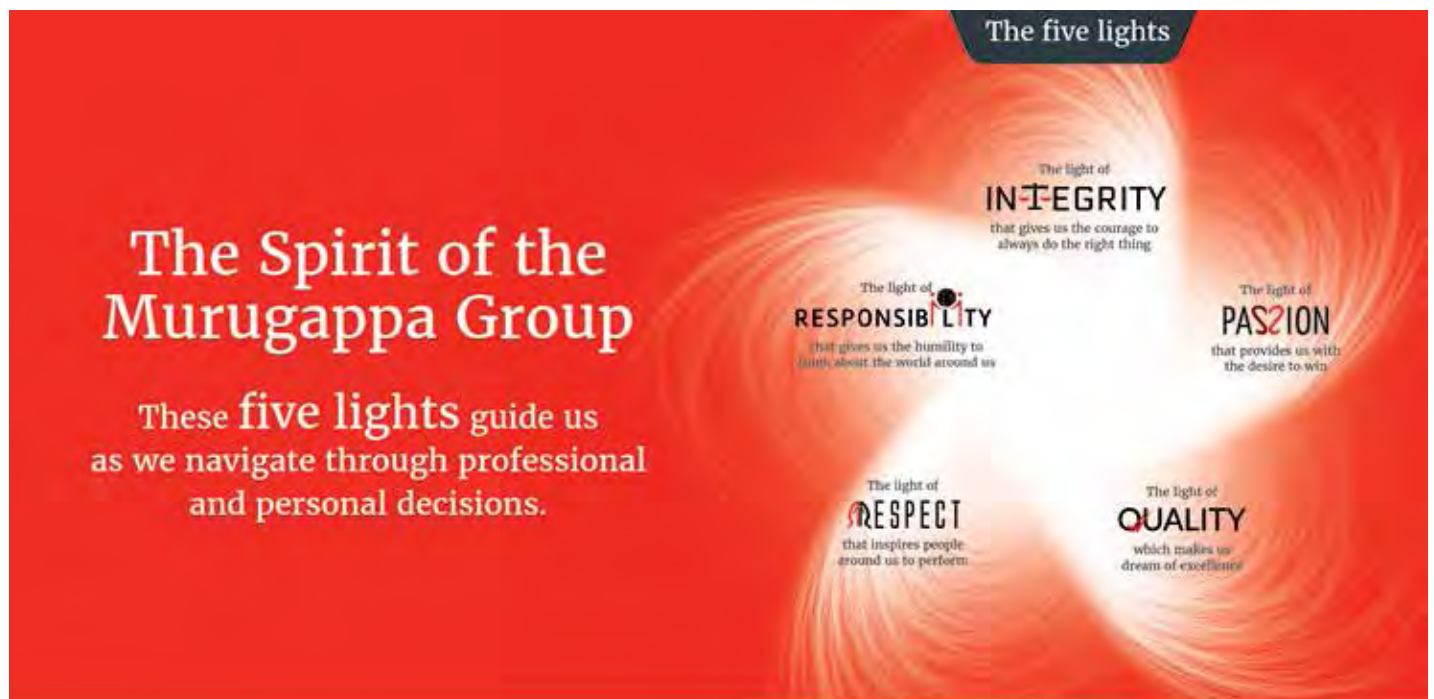
The extensive Employee Engagement initiatives rolled out under 'Project Smile' with the goal of offering the best environment and working experience possible, gained momentum, spreading happiness and cascading a winning culture across the Company. E.I.D Parry earned the Highest Employee Engagement Score in the 'Aon Best Employer Study' conducted across the Murugappa Group.

Awards and Accolades

- 'The Dream Company To Work For' Award at the Asia HR Leadership Awards 2018.
- Award for 'Talent Management' at the 'Times Ascent' -Asia Pacific HRM Congress -2018.
- ET Now 'Best Corporate Social Responsibility Practices Award'-2019.
- Economic Times Best Brands Award 2019.
- Pudukottai Plant received the TPM Excellence Award - Category A from the Japan Institute of Plant Maintenance. The first sugar manufacturing plant in the world to receive the award.



seeding the next



CORPORATE INFORMATION

BOARD OF DIRECTORS

V. Ravichandran, Chairman
S. Suresh, Managing Director
Ajay B Baliga, Independent Director
V. Manickam, Independent Director
Ramesh K B Menon
C. K. Ranganathan, Independent Director
Rca Godbole, Independent Director
M. M. Venkatachalam

COMPANY SECRETARY

Biswa Mohan Rath

CORPORATE MANAGEMENT TEAM

S. Suresh, Managing Director
Balaji Prakash, Vice President - Sales & Marketing
Biswa Mohan Rath, Sr. Associate Vice President – Legal & Company Secretary
T. Kannan, Vice President - Commercial
Madhu Sudhan Sharma, Vice President & Head – Manufacturing
Muthiah Murugappan, Business Head - Nutraceuticals
S. Rameshkumar, Sr. Vice President & Chief Financial Officer
S. K. Sathyavrdhan, Executive Vice President - HR
T. M. Shankar, Sr. Vice President - Liasoning & Corporate Affairs

REGISTERED OFFICE

'Dare House', Parrys Corner, Chennai - 600 001.
CIN : L24211TN1975PLC006989

STATUTORY AUDITORS

Price Waterhouse Chartered Accountants LLP
Chennai

BANKER

State Bank of India

INVESTOR CONTACTS

Registrar and Transfer Agents

Karvy Fintech Private Limited
Unit : E.I.D.- Parry (India) Limited
Karvy Selenium Tower B,
Plot No. 31& 32, Gachibowli, Financial District,
Hyderabad - 500 032.
Tel : +91 - 40 - 6716 2222
Fax : +91 - 40 - 2342 0814
Toll free: 1800-3454-001
E-mail : einward.ris@karvy.com

COMPANY

Secretarial Division
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E-mail : investorservices@parry.murugappa.com
Website : www.eidparry.com

FINANCIAL HIGHLIGHTS - TEN YEARS AT A GLANCE

Standalone

₹ in Lakh except ratios

Particulars	2009-10	2010-11 @	2011-12	2012-13	2013-14	2014-15	2015-16 #	2016-17	2017-18	2018-19
Profitability Items										
Gross Income	133526	147386	175364	241448	194548	226504	278559	263121	228169	204644
Gross Profit (PBDIT)	35536	18927	27447	60562	26237	38918	15751	50867	30521	41421
Depreciation & Amortisation	6933	7370	7397	10787	9731	10193	11200	11211	11446	11377
Profit/(Loss) before Interest & Tax	28603	11557	20050	49775	16506	28725	4551	39656	19075	30044
Finance costs	3857	4817	6443	13668	19616	15127	16710	13991	11290	11343
Profit/(Loss) Before Tax	24746	6740	13607	36107	(3110)	13598	(12159)	25665	7785	18701
Tax	4218	(1186)	(125)	2936	(5763)	(1227)	(2948)	(2696)	(2316)	2388
Profit/(Loss) after Tax	20528	7926	13732	33171	2653	14825	(9211)	28361	10101	16313
Balance Sheet Items										
Net Fixed Assets	84650	80986	80876	128652	152515	149968	157806	148816	139584	129875
Investments	68282	43414	68278	87110	54478	68293	77432	78575	87831	97851
Net Current Assets	27561	61572	63604	104089	106014	83987	25359	8539	31370	21391
Total Capital Employed	180493	185972	212758	319851	313007	302248	260597	235930	258785	249117
Shareholders Funds	109066	114474	121223	134162	127432	136408	128276	147746	163813	171350
Borrowings	57552	58809	78971	172309	178559	160211	131941	94346	101800	83229
Deferred Tax Liability/ (Asset)	13875	12689	12564	13380	7016	5629	380	(6,162)	(6,828)	(5,462)
Total	180493	185972	212758	319851	313007	302248	260597	235930	258785	249117
Ratios										
Book Value per share (₹)	127	66	70	77	73	78	73	84	93	97
EPS (₹)	23.81	4.58	7.92	19.08	1.51	8.43	(5.21)	16.03	5.70	9.21
Dividend on Equity %	500	200	400	600	-	300	-	400	300	300

@ Regrouped based on New Schedule VI to Companies Act, 1956

Regrouped based on Ind AS

Notes :-

1. The equity shares of ₹ 2 each were subdivided into shares of ₹ 1 each with effect from December 24, 2010.
2. Haliyal and Sankili units of Parrys Sugar Industries Limited were merged with effect from April 1, 2012.
3. Sadashiva Sugars Limited was merged effective April 1, 2013.
4. Parry Phytoremedies Private Limited was merged effective from April 1, 2014.
5. Parrys Sugar Industries Limited was merged effective from April 1, 2016.

NOTICE

Notice is hereby given that the Forty Fourth Annual General Meeting of the Members of E.I.D.- Parry (India) Limited will be held on **Monday, July 29, 2019 at 3.30 p.m. at The Music Academy, Madras, New No. 168 (Old No. 306), T.T.K. Road, Royapettah, Chennai - 600 014** to transact the following businesses:

ORDINARY BUSINESS:

1. Adoption of Standalone Financial Statements

To consider and, if deemed fit, to pass, the following resolution as an Ordinary Resolution:

“RESOLVED THAT the audited financial statements of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors and Auditors thereon be and are hereby received, considered and adopted.”

2. Adoption of Consolidated Financial Statements

To consider and, if deemed fit, to pass, the following resolution as an Ordinary Resolution:

“RESOLVED THAT the audited consolidated financial statements of the Company for the financial year ended March 31, 2019 and the report of the Auditors thereon be and are hereby received, considered and adopted.”

3. Confirmation of Dividend

To consider and if deemed fit, to pass, the following resolution as an Ordinary Resolution:

“RESOLVED THAT the interim dividends of ₹ 2/- and ₹1/- declared by the Board of Directors on 01/02/2019 and 22/03/2019 respectively on the outstanding equity shares of ₹1/- each for the Financial Year 2018-19 and paid to those equity shareholders whose name appeared in the register of members as on 13/02/2019 and 05/04/2019 being the record dates fixed for this purpose be and are hereby confirmed.”

4. Appointment of Director

To consider and if deemed fit, to pass, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013, Mr. Ramesh K B Menon (DIN: 05275821) who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company liable to retire by rotation.”

SPECIAL BUSINESS

5. Appointment of Independent Director

To consider and if deemed fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment

and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulations 17 & 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. V. Manickam (DIN: 00179715) who was appointed as an Independent Director of the Company by the Members with effect from July 30, 2014 and whose term of office expires on July 29, 2019, be and is hereby reappointed as an Independent Director of the Company not liable to retire by rotation for another term of three consecutive years from July 30, 2019 upto July 29, 2022.”

6. Payment of remuneration to Managing Director

To consider and if deemed fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 197, 198 and all other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and in partial modification of the resolutions passed at the 42nd Annual General Meeting of the Company held on 4th August 2017, consent and approval of the Company be and is hereby accorded for the remuneration payable to Mr. S Suresh (DIN: 06999319) Managing Director for the period from 1st April, 2018 to 31st March 2021 on the terms and conditions as set out in the statement annexed to the Notice convening this meeting (including remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment) with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include Nomination & Remuneration Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter, modify and vary the terms and conditions of appointment and/or remuneration, in such manner and to such extent as may be agreed to by the Board and Mr. S.Suresh.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts and deeds and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

RESOLVED FURTHER THAT the remuneration paid to Mr. S. Suresh Managing Director for the period from April 1, 2018 to March 31, 2019 in terms of this Resolution be and the same is hereby approved, confirmed and ratified.

7. Remuneration of Cost Auditors

To consider and if deemed fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the remuneration of ₹ 8,50,000/- (Rupees Eight lakh Fifty thousand only) plus applicable taxes and reimbursement of out of pocket expenses payable to M/s. Narasimha Murthy & Co., Cost Accountants (Firm Registration Number: 000042) for conduct of audit of the cost records of the Company for the financial year ending March 31, 2020 as approved by the Board of Directors of the Company, be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

8. Issue of Non-Convertible Debentures

To consider and if deemed fit, to pass, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to the provisions of the Articles of Association of the Company and such other rules/regulations, as may be applicable, consent be and is hereby accorded to the Board of Directors of the Company to offer, invite and issue secured / unsecured redeemable non-convertible debentures, aggregating up to ₹ 300 Crore (Rupees Three Hundred Crore), on private placement basis to Nationalised Banks / Indian Private Banks / Foreign Banks / Other Banks / Financial Institutions/Other eligible investors in one or more tranches during a period of one year from the date of passing of this resolution within the overall borrowings limits of the Company as approved by the members from time to time and on such terms and conditions as the Board

of Directors of the Company may determine and consider proper and most beneficial to the Company including, without limitation, as to when the said Debentures are to be issued, coupon rate, security, redemption period, utilization of the issue proceeds and all matters connected therewith or incidental thereto.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof), be and is hereby authorised to do all such acts, deeds and things and give such directions as may be deemed necessary or expedient, to give effect to this resolution."

9. Payment of Commission to Non-Wholetime Directors of the Company

To consider and if deemed fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 197 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as "the Act"), the Rules made there under and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment thereof for the time being in force, the Directors of the Company (including the alternate Directors), who are neither in the whole-time employment of the Company nor the Managing Director(s) of the Company, be paid in respect of each of the financial years of the Company, on and from the financial year commencing from April 1, 2019 upto the year ending March 31, 2024, remuneration by way of commission not exceeding an amount equal to one percent (1%) of the net profits of the Company for that year as computed under Section 198 of the Act.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to decide, from time to time, the quantum and manner of distribution of the amount of commission to one or more Directors within the limits prescribed and in terms of the Act.

RESOLVED FURTHER THAT the aforesaid commission shall be exclusive of the fees payable to such Directors for attending the meetings of the Board and the Committees thereof.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to take all such steps as may be necessary, desirable or expedient to give effect to this Resolution."

By Order of the Board
For E.I.D.-Parry (India) Limited

Biswa Mohan Rath
Company Secretary

Place : Chennai
Date : May 8, 2019

Registered Office:

'Dare House', Parrys Corner, Chennai - 600 001.
CIN: L24211TN1975PLC006989
Tel. : +91-044-25306789
Fax: +91-044-25341609
E-mail: investorservices@parry.murugappa.com
Website: www.eidparry.com

NOTES

1. **A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself / herself and such proxy need not be a Member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed in the format sent herewith, not less than FORTY-EIGHT HOURS before the commencement of the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions / authority, as applicable.**

A person can act as proxy on behalf of Members not exceeding fifty (50) or holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such person shall not act as a proxy for any other person or shareholder.

2. Corporate Members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representatives to attend and vote on their behalf at the meeting.
3. Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Item Nos. 5 to 9 to be transacted at the Annual General Meeting as set out in the Notice, is annexed hereto.
4. The Register of Members and Share Transfer Books of the Company will remain closed from July 15, 2019 to July 29, 2019 (both days inclusive).
5. The Company is providing facility for voting by electronic means (e-voting) through an electronic voting system which will include remote e-voting as prescribed by the Companies (Management and Administration) Rules, 2014 as presently in force and the business set out in the Notice will be transacted through such voting. Information and instructions including details of user id and password relating to e-voting are provided in the Notice.
6. Members holding shares in electronic mode are requested to keep their e-mail addresses updated and intimate immediately any change in their address, bank mandates to their Depository Participants. Members holding shares in physical mode are also requested to update their e-mail addresses, advise any change in their address, bank mandates by writing to Karvy Fintech Pvt. Ltd, (Karvy), Karvy Selenium Tower B, Plot number 31 & 32, Financial District, Gachibowli, Hyderabad-500 032 quoting their folio number(s).
7. In terms of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (SEBI (LODR) Regulations, 2015), securities of listed Companies can only be transferred in dematerialized form with effect from April 1, 2019. In the view of above, members are advised to dematerialize shares held by them in physical form.
8. The Company has transferred the unpaid or unclaimed dividends declared from time to time upto the financial year 2011-12 to the Investor Education and Protection Fund (IEPF) established by the Central Government. The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on August 8, 2018 (date of last Annual General Meeting) on the website of the Company (www.eidparry.com). The said details have also been uploaded on the website of the IEPF Authority and same can be accessed through the link www.iepf.gov.in.
9. In terms of Section 152 of the Companies Act, 2013, Mr. Ramesh K.B. Menon, Director retires by rotation at the Meeting and being eligible, offers himself for reappointment. Details of Directors to be appointed at the ensuing meeting are provided in the "Annexure" to the Notice pursuant to the provisions of (i) SEBI (LODR) Regulations, 2015 and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.
10. The requirement to place the matter relating to appointment of Auditors for ratification by members at every AGM is done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Statutory Auditors, who were appointed in the Annual General Meeting held on August 4, 2017.
11. As per the provisions of Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014, Shareholders holding shares in physical form may file nomination in the prescribed SH-13 with Karvy. In respect of shares held in demat form, the nomination form may be filed with the concerned Depository Participant.
12. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their dematerialised accounts. Members holding shares in physical form can submit their PAN details to Karvy.

The SEBI has also mandated that for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the Company for registration of transfer of securities.
13. Pursuant to Regulations 36 (1) & 44 of the SEBI (LODR) Regulations, 2015 and Sections 20, 101, 108 and 136 of the Companies Act, 2013, electronic copy of Annual Report and this Notice inter-alia indicating the process and manner of e-voting along with Attendance Slip and Proxy form are being sent by e-mail to those shareholders whose e-mail addresses have been made available to the Company/ Depository Participants, unless any member has requested for a hard copy of the same.
14. Relevant documents referred to in the proposed resolutions are available for inspection at the Registered Office of the Company

during business hours on all days except Saturdays, Sundays and Public holidays up to the date of the Annual General Meeting. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and Register of Contracts or arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.

15. Members are requested to hand over the Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission at the meeting hall. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID numbers for identification. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote, if not cast their vote through remote e-voting.
16. Members desirous of getting any information about the accounts and/or operations of the Company are requested to write to the Company at least seven days before the date of the Annual General Meeting to enable the Company to keep the information ready at the meeting.
17. Members, who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
18. The route map showing directions to reach the venue of the Annual General Meeting is annexed.
19. **Information on Remote e-voting & Insta-poll and other information :**

A. Remote e-voting: In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and the provisions of Regulation 44 of the SEBI (LODR) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Karvy Fintech Private Limited (Karvy) on all resolutions set forth in this Notice, from a place other than the venue of the Meeting (Remote e-voting).

(a) In case a Member receives an email from Karvy [for Members whose email IDs are registered with the Company/Depository Participants (s)]:

- i. Launch internet browser by typing the URL:
<https://evoting.karvy.com>.
- ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) 4581 followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.

- iii. After entering these details appropriately, click on "LOGIN".
- iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the "EVENT" i.e., 'Name of the Company'
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.
- ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- x. You may then cast your vote by selecting an appropriate option and click on "Submit".
- xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id rsaevoting@gmail.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "E.I.D.-Parry (India) Limited_ Event No."

(b) In case of Members receiving physical copy of Notice [for Members whose email IDs are not registered with the Company/Depository Participants (s)]:

- i. E-Voting Event Number 4581 (EVEN), User ID and Password is provided in the Attendance Slip.
- ii. Please follow all steps from Sl. No. (i) to (xii) above to cast your vote by electronic means.

B. Voting at AGM: Members, who have not cast their vote through Remote e-voting can exercise their voting rights at the AGM. The Company will make necessary arrangements in this regard at the AGM Venue. The facility for voting through electronic voting system ('Insta Poll') shall be made available at the Meeting. Members who have already cast their votes by Remote e-voting are eligible to attend the Meeting. However, these Members are not entitled to cast their vote again in the Meeting. A Member can opt for only single mode of voting i.e. through Remote e-voting or voting at the AGM. If a Member casts votes by both modes then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

OTHER INSTRUCTIONS

- a. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.karvy.com> (Karvy Website) or contact Mr. I L Murthy, Manager (Unit: Name of the Company) of Karvy Fintech Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 or at evoting@karvy.com or phone no. 040 – 6716 1500 or call Karvy's toll free No. 1800-3454-001 for any further clarifications.
- b. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- c. The remote e-voting period commences on Thursday, July 25, 2019 (9.00 A.M. IST) and ends on Sunday July 28, 2019 (5.00 P.M. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of July 22, 2019, may cast their votes electronically. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. The remote e-voting module shall be disabled for voting thereafter.
- d. The voting rights of Members shall be in proportion to their share of the paid up equity share capital of the Company as on the cut-off date i.e. July 22, 2019.
- e. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting i.e., July 22, 2019, he/she may obtain the User ID and Password in the manner as mentioned below:
 - i. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting
Event Number+Folio No. or DP ID Client ID to 9212993399
Example for NSDL:
MYEPWD <SPACE> IN12345612345678
Example for CDSL:
MYEPWD <SPACE> 1402345612345678
Example for Physical:
MYEPWD <SPACE> XXXX1234567890
 - ii. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
 - iii. Member may call Karvy's toll free number 1800-3454-001.
 - iv. Member may send an e-mail request to evoting@karvy.com. However, Karvy shall endeavour to send User ID and Password to those new Members whose mail ids are available.
- f. Mr. R. Sridharan, M/s. R. Sridharan & Associates, Company Secretaries, Chennai is appointed as scrutinizer to scrutinise the remote e-voting and voting at the AGM venue in a fair and transparent manner.
- g. The scrutinizer after scrutinizing the votes cast at the meeting and through remote e-voting, will not later than 48 hours of conclusion of the meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the company www.eidparry.com and on the website of Karvy <https://evoting.karvy.com>. The results shall simultaneously be communicated to the stock exchanges.
- h. Subject to the receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the meeting, viz., July 29, 2019.

PROCEDURE AND INSTRUCTIONS FOR WEB CHECK-IN/ ATTENDANCE REGISTRATION

Web Check- in / Attendance Registration: Members are requested to tender their attendance slips at the registration counters at the venue of the AGM and seek registration before entering the meeting hall. Alternatively, to facilitate hassle free and quick registration/entry at the venue of the AGM, the Company has provided a Web-Check in facility through Karvy's website. Web Check-in on the Karvy's website enables the Members to register attendance online in advance and generate Attendance Slip without going through the registration formalities at the registration counters.

Procedure of Web Check-in is as under:

- a. Log on to <https://karisma.karvy.com> and click on "Web Check-in for General Meetings (AGM/EGM/CCM)".
- b. Select the name of the company: E.I.D.- Parry (India) Limited
- c. Pass through the security credentials viz., DP ID/Client ID/Folio no. entry, PAN & "CAPTCHA" as directed by the system and click on the "submit" button.
- d. The system will validate the credentials. Then click on the "Generate my attendance slip" button that appears on the screen.
- e. The attendance slip in PDF format will appear on the screen. Select the "PRINT" option for direct printing or download and save for the printing.
- f. A separate counter will be available for the online registered Members at the AGM Venue for faster and hassle free entry and to avoid standing in the queue.

- g. After registration, a copy will be returned to the Member.
- h. The Web Check-in (Online Registration facility) is available for AGM during e-voting Period only i.e., Thursday, July 25, 2019 (9.00 A.M. IST) to Sunday, July 28, 2019 (5.00 P.M. IST).
- i. The Members are requested to carry their valid photo identity along with the above attendance slip for verification purpose.

Statement pursuant to Section 102 of the Companies Act, 2013 ("Act")

Item No. 5

Mr. V Manickam (DIN: 00179715) was appointed as an Independent Director of the Company by the Members on July 30, 2014 to hold office up to July 29, 2019. Notice have been received from a member proposing Mr. V Manickam (DIN: 00179715) as a candidate for the office of Director of the Company.

Mr. V Manickam has given a declaration to the Board that he meets the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, he fulfills the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and is independent of the management.

The Board, based on the performance evaluation and recommendation of the Nomination and Remuneration Committee considers that given his background, experience and contribution, the continued association of Mr V. Manickam would be beneficial to the Company and it is desirable to continue to avail his services as Independent Director of the Company not liable to retire by rotation for a term of three consecutive years from the date of his appointment.

The terms and conditions of appointment of Mr. V Manickam as Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day excluding Saturday. The disclosure under Regulation 36 of the SEBI (LODR) Regulations, 2015 is annexed to this Notice.

The Board recommends the Special resolutions at Item No.5 for approval by the Members.

Except Mr. V Manickam, being the appointee, none of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise in the resolution set out at Item No. 5 of the Notice.

Brief Profile of Mr. V Manickam

Mr. V Manickam, is a Chartered Accountant. He has put in more than 29 years of service in Life Insurance Corporation of India in various notable capacities. He retired as Managing Director and CEO of LIC Pension Fund. He is presently the Secretary of Life Insurance Council.

Mr. V Manickam is not related to any other Director of the Company.

Item No. 6

The Board of Directors of the Company ('the Board') at their meeting held on May 18, 2017, on the recommendation of the Nomination & Remuneration Committee, approved the appointment of Mr. S.Suresh as the Managing Director of the Company for a period of five years with effect from August 1, 2017 and also approved payment of remuneration (including minimum remuneration in the event of loss or inadequacy of profits in any year) to him. The said appointment of Mr. S.Suresh as the Managing Director of the Company and the remuneration payable to him were approved by the shareholders at their meeting held on August 4, 2017.

Taking into consideration the size of the Company, the profile of Mr. S Suresh, the responsibilities shouldered by him and the industry benchmarks, yearly increment to which he is entitled and to ensure that the remuneration payable to him is commensurate with the remuneration paid to senior level appointees in other companies which are in the same industry as that of your company, the Nomination and Remuneration Committee and the Board, approved the remuneration of Mr. S Suresh as the Managing Director of the Company for the three year period from April 1, 2018 to March 31, 2021 as follows:

- (i) Basic Salary in the range of ₹ 2,50,000 - ₹ 12,00,000 per month.
The annual increments which will be effective from July 1 every year will be decided by the Nomination & Remuneration Committee and the Board.
- (ii) Allowances and Perquisites not exceeding 150% of the Salary
 - (a) Allowances shall include House Rent Allowance, Leave Travel Allowance, Special Allowance, Additional Special Allowance and/or any other allowance as determined by the Nomination & Remuneration Committee.
 - (b) Perquisites shall include provision of furnished/ unfurnished accommodation, personal accident insurance, reimbursement of medical expenses incurred for self and family, club subscription, provision of cars, leave encashment as per the rules of the Company in force from time to time and any other perquisites, benefits, amenities as may be decided from time to time and approved by the Nomination & Remuneration Committee and the Board.

Perquisites shall be valued in terms of actual expenditure incurred by the Company in providing benefit to the employees. However, in cases where the actual amount of expenditure cannot be ascertained with reasonable accuracy (including car provided for official and personal purposes and loans) the perquisites shall be valued as per income tax rules.
- (iii) Incentive

Based on the achievement of the performance parameters laid down, an amount not exceeding 25 % (at 100% achievement level) of the annual pay (annual pay includes salary, perquisites, allowances, incentives and retirement benefits) as may be determined by the Nomination & Remuneration Committee.

(iv) Retirement Benefits

(a) Contribution to Provident Fund, Superannuation Fund and Gratuity as per the approved scheme of the Company in force from time to time.

(b) Encashment of leave as per rules of the Company in force.

(v) ESOP

Grant of stock options under the Company's ESOP Scheme as may be determined by the Nomination & Remuneration Committee from time to time.

GENERAL

- (i) In the event of absence or inadequacy of profits in any financial year, the above remuneration by way of salary, allowances, perquisites, amenities, facilities, incentive and retirement benefits shall be payable to Mr. S. Suresh, Managing Director as may be determined by the Nomination and Remuneration Committee or Board, subject to the limits as prescribed under the Companies Act, 2013 and rules made there under.
- (ii) Mr. S. Suresh, Managing Director will not be entitled to any sitting fees for attending meetings of the Board or of any Committee thereof.
- (iii) Mr. S. Suresh, Managing Director, will be subject to all other service conditions as applicable to any other senior management employee of the Company.

As per the provisions of Part II, Section II of Schedule V of the Companies Act, 2013, where in any financial year during the currency of tenure of a managerial person, a company has no profits or its profits are inadequate, it may pay remuneration to the managerial person as specified under the said Schedule provided the payment of remuneration is approved by a resolution passed by the Board and in the case of companies covered under sub-section (1) of section 178 of the Companies Act, 2013, also by the Nomination and Remuneration Committee and an ordinary or special resolution, as the case may be, has been passed at the general meeting of the company for payment of remuneration for a period not exceeding three years and further subject to the company complying with the other conditions specified therein. The remuneration proposed to be paid to Mr S Suresh during the financial years 1st April 2018 to 31st March 2021 in the event of loss or inadequacy of profits in any year is in accordance with Part II of Schedule V of the Companies Act, 2013. Mr. S Suresh is a Professional Director and does not hold any share in the Company. The Company is in compliance with the conditions specified in that schedule for such payment.

During the year ended 31st March 2019, following remuneration was paid to Mr. S Suresh, Managing Director, which is also detailed in the Corporate Governance Report :

Particulars	Amount (in ₹)
Salary	133,32,889
Retiral Benefits	18,53,699
Total	151,86,588

The profit of the Company for the year ended March 31, 2019 computed in accordance with the provisions of Section 198 of the Act was inadequate.

Consent of the Members is being sought for payment of remuneration to Mr S Suresh, Managing Director for the period from 1st April 2018 to 31st March 2021 and for payment of minimum remuneration, in the event of loss or inadequacy of profit in any year during the above said period, including for the year ended March 31, 2019 as detailed above.

Accordingly, special resolution set out under item No 6 of the Notice is submitted to the meeting.

Information required to be disclosed pursuant to part II of Schedule V of the Companies Act, 2013 is annexed.

The Board recommends the Resolutions at Item No.6 for approval by the Members.

Except Mr. S.Suresh, none of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise in the resolutions set out at Item No. 6 of the Notice.

Item No. 7

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. Narasimha Murthy & Co., Cost Accountants as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2020. In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No.7 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2020.

The Board recommends the Ordinary Resolution at Item No.7 for approval by the Members.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice.

Item No. 8

The members of the Company, at the previous AGM held on August 8, 2018, had passed a special resolution authorising the Board of Directors of the Company to offer or invite subscription for redeemable non-convertible debentures for an amount not exceeding ₹ 300 Crore in one or more tranches, on private placement. The said resolution is

valid and effective for 1 (One) year till August 7, 2019. The members may note that the Company has issued 1000 Non-convertible debentures of ₹ 10,00,000 each aggregating to ₹ 100 crore during the year 2018-19.

Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 deals with private placement of securities by a company. Sub-rule (2) of the said Rule 14 states that in case of an offer or invitation to subscribe for non-convertible debentures on private placement, the company shall obtain previous approval of its shareholders by means of a special resolution only once in a year for all the offers or invitations for such debentures during the year.

In order to augment long term resources for financing, inter alia, the capital expenditure and for general corporate purposes, the Board may, at an appropriate time, offer or invite subscription for secured redeemable non-convertible debentures, in one or more series / tranches for an amount not exceeding ₹ 300 Crore on private placement.

Accordingly, consent of the members is sought for passing the Special Resolution as set out at Item No. 8 of the Notice. This resolution is an enabling resolution and authorises the Board of Directors of the Company to offer or invite subscription for non-convertible debentures, as may be required by the Company, from time to time for a period of one year from the date of passing this resolution.

The Board recommends the Special Resolution set out at Item No.8 of the Notice for approval by the members.

None of the Directors / Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

Item No. 9

The role of non-whole time Directors is significant in achieving good performance and establishment of good governance. The responsibility of the non-whole time Directors has increased considerably over the years. In view of the dynamic changes in Company law and the corporate governance norms, there is a

greater demand on the non-whole time Directors in terms of time and preparation for the Board and Committee meetings. Keeping in view the requirement in terms of time and quality on the part of the non-whole time Directors, it is necessary to remunerate them appropriately.

Taking into account the role and responsibilities of the Directors as stated above, it is proposed that, the Directors of the Company (including alternate Directors), who are neither in the whole-time employment of the Company nor the Managing Director(s) of the Company, be paid for each of the five financial years, commencing from April 1, 2019 up to the financial year ending March 31, 2024, a remuneration not exceeding one percent per annum of the net profits of the Company computed in accordance with the provisions of the Companies Act, 2013 and applicable Rules, if any, thereunder. This remuneration will be distributed amongst the Directors in accordance with the directions given by the Board of Directors and subject to any other applicable requirements under the Companies Act, 2013 and the Rules thereunder. This remuneration shall be in addition to fee payable to the Directors for attending the meetings of the Board or Committee thereof or for any other purpose whatsoever, as may be decided by the Board.

At the 39th Annual General Meeting held on July 30, 2014, the members had approved the payment of remuneration to the non-whole time Directors of the Company, by way of commission not exceeding 1% of the net profits of the Company for a period of five financial years with effect from April 1, 2014 till March 31, 2019, in such manner as the Board of Directors may from time to time determine. Fresh approval of the Members is sought by way of a Special Resolution under the applicable provisions of the Companies Act, 2013 and the Rules thereunder.

The Board recommends the Special Resolution at Item No.9 for approval by the Members.

All the directors and their relatives except Mr. S. Suresh, Managing Director are concerned or interested in the above resolution to the extent of the commission that they may receive. None of the Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 9 of the Notice.

By Order of the Board
For **E.I.D. - Parry (India) Limited**

Place : Chennai
Date : May 8, 2019

Biswa Mohan Rath
Company Secretary

ANNEXURE TO THE NOTICE DATED MAY 8, 2019

DETAILS PERTAINING TO DIRECTORS AS REQUIRED UNDER REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Particulars	Mr. Ramesh K.B. Menon	Mr. V. Manickam	Mr. S. Suresh
DIN	05275821	00179715	06999319
Age	58	67	53
Date of first appointment on the Board	08.11.2017	30.01.2013*	01.07.2016
Qualifications	Science graduate from Jaihind College, Mumbai and an alumnus of XLRI, Jamshedpur (Batch of 1985).	Chartered Accountant	Mechanical Engineering Graduate with a Post Graduate Diploma in Industrial Engineering and a MBA with specialization in Finance
Expertise (including expertise in specific functional area) / Brief Resume / Experience	32 Years of experience – 27 years with Madura Coats, handled several HR leadership assignments including HR Head for South Asia & Africa regions consisting of 13 countries. He is the Director-HR & Lead Director – Diversified Business Group, Murugappa Group.	He is a Chartered Accountant. He has put in more than 29 years of service in Life Insurance Corporation of India in various notable capacities.	He has 26 years of experience across different industries in the areas of Sales, Marketing, Manufacturing, Industrial Relations, Supply Chain, Management of Special Projects, Industrial Engineering and business turnarounds.
Terms and Conditions of Appointment / Re-appointment	As per the resolution at Item No. 4 of the Notice convening Annual General Meeting on July 29, 2019 read with explanatory statement thereto, Mr. Ramesh K.B. Menon is proposed to be appointed as Non-Executive Director liable to retire by rotation.	As per the resolution at Item No. 5 of the Notice convening Annual General Meeting on July 29, 2019 read with explanatory statement thereto, Mr. V. Manickam is proposed to be re-appointed as Independent Director who is not liable to retire by rotation.	As per the resolution at Item No. 6 of the Notice convening Annual General Meeting on July 29, 2019 read with explanatory statement thereto.
Remuneration last drawn (including sitting fees, if any)	₹ 2.55 lakh	₹ 3.95 lakh	₹151.87 lakhs**
Remuneration proposed to be paid (except sitting fees and commission)	Nil	Nil	As detailed in the Explanatory Statement to the Notice of the Annual General Meeting.
Shareholding in the Company as on March 31, 2019	Nil	Nil	Nil
No. of meetings of the Board attended during the year	6	6	6

* Appointed as an Independent Director with effect from July 30, 2014 at the Annual General Meeting of the Company held on July 30, 2014.

** Subject to approval of the shareholders at the ensuing Annual General Meeting.

Particulars	Mr. Ramesh K.B. Menon	Mr. V. Manickam	Mr. S. Suresh
Directorship in other Board as on March 31, 2019	1. Tube Investments of India Limited 2. Parry Agro Industries Limited 3. Ambadi Enterprises Limited 4. Parry Enterprises India Limited 5. Triumph Electoral Trust 6. Parry Murray and Company Limited	1. The India Cements Capital Limited 2. BFSI Sector Skill Council of India 3. ICL Financial Services Limited	1. Parry Sugars Refinery India Private Limited 2. Parry International DMCC
Chairman/Member of the Committees of the Boards of which he is a Director	<p><u>E.I.D. - Parry (India) Limited.</u></p> <p>Member - Nomination & Remuneration Committee Member - Stakeholders Relationship Committee</p> <p><u>Ambadi Enterprises Limited</u> Member - Audit Committee Member - Corporate Social Responsibility Committee</p> <p><u>Parry Agro Industries Limited</u> Member - Audit Committee Member - Nomination & Remuneration Committee Member - Corporate Social Responsibility Committee</p> <p><u>Tube Investments of India Limited</u> Member - Audit Committee</p>	<p><u>E.I.D. - Parry (India) Limited.</u></p> <p>Chairman - Audit Committee Chairman - Risk Management Committee Chairman - Corporate Social Responsibility Committee Member - Stakeholders Relationship Committee</p> <p><u>The India Cements Capital Limited</u> Member - Audit Committee</p>	<p><u>E.I.D. - Parry (India) Limited.</u></p> <p>Member - Stakeholders Relationship Committee Member - Risk Management Committee. Member - Corporate Social Responsibility Committee. Member - Loans & Investments Committee</p> <p><u>Parry Sugars Refinery India Private Limited</u> Member - Loan Committee</p>
Inter-se relationship with any Director / Key Managerial Personnel	Nil	Nil	Nil

STATEMENT PURSUANT TO SCHEDULE V PART II SECTION II OF THE COMPANIES ACT, 2013**I. General Information:**

(i) Nature of Industry:

The Company is engaged in the manufacturing and marketing of sugar and Nutraceuticals.

(ii) Date or expected date of commencement of commercial production:

The Company was incorporated on September 22, 1975 and has been operating in the states of Tamil Nadu, Andhra Pradesh and Karnataka.

(iii) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not applicable.

(iv) Financial performance based on given indicators - as per published audited financial results.

(₹ in Lakh)

Particulars	2016 – 2017	2017 – 2018	2018 – 2019
Gross Income	2,50,282	2,13,567	2,04,644
Total Expenses	2,26,087	2,00,065	2,10,334
Profit Before Tax	25,665	7,785	18,701
Profit After Tax	28,361	10,101	16,313
Networth	1,47,746	1,63,813	1,71,350
Dividend on Equity %	400%	300%	300%

(v) Foreign Investments or Collaborations, if any :

Nil

II. Information about the appointee:**Mr. S. Suresh**

(i) Background details:

Mr. S. Suresh is a Mechanical Engineering Graduate with a Post Graduate Diploma in Industrial Engineering and an MBA with specialization in Finance. He has over 28 years of experience across different industries in the areas of Sales & Marketing, Manufacturing, Industrial Relations, Supply Chain, Management of Special Projects, Industrial Engineering and business turnarounds.

(ii) Past Remuneration drawn:

(In ₹)

Particulars	2016-17*	2017-18**	2018-19
Salary	52,42,388	1,17,28,169	1,33,32,889
Retiral Benefits	7,44,715	13,36,828	18,53,699
Total	59,87,103	130,64,997	151,86,588

* Appointed as Deputy Managing Director w.e.f July 1, 2016.

** Appointed as Managing Director w.e.f August 1, 2017.

(iii) Recognition or Awards

Nil

(iv) Job Profile and his suitability:

Mr. S. Suresh is the Managing Director of the Company. He will be responsible to perform such other duties as may from time to time be entrusted by the Board. Taking into consideration the qualifications and expertise, he is best suited for the responsibilities as a Managing Director.

(v) Remuneration proposed:

The terms of remuneration proposed are detailed in the explanatory statement to the Resolution.

(vi) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):

Taking into consideration the size of the Company, the profile of the appointee, the responsibilities shouldered by him and the industry benchmarks, the remuneration is commensurate with the remuneration paid to similar senior level appointees in other companies.

(vii) Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:

Besides the remuneration proposed, the appointee does not have any other pecuniary relationship with the Company.

III. Other Information :

(i) Reasons for inadequate profits :

The profit of the Company for the year ended 31st March 2019 computed in accordance with the provisions of section 198 of the Companies Act, 2013 was inadequate for payment of managerial Remuneration as per the provisions of section 197 of the Companies Act, 2013.

The Company's primary revenue stream is from sugar and sugar related products. Sugarcane price which is determined by the Government has shown an increasing trend year after year. The year 2018-19 was a challenging year of the Company as the Sugar industry faced an unprecedented crisis due to an all-time surplus sugar which resulted in the sugar price to fall to unremunerative levels. The global surplus in sugar and high sugarcane price also aggravated the situation further. Though the Government came out with a slew of measures, those were not adequate to revive the beleaguered sugar industry where cane price arrears climbed to as high as ₹ 22,000 Crore. The Government's mandate of minimum sale price and imposition of quota affected the liquidity of Mills. Further, the crushing operations at the factories were affected due to stabilisation issues of new refinery at Haliyal,

loss in recovery and also inadequate cane availability caused by drought in Tamilnadu and competition in Karnataka. This coupled with the high sugarcane procurement cost adversely affected the financial performance of the Company. The future profitability of the Company depends upon the trend in sugar prices, the Government policies on the Sugarcane price, the estimated sugarcane production and availability.

(ii) Steps taken or proposed to be taken for improvement:

The Company has been focussing on a number of initiatives including Total Productivity Management, Cost Management especially fixed cost reduction and improvement in all around efficiency and effectiveness across all parameters. The Company has been working on its sales mix with increased focus on retail sales, sales to institutions and value added products. The Company's overall strategy is to make a differentiation in all aspects whether in products or in processes to sustain a competitive advantage in the face of the continuous risk of the cyclicity in sugar prices and rising cane cost.

(iii) Expected increase in productivity and profits in measurable terms:

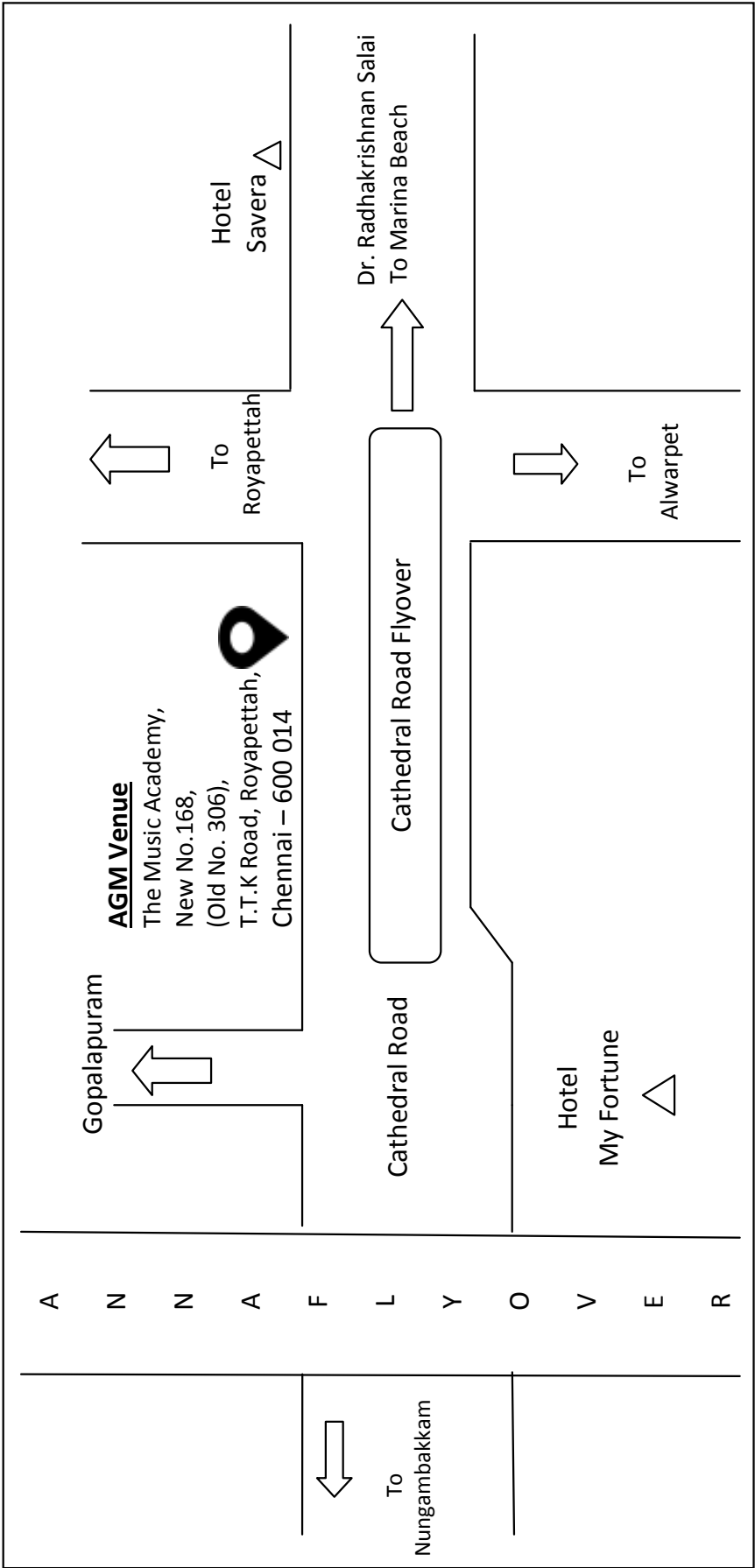
The Initiatives taken have already borne results in improving the operational parameters in several areas such as power/

steam consumption, downtime, etc. The Government also has been taking steps to help the sugar industry in terms of various measures viz. compulsory export of sugar linked to the Cane Subsidy, minimum sugar selling price, hike in import duty of sugar, Interest Subvention scheme, subsidy for sugar exports, direct subsidy to farmers, remunerative prices for ethanol procurement. The foray into retail sales and value added products will bear fruit in the long run. However, the single most factor which would drive the performance of the Company is the volatility in sugar selling price and the uncertainty in sugarcane procurement cost.

III. Other Disclosures:

Disclosures relating to remuneration and other terms of appointment are available in the explanatory statement to the Resolution. Remuneration of Mr S Suresh with effect from April 1, 2018, forms part of the Corporate Governance report for the year ended March 31, 2019. The Company has not made any default in repayment of its debt or interest payable thereon during the previous financial year. Mr. S. Suresh satisfies the conditions laid down in Schedule V to the Companies Act, 2013. The terms of appointment of Mr. S Suresh, as required under Section 190 of the Companies Act, 2013 is available for the inspection of the members at the registered office in accordance with the Articles of Association of the Company.

ROUTE MAP TO AGM VENUE



BOARD'S REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS**To the Members of E.I.D.- Parry (India) Limited**

Dear Shareholders,

Your Directors have pleasure in presenting the Forty Fourth Annual Report together with the audited financial statements for the year ended March 31, 2019.

FINANCIAL PERFORMANCE

₹ in Crore

Particulars	Standalone		Consolidated	
	2018-19	2017-18*	2018-19	2017-18
Revenue from operations	1855.03	2079.83	16567.34	15437.58
Gross Revenue	2046.44	2281.69	16517.82	15610.99
Profit Before Interest, Tax and Depreciation (EBITDA)	414.21	305.21	1533.79	1454.96
Depreciation	113.77	114.46	272.33	251.30
Profit Before Interest and Tax (EBIT)	300.44	190.75	1261.46	1203.66
Finance Charges	113.43	112.90	424.51	335.51
Net Profit Before Tax	187.01	77.85	836.95	868.15
Tax Expenses	23.88	(23.16)	399.30	350.72
Net Profit After tax before Non- Controlling interest	163.13	101.01	437.65	517.43
Non – Controlling Interests	NA	NA	284.16	261.61
Net profit After Tax and Non- Controlling interest	163.13	101.01	153.49	255.82

*Includes Bio Division's Financial Information.

Dividend and Reserves

During the year, the Company declared and paid two interim dividends, 1st interim dividend of ₹ 2/- (200%) in February, 2019 and 2nd interim dividend of ₹ 1/- (100%) in March, 2019 totalling to ₹3/- (300%) per equity share of ₹ 1/- each.

The Company has not transferred any amount to the reserves for the year ended March 31, 2019.

Share Capital

The Paid up Equity Share Capital of the Company as on March 31, 2019 was ₹ 17.70 Crore.

Consolidated Operations

Consolidated Revenue from operations for the year was ₹ 16,567 Crore, as against ₹ 15,438 Crore in the previous year. Overall expenses for the year was ₹ 15,657 Crore as against ₹ 14,656 Crore in the previous year. Operating Profit (EBITDA) was ₹ 1,534 Crore as against ₹1455 Crore in the previous year. Profit after Tax and minority interest for the year was ₹153 Crore, as against ₹256 Crore in the previous year.

Standalone Operations

Standalone Revenue from operations of your Company for the year was ₹1,855 Crore as against ₹ 2,080 Crore in the previous year. Operating Profit (EBITDA) was ₹ 414 Crore, as against ₹ 305 Crore in the previous year. Profit after Tax for the year was at ₹ 163 Crore as against ₹ 101 Crore in the previous year. One of the prime focus of the Company has been to reduce debt which is important to improve the Company's risk profile and increase sustained earnings. The Company's total long term borrowings, which was ₹ 586 Crore as of March 31, 2018 reduced to ₹ 457 Crore as of March 31, 2019.

The Company's improved profitability during the year is solely attributed to the profit earned from the disposal of Bio Pesticides business. The year was an exceptionally challenging year for the Company as the country was facing a sugar glut resulting in downward spiral of sugar prices. The financial year began with steep fall in sugar prices which went significantly below the cost of production affecting the top line and bottom-line of the Company. The Government came out with a slew of measures to bail out the beleaguered sugar industry and also for the first time fixed a Minimum Sale Price(MSP) of Sugar at ₹ 29 per Kg. in June 2018 and later at

₹ 31 per Kg. in Feb 2019. The Government interventions in fixing the sale price of sugar was indeed laudable and provided much succour to the sugar industry as it provided a datum level for the sugar selling price. Also, the Government came out with a quota system for sale which restricted the mills in terms of its sales volumes in order to ensure that the price did not go below the MSP levels. Hence, the mills could not take full advantage of the MSP. The Company was also benefitted by these measures to some extent, though it suffered losses in the first quarter. The Company's foray into retail sugar space which made a modest beginning few years back received the much needed thrust and accelerated momentum during the year with its retail sales volume growing almost by 67%. The Company has been aggressive in increasing its share in retail segment, while continuing to be leader in southern market in the institutional segment.

Despite several challenges, your Company's continuous thrust on strong farmer relationship, cost control, efficiency improvement, sales mix and product quality exhibits the resilience of your Company. The Company is well positioned to establish itself as one of the most trusted sugar producer to offer to the consumers a basket of products to cater to their needs. The Company is in the process of taking a host of initiatives to derive benefit from the entire sugar value chain including product differentiation, value maximisation of by-products in addition to monetisation of non-performing assets, to insulate itself from the vagaries of sugar and sugarcane price. As the pace of change accelerates, the Company is creating a stronger, simpler and more agile business. However, with volatility and uncertainty being the only certainty in the sugar business, the Company believes managing for the long-term is the best way to grow and the Company is well placed to deliver long-term value through its strategy. These are supported by a transformational change agenda, customer centric approach and value maximisation.

ECONOMY & INDUSTRY SCENARIO

Global Outlook

As per International Monetary Fund's World Economic Outlook, the broad-based upswing in global economic expansion witnessed for nearly two years, decelerated in the second half of 2018. Economic activity softened due to increase in trade tensions and tariff hikes between the United States and China, a decline in business confidence, a tightening of financial conditions, and higher policy uncertainty across many economies. Against this global backdrop, a combination of country and sector specific factors further reduced momentum.

Conditions eased in 2019 as the US Federal Reserve signalled a more accommodative monetary policy stance and markets became more optimistic about a US-China trade deal, but they remain slightly more restrictive than in the fall. As a result of these developments, global growth is now projected down from 3.6 percent in 2018 to 3.3 percent in 2019.

Indian Economy

The World Bank projects India as the fastest growing major economy in the world in 2018-19. India's Gross domestic Product (GDP) is expected to grow at 7.3 per cent during the 2018-19. The World Bank reasons that this is a result of increased consumption and investment. Besides, it states that the economy is regaining after a temporary slowdown due to demonetisation and the implementation of GST. However, changing interest rates and currency volatility are weighing on economic activity.

International Monetary Fund projects a growth rate of 7.5% for Indian economy in 2019-20. The economy is expected to benefit from lower inflation and slower pace of monetary tightening than previously expected. The growth is expected to be supported through further realisation of efficiency gains from GST implementation as well as policy impetus post general elections.

Global Sugar

According to Platts-Kingsman (International Sugar Analyst), global sugar production in sugar season (Oct-Sep) 2018-19 was estimated to be 189 MMT, whereas consumption was expected to be 183 MMT. Brazil produced only 29 MMT due to higher diversion of cane juice towards ethanol and a historical lower sugar mix of 36%. Indian sugar production was expected to be around 31 MMT due to better weather, acreage and recovery. Thus, India emerged as the largest producer of sugar in the world. Sugar production in Thailand also recorded a high of 14.5 MMT. Therefore, despite drop in sugar production in Brazil, record high sugar production in India and Thailand led to a global surplus of 6 MMT. This resulted in ICE New York No.11 Raw sugar contracts dropping to a multi-year low of 9.9 c/lb in 2018.

Two consecutive years of record sugar production in India led to announcement of Minimum Indicative Export Quota (MIEQ) by the Indian Government with substantial financial assistance to mills for export. An estimated quantity of 2.5 MMT was exported from India during 2018-19, at a discount to international prices. In certain markets, Indian low quality whites displaced refined sugar demand on account of lower prices. This further aggravated the white sugar balance sheet, which was already heavy on the production side. Consequently, the ICE London No.5 white sugar contract collapsed from a high of 560 USD/MT in February 2017 to 300USD/MT in Aug 2018,

According to Platts-Kingsman, early indications point towards a global deficit of around 2 MMT during 2019-20. This is expected to mainly arise from fall in production in India (due to weather and ethanol diversion) as well as in Thailand. Brazilian sugar mix will remain flexible during the year depending on developments in energy markets. This could fuel a break out in the ICE Raw Sugar futures prices.

Indian Sugar Market

India is the largest producer of sugar in the world displacing Brazil and is also the largest consumer. According to Investment Information

and Credit Rating Agency (ICRA), the domestic sugar production for SY 2018 would remain at 31 MMT instead of the earlier estimate of 31.5 MMT driven by the decline in the sugarcane availability in Uttar Pradesh and the likely diversion of 'B' heavy molasses and sugarcane juice into ethanol.

As per ISMA report, sugar mills across the country produced 3221.19 LMT of sugar between October 1, 2018 and April 30, 2019 about 9.36 LMT more than 311.83 LMT produced at the same time last year. Even though the quantum of sugarcane crushing is less than that in the last season, the sugar production in SY 2018-19 is expected to be around 330 LMT, about 5 LMT more than last year.

Despite growth in domestic sugar consumption by 2-3% translating to overall consumption of 25.8 MMT in SY 2019, the production would still be higher by around 4.5 - 5.0 MMT than the estimated consumption. Even after assuming 3-4 MMT of net sugar exports in SY 2019 on the back of the increase in production subsidy, the closing stock still would continue to remain high around 12 - 12.5 MMT given the high opening stock of around 10.8 MMT from the previous season.

India's exports of 4.64 LMT last year is a small portion of the global trade estimated at 450 LMT. In India, high cane price raises the cost of production, making the country's high sugar prices uncompetitive in the International market. Australia and Brazil dragged India to the WTO for its market-distorting policies on sugar and that subsidies given by it to its sugarcane farmers far exceeded the norms set by the WTO resulting in higher sugar production /exports which dampen the international prices and, consequently, hurt their domestic producers.

In 2018-19, the sugar industry is expected to have a surplus that will be as high as 48 per cent of the country's annual consumption. In spite of the woes of the sugar industry caused by the single most important factor of ever increasing sugarcane price, successive government announced high sugarcane prices which fetches nearly 60 per cent higher returns than any other competing crop.

Government of India Sugar Policies

Mounting cane arrears to farmers and debt burdened mills, made the Central Government come out with a slew of corrective measures and supportive policies, providing much needed succor to the sugar industry and also ushering in a greater degree of transparency, discipline and accountability. The Government continued to cap the quantity of sugar which mills in the country could sell. As part of the measures to stabilize sugar price in the country, the Central Government introduced monthly release mechanism with effect from June 2018.

FRP

The Central Government has fixed a Fair & Remunerative Price (FRP) of sugarcane for the sugar year 2018-19 as under:

- i. FRP of ₹ 275 per quintal for a basic recovery of 10% along with a premium of ₹ 2.75 per quintal for every 0.1% increase above 10% in the recovery

- ii. Where the recovery is below 10% and above 9.50, the FRP to be proportionately reduced by ₹ 2.75 per quintal of sugarcane for every 0.10 percent decrease.
- iii. FRP of ₹ 261.25 per quintal of sugarcane for mills having recovery of 9.50% or less.

Minimum Sugar Price

The Central Government on June 7, 2018, notified "Sugar Price Control Order 2018". Under Clause 3 of the above order, Central Government directed that no producer of sugar shall sell or agree to sell white/refined sugar in the domestic market at a rate below ₹29/kg till further orders. On February 14, 2019, the Government increased the minimum selling price of white/refined sugar in the domestic market to ₹ 31 per Kg from the earlier level of ₹ 29 per Kg.

Stockholding Limit

On June 15, 2018, the Central Government issued a notification for creation and maintenance of buffer stock of 30 LMT of sugar by the sugar mills in the country for a period of one year with effect from July 1, 2018. In addition, the Government also came out with a notification on June 25, 2018, mentioning quantity of buffer stock for each mill on provisional basis. As per this notification, the mills of the Company (other than Pugalur, Pettavaithalai & Puducherry) were to maintain buffer stocking 32870 MT. The Government would reimburse storage and insurance costs at 1.5% p.a on ₹ 29,000 per MT and interest at actuals not exceeding 12% p.a.

Global Ethanol

Increased global awareness on Environment protection and reducing polluting emissions, has drawn the focus of Governments to non-polluting, Bio-fuels as energy alternates. According to the International Energy Agency (IEA), ethanol production increased by 3 percent globally last year, reaching 104 billion liters of production and the increase in production was mainly in the U.S. European Union and China.

The IEA in its market analysis has predicted that fuel ethanol would account for two-thirds of the worldwide growth in conventional bio-fuels between 2018 and 2023.

Ethanol Programme in India

The Government of India is actively pursuing its Bio-fuels programme to reduce its crude import burden, lower emissions in its cities, and promote the revenue growth of the agri industry. Currently, 4-5 per cent of ethanol is mixed with petrol as against the federal target of 10 per cent blending with biofuel by 2022.

In order to incentivise sugar mills for producing Ethanol from B Heavy molasses or sugarcane juice, the Government is permitting sugar mills to sell additional quantity of sugar equivalent to total quantity of sugar diverted for production of ethanol. This is in addition to the quantity of sugar which each mill is allowed to sell every month over monthly release order mechanism.

The Central Government notified a scheme on July 19, 2018, for extending financial assistance to sugar mills for enhancement & augmentation of ethanol production capacity, to install new incineration boilers or for setting up new distilleries to produce ethanol. Grant of interest subvention, subject to various conditions, was also part of the Scheme.

The Central Government on July 26, 2018, amended the Sugarcane (Control) Order, 1966 vide Sugarcane (Control) Amendment Order, 2018. Following are the key amendments:

- Production of Ethanol directly from sugarcane juice to be allowed in case of sugar mills only.
- For Ethanol produced directly from sugarcane juice or B-Heavy molasses, the recovery rate to be determined by considering every 600 litres of Ethanol as equivalent to one MT of production of sugar.

Ethanol Price in India

The Cabinet Committee on Economic Affairs (CCEA) on 12th September, 2018 approved revision in Ethanol price for the Ethanol season 2018-19 (Dec to Nov) as below:

₹ 52.43 per litre when ethanol is produced from B Heavy Molasses

₹ 59.13 per litre when ethanol is produced from juice.

₹ 43.46 per litre when ethanol is produced from final molasses

The Central Government, vide its notification dated February 5, 2019, has directed Oil Marketing Companies (OMCs) to sell 10% ethanol blended petrol in 29 States & 5 Union Territories with effect from April 1, 2019, a move which has been greatly welcomed by the sugar industry

Exports

In order to achieve financial liquidity, the Government of India, on September 28, 2018, notified Minimum Indicative Export Quota (MIEQ) for sugar year 2018-19, mandating mills to export raw, plantation white and refined sugar to the tune of 50 LMT.

Central Government asked sugar mills to set their quarterly export targets and intimate the same to the Department of Food & Public Distribution (DFPD) for monitoring. It further said that in case a sugar mill fails to achieve its quarterly sugar export target, the equivalent quantity of un-exported sugar during the said quarter shall be deducted in three equal installments from the quantity of sugar to be allocated for each month in the subsequent quarter.

Scheme of Assistance for payment of cane price dues of farmers for the season 2018-19

The Central Government notified a scheme of assistance for sugar mills to offset the cost of cane and facilitate timely payment of cane price dues to farmers. The scheme provides for payment of an assistance of ₹13.88/quintal of sugarcane crushed during the 2018-19 sugar season or the quantity allocated by the Sugar directorate for the sugar season 2018-19, whichever is lower.

In addition to the above, the Central Government notified a scheme for defraying expenditure towards internal transport, freight handling & other charges on export as under

- For mills located within 100 KM from ports - ₹1000/Mt of sugar
- For distance more than 100 KM and mills located in coastal States- ₹2500/Mt of sugar
- For distance more than 100 KM and mills located in other than coastal States - ₹3500/Mt of sugar

Soft Loan

With a view to facilitate payment of cane dues of the farmers for the current sugar season 2018-19, the Central Government notified a scheme for extending soft loan to sugar mills. The quantum of soft loan has been determined at 85% of reported production of white sugar by mills in sugar season 2017-18, valued at ₹31000/Mt.

The financial assistance extended is interest subvention for the soft loan amount for a period of one year, calculated at 7% simple interest or actual rate of interest charged by the bank, whichever is lower. As per the scheme, only those mills which had cleared at least 25% of FRP dues of SY 2018-19 by 26.3.2019 were eligible for interest subvention.

Tamil Nadu State Sugarcane Policies

During the year, the Tamil Nadu (TN) Government paid a transitional production incentive of ₹ 200 per MT of sugarcane, directly to the bank account of farmers of Nellikuppam, Pudukottai, Pugalur and Pettavaithalai who had supplied sugarcane during 2017-2018 sugar season. As per the letter from the Government, this incentive is the difference between present SAP and price received under the new revenue sharing based price. With this, all farmers received ₹2750 per MT for sugarcane supplied in 2017-18 sugar season. [₹2550 per MT from the Company and ₹ 200 per MT from the Government excluding transportation cost].

BUSINESS OVERVIEW

Sugar

Sustained growth and profitability of sugar business depends upon continuous availability of high quality sugarcane. For the year 2018-19, the sugarcane availability in TN was low, due to widespread drought affecting a major section of the command area, however, the cane crushed was better than the previous year. Though crushing was better than the previous year, the Cane area in TN has seen a considerable decline during the last few years caused by deficit rain and farmers shifting to other competing crops. This has adversely affected the Company's TN operations, where most of its plant capacity continued to remain idle. The continuous non-availability of sugarcane forced the Company to close its Factory at Puducherry, which had remained idle during the last four years.

During the year, the cane crushed by the Units in TN was at 12.46 LMT @ 8097 TCD per day as against 12.30 LMT @ 8819 TCD per day in the previous year. Also, there was an improvement in the average recovery of 8.82% in the current year as against 8.26% in the previous year.

In Karnataka (KN), majority of the farmers depend on the canal water for irrigation. During the year, due to lower rains, the water levels in the dam reduced and finally the canal water stopped during December 2018 forcing the farmers to liquidate the cane at the earliest. This was effectively leveraged by the nearby large capacity mills. Though the cane availability was higher, the Company could crush only to the extent of its capacity available.

In KN, the cane crushed was lower at 19.68 LMT as compared to 19.80 LMT in the previous year. The average recovery was at 11.15 % as against 11.25% in the previous year. The threat of illegal cane poaching which affected the company's performance in the previous year continued this year. The availability of harvesting and transportation labour was also a major issue this year in KN as well as in TN and Andhra Pradesh (AP). The Company's efforts in employing mechanical harvesters paid dividends as farmers adapted themselves to the mechanised harvesting in an effective manner. The deployment of mechanical harvesters is proposed to be increased progressively to cover a large part of the area as shortage of harvesting labour is going to be the order of the day.

With respect to the AP unit, the cane crushed was at 5.05 LMT as compared to 4.62 LMT in the previous year. The average recovery was at 9.22% as against 9.55% in the previous year.

The overall cane crushed by the Company as a whole, was at 37.19 LMT as against 36.72 LMT in the previous year. The average sugar recovery went up from 10.04% in the previous year to 10.11% in the current year.

The sustained availability of cane being a major concern, a number of initiatives are being taken up by the Company including, supply of clean seed, providing resources for drip and micro irrigation and facilitating the various agronomy services through agencies / agri service providers etc. As part of farmer centric and inclusive strategy, the Company operates soil testing labs which provide 'soil health cards' to farmer for improving soil health and fertility. These initiatives will help in increasing the yield per acre which in turn will increase the income per acre to the farmer. To have interaction with the farmers throughout the life cycle of cane crop, a Farmer Connect App has been launched in TN, AP & KN and a number of farmers have been registered by using the Farmers App. By this, the cane and extension team are in regular touch with the farmers during the life cycle of the crop and assisted the farmers immediately as and when the need arises. To improve mechanised farming, the Company has implemented Aggregator model for farm implement services in TN and AP factories and covered 2267 acres. To mitigate the impact of drought, around 30 bore well recharges are established around Pugalur, Pettavaithalai and Pudukottai factory areas.

The Company is also working closely with the Government on a number of subsidy schemes to promote drip irrigation, Sustainable Sugarcane Initiative (SSI), etc. The company has embarked on a program of ensuring clean seed for planting. In TN and AP, the 3-Tier Nursery programme has been strengthened and varietal purities are being improved through quality seed sourcing from Breeding Institutes and Company's own tissue culture seedling production centres. In TN, 168 shade nets which were installed during the year 2017 put in to operation and started producing seedlings. All these activities will pave the way for yield improvement and ensure sustained sugarcane availability.

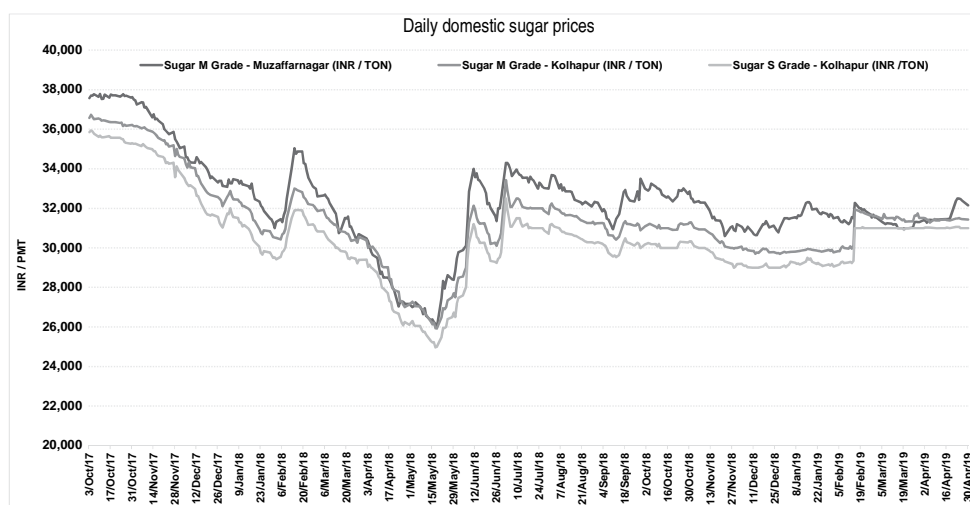
Price - Sugarcane & Sugar

For the Sugar Season 2018-19, the Department of Food and Public Distribution, Ministry of Consumer Affairs, Food and Public Distribution, fixed the Fair & Remunerative Price (FRP) for sugarcane at ₹ 275 per quintal for a basic recovery of 10.00% and a premium of ₹ 2.75 for every 0.1% increase in the recovery rate, as recommended by the Commission of Agricultural Costs and Prices (CACP). Also for 9.5% and less recovery, the FRP was fixed at ₹ 261.25. The annual increase in FRP by the Government is more than the increase in the Minimum Support Price (MSP) of most other crops. The TN Government last year for the first time announced a Revenue Sharing Policy (RSP) for determination of sugarcane price. Pending implementation of RSP, the Government supported the farmers the price difference between SAP (State Advised Price) and RSP by way of Direct Benefit Transfers.

The sugar production during 2017-18 started at record opening stocks of 10.7 MMT. The production during the season broke all the previous year record with 32.1 MMT. This was around 58 per cent more than the production in previous season. The glut in production has led to a crash in sugar prices leading to a liquidity crisis for sugar mills which in turn resulted in the accumulation of cane dues of ₹ 22,000 Crore. In order to support the industry and cane farmers, various measures were taken both by the Central Government in the form of soft loans, cane production subsidy, transport subsidy on sugar exports, fixing of minimum sugar price (MSP) and interest subvention for setting up of ethanol capacities and the various State governments in the form of soft loans and cane subsidies which provided some respite to the sugar industry which was reeling under supply pressures. While the announcement of cane production subsidy towards the end of September 2018, along with sugar exports of 5MMT resulted in some improvement in sugar prices to around ₹ 32,500/ Mt in October 2018, however with the commencement of the cane crushing, price declined to around ₹ 31,000/ MT in November 2018 and to around ₹ 30,000/MT in December 2018. In January-February 2019, the prices were around ₹ 31,000/ MT

The Government in September 2018 announced Minimum Indicative Export Quota of 5 MMT for exports in order to move the surplus stocks out of the country and thereby improve prices. However, due to depressed world sugar market, the scheme did not achieve its intended objective. The lower realization from domestic sales as

Sugar Price - 18-19



well as depressed global sugar market, made it extremely difficult for the mills to generate sufficient funds for payment of cane price to the farmers in time. Further, due to the lower global prices, the export deals continued to be slow as the industry was facing several obstacles in export orders. Further, the mills would get production/transport subsidy amount only at the end of the season resulting in working capital being blocked for the year, on which mills pay interest to lenders. Accordingly, achievement of the targeted MIEQ of 5 MMT may be difficult. Despite the various policies and incentives by the Government, unless the surplus stock is cleared from the country, the scenario may not undergo any significant change. It is expected that the pressure on the sugar price would continue to remain given the over-supply scenario.

SUGAR DIVISION

Operational Performance

Particulars	2018-19	2017-18
Cane Crushed (LMT)	37.19	36.72
Recovery (%)	10.11	10.04
Sugar Produced (LMT)	3.80	4.94
Power Generated (Lakh Units)	3280	3,503
Alcohol Produced (Lakh Litres)	623	657
Sugar sold (LMT)	4.04	3.85

The sugar segment constituted the largest share of the Company's revenues. The segment contributed 72% of the Company's turnover

Financial Performance (Sugar Division)

Particulars	Sugar		Cogen		Distillery		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Revenue	1,390	1,491	125	111	318	305	1833	1,907
EBITDA**	(30)	28	(2)	27	44	55	12	110

** Earnings before interest, tax, depreciation and amortization.

during 2018-19 as against 72% in 2017-18. Revenues from the sugar segment during 2018-19 was at ₹ 1,390 Crore as against ₹ 1,491 Crore in 2017-18.

Distillery

The distillery segment contributed to 17 % of the Company's revenues during the year under as against 14 % in 2017-18. Revenues from the distillery segment during 2018-19 stood at ₹ 318 Crore as against ₹305 Crore in 2017-18. The Company's alcohol production from molasses, a by-product of sugar, saw a downward dip at 623 Lakh litres in 2018-19 as against 657 Lakh litres in 2017-18, a decrease of 3% over the previous year.

In April 2018, the business was forced to stop production of alcohol as TN IMFL units imported ENA from other States. Continued representations from sugar mills made the TN Government change its stand, mandating all IMFL units to source 50% of their need from TN distilleries every quarter.

Ethanol

In line with its growth strategies, the Company has chalked out expansion plans for Ethanol production at its integrated Units. The Company has obtained in-principle approval from the Department of Food & Public Distribution, for its expansion projects under the Central Government Scheme, extending financial assistance to mills for Enhancement & Augmentation of Ethanol Production Capacity.

The Oil Marketing Companies (OMCs) have released tender calling for the supply of 329 crore litres of Ethanol for the period 1.12.2018 to 30.11.2019. This includes 66 Crore litres planned for sourcing from B heavy molasses, sugarcane juice and damaged food grains.

The Company has secured permission from the TN Government to convert 6 Lakh litres of impure spirit to Ethanol at Nellikuppam and 3 lakh litres of impure alcohol to Ethanol at Sivaganga. Sankili Unit started the production of Ethanol from B Heavy molasses for the first time, during the year, with a total output of 91.95 LL of ethanol. Similarly, Sivaganga Unit manufactured Ethanol for the first time since inception, with an output of 7.40 LL.

Cogeneration

The cogeneration segment accounted for 7% of the Company's revenues during the year as against 5 % in 2017-18. Revenues from the segment during 2018-19 stood at ₹ 125 Crore as against ₹ 111 Crore in 2017-18.

The current agreements with TNPL to claim differential tariff in respect of Nellikuppam & Pudukottai were renewed for one more year from 1.10.2018. The Power tariff has seen a downward trend and decline over the year forcing the Company to explore better way to utilize and monetize its bagasse, an important by product.

Tamilnadu: The units in Tamilnadu exported 633 Lakh units of power during the year as against 708 Lakh units in the previous year. The shortfall was mainly on account of Pudukottai and Pugalur units which did not generate power.

Karnataka Units: The Units in Karnataka exported 891 Lakh units as against 1028 Lakh units in the previous year. The business did not run Cogen Units at Haliyal and Bagalkot as bagasse saved was being sold, in view of better economics.

Andhra Pradesh: The unit in Sankili unit exported 97 Lakh units as against 121 Lakh units last year, the drop was mainly due to lower cane crushing during the year.

MANUFACTURING OPERATIONS:

The Company's journey towards achieving manufacturing excellence and driving cost optimisation across the value chain has gained further momentum. The Company continues to explore ways and means to achieve better efficiencies on steam, energy and chemicals consumption besides reduction of total losses. Safety has been on top of the agenda across all the factories. Some of the areas covered under the Safety program include launch of TPM Safety Pillar, safety patrol walk by the Unit management team, safety review, display of signage, PPE usage, etc for ensuring safety and prevention of accident.

Nellikuppam sugar factory is the first sugar factory in TN to move in the direction of achieving Zero Liquid Discharge (ZLD) for the sugar units.

The Company also enhanced the refining capacity of the Unit from 170 MT per day to 190 MT per day.

During the year, the Company Commissioned and stabilised a backend refinery at Haliyal with a production capacity of 800 MT per day to meet the increasing demand of high quality refined sugar by customers.

Manufacturing Initiatives:

The Company continued to pursue the execution excellence initiatives to optimise efficiencies, reduce cost and eliminate wastage. TPM deployment has been aggressively pursued and initiatives on safety, environment and quality under TPM helped the Company to achieve manufacturing excellence, operational safety and higher level of quality awareness. During the year, the Pudukottai unit received an award for TPM Excellence – Category A from the Japan Institute of Plant Maintenance (JIPM). The award was given for achieving the most effective production system. This unit is the first in the world to receive this prestigious award with sugarcane as the raw material and could be achieved after 4 years of continuous effort.

In its continued effort towards sustainable water recycle reuse, the Company has installed and commissioned "Spiral RO Plant" to treat the distillery evaporator condensate and spent wash RO Plant permeate in Sankili Unit. Around 180 m³ per day clear water from spiral RO Plant is being used in Distillery Unit for molasses dilution ensuring reduction of ground water consumption in Distillery. The Zero Liquid Discharge project at Nellikuppam has been in continuous operation.

The Company has ensured compliance with stipulated parameters with respect to emission and effluent generation with stringent online monitoring systems which are hooked up to the SPCB/ CPCB monitoring systems.

The Company pursued its 'go beyond' strategies to optimise efficiencies, reduce cost, eliminate wastage and achieve stretch targets for growth. The following were some of the initiatives, which were undertaken during the year:

- Sankili Unit has been validated by NSI, Kanpur for B heavy molasses for the first time in the country. The unit being the first plant in AP to produce Ethanol from B-Heavy molasses.
- Cane diffuser was converted as a Bagasse diffuser at Haliyal by installing a Pre-Mill before diffuser.
- Haliyal Unit moved from double sulphitation sugar process to defecation process followed by multi bed filters and Ion exchange process and started the manufacture of refined sugar as a sulphur free process.
- Continuing the process of sustainable practices in Sugar Production, with the 'Bonsucro Certification' for Nellikuppam and Haliyal.
- Customer specific packaging and product specifications were resorted to ensure customer delight. Commenced retail packaging

at Sankili, making it the 3rd Unit, after Nellikuppam and Haliyal, to have this facility.

- Achieved a benchmark in sustainable water utilisation with the Water Management Systems at Sugar factories calibrated to ensure “zero fresh water withdrawal and consumption from river, bore well, canal, etc.
- Expanded the ‘Waste to Wealth’ initiative with the conversion of the distillery effluent waste into potash-rich fertilizer, K-ash and K-boost.
- Worked on continuous improvements in daily crush rate, better steam and power consumption and other critical operating parameters
- Plant specific safety project charters were rolled out with periodic review of progress.
- Safety Meet was conducted to set benchmark standards and cascade a safe work culture with Behaviour Based Safety Workshops across the Company. Leveraged OHSAS18001 safety management system to integrate continuous improvement in safe work practices to ensure zero accidents.
- Treated and recycled, distillery spent lee at Nellikuppam in the newly established Condensate Polishing Unit (CPU) to the extent of 15 LL for the first time to reduce ground water withdrawal.
- Conducted Decanter trial for sludge separation in the fermented wash. This is expected to help in improving performance of distillation, bio digester & RO Plant.

SALES AND MARKETING

Over the years, the Company has been thriving successfully under the vicious cycle of uncertainty. Our continuous effort to re-invent the organisation has made us to realise that in order to stay ahead of the curve, we need to meet the consumer needs and to increase our footprint in retail food and beverages space and drive higher volume growth and to get benefits from scale and efficiency. The Company will make significant investments in building capabilities to win in the channels of the future. The Company's strategy continues to de-risk the sugar business from the cyclical nature of the industry by way of value addition and in the process the company has been tirelessly working towards several differentiation strategies to meet the changing needs and aspirations of the vibrant consumers and to have an edge over its competitors. The Company's brand “Parry's” has been a household name and always has been a trusted brand across the country. During the year, the Company won the prestigious Economic Times (ET) Best Brand Award, in recognition of its excellence in delivering quality, innovation and value as a brand. The Company has been successful in establishing a long term and fruitful relationship with its customers and has been selected as preferred supplier by

several multinational corporations due to the consistency in quality and adoption of best practices. The Company strongly believes that its commitment to quality and the power of its strong and trusted brand “Parry”, will bear fruit. The Company's retail brand of brown sugar, ‘Amrit’, has made significant strides and is well accepted by the consumers. The Company strives to own a clear and compelling strategy that focuses on winning with brands and innovation with a vision to increase the size of the business. While trade conditions remain volatile, we strive towards bringing stability to business model in this challenging business environment, by making the Company more agile, customer centric and responsive to the diverse and rapidly evolving marketplace

The Company sold 3.58 LMT of sugar during the year in the domestic market as against 3.85 LMT in the previous year 2017-18. The drop in sales quantity was mainly due to the release mechanism of the Government (Release Quota). The Company focused on achieving better price realisation through targeting select Institutional customers.

Institutional Sales

With its strong product customisation expertise, stringent quality systems, global certification standards and timely deliveries, the Company has been established as a benchmark brand across sugar industry. Due to the above factors and the strategic locations, the Company has gained the position of a major supplier of sugar to various institutional customers across country. The customer base includes institutions across sectors ranging from pharmaceutical, soft drinks, beverage, food, Juices, confectionery, modern trade, sweets, dairy, ice cream and biscuit manufacturers.

During the year, the company sold sugar directly to institutions, accounting for nearly 41% of its domestic sales. Like last year, the Company continued to sell Bonsucro certified sugar, produced from sustainable sugarcane both from TN and KN Units. With large multinationals focussing on sustainability and sustainable raw materials, the Company's Bonsucro certified sugar is gaining a competitive advantage and will continue to do so in the long run as well.

Retail Sales

In the retail segment, the Company sold sugar contributing nearly 9% of the annual domestic sales. Its strategy of expanding market presence and market penetration has worked positively in gaining the retail business. The retail channel sales has grown by 67% over the previous year.

QUALITY

During this financial year, the Company focussed on the retail and institutional segment with quality product and processes. In this financial year, the Sankili Unit got accredited with FSSC 22000 for

the first time and became the third unit of the Company to get this from the DNV GL Certification Body. In order to address Customer requirements, two of its Units in TN and KN obtained MUI Halal Indonesia certifications.

In addition to the above new certifications, the Company's units in Nellikuppam and Haliyal qualified in the recertification audits of FSSC 22000 and ISO 9001:2015. The Company's refinery Unit in Nellikuppam successfully qualified in sustaining its cGMP certifications to continue to supply Drug Manufacturing Customers and other Pharmacopeia accreditations of Indian Pharmacopeia, European, United States, Japanese and British.

The Company in its endeavour to provide quality products to customers, started producing refined sugar by adoption of sulphur free process during this financial year from its Unit in Haliyal, KN.

Quality Initiatives:

- Production of "1KG retail sugar pack – white and pure sugar" and 25Kg pack for S30 and M30 white and pure sugar.
- Sankili unit successfully migrated from OHSAS 18001 to ISO 45001:2018 and also the quality management system ISO 2001:2015.
- Nellikuppam and Haliyal Units upgraded to Food Safety System Certifications ISO 22000 Version 4.1.
- Pudukottai, Nellikuppam and Haliyal Units upgraded to Quality Management System ISO 9001: 2015 Version.
- Nellikuppam and Haliyal qualified for SMETA 6.0 (Sedex Members Ethical Trade Audit).

RESEARCH & EXTENSION SERVICES

The Company's R&D for the Sugar business was established 25 years ago with the core purpose of enriching and energising lives by creating value added products and services from agriculture. The Company is a pioneer and is one of the very few sugar companies in India to have an integrated R&D establishment and resources for its farmers which is recognized by the Department of Scientific and Industrial Research (DSIR), Ministry of Science & Technology, Government of India. Since sugarcane as a key raw material for the Company is cultivated across three states of the country spanning diverse agro-climatic conditions, research emphasis and approaches vary and are largely location oriented. The Company has established a strong research infrastructure with a pioneering vision to improve the yield and profitability to farmer, besides improving quality of sugarcane and thereby enhancing factory operational efficiencies. The R&D technologies are disseminated from "Lab to Land" to the farmers through an exclusive extension function and novel technology transfer tools like mobile village theatres and yield maximisation plots. The effort of R&D and Extension wings were primarily on three areas of sugarcane agriculture - crop improvement, crop production and crop protection.

The crop improvement program focuses on new varietal development and ensuring certified clean seed material supply to the farmers. The company is the only private sector Company in the country to have an exclusive breeding program to develop proprietary "Parry India (PI)" labelled high yielding and high sugar varieties. The facility in operation at Bangalore has one of the largest sugarcane germplasm repositories in the country. The Company is also a notified testing centre for the All India Co-Ordinated Research Program (AICRP) under the aegis of the Indian Council of Agricultural Research (ICAR), New Delhi.

The year commenced with the launch of robust crop production programs and services through induction of qualified and experienced agronomists and extension personnel. Precision farming approaches to enhance sugarcane yield, cost reduction and improve sugar recoveries were taken up on priority. As a first time initiative, In-house captive farms were developed in Sankili, Haliyal, Nellikuppam and Bagalkot to cover an area of over 100 acres to demonstrate new technologies and develop clean seed for farmers and the initiative evoked excellent reception from farmers.

The unique by-product "K-boost" rich in organic content and potash was launched and issued to farmers covering an area of 3000 acres at Nellikuppam for yield and recovery improvement. A novel soil moisture based harvest and irrigation scheduling system was adopted at Nellikuppam with an innovative automatic moisture recording device in 2018-19 season. A new model of app based aggregator mechanisation service provider was launched for the first time covering 2000 acres in the financial year with good response from farming fraternity due to ease of technology access and implementation.

The project "Y60" which was launched in 2017-18 at Pudukottai with a plan to improve yield of farmers resulted in doubling of cane yield of selected farmers.

The achievements of the crop protection wing of R&D were notable as two new eco-friendly products were validated in the field, developed and launched for pest management in cane cultivation. Regular field quarantine and proactive integrated pest and disease management measures taken up by R&D and Extension prevented the occurrence and spread of major pests and diseases.

Bonsucro Certification

The Company holds the distinction of being the first in Asia to be certified with the Bonsucro international certification for sustainable sugar production. Bonsucro is a global non-profit, multi-stakeholder organization fostering the sustainability of the sugarcane sector through its leading metric-based certification scheme and its support for continuous improvement for members.

NUTRACEUTICALS DIVISION

Industry Overview

The nutraceutical ingredients market estimated at US\$ 29.48 Bn in 2016, is projected to grow at a CAGR of 7.5%, to reach US\$ 45.58 Bn by 2022. This constitutes around 8% of the total Nutraceuticals market (US\$ 383 Bn). World demand for minerals and vitamins consumed in nutraceutical applications was US\$6 Bn in 2015, growing at an annual rate of 6%, fuelled by growth in food and beverage fortification, adult and paediatric nutritionals and dietary supplements. Widespread acceptance of health and wellness benefits will keep minerals and vitamins among the most widely used nutraceutical ingredients.

By Region, Asia-Pacific is projected to be the fastest-growing market for nutraceutical ingredients during this period. While USA and Europe are going to drive innovations, APAC will drive the volumes. Based on projected investment levels in these industries and rising consumer incomes, China is expected to evolve as the largest global producer and consumer of nutraceutical ingredients by 2020, surpassing the United States and Western Europe. Japan is the fastest-growing country market in the Asia-Pacific region. This is due to the rapidly aging population in Japan. Global micro-algae based nutraceutical ingredient market, currently valued at USD 0.6 bn, is expected to grow at a healthy CAGR 7.40% in the next 6 years.

Business Overview

The Company's Spirulina volumes was subject to more pressure due to commoditisation across markets. The business proposes to stick to its value proposition as a quality player and work on expanding markets in Europe and the US in selective niches. For more price sensitive markets in Asia, the business aims to adopt a more aggressive approach in the coming year.

Chlorella is gaining importance as an essential micro-algae supplement along with Spirulina. With the increase in popularity and adoption of vegan diets across evolved health oriented consumers, Chlorella is seen as a powerful detox agent with rich vitamin profile. In 2018-19, the Company started scaling up of commercial production of Chlorella and achieved reasonable success in stabilizing the cultivation and harvesting processes. 2019-20 is likely to see production capacity being scaled up further.

The launch of the Phycocyanin product will further strengthen the company's product portfolio and add another pillar of growth.

The business, in addition to the Organic and USFDA approval, has embarked on a journey to upgrade its overall Quality Management System, from supplier to end consumer. During the year, various projects such as laboratory control, batch traceability, facility and equipment qualification, QMS and training were implemented as part of the process and will be further extended to all cGMP procedures

and norms. In addition, as a part of clean label program, Organic Spirulina and Chlorella received the Non GMO verification.

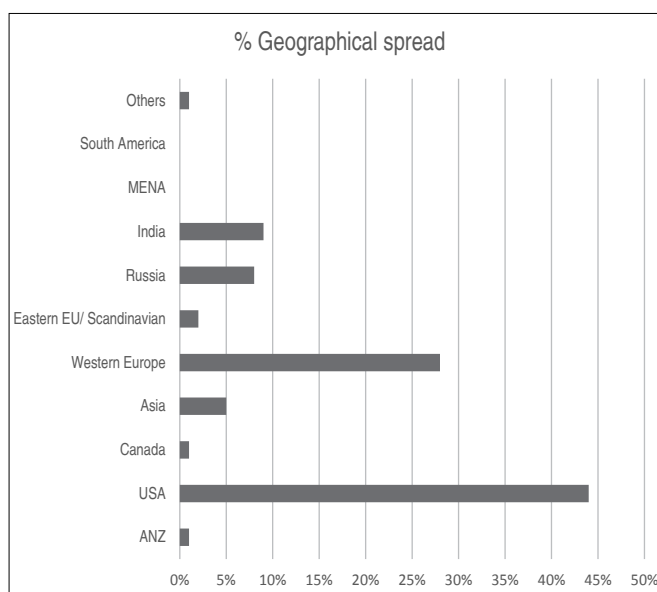
The Company continued its Compliance journey by putting in place cGMP processes across its Units. There is also a big focus on Sustainability from a Waste, Water and Energy perspective. The Company believes that this is its first responsibility towards society and the environment and will also strengthen its business operations and efficiencies over time.

During the financial year 2018-19, the US Nutraceuticals (Valensa) business was impacted by higher raw material prices for its Saw Palmetto extract product. This coupled with expenses related to the consumer product launch slated for 2019-20 impacted the profit. Alimtec had an excellent year and for the first time reported a positive operating profit.

Micro - Algae Market Share – Regions

The Company has a leading position in the EU markets for organic grade spirulina and over the last 3 years the business in this region has doubled.

Business Region	% Split
ANZ	1%
USA	44%
Canada	1%
Asia	5%
Western Europe	28%
Eastern EU/ Scandinavian	2%
Russia	8%
India	9%
MENA	0%
South America	0%
Others	1%
Total	100%



Operating Results

During the year, the Nutraceuticals Division of the Company achieved a revenue from operations of ₹ 71 Crore, about 88% of which represents exports, as against ₹ 68 Crore during the previous year representing 4 % of the Company's revenue. PBIT for the year was at ₹ 2 Crore as against ₹ 8 Crore during the previous year. The overseas wholly owned subsidiary, US Nutraceuticals Inc. achieved sales of US\$ 20.19 MN against US\$ 22.7 MN of previous year. On a consolidated basis, the division registered a revenue of ₹ 212 Crore in 2018-19 as compared to ₹ 216 Crore in the previous year.

Spirulina sales grew by 15% in North America region and decreased by 18% in rest of the world. This year, the business achieved growth of 20% in Lycopene Segment. Chlorella sales grew by 85% over the previous year. However, there has been a marginal drop in sales of Spirulina value added products and Traded Products.

Outlook

Global trends in nutraceutical ingredients will result in developing regions achieving much faster growth in both consumption and production than developed regions. The Company's Joint venture with Synthite Industries launched Natural Blue colour (Phycocyanin) in the global color market. This will propel growth for value-added products from Spirulina. The Company's R&D efforts would be focused on 3 broad areas – Green foods, Protein and Algal Omega 3. The Company expects to launch products under these categories in the coming years. Further, the business is embarking on a journey of sustainability in the areas of Water, Waste and Energy in the coming years. Water will be a big area of focus as the business aims to conserve and recycle as the two primary objectives.

COMPANY FINANCIAL PERFORMANCE (STANDALONE)

Revenue ₹ in Crore

BUSINESS SEGMENTS	2018-19	2017-18
Sugar	1,390	1,491
Cogen	125	111
Distillery	318	305
Sugar Total	1,833	1,907
Biopesticides	-	138
Nutraceuticals	71	68
Others	3	2
Total	1,907	2,115

Note: Above includes inter segmental revenue. EBITDA

EBITDA

The Earnings before Interest, Depreciation, Tax and Amortization for the year was ₹414 Crore representing 20% of total revenue as against ₹304 Crore in the previous year representing 14% of total revenue.

EBIT

EBIT for the year was ₹300 Crore as against ₹ 191 Crore in the previous year.

Finance Charges

The Company's finance charges of ₹113 Crore for the year 2018-19 remains at the same level of ₹113 Crore for the year 2017-18.

DEPRECIATION

Depreciation was ₹114 Crore for the year 2018-19, as compared to ₹113 Crore for the year 2017-18.

PBT

Profit Before Tax for the year stood at ₹187 Crore as against ₹78 Crore in the previous year.

PAT

Profit After Tax for the year stood at ₹163 Crore as against ₹ 101 Crore in the previous year.

FINANCIAL OVERVIEW

Networth

The Net worth as on March 31, 2019 was ₹1714 Crore as against ₹1638 Crore as on March 31, 2018. Capital Redemption Reserve remained unchanged during the year while Debenture Redemption Reserve decreased vide transfer to Profit and Loss Account for ₹16.67 Crore.

Borrowing

The borrowings of the Company decreased from ₹1018 Crore in 2017-18 to ₹ 832 Crore in 2018-19. The Long Term Debt is 0.27 times of equity as against 0.36 times of equity in the previous year. Working capital borrowing utilized was ₹ 375 Crore as on March 31, 2019 as against ₹ 432 Crore in previous year.

Fixed Assets

The Company incurred ₹ 52 Crore (₹ 50 Crore during the previous year) of Capital expenditure during the year.

Investments

The total investment of the Company as at March 31, 2019 was ₹ 979 Crore as against ₹ 878 Crore in 2017-18. The following investments were made during the year:

- ₹ 70 Crore in Parry Sugars Refinery India Private Limited
- ₹ 6.6 Crore in Algavista Greentech Pvt Ltd, a Joint Venture Company

Rating

During the year, rating agency CRISIL has reaffirmed its credit rating to the Company's Long Term Rating to "CRISIL AA-/ Stable" and reaffirmed Short Term Rating as "CRISIL A1+" for its Short Term borrowings.

Book Value and Earnings per Share

Book Value of Shares of the Company increased from ₹93 per share for the year ended March 31, 2018 to ₹97 per share for the year ended March 31, 2019. Earnings per share increased from ₹5.70 per share for the year ended March 31, 2018 to ₹ 9.21 per share for the year ended March 31, 2019.

RATIOS

Particulars	2018-19	2017-18
Key Profitability Ratios		
EBIDTA / Sales % (Operating Profit Margin)	22.33	14.85
PAT / Sales %	8.79	4.92
PAT / Networth % (ROE)	9.52	6.17
Key Capital Structure Ratios		
Net Debt / Equity Ratio	0.49	0.62
Outside Liabilities / Networth	1.28	1.47
Net Fixed Assets / Networth	0.76	0.87
Debt Service Coverage Ratio	0.91	1.27
Interest Service Coverage Ratios	3.65	2.70
Liquidity Ratios		
Current Ratio	0.79	0.78
Inventory Turnover (days)	207	165
Receivables (day gross sales)	34	35
Earnings and Dividend Ratios		
Dividend %	300	300
Earnings Per share (₹)	9.21	5.70
Book Value Per share (₹)	97	93
P / E Multiple	22.22	48.02

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Company is required to give details of significant changes (change of 25% and more as compared to the immediately previous financial year) in key financial ratios.

Ratios where there has been significant change from Financial Year 17-18 to Financial Year 18-19

Improvements in operating profit margin, net profit margin, return on networth, interest service coverage ratio (ISCR) and Earning Per Share

Though the sugar business was affected by low selling price coupled with Release order mechanism, the operating profit margin, net profit

margin, return on networth, interest service coverage ratio (ISCR) and earnings per share were improved on account of profit from the sale of Bio-Pesticides Business and sale of investments in Parry America Inc.

Increase in inventory turnover days:

Increase in inventory turnover days was mainly on account of the release order mechanism, whereby the Company was allowed to sell only limited quantity as fixed by the Government on month basis and creation and holding of buffer stock of sugar for each sugar factory based on the direction of the Government.

Decrease in Debt Service Coverage Ratio (DSCR):

During the year, the Company had net repayment of long term debt of ₹ 334 crores as compared to ₹ 187 crores in the year 2017-18. As a result debt service coverage ratio (DSCR) has reduced from 1.27 to 0.91.

P/E Multiple:

The PE ratio has decreased on account of decrease in the market price of share and increase in net profit (reason explained above)

CORPORATE DEVELOPMENTS

Sale of Bio Pesticides Division

As approved by the shareholders vide their resolution dated February 23, 2018, the Company transferred its Bio Pesticides Business together with all its employees as well as assets and liabilities including all concerned licences, permits, consents and approvals comprising of manufacturing, marketing and trading in Bio Pesticides Products ("Bio Pesticides Business), as a "going concern" and by way of a slump sale to its subsidiary Company Coromandel International Ltd (CIL), with effect from April 1, 2018. The shareholding in the wholly owned subsidiary, Parry America Inc was also transferred to CIL with effect from April 1, 2018.

RISK MANAGEMENT

The Company follows a well-defined Risk Management policy which requires the organisation to identify the risks, the businesses are exposed to and categorise them based on the impact and probability of occurrence. Mitigation plans are laid out for each risk along with identification of the risk owner thereof. The Company endeavours to continuously improve its systems, processes and controls to mitigate the risks.

The Company has a robust Risk Management framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The Company's Risk Management framework defines the risk management approach across the enterprise at various levels, including documentation and reporting.

Risk Category	Risk	Mitigation Plan
Economic Risk	Due to global macro factors such as inflation, interest rate and economic slowdown, there could be an adverse impact on business and profitability.	With the experience in the financial market, the Company is able to source funds at competitive rates in the diverse market conditions.
Sugar Price Risk	Due to domestic surplus, there could be a softening in the steady sugar prices affecting the profitability.	The Company is focusing on increasing Retail volumes by increasing retail outlet placements and expanding retail infrastructure. The company is putting efforts to increase the market share of Institutional business by retaining the existing customers and obtaining customer certifications. In case of Trade business, the company maintains little extra premium for the brand enquiries for end point conversion.
Raw Material Availability Risk	<p>Due to the adverse weather conditions and farmers switching to alternate crops for higher remuneration etc., availability of crucial inputs such as sugarcane may be impacted thereby diminishing profitability.</p> <p>Water availability is a critical requirement of Nutra Business.</p>	<p>The Company connects with farmers continuously by educating them on scientific and sustainable sugarcane cultivation methods besides providing them high yielding sugarcane seeds / saplings that give better yield and also the mechanised harvesting for timely harvesting and making sugarcane a profitable crop by yield improvement. Cane team is working on reducing the cost of cultivation, increasing the yield per acre and thereby the income per acre. The company launched "Farmers Connect" app for better interaction and to support the farmers instantly. The Company enjoys a good brand value and trust amongst the farmer community by ensuring timely payments and is thus a preferred partner for sugarcane supply.</p> <p>For the Nutra business, the Company is treating the water in lagoons for usage, implementing Zero Liquid Discharge (ZLD) to recycle water, installing Rain water harvesting stations and reusing the water as risk mitigation for Water availability.</p>
Raw Material Pricing	The Central and State Governments decide sugarcane prices in a manner that is not linked to sugar prices. Unviable sugarcane prices may impact the profitability of the Sugar division.	The Company is a member of Indian Sugar Mill Association (ISMA) and the South Indian Sugar Mills Association (SISMA) and works closely with it towards developing appropriate policy recommendations to represent the industry needs to the government.
Investment Risk	The company has invested in Parry Sugars Refinery India Private Limited and Valensa, all wholly owned subsidiaries. Any non- performance of the invested entities will have a risk of sub-optimal return on investment.	Periodical review mechanism is in place to monitor the investment risk of the portfolio of assets and to oversee the strategic decision.
Credit Risk	Due to fixed sugarcane pricing but floating sugar realization, the Company may face shortfall in availability of cash to pay to farmers.	The Company has been very prudent in managing its cash flows and has well placed short-term credit facilities from various banks. This helps to mitigate the short term credit mismatch.

Risk Category	Risk	Mitigation Plan
Foreign Exchange Risk	The Company exports / imports sugar based on government policies and exports in Nutraceuticals. Hence, it has exposure to adverse currency fluctuations.	The Company follows a comprehensive foreign exchange policy to hedge foreign currency fluctuation by taking cover through forward contract.
Cyber Security Risk	The company may encounter non-availability of service or failure of multiple systems which may lead to disruption in business operation due to lack of adequate processes, cyber security, backup and disaster recovery systems.	Information Systems, Backup and Disaster Recovery Policies and periodical review of the same are in place. Robust Firewall and Security Event Information Management Systems are in place to monitor all types of Security breaches and take corrective measures.
Non-compliance to changing statutory regulations	As a listed organization, the company has to comply with laws such as Companies Act, SEBI (Listing Obligations and Disclosure Requirements), Contract labour, Taxation, Foreign Exchange & Export Controls, Health Safety and Environment (HSE) regulations etc. Failure to comply with these regulations could result in penalties and reputational damage.	A comprehensive e-compliance management system has been deployed across the company to manage the compliance to all the applicable statutory regulations. Further, respective functional teams track the changes to applicable regulations across various jurisdictions and functional areas and update the e-compliance management system and also create awareness of the changes across the respective functions.

INTERNAL FINANCIAL CONTROLS

The Company has aligned its current systems of Internal Financial Control (IFC) with the requirement of the Companies Act 2013. The Company has established a robust framework of IFC which includes entity level policies, processes and operating level standard operating procedures. The Company has well-established processes and clearly- defined roles and responsibilities for people at various levels.

The Company's internal controls are adequate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing consistent financial and operational information, complying with the applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization, and ensuring compliance with policies. Processes for formulating and reviewing annual and long-term business plans have been laid down. The Company uses a state-of- the-art enterprise resource planning (ERP) system SAP as a business enabler to record data for accounting, consolidation and management information purposes.

To further strengthen, assess and report on the internal financial control, an in-house Management Audit Division has been established by the Company which is ISO 9001:2015 certified. The internal audit is conducted based on the Annual Audit Plan which is reviewed and approved by the Audit Committee. The Internal Audit reports are presented to the Audit Committee on a quarterly basis for review and deliberation. The Company Management has assessed the effectiveness of the Company's internal control over financial reporting as of March 31, 2019 and found the same to be adequate and effective.

SUBSIDIARY COMPANIES

There has been no change in the nature of business of the subsidiaries during the year under review. In accordance with Section 129(3) of the Companies Act, 2013, the Company has prepared a consolidated financial statement of the Company and all its Subsidiary Companies, which forms part of the Annual Report. A statement containing the salient features of the financial statements of the Subsidiary Companies, Joint ventures and Associates is given in **Annexure-A** to this Report.

In accordance with the provisions of Section 136(1) of the Companies Act, 2013, the Annual Report of the Company containing standalone and consolidated financial statements has been placed on the website of the Company, www.eidparry.com. Further, the audited accounts of the Subsidiary Companies and the related detailed information have also been placed on the website of the Company www.eidparry.com. The annual accounts of the Subsidiary Companies will also be available for inspection by any shareholder/debenture trustees at the Registered office of the Company and of the Subsidiary Companies concerned during working hours upto the date of the Annual General Meeting. A copy of annual accounts of subsidiaries will be made available to shareholders seeking such information at any point of time.

Parry Sugars Refinery India Pvt Ltd (PSRIPL)

PSRIPL has emerged as one of the globally reputed re-export refiner of sugar, offering a range of quality products for international trade and institutions.

Spread for refining was muted during the year 2018-19 due to low white sugar prices arising out of Indian exports and overall whites surplus whilst supply of raws remained balanced. Demand for refined sugar in some of company's target markets was lower, especially in the second half of the year, due to higher inventory at destinations.

During the year, due to tepid demand in target markets, the company's sugar export volume was 5.35 LMT compared to 6.71 LMT of the previous year. Compared to last year, International refined sugar prices fell sharply in 2018-19. Consequently, the turnover decreased from INR 2418 Crore in 2017-18 to INR 1434 Crore in 2018-19. During the year, the company successfully commissioned its graded sugar facility and commenced exports of graded sugar to prestigious institutional customers. It also increased its institutional sales and CIF sales to destination traders. The refinery operations successfully debottlenecked its melting capacity to 3000 TPD and also made significant improvement to its cost structure.

During the year, Parry International DMCC (a wholly owned subsidiary based out of Dubai) successfully commenced its trading operation and recorded a revenue of AED 14.37 Million.

Due to expected fall in sugar production in all major countries and a weather risk, global surplus is set to fall to less than 2 Million MT in 19-20. Sugar prices are expected to start recovering on account of tightening supply. Your company with well hedged spreads is better positioned to ride this recovery with increasing focus in value added sales and further improvements in refining costs during the year 2019-20.

US Nutraceuticals Inc

During the year, the Company's wholly owned subsidiary, US Nutraceuticals converted itself from a Florida "Limited Liability Company (LLC)" to a "C Corporation (INC)" due to strategic reasons. The Company achieved sales of USD 20.19 MN against USD 22.7 MN of previous year. The drop in sales was due to lower sales of prostrate and joint health products. This impact was partly offset by increased sales of tolling related segment products on account of healthy market demand. The business encountered lower margin in the year due to high berry price and the inability to completely pass on the higher costs to its customers. The Company expects that the efforts that are being taken to revive Saw Palmetto business through strategic sustainability program to counter the future risk of higher price and to ensure continuous supply in the coming financial year will bring the desired result. The company has been investing in clinical trials for developing new formulations which would improve in the next financial year.

Alimtec SA

Alimtec SA, Chile, the wholly owned subsidiary of the company has seen a significant year in terms of increased production volume with better quality product during the year. The investment in window dryer gave good result with higher yield and production than previous year.

Also, from the investments made in the previous year on water quality improvements and arsenic filtration system has resulted in higher productivity levels without any contamination in the product

Coromandel International Limited (CIL)

During the year, India received below normal South West monsoon (91 percent of long period average). Coromandel's key South Peninsular markets of Telangana, Coastal Andhra and South Interior Karnataka received normal rains that resulted in improved agri input consumption during Kharif season. However, deficit North East monsoon (56 percent of long period average) affected the Rabi season crop sowing.

CIL showed a resilient performance during the year, gaining significant market share and improving its customer reach. CIL's Phosphatic fertiliser sales volumes grew by 10 percent to 30.3 lakh tons. **The Business has registered growth across all its markets, improving its market share to 16.3 percent.** It continued its focus on building differentiation through value-added, unique product offerings and market development through integrated nutrient and agronomist teams. Single Super Phosphate (SSP) sales for the year have gone up by 9 percent to 5.7 lakh tons, with the major increase coming from differentiated (fortified and granulated) product segments. Two new products launched during the year have generated significant interest from the farming community.

Crop Protection business registered a revenue growth of 8%, driven by higher exports and domestic formulation performance. The business introduced five new products during the year, including two in-house patented combination molecules. Recently acquired Bio pesticide business has enabled access to developed markets like USA, Canada and Europe and provided presence in complementary product segments. The Bio business has performed well during the year, improving its product offerings, sourcing capabilities and extraction efficiencies.

Specialty Nutrients business continued its focused product approach. Technologically superior unique products and crop-based solutions have helped the business in driving its sales during the year. Retail Business has progressed well towards leveraging technology solutions to improve its customer connect initiatives and product delivery mechanisms. It expanded its farm mechanization offerings through the Custom Hiring and Service Centres and introduced paddy harvester. Organic business focused on promoting differentiated variants segment and strengthened its sourcing capabilities and quality assurance systems. Its captive facility at Vishakhapatnam, which converts municipal waste into City Compost, has fully stabilized.

During the year, CIL has carried out pilot trials utilizing upcoming agri technologies for offering crop diagnostics and application services. CIL has strengthened its R&D, product development and registration capabilities, and during the year introduced ten new products in nutrient and crop protection businesses. The integrated marketing

structure has been further strengthened and have improved CIL's farm-level interventions and consumer connect initiatives, promoting sustainable agricultural practices and building key brands. On the people side, CIL has been focusing its interventions in the areas of competency development, recognition and communication. During the year, the employee engagement levels have improved across the functions and relevant actions have been initiated based on the survey findings. CIL's societal commitment remains firm and its activities have received national and international recognition.

CIL's Revenue from Operations for the year grew to 13,204 crores from ₹11,109 crores last year registering a growth of 19% year on year (YoY). The Profit before Interest, Depreciation and Taxation grew to ₹1,450 crores from ₹ 1,305 crores in the previous year.

HUMAN RESOURCES

The Company believes that the people are its key assets and focuses on nurturing and developing human talent that delivers quality products, manufacturing excellence, continued growth, customer delight and business leadership. Company's HR vision of "Building Organizational Capability to deliver superior business performance", is delivered by a high level of policy deployment initiatives and contemporary HR practices focusing on four key imperatives: Capability Development, Talent Management, Employee Engagement and Productivity & Cost.

The Company enables every employee to achieve high standards of performance and take up challenging goals to their true potential by institutionalizing Competency Development Framework. The Company scales up capabilities across by creating specialist knowledge / Subject Matter Experts in Sugar, Distillery, Cogeneration & Value Added Products to enhance the internal efficiencies. A lot of interventions have been rolled out in terms of enhancing the capabilities of executives, especially the leadership team through Individual Development Plans, Leadership coach accreditation program, etc.

The Company is committed to build the 'Best Employer' brand for the organisation and most importantly, provide a happy, nurturing ecosystem for our employees. An ecosystem, that is not only empowering, but also builds capabilities to help them to meet the challenges of a fast changing, dynamic, world environment. The company believes that a motivated employee with a passion for innovation in a given environment of learning & growth would engage and succeed in all initiatives.

What began as 'Project Smile' in August, 2017, really spread its positivity with a winning culture across the Company, bringing laurels, earning accolades and creating an environment of happiness. Smiles travelled across miles, across locations, as team members applauded excellence, expressed their appreciation and registered their satisfaction through a number of 'smileys'. The 'My SMILE App', tracked the smiles, culminating in the SMILE Awards, for members who had earned the largest number of 'Smiles' within a span of 18 months, have crossed 1 million SMILES across the organisation.

The number of permanent employees on the rolls of the Company as on March 31, 2019 was 2485. Industrial relations remained cordial at all the Company's units during the year under review.

The Company has in place a policy on prevention of sexual harassment in line with the requirements of the Sexual Harassment of women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) is in place to redress complaints received regarding sexual harassment. All employees are covered under this policy. No complaints were received and disposed of during the year under review.

AWARDS & ACCOLADES

During the year, the Company received the following Awards:

- The Dream Company To Work For in Asia HR Leadership Awards 2018.
- Talent Management in Asia Pacific HRM Congress Awards 2018 by "TIMES ascent".
- ET Now's Best Corporate Social Responsibilities Practices Award during 2019.
- Two awards for innovative project for implementing condensate polishing unit & Energy efficient unit (Nellikuppam) award for conserving steam and power in 19th National Energy Management 2018, CII Hyderabad.
- Nellikuppam Unit received golden award from SISSTA for the Best Technical Efficiency
- Nellikuppam Unit received silver award from SISSTA for the best distillery in the year 2017-18
- Pudukkottai Unit received the CII National Level Energy Efficient Unit

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Ajay B Baliga was appointed as an Independent Director of the Company by the Board of Directors at their meeting held on May 9, 2018 for a period of 5 Consecutive years. The appointment of Mr. Ajaya B.Baliga was approved by the shareholders at the Annual General Meeting held on 8th August 2018.

As per the provisions of Section 152 of the Companies Act, 2013 read with the Articles of Association of the Company, Mr. Ramesh K. B. Menon, Director retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for reappointment and the requisite details in this connection is contained in the notice convening the meeting and the Corporate Governance Report.

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as

prescribed under section 149(6) of the Companies Act, 2013 and also comply with Regulations 16 & 25 of the SEBI (LODR) Regulations, 2015.

Mr. V. Suri retired as Chief Financial Officer on December 31, 2018. Mr. S. Rameshkumar was appointed as Chief Financial Officer of the Company with effect from January 01, 2019.

Ms. G. Jalaja retired as Company Secretary on December 31, 2018. Mr. Biswa Mohan Rath was appointed as Company Secretary of the Company with effect from January 01, 2019.

Mr. S. Suresh, Managing Director, Mr. S. Rameshkumar, Chief Financial Officer and Mr. Biswa Mohan Rath, Company Secretary are the Key Managerial Personnel of the Company as per Section 203 of the Companies Act, 2013.

Number of Meetings of the Board

Six Meetings of the Board of Directors were held during the year, the details of which are given in the Corporate Governance Report.

Board Evaluation

In accordance with the Companies Act, 2013 and SEBI (LODR) Regulations, the Board has carried out an evaluation of its own performance, the performance of Committees of the Board and also the directors individually. The manner in which the evaluation was carried out and the process adopted is given in the Corporate Governance Report.

Policy on Directors' Appointment and Remuneration and Other Details

The Board has on the recommendation of the Nomination and Remuneration Committee (NRC) framed a policy for selection and appointment of directors, senior management and their remuneration and also framed the criteria for determining qualifications, positive attributes and independence of directors. The Remuneration Policy was amended in line with the requirements of SEBI (LODR) (Amendment) Regulations, 2018. The Remuneration Policy and criteria for Board nominations are available on the Company's website at www.eidparry.com/Policies-Codes.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3) of the Companies Act, 2013, your Directors to the best of their knowledge, belief and according to information and explanations obtained from the management, confirm that:

- In the preparation of the annual accounts for the financial year ended March 31, 2019, the applicable accounting standards have been followed and there are no material departures from the same;
- they 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 as at March 31, 2019 and of the profit of the Company for the year ended on that date;

- they 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;
- they have prepared the annual accounts on a going concern basis;
- they have laid down proper internal financial controls to be followed by the Company and such controls are adequate and operating effectively and
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

AUDITORS AND AUDITORS' REPORT

Statutory Auditors M/s. Price Waterhouse Chartered Accountants LLP, (FRNo.012754N/N500016) Chennai were appointed as Statutory Auditors of the Company by the shareholders at the 42nd Annual General Meeting held on August 4, 2017 to hold office up to the conclusion of the 47th Annual General Meeting.

Cost Auditors

As per the requirement of the Central Government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company's cost records are subject to Cost Audit.

The Board of Directors, on the recommendation of the Audit Committee, have appointed M/s. Narasimha Murthy & Co, Cost Accountants, as the Cost Auditors to audit the cost accounting records maintained by the Company for the financial year 2019-20 on a remuneration of ₹ 8,50,000/- plus applicable tax and reimbursement of out of pocket expenses. A resolution seeking members' ratification for the remuneration payable to the Cost Auditor forms part of the notice convening the Annual General Meeting.

The cost audit report for the financial year 2017-18 was filed with the Ministry of Corporate Affairs on September 6, 2018. The cost audit report for the financial year 2018-19 would be filed with the Ministry of Corporate Affairs on or before September 30, 2019 as per the provisions of the Companies Act, 2013.

Secretarial Auditors

The Board appointed M/s. R Sridharan & Associates, Practicing Company Secretaries, Chennai as the Secretarial Auditors to undertake the Secretarial Audit of the Company for the year 2018-19. The Report of the Secretarial Auditors is provided in **Annexure-B** to this Report.

There are no qualifications, reservations or adverse remarks or disclaimers made by the Secretarial Auditors in their respective reports.

The Secretarial Auditors have not reported any incident of fraud during the year under review to the Audit Committee of the Company.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company's CSR initiatives primarily focus on improving the quality of life of the communities where it operates, through socio welfare initiatives. The various CSR initiatives undertaken by the Company during the last financial year include the following:

• Healthcare

The Company pursues a well-managed Health Care programme across its units, providing medical amenities for people living in neighbouring villages. 'Hospital on Wheels', a well-equipped mobile unit with diagnostic and medical intervention amenities makes emergency care possible for people living in remote areas. In addition, mobile medical units cater to the needs of the elderly in the cane growing villages around the Units.

In addition to the comprehensive health and medical care programmes for employees, across the different Units, medical camps were conducted offering health check-ups and free medicines for cane growers, harvesting and transport labourers.

• Education

As an important part of its CSR programmes, the Company promotes education in the neighbouring villages near its units. Besides contributing to infrastructure building and facility upgradation at schools, the Company provides educational assistance to cane growers children and participates in their developmental needs. Baby care centres, mid-day meals for Balawadi school children of labourers, training programmes for employees' children are few of the ongoing initiatives.

• Community Welfare

The Company has always played a key role in extending relief support to villagers during natural calamities and helping the Government in its disaster management initiatives. Drought relief measures were extended to farmers in TN, KN and AP, to mitigate crop loss. Community development works were also undertaken in the villages in and around the units. As part of its community welfare programmes, the Company undertook the desilting of ponds and canals, to augment the water supply to villages and schools. Tree planting across schools and neighbourhoods were conducted as part of the green environment initiatives.

The Company has constituted a CSR Committee in accordance with Section 135 of the Companies Act, 2013. The CSR Committee has formulated and recommended to the Board, a CSR Policy indicating the activities to be undertaken by the Company, which has been

approved by the Board. The CSR Policy can be accessed on the Company's website at www.eidparry.com.

As per the provisions of the Companies Act, 2013, the Company was not required to spend any amount towards CSR activities for the year 2018-19. However, the Company has been actively involved in various CSR activities and an amount of ₹ 120.40 Lakh was spent during the year. The Annual Report on CSR activities is given in **Annexure-C** to this Report.

During the year, the Company has bagged the National CSR award under the category of "Best Corporate Social Responsibility Practices" in National CSR Leadership Awards 2019.

RELATED PARTY TRANSACTIONS

All contracts / arrangements / transactions entered into by the Company during the financial year with the related parties were on arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions with Promoters, Directors, Key Managerial Personnel or other designated persons, which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained on a quarterly basis for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are placed before the Audit Committee for their review on a quarterly basis. The policy on Related Party Transactions as approved by the Board is available at the web link: www.eidparry.com/Policies-Codes.

EMPLOYEE STOCK OPTION SCHEME

The Company has introduced Employee Stock Options Scheme, 2016 during the year 2016-17 as approved by the shareholders. The details of the Options granted upto March 31, 2019 and other disclosures as required under SEBI (Share Based Employee Benefits) Regulations, 2014 is available on the Company's website at www.eidparry.com.

The Company has received a certificate from the Statutory Auditors of the Company that the above referred Scheme had been implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the resolutions passed by the Members in this regard.

CORPORATE GOVERNANCE

The report on corporate governance along with certificates from a practicing Company Secretary as required under the SEBI (LODR) Regulations is annexed to this Report. The report also contains the details required to be provided on the board evaluation, remuneration policy, implementation of risk management policy, whistle-blower policy / vigil mechanism etc.

The Managing Director and the Chief Financial Officer have submitted a certificate to the Board regarding the financial statements and other matters as required under Regulation 17(8) read with Schedule II of Part B of the SEBI (LODR) Regulations.

TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules") all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Central Government, after the completion of seven years. Further according to the Rules, the shares in respect of which dividend has not been encashed by the shareholders for seven consecutive years or more is also required to be transferred to the demat account created by the IEPF Authority. Accordingly, the Company has transferred the unclaimed and unpaid dividends as well as the corresponding shares as per the requirements of the IEPF rules, details of which are provided on our website, at www.eidparry.com/Unpaid-Unclaimed-Dividend.

During the year, the Company has transferred an amount of ₹ 23,28,852 being the unclaimed dividend for the year 2010-11 to the Investor Education and Protection Fund established by the Central Government. The Company has also transferred 73,197 shares in respect of which dividend has not been paid or claimed for seven consecutive years or more as enunciated under Section 124 (6) of the Companies Act, 2013.

DISCLOSURES

Audit Committee

The Audit Committee comprises of Mr. V. Manickam, Independent Director as the Chairman, Dr. (Ms) Rca Godbole, Independent Director, Mr.M.M.Venkatachalam, Non- Executive Non- Independent Director and Mr. Ajay B. Baliga, Independent Director as Members.

All the recommendations made by the Audit Committee were accepted by the Board of Directors

CSR Committee

The CSR Committee comprises of Mr. V. Manickam, Independent Director, as the Chairman and Mr. V .Ravichandran, Non-Executive Non Independent Director and Mr. S. Suresh, Managing Director as members.

Vigil Mechanism & Whistle Blower Policy

The Company has a Vigil Mechanism for directors and employees to report genuine concerns and grievances and provides necessary safeguards against victimisation of employees and directors.

The Audit Committee reviews on a quarterly basis the functioning of the Whistle Blower and vigil mechanism. The Vigil Mechanism and Whistle Blower Policy have been posted on the Company's website at www.eidparry.com and the details of the same are given in the Corporate Governance Report.

Business Responsibility Report (BRR)

The SEBI (LODR) Regulations mandate the inclusion of the BRR as part of the Annual Report for top 500 listed entities based on market capitalisation. In compliance with the SEBI (LODR) Regulations, the BRR forms part of this Annual Report.

Dividend Distribution Policy

Pursuant to Regulation 43A of SEBI (LODR) Regulations, the top 500 listed Companies are required to formulate a Dividend Distribution Policy. The Company's Dividend Distribution Policy as approved by the Board is available on the Company's website at www.eidparry.com/Policies-Codes.

Conservation of energy, technology absorption, foreign exchange earnings and outgo

The particulars relating to conservation of energy, technology absorption, research and development, foreign exchange earnings and outgo as required to be disclosed under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is given in **Annexure - D** to this Report.

Loans, Guarantees and Investments

There were no loans and advances in the nature of loans to associate companies as well as to firms/ companies in which Directors are interested during the financial year 2018-19.

During the financial year, the Company had given guarantees and made investments in Subsidiaries /Joint Venture within the limits as prescribed under Sections 185 and 186 of the Companies Act, 2013. Details of Guarantees and investments are given in **Annexure - E** to this Report.

Particulars of Employees and Related Disclosures

The information relating to employees and other particulars required under Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 will be provided upon request. In terms of Section 136 of the Companies Act, 201, the Report and Accounts are being sent to the Members, excluding the information on employees, particulars of which are available for inspection by the Members at the Registered Office of the Company during the business hours on all working days of the Company upto the date of the forthcoming

Annual General Meeting. If any member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in the said regard.

The disclosure with regard to remuneration as required under Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached and forms part of this Report as **Annexure - F**.

Extract of Annual Return

The extract of the Annual Return of the Company in Form MGT-9 is given in **Annexure - G** to this Report.

Compliance of Secretarial Standard

The Company has complied with the Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Central Government as required under Section 118(10) of the Companies Act, 2013.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Companies Act, 2013.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOP referred to in this Report.

The Managing Director of the Company does not receive any remuneration or commission from any of its subsidiaries.

No significant or material orders were passed by the Regulators or Courts or Tribunals, which impact the going concern status and Company's operations in future.

ACKNOWLEDGEMENT

The Board places on record, its appreciation for the cooperation and support received from investors, customers, farmers, suppliers, employees, government authorities, banks and other business associates.

On behalf of the Board

Place : Chennai
Date : May 8, 2019

V. Ravichandran
Chairman

ANNEXURE - A TO THE BOARD'S REPORT
STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES PURSUANT TO SECTION 129(3) READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014.

₹ in Lakh except Exchange rate

S.No	Name of subsidiary company	Reporting Currency	Reporting period	Exchange Rate	Share Capital	Reserves & Surplus	Total Liabilities*	Total Assets #	Total Income (incl. other income)	Profit/ (Loss) Before Tax	Provision for Tax	Profit/ (Loss) after tax	Proposed Dividend (incl. Dividend Tax)	Investments (included in Total Assets)	Percentage of shareholding
1	Coromandel International Limited	INR	31-Mar-19	-	2,925	3,40,488	7,21,345	10,64,738	13,24,022	1,08,587	37,196	71,391	12,343	32,059	60.56
2	Parry Chemicals Limited	INR	31-Mar-19	-	1,000	619	8	1,627	93	31	13	18	-	-	60.56
3	CFL Mauritius Ltd	USD	31-Dec-18	69.78	10,281	(14,030)	3,976	227	*	(27)	-	(27)	-	4,804	60.56
4	Coromandel Brasilia Ltda	BRL	31-Dec-18	17.93	471	(532)	105	44	166	12	2	10	-	-	60.56
5	Sabero Europe BV	EURO	31-May-18	78.86	19	(19)	-	-	-	-	-	-	-	-	60.56
6	Sabero Australia Pty.Ltd	AUD	31-Mar-19	50.01	41	(41)	2	2	16	7	-	7	-	1	60.56
7	Sabero Organics America SA	BRL	31-Dec-18	17.93	888	(758)	113	243	178	(48)	(2)	(46)	-	-	60.55
8	Sabero Argentina SA	ARS	31-Dec-18	1.85	18	(6)	3	15	21	21	-	21	-	-	57.53
9	Parry Infrastructure Co. Pvt Ltd	INR	31-Mar-19	-	500	1,277	1,104	2,881	208	40	6	34	-	1,226	100.00
10	Parrys Investments Limited	INR	31-Mar-19	-	180	147	24	351	16	15	4	11	-	119	100.00
11	Parry America Inc	USD	31-Mar-19	69.78	38	2,321	1,809	4,168	6,521	380	51	329	-	-	60.56
12	Parrys Sugar Limited	INR	31-Mar-19	-	150	163	7	320	21	20	6	14	-	4	100.00
13	US Nutraceuticals Inc	USD	31-Mar-19	69.21	9,264	(1,569)	4,621	12,316	14,386	52	(540)	592	-	929	100.00
14	Parry Agrochem Exports Ltd	INR	31-Mar-19	-	5	25	1	31	2	2	1	1	-	4	100.00
15	Parry Sugars Refinery India Pvt Ltd	INR	31-Mar-19	-	33,809	(28,988)	2,10,504	2,15,325	1,44,729	(8,882)	-	(8,882)	-	3,536	100.00
16	Alimtec S A	CHP	31-Mar-19	0.10	5,176	(2,952)	1,060	3,284	1,572	391	-	391	-	-	100.00
17	Parry International DMCC	AED	31-Mar-19	18.86	1,532	229	161	1,922	2,731	545	-	545	-	-	100.00
18	Coromandel Agronegocios De Mexico S.A De C.V.	MXN	31-Dec-18	3.54	29	75	-	104	226	(3)	-	(3)	-	-	60.56
19	Liberty Pesticides and Fertilisers Ltd	INR	31-Mar-19	-	75	191	14	280	17	16	4	12	-	-	60.56
20	Dare Investments Ltd	INR	31-Mar-19	-	500	159	57	716	-	(2)	-	(2)	-	715	60.56
21	Coromandel International (Nigeria) Limited	Naira	31-Dec-18	0.23	23	(2)	75	96	-	(4)	-	(4)	-	-	60.55

* (Non-current liabilities + Current liabilities)

(Non-current assets + Current Assets)

PART B: JOINT VENTURE & ASSOCIATES

Name of the Entity	Coromandel SQM (India) Pvt. Ltd.	Yanmar Coromandel Agrisolutions Pvt. Ltd.	Algavista Greentech Private Limited	Sabero Organics Phillipines Asia Inc.	LaBelle Botanics LLC
Relationship	Joint Venture	Joint Venture	Joint Venture	Associate	Associate
Latest audited balance sheet	March 31, 2019	March 31, 2019	March 31, 2019	December 31, 2018	March 31, 2019
Number of shares held	50,00,000	13,00,40,000	66,00,000	320	NA
Amount of Investment (Rs. In lakh)	500	1,300	660	*	929
% of shareholding	30.28	24.22	50.00	24.22	49.00
Networth attributable to the Company (Rs. In lakh)	1,268	468	601	(2)	639
Profit/(loss) considered in consolidation (Rs. In lakh)	71	13	(59)	*	(2)

* less than a lakh

Notes:

1. All the joint ventures/associates have been considered for consolidation.
2. In case of Sabero Organics Philippines Asia Inc., an Associate there is significant influence due to percentage of voting share capital.

For and on behalf of Board of Directors

S Suresh
Managing Director

V. Ravichandran
Chairman

Place : Chennai
May 08, 2019

Biswa Mohan Rath
Company Secretary

S. Rameshkumar
Chief Financial Officer

ANNEXURE - B TO THE BOARD'S REPORT

FORM NO. MR-3 SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

[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]

The Members

E.I.D.- PARRY (INDIA) LIMITED

"Dare House",

Parrys Corner,

Chennai – 600001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by E.I.D.-PARRY (INDIA) LIMITED [Corporate Identification Number: L24211TN1975PLC006989] (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 Company's 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 covering the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-process 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 financial year ended on 31st March, 2019 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 thereunder
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) The Company has complied with the applicable provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investment. There was no Foreign Direct Investment and External Commercial Borrowings during the year under review.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 & Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- d) The Employee Stock Option Plan, 2016 approved under the Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Employee Stock Option Scheme, 2007 approved under the Securities Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008,
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Company has not delisted its Securities from any of the Stock Exchanges in which it is listed during the period under review and hence the question of complying with the provisions of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 does not arise; and
- h) The Company has not bought back any Securities during the period under review and hence the question of complying with the provisions of the Securities and Exchange Board of India

(Buyback of Securities) Regulations, 1998 & Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 does not arise;(vi)

(vi) The Management has identified and confirmed the following Laws as being applicable to the Company –

- The Factories Act, 1948;
- Acts and Rules relating to Sugar industries including The Sugarcane (Control) Order, 1966, Sugar(Control) Order, 1966, The Sugar (Packing and Marking) Order, 1970 and The Sugar Development Fund Act, 1982;
- The Insecticides Act, 1968;
- Labour Laws and other incidental laws related to labour and employees appointed by the Company including those on contractual basis as relating to wages, gratuity, prevention of sexual harassment, dispute resolution welfare, provident fund, insurance, compensation etc;
- Industries (Development and Regulation) Act, 1951;
- Acts relating to consumer protection including The Competition Act, 2002;
- Acts and Rules relating to prevention and control of pollution;
- Acts and Rules relating to Environmental protection and energy conservation;
- Acts and Rules relating to Electricity, motor vehicles, explosives, Boilers etc;
- Acts relating to protection of IPR;
- The Information Technology Act, 2000;
- The Legal Metrology Act, 2011;
- The Food Safety & Standards Act, 2006;
- Land revenue laws and
- Other local laws as applicable to various plants and offices.

We believe that the audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion. In our opinion and to the best of our information and according to explanations given to us, we believe that the compliance management system of the Company is adequate to ensure compliance of laws as mentioned above.

With respect to the applicable financial laws such as direct and indirect tax laws, based on the information & explanations provided by the management and officers of the Company and certificates placed before the Board of Directors, we report that adequate systems are in place to monitor and ensure compliance.

We have also examined compliance with the applicable clauses / regulations of the following:

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- ii) The Uniform Listing Agreement entered with BSE Limited and National Stock Exchange of India Limited pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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 provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days 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. Notes on agenda which are circulated less than the specified period, the necessary compliances under the Companies Act, 2013 and Secretarial Standards on Board Meeting are complied with. There are certain businesses that can be transacted through Video Conferencing / Audio Visual means as provided for under the Companies Act, 2013 and the relevant Rules made there under. The Company has properly convened & recorded in compliance with Rule 3 of Companies (Meetings of Board and its Powers) Rules, 2014 businesses that have been transacted through Video Conferencing / Audio Visual means.

Based on the verification of the records and minutes, the decisions were carried out with the consent of the Board of Directors / Committee Members and no Director / Member dissented on the decisions taken at such Board / Committee Meetings. Further, in the minutes of the General Meeting including Postal Ballot, the number of votes cast against the resolutions has been recorded.

We further report that based on review of compliance mechanism established by the Company, we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws including labour laws, rules, regulations and guidelines.

We further report that the above mentioned Company being a Listed entity this report is also issued pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and circular No.CIR/CFD/CMD1/27/2019 dated 8th February, 2019 issued by Securities and Exchange Board of India.

We further report that as per the information and explanations provided by the Management, the Company has a Material Unlisted Subsidiary, viz. Parry Sugars Refinery India Private Limited, Incorporated in India as defined in Regulation 16(1)(c) and Regulation 24 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further report that during the audit period, the Company has

1. Obtained the approval of the Board of Directors at their meeting held on 1st February, 2019.

- To borrow an amount not exceeding ₹.250 Crores through term loan from banks/issuance of Non-Convertible Redeemable Debentures in one or more tranches to various prospective investors..
- Sugar Unit at Puducherry which is not in operation due to continuous non-availability of adequate sugar cane will not be operated in future as the expectation of the revival of cane cultivation in the area is abysmally low due to a variety of factors. The Company proposed to transfer assets of the unit to its other units and also dispose other assets as may be deemed appropriate.

2. Obtained the approval of the Board of Directors at their meeting held on March 22, 2019 to make an investment upto ₹ 70 Crores in the equity share capital of Parry Sugars Refinery India Private Limited, the Company's wholly owned subsidiary at a price of ₹ 19 per equity share.

Place: Chennai
Date: May 8, 2019

For R.Sridharan & Associates
Company Secretaries

CS R.Sridharan
CP No. 3239
FCS No. 4775
UIN : S2003TN063400

ANNEXURE - C TO THE BOARD'S REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES FOR THE FINANCIAL YEAR 2018-19

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes

E.I.D.- Parry (India) Limited (EID Parry) believe that social responsibility is not just a corporate obligation that has to be carried out but it is one's dharma. EID Parry has been carrying out CSR activities for a long time through AMM Foundation (AMM) while also extending CSR activities to the local communities in and around its factories located in the States of Tamil Nadu, Andhra Pradesh and Karnataka. EID Parry had identified the following broad programme areas with focus on quality service delivery and empowerment:

Providing basic health care facilities to economically backward societies across geographical areas, Improving access to education, Provision of Skill Development/ Vocational Training, Rural Development, Environmental Sustainability, Promoting Sports, Arts & Culture and Sustainable livelihood.

EID Parry's CSR Policy has been hosted on its website at www.eidparry.com.

2. The Composition of the CSR Committee

Mr. V. Manickam, Independent Director is the Chairman and Mr. V. Ravichandran, Non-Executive, Non Independent Director and Mr. S. Suresh, Managing Director are its members.

3. Average net profit/ (loss) of the company for last three financial years (excluding dividend received from subsidiary Company) ₹ (2181.67) Lakhs.
4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above) : Not Applicable
5. Details of CSR spent during the financial year:

Total amount spent for the financial year: The Company has voluntarily spent an amount of ₹ 120.40 Lakhs on CSR activities for the year.

Amount unspent, if any: Not Applicable

As per the provisions of Section 135(5) of the Companies Act, 2013, Company is not required to spend any amount on CSR activities for year 2018-19 since the average net profit made during the three immediately preceding financial years is negative.

Manner in which the amount spent during the financial year is detailed below.

CSR Project or Activity identified	Sector in which the Project / activity is covered	Projects or programmes		Amount outlay (Budget) - Project or Programmes wise (₹. In Lakh)	Amount spent on the Projects or Programmes		Cumulative expenditure upto the reporting period (₹. In Lakh)	Direct or through implementing Agency
		Local area or other	Specify the State and district where Projects or Programmes was undertaken		1. Direct expenditure on Projects and Programmes	2. Over heads (₹. In Lakh)		
Medical camps / assistance for public of nearby villages	Health Care	Local Areas of Nellikuppam	Tamilnadu Cuddalore	0.35	0.32		0.32	Direct
Medical camps for public of nearby villages	Health care	Local Areas of Pugalur	Tamilnadu Karur	0.50	0.00		0.00	Direct
Medical camps for public of nearby villages	Health care	Local Areas of Pettavaithalai	Tamilnadu Trichy	0.50	0.00		0.00	Direct

CSR Project or Activity identified	Sector in which the Project / activity is covered	Projects or programmes		Amount outlay (Budget) - Project or Programmes wise (₹. In Lakh)	Amount spent on the Projects or Programmes		Cumulative expenditure upto the reporting period (₹. In Lakh)	Direct or through implementing Agency
		Local area or other	Specify the State and district where Projects or Programmes was undertaken		1. Direct expenditure on Projects and Programmes	2. Over heads (₹. In Lakh)		
Mosquito Replent Spray in nearby villages / Primary Health Centre and Medical camps for public of nearby villages	Health care	Local Areas of Kurumbur, Pudukottai	Tamilnadu Pudukottai	0.25	0.07		0.07	Direct
General Health Camps for nearby public	Health care	Local Areas of Sivagangai Factory	Tamilnadu Sivagangai	0.25	0.00		0.00	Direct
Mobile Health Van through AMM	Health care	Local Areas of Haliyal	Karnataka Uttara Kannada	35.00	33.06		33.06	AMM
Health Camps / Pulse Polio	Health care	Local Areas of Ramdurg	Karnataka Belagavi	0.03	0.00		0.00	Direct
General Health camps	Health care	Local Areas of Bagalkot	Karnataka Bagalkot	0.25	0.07		0.07	Direct
Mobile Medical Unit / Ambulance facility	Health care	Local Areas of Sankili	Andhra Pradesh Srikakulam	23.51	23.49		23.49	Helpage India / Direct
General Medical Camp and Eye Camp for local community	Healthcare	Local Areas of Onaiyur	Tamilnadu Pudukottai	0.50	0.00		0.00	Direct

CSR Project or Activity identified	Sector in which the Project / activity is covered	Projects or programmes		Amount outlay (Budget) - Project or Programmes wise (₹. In Lakh)	Amount spent on the Projects or Programmes		Cumulative expenditure upto the reporting period (₹. In Lakh)	Direct or through implementing Agency
		Local area or other	Specify the State and district where Projects or Programmes was undertaken		1. Direct expenditure on Projects and Programmes	2. Over heads (₹. In Lakh)		
Distribution of books for school students of nearby factory	Education	Local Areas of Nellikuppam	Tamil Nadu Cuddalore	0.15	0.00		0.00	Direct
Educational Assistance	Education	Local Areas of Kurumbur, Pudukottai	Tamil Nadu Pudukottai	0.00	0.16		0.16	Direct
Educational Assistance to school children	Education	Local Areas of Sivagangai	Tamil Nadu Sivagangai	0.50	0.25		0.25	Direct
Financial support to Balwadi School and Education expenses reimbursement for children / Donation to Chatrapathi Shivaji Educational society	Education	Local Areas of Haliyal	Karnataka Uttara Kannada	14.50	13.67		13.67	Direct
Distribution of study materials / Scholarship	Education	Local Areas of Ramdurg	Karnataka Belagavi	0.85	0.97		0.97	Direct
Contribution to training program for nearby school children and providing books for school children / Sponserhip	Education	Local Areas of Bagalkot	Karnataka Bagalkot	0.10	0.10		0.10	Direct
School Fees: Reimbursement of DAV School, Palakonda Fees for children of sugar cane growers	Education	Local Areas of Sankili	Andhra Pradesh Srikakulam	12.00	9.68		9.68	Direct
Contribution for education programs for students in local schools	Education	Local Areas of Oonaiyur	Tamil Nadu Pudukottai	0.50	0.00		0.00	Direct

CSR Project or Activity identified	Sector in which the Project / activity is covered	Projects or programmes		Amount outlay (Budget) - Project or Programmes wise (₹. In Lakh)	Amount spent on the Projects or Programmes		Cumulative expenditure upto the reporting period (₹. In Lakh)	Direct or through implementing Agency
		Local area or other	Specify the State and district where Projects or Programmes was undertaken		1. Direct expenditure on Projects and Programmes	2. Over heads (₹. In Lakh)		
Providing furniture and supply of painting materials to nearby schools and supply of materials support to Municipal Corporation, Nellikuppam for construction of public toilets / street light in nearby villages	Infrastructure Development	Local Areas of Nellikuppam	Tamil Nadu Cuddalore	0.50	0.14		0.14	Direct
Support for providing basic amenities to public of nearby factory	Infrastructure Development	Local Areas of Pettavaithalai	Tamil Nadu Trichy	1.50	0.00		0.00	Direct
Nearby school building renovation/ Nearby school toilet renovation / Contribution for construction of scan centre at Sathrasankottai/ Contribution to blood donation / building construction/ Renovation of public tanks as required by district authority/ Contribution to renovation of factory road along with local panchayat / other related areas	Infrastructure Development	Local Areas of Sivagangai Factory	Tamil Nadu Sivagangai	16.00	10.00		10.00	Direct
Supply of building materials for nearby schools	Infrastructure Development	Local Areas of Ramdurg	Karnataka Belagavi	0.025	0.00		0.00	-

CSR Project or Activity identified	Sector in which the Project / activity is covered	Projects or programmes		Amount outlay (Budget) - Project or Programmes wise (₹. In Lakh)	Amount spent on the Projects or Programmes		Cumulative expenditure upto the reporting period (₹. In Lakh)	Direct or through implementing Agency
		Local area or other	Specify the State and district where Projects or Programmes was undertaken		1. Direct expenditure on Projects and Programmes	2. Over heads (₹. In Lakh)		
Donation for local sports like chalukya mela and Ranna Utsav / related areas	Infrastructure Development	Local Areas of Bagalkot	Karnataka Bagalkot	0.25	0.00		0.00	Direct
Providing LED Street Lights 10 Nos to Sankili village / providing study table for Children at Government School Sankili / Donation of RO drinking water to Orphanage School	Infrastructure Development	Local Areas of Sankili	Andhra Pradesh Srikakulam	2.00	0.00		0.00	Direct
Providing computer to local schools / Contribution to Infrastructure development such as furnitures, study materials, water purification systems etc. in local schools. Laying of road under joint investment scheme of Government to benefit local community	Infrastructure Development	Local Areas of Oonaiyur	Tamil Nadu Pudukottai	12.50	0.00		0.00	Direct
Ponds / Canal de-silting activities	Sustainable Livelihood	Local Areas of Nellikuppam	Tamil Nadu Cuddalore	9.00	8.94		8.94	Direct / District Collectorate

CSR Project or Activity identified	Sector in which the Project / activity is covered	Projects or programmes		Amount outlay (Budget) - Project or Programmes wise (₹. In Lakh)	Amount spent on the Projects or Programmes		Cumulative expenditure upto the reporting period (₹. In Lakh)	Direct or through implementing Agency
		Local area or other	Specify the State and district where Projects or Programmes was undertaken		1. Direct expenditure on Projects and Programmes	2. Over heads (₹. In Lakh)		
Contribution for New Pond Formation / Renovation of old ponds in cane command area / Cycle shed	Sustainable Livelihood	Local Areas of Pugalur	Tamil Nadu Karur	16.50	1.02		1.02	Direct
Drinking water supply for public of near by villages / Gaja relief / Kerala Flood relief	Sustainable Livelihood	Local Areas of Kurumbur, Pudukottai	Tamil Nadu Pudukottai	8.75	14.45		14.45	Direct
Ponds de-silting activities in cane command area	Sustainable Livelihood	Local Areas of Haliyal	Karnataka Uttara Kannada	5.00	0.00		0.00	Direct
Planting Trees/ other sustainable activities	Sustainable Livelihood	Local Areas of Ramdurg	Karnataka Belagavi	0.10	0.00		0.00	Direct
Drinking Water: Providing drinking water facility to nearby villages	Sustainable Livelihood	Local Areas of Sankili	Andhra Pradesh Srikakulam	1.60	0.00		0.00	Direct
Bharat Ke Veer Fund - measures for the benefit of armed forces veterans, war widows and their dependents;	Financial assistance to the war widows and their dependents	N.A	N.A	0.00	4.00		4.00	Direct
Total				163.46	120.40		120.40	

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board's report - Not applicable.
7. The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Chennai
May 8, 2019

S. Suresh
Managing Director

V. Manickam
Chairman, CSR Committee

ANNEXURE - D TO THE BOARD'S REPORT

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014

A. CONSERVATION OF ENERGY

Energy Conservation Initiatives:

The Company's focus on energy and resource conservation has made its Co-gen and the sugar factories the best in its class with respect to efficiency and environment friendly operations.

The thrust on energy conservation has earned the Company various awards and recognitions, few of which are listed below:

- Energy Efficient Unit Award (Nellikuppam) for conserving steam and power in 19th National Energy Management 2018, CII Hyderabad.
- Pudukkottai received the CII National level Energy Efficient Unit Award

Thermal Energy Conservation:

- Lotus rollers in cane juice extraction mills reducing moisture % in bagasse and usage of B heavy Molasses for Ethanol reduced the steam consumption and helped in thermal energy conservation.

Electrical Energy Conservation:

- As the Market rates for electrical energy have dropped over the last year, Company has managed the Cogen plants to run for meeting heat requirement and saved on electrical energy excess generation and internal consumption.

B. TECHNOLOGY ABSORPTION

The details are as under:

- (1) The efforts made towards technology absorption and benefits derived:

In its continued effort towards sustainable water utilisation, the Company has embarked on a Zero Liquid Discharge project at Nellikuppam sugar factory. The condensate polishing system had enabled recycling of 15 Crore Litres of water. Based on the outcome, the Company is embarking to install similar units in Sankili and Bagalkot.

- (2) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

The Company procured continuous ION Exchange System Technology along with control valve from Puritech, Belgium and ION Exchange Resins from Lanxess ION Exchange Resins, Germany, through their collaborator M/s Chemical Systems, Delhi. This technology uses less quantity of resin and generates lesser liquid effluent compared to prevailing technology of batch IEX resin process.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

	₹ in Lakh	
	2018 – 19	2017 – 18
Foreign exchange earned	17,570	14,228
Foreign exchange outgo :		
(i) Towards expenditure	1,730	41,795
(ii) Towards dividend	11.13	-

ANNEXURE - E TO THE BOARDS REPORT

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

DETAILS OF LOAN GIVEN

		₹ in Lakh
Name of the entity	Alimtec S.A	
Loans outstanding as on April 1, 2018	48	
Loan given during the year	-	
Foreign exchange difference during the year	3	
Converted into Equity Shares during the year	-	
Converted into Preference Shares	-	
Loans outstanding as on March 31, 2019	51	
Purpose for the loan given	Expansion & working capital requirement	

DETAILS OF GUARANTEES PROVIDED

Name of the entity	Particulars	Amount (₹ In Lakh)	Purpose
Parry Sugars Refinery India Private Limited	Long Term guarantee given to Debenture Trustee - IDBI Trusteeship Services Limited	25,840	Issue of Debentures for repaying the high cost loans availed by Parry Sugars Refinery India Private Limited
Alimtec S.A.	Standby Letter of Credit (USD 1.4 Million) to BANCO DE CHILE	968	Capital expenditure and Working Capital requirement.
US Nutraceuticals LLC.	Standby Letter of Credit / USD 2.0 Million to Wells Fargo Bank N.A, USA	2,767	Working Capital Requirement

DETAILS OF INVESTMENTS

The details of investments made by the Company have been given in Note no. 5 & 6 of the Annual Accounts.

ANNEXURE - F TO THE BOARD'S REPORT

PARTICULARS OF EMPLOYEES

Disclosure of Remuneration Under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The details of remuneration during the financial year, 2018-19 as per Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, as amended, are as follows:

1. The ratio of Remuneration of each Director to the median remuneration of the employees of the Company for the financial year:2018-19:

Name of Director	Designation	Ratio #
Mr. Ravichandran V	Chairman	1.31
Mr. Suresh S	Managing Director	57.67
Mr. Ajay B Baliga	Director	0.66
Mr. Manickam V	Director	1.50
Mr. Ramesh K B Menon	Director	0.97
Mr. Ranganathan C K	Director	0.44
Dr. (Ms) Rca Godbole	Director	1.22
Mr. Venkatachalam M M	Director	1.10

Note: Remuneration including sitting fees

- Number of times the median remuneration

(2). The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year:2018-19:

Name of Director	Designation	% increase in remuneration
Mr. Ravichandran V	Chairman	(68.49)
Mr. Suresh S	Managing Director	16.23
Mr. Ajay B Baliga	Director	NA @
Mr. Manickam V	Director	(64.41)
Mr. Ramesh K B Menon	Director	(37.94)
Mr. Ranganathan C K	Director	(72.68)
Dr. (Ms) Rca Godbole	Director	(71.81)
Mr. Venkatachalam M M	Director	82.50 *
Mr. S. Rameshkumar	Chief Financial Officer	NA #
Mr. Biswa Mohan Rath	Company Secretary	NA #

* Appointed on February 7, 2018

@ Appointed on May 9, 2018, hence not comparable

Ms.G. Jalaja ceased to be Company Secretary effective closing hours of December 31, 2018

Mr. V. Suri ceased to be Chief Financial Officer effective closing hours of December 31, 2018

Appointed on January 1, 2019, hence not comparable

The remuneration to the Non-Executive Directors comprises of sitting fees paid for attending the Board / Committee meeting. There was no increase in sitting fees during the year. The actual payment of sitting fee is based on the number of meetings attended by the Director.

During the year, the Company has not paid any commission to the Non-Executive Directors due to inadequate profit as per the provisions of Section 197 read with Section 198 of the Companies Act, 2013.

3. The percentage increase in the median remuneration of employees in the financial year: 4.17%
4. The number of permanent employees on the rolls of Company : 2485
5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and comparison with the percentile increase in the managerial remuneration and justification thereof. Whether there are any exceptional circumstances for increase in the managerial remuneration.

Parameters	
Average % increase in the salaries of employees other than managerial personnel viz., Managing Directors in the financial year, 2018-19	10.18%
Average % increase in the managerial remuneration in the financial year, 2018-19 viz., Managing Director's remuneration	16.23%
Remarks	The Managing Directors' remuneration comprises of fixed and variable component. The annual increment in salary for the financial year, 2018-19 is determined by the Nomination & Remuneration Committee on the basis of Company financials, level of responsibility, experience and scales prevailing in the industry.

6. Affirmation:

The Company affirms that the remuneration paid to the employees during the financial year 2018-19 is as per the Remuneration Policy of the Company.

On behalf of the Board

Place : Chennai
Date : May 8, 2019

V. Ravichandran
Chairman

ANNEXURE - G TO THE BOARD'S REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2019

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS :

1	CIN	L24211TN1975PLC006989
2	Registration Date	22.09.1975
3	Name of the Company	E.I.D.- Parry (India) Limited
4	Category / Sub-Category of the Company	Public Company Limited by shares
5	Address of the Registered office and contact details	'Dare House', Parrys Corner, Chennai - 600 001. Tel : +91 44 2530 6789 Fax: +91 44 25341609 E-mail: investor services@parry.murugappa.com Website: www.eidparry.com
6	Whether listed company	Yes
7	Name, Address and Contact details of Registrar and Transfer Agents, if any	Karvy Fintech Private Limited Karvy Selenium Tower B, Plot number 31 & 32, Gachibowli, Financial District Hyderabad – 500 032 Tel : 040 6716 2222 Fax : 040 2342 0814 E-Mail : einward.ris@karvy.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

Business activities contributing 10 % or more of the total turnover of the company :

Sl. No.	Name and Description of main products / service	NIC Code of the Product / Service	% to total turnover of the company
1	Sugar	10721	76
2	Alcohol	1101	17

III. PARTICULARS OF HOLDING, SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES :

Sl. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate / Joint Venture	% of shares held	Applicable Section
1	Coromandel International Limited, Coromandel House, Sardar Patel Road, Secunderabad - 500 003	L24120TG1961PLC000892	Subsidiary	60.56	2 (87)
2	Liberty Pesticides & Fertilizers Limited, Coromandel House, 1-2-10, Sardar Patel Road, Secunderabad - 500 003	U24124RJ1978PLC001807	Subsidiary	60.56	2 (87)
3	Parry Chemicals Limited, Coromandel House, 1-2-10, Sardar Patel Road, Secunderabad - 500 003	U74999MH1995PLC088809	Subsidiary	60.56	2 (87)

Sl. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate / Joint Venture	% of shares held	Applicable Section
4	CFL Mauritius Limited IFS Court, Bank Street, Twenty Eight Cybercity, Ebene 72201, Republic of Mauritius	081272C1/GBL	Subsidiary	60.56	2 (87)
5	Sabero Europe BV Markerwaardweg 8, 1606 AS, Venhuizen, Post Bus 23, 1606 zg, Venhuizen	–	Subsidiary	60.56	2 (87)
6	Sabero Australia Pty Ltd Level 6, 110-116 Sussex Street, Sydney, NSW - 2000	–	Subsidiary	60.56	2 (87)
7	Sabero Organics America S.A. Avenida Raja Gabaglia 1492/605, Gutierrez, Belo Horizont, MG, CEP 30441-194	04-016-649/0001-51	Subsidiary	60.55	2 (87)
8	Sabero Argentina SA Marcelo T, DeAlevar 1430, Argentina	–	Subsidiary	57.53	2 (87)
9	Coromandel Agronegocios de Mexico SA de CV (earlier Sabero Organics Mexico S.A. de C.V.) Campos Eliseos 219,2, Palmas Polanco, Miguel Hidalgo, Didrito Federal-11560	–	Subsidiary	60.56	2 (87)
10	Coromandel Brasil Ltda Rua Jorge Caixe, 132, Sala 01, Jd Nomura Cotia Sao Paulo, Brazil	10.599.435/0001-58	Subsidiary	60.56	2 (87)
11	Coromandel SQM (India) Private Limited Coromandel House, 1-2-10, Sardar Patel Road Secunderabad - 500 003	U24100TG2009PTC065404	Joint Venture	30.28	2 (6)
12	Dare Investments Limited Coromandel House, 1-2-10 Sardar Patel Road, Secunderabad - 500 003	U65110TG2012PLC080296	Subsidiary	60.56	2 (87)
13	Yanmar Coromandel Agrisolutions Private Limited Coromandel House, 1-2-10, Sardar Patel Road Secunderabad 500 003	U29253TG2014PTC094854	Joint Venture	24.22	2 (6)
14	Sabero Organics Philippines Asia Inc. 2005B 20th Floor West Tower, Philippine Stock Exchange, Exchange Road, Ortigas Center, Pasig City 1605	–	Associate	24.22	2 (6)
15	Coromandel International (Nigeria) Limited KPMG Tower, Bishop Aboyade Cole Street, Victoria Island, Lagos - 100 272, Nigeria, Ortigas Center, Pasig City 1605	-	Subsidiary	60.55	2(87)

Sl. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate / Joint Venture	% of shares held	Applicable Section
16	Parry America Inc., 1521 N Cooper St. Ste 350 Arlington TX 76011, USA	–	Subsidiary	60.56	2 (87)
17	Parry Sugars Refinery India Private Limited 'Dare House', Parrys Corner, Chennai - 600 001	U15421TN2006PTC058579	Subsidiary	100	2 (87)
18	Alimtec S.A. Almirante Latorre, 617, Santiago, De, Chile	–	Subsidiary	100	2 (87)
19	US Nutraceuticals LLC., (Valensa International) 2751 Nutra Lane, Eustis, FL 32726	–	Subsidiary	100	2 (87)
20	Parry Infrastructure Company Private Limited 'Dare House', Parrys Corner, Chennai - 600 001	U45203TN2006PTC058518	Subsidiary	100	2 (87)
21	Parry Agrochem Exports Limited 'Dare House', Parrys Corner, Chennai - 600 001	U24131TN1996PLC035030	Subsidiary	100	2 (87)
22	Parrys Sugar Limited 'Dare House', Parrys Corner, Chennai - 600 001	U15421TN2005PLC058106	Subsidiary	100	2 (87)
23	Parrys Investments Limited 'Dare House', Parrys Corner, Chennai - 600 001	U65993TN1983PLC009910	Subsidiary	100	2 (87)
24	La Bella Botanics LLC 604, 1st Ave NE, PO. Box:226, Jasper, FL-32052	–	Associate	49	2 (6)
25	Algavista Greentech Private Limited 'Dare House', No. 2 (Old No. 234) N.S.C. Bose Road, Chennai - 600001	U01117TN2018PTC121215	Joint Venture	50	2 (6)
26	Parry International DMCC Unit No: AG--PF-04 AG Tower, Plot No: JLT-PH1-I1A. Jumeirah Lakes Tower, Dubai, United Arab Emirates	DMCC101800	Subsidiary	100	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Shareholding :

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
(1) Indian									
a) Individual / HUF	4189050	-	4189050	2.36	3560275	-	3560275	2.01	(0.35)
b) Central Government									
c) State Government (s)									
d) Bodies Corp.	72089444	-	72089444	40.73	72089444	-	72089444	40.73	0.00

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
e) Banks / FI									
f) Any Other - Trust	-	-	-	-	-	-	-	-	-
Sub-total (A1)	76278494	-	76278494	43.09	75649719	-	75649719	42.74	(0.35)
AA. Promoter Group	-	-	-	-	-	-	-	-	-
a) Individual / HUF	2888446	-	2888446	1.63	1989936	-	1989936	1.12	(0.51)
b) Central Government									
c) State Government (s)									
d) Bodies Corp.	452210	-	452210	0.26	199920	-	199920	0.11	(0.15)
e) Banks / FI									
f) Any Other - Trust	-	-	-	-	1397975	-	1397975	0.79	0.79
Partnership Firm	-	-	-	-	170500	-	170500	0.10	0.10
Sub-total (AA)	3340656	-	3340656	1.89	3758331	-	3758331	2.12	0.23
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	12100	-	12100	0.01	0.01
b) Other - Individuals					-	-	-	-	-
c) Bodies Corp.					-	-	-	-	-
d) Banks / FI					-	-	-	-	-
e) Any Other....					-	-	-	-	-
Sub-total (A2)	-	-	-	-	12100	-	12100	0.01	0.01
Total Promoters & Promoter Group	79619150	-	79619150	44.98	79420150	-	79420150	44.87	(0.11)
(A)=(A1)+{AA)+{A2)									
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds /UTI	1301910	-	1301910	0.74	1607199	-	1607199	0.91	0.17
b) Banks/ Financial Institutions	180072	25156	205228	0.12	344219	25156	369375	0.21	0.09
c) Central Government		-	-	-				-	-
d) State Government(s)		-	-	-				-	-
e) Venture Capital Funds		-	-	-				-	-
f) Insurance Companies	7177857	-	7177857	4.06	5368297	-	5368297	3.03	(1.03)
g) Foreign Institutional Investors		-	-	-				-	-
h) Foreign Venture Capital Investors		-	-	-				-	-
i) Foreign Portfolio Investors	17667451	-	17667451	9.98	11298999	-	11298999	6.38	(3.60)
j) Qualified Foreign Investor		-	-	-				-	-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
k) Alternate Investment Funds	-	-	-	-	-	-	-	-	-
l) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-Total B(1) :	26327290	25156	26352446	14.90	18618714	25156	18643870	10.53	(4.37)
2. NON-INSTITUTIONS									
a) Bodies Corporate									
i) Indian	14247399	57335	14304734	8.08	16018983	57265	16076248	9.08	1.00
ii) Overseas									
b) Individuals									
(i) Individual shareholders holding nominal share capital upto ₹ 2 Lakh	24306008	2179986	26485994	14.96	26871374	1832338	28703712	16.22	1.26
(ii) Individual shareholders holding nominal share capital in excess of ₹.2 Lakh	25651692	-	25651692	14.49	28931951	-	28931951	16.35	1.86
c) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
d) NBFCs Registered with RBI	72539	-	72539	0.04	77138	-	77138	0.04	0.00
e) Others (specify)									
i) Trusts	138340		138340	0.08	134740	-	134740	0.08	0.00
ii) Non Resident Indians	1518703	190267	1708970	0.97	1713399	187139	1900538	1.08	0.11
iii) Non Resident Indian Non Repatriable	1554990	-	1554990	0.88	1982643	-	1982643	1.12	0.24
iv) Foreign Nationals	560	216680	217240	0.12	560	216680	217240	0.12	0.00
v) Clearing Members	86982	-	86982	0.05	69112	-	69112	0.04	(0.01)
vi) Alternate Investment Fund	35932	-	35932	0.02	-	-	-	-	(0.02)
vii) Investor Education and Protection Fund (IEPF) Authority*	689002	-	689002	0.39	762199	-	762199	0.43	0.04
viii) Overseas Corporate Bodies	-	5040	5040	-	-	5040	5040	-	0.00
Sub-Total B(2) :	68302147	2649308	70951455	40.08	76562099	2298462	78860561	44.56	4.48
Total Public Shareholding (B) = (B) (1)+(B(2))	94629437	2674464	97303901	54.98	95180813	2323618	97504431	55.09	0.11
Total (A)+(B)	174248587	2674464	176923051	99.96	174600963	2323618	176924581	99.96	0.00
c) Shares held by Custodians for GDRs and ADRs	70400	1530	71930	0.04	70400	-	70400	0.04	0.00
GRAND TOTAL (A+B+C) :	174318987	2675994	176994981	100.00	174671363	2323618	176994981	100.00	0.00

* Voting rights on the shares shall remain frozen till the rightful owner claims the shares.

(ii) Shareholding of Promoters

Sl. No.	Name of the Promoters	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share-holding 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	Ambadi Investments Private Limited	68058444	38.45	-	68058444	38.45	-	0.00
2	Ambadi Enterprises Ltd	4030000	2.28	-	4030000	2.28	-	0.00
3	S Vellayan	620810	0.35	-	620810	0.35	-	0.00
4	Arun Alagappan	408820	0.23	0.01	408820	0.23	0.01	0.00
5	Arun Venkatachalam	348540	0.20	-	348540	0.20	-	0.00
6	A Vellayan	344540	0.19	0.01	344540	0.19	-	0.00
7	M V Murugappan	17010	0.01	-	17010	0.01	-	0.00
8	A Venkatachalam	320220	0.18	0.01	320220	0.18	0.01	0.00
9	M A M Arunachalam	316000	0.18	0.01	316000	0.18	0.01	0.00
10	M V Subbiah	334670	0.19	-	334670	0.19	-	0.00
11	V Narayanan	235610	0.13	-	235610	0.13	-	0.00
12	V Arunachalam	220320	0.12	-	220320	0.12	-	0.00
13	M M Venkatachalam	389500	0.22	-	123865	0.07	-	(0.14)
14	M M Murugappan	377170	0.22	-	27670	0.02	-	(0.20)
15	M M Murugappan	20000	0.01	-	20000	0.01	-	0.00
16	M.A.Alagappan	210000	0.12	0.01	210000	0.12	0.01	0.00
17	M.A.Alagappan	13640	0.01	-	-	0.00	-	(0.01)
18	M V Subbiah	6000	0.00	-	6000	0.00	-	0.00
19	Carborundum Universal Limited	1000	0.00	-	1000	0.00	-	0.00
20	M V Murugappan HUF	6200	0.00	-	6200	0.00	-	0.00
Total		76278494	43.09	0.05	75649719	42.74	0.04	(0.35)

Note : The above table does not include the holdings of promoter group aggregating to 3770431 equity shares (2.13%) as at March 31, 2019.

(iii) Change in Promoters' Shareholding

Sl. No.	Name of the Promoters					No. of Shares	% of total Shares of the company
1	At the beginning of the year					76278494	43.09
2	Date wise Increase / Decrease in Promoter's shareholding during the year specifying the reasons for increase / decrease :						
Date of Purchase / Sale	Name of the Promoter	No. of Shares held at the beginning of the year	% of total shares of the Company	No. of shares acquired / sold	Transfer	Cumulative Share holding during the year	
						No. of Shares	% of total Shares of the company
31-03-2018	M M VENKATACHALAM	389500	0.22			389500	0.22
31-12-2018				(132818)	Disposed by way of settlement	256682	0.15
25-03-2019				(132817)	Disposed by way of settlement	123865	0.07
31-03-2019						123865	0.07
31-03-2018	M M MURUGAPPAN	377170	0.21			377170	0.21
31-12-2018				(199500)	Disposed by way of settlement	177670	0.10
26-03-2019				(150000)	Disposed by way of settlement	27670	0.02
31-03-2019						27670	0.02
31-03-2018	M.A.ALAGAPPAN	13640	0.01			13640	0.01
31-12-2018				(13640)	Shares were held in the capacity of Partner in the firm, Kadamane Estates Company hence shown under Promoter Group.	-	0.00
31-03-2019						-	0.00
3	At the end of the Year					75649719	42.74

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)*

Sl. No.	Name of the Share Holder	Shareholding at the beginning of the Year		Date	Increase/ Decrease in Share holding	Reason	Cumulative Shareholding during the Year	
		No. of Shares	% of total shares of the Company				No of Shares	% of total shares of the company
1	GOVERNMENT PENSION FUND GLOBAL	5918725	3.34	31/03/2018			5918725	3.34
				22/06/2018	(9731)	Transfer	5908994	3.34
				29/06/2018	(32104)	Transfer	5876890	3.32
				06/07/2018	(20210)	Transfer	5856680	3.31
				13/07/2018	(1854726)	Transfer	4001954	2.26

Sl. No.	Name of the Share Holder	Shareholding at the beginning of the Year		Date	Increase/ Decrease in Share holding	Reason	Cumulative Shareholding during the Year	
		No. of Shares	% of total shares of the Company				No of Shares	% of total shares of the company
				20/07/2018	(419301)	Transfer	3582653	2.02
				27/07/2018	(800000)	Transfer	2782653	1.57
				14/09/2018	(24612)	Transfer	2758041	1.56
				21/09/2018	(1196391)	Transfer	1561650	0.88
				28/09/2018	(141956)	Transfer	1419694	0.80
				05/10/2018	(48727)	Transfer	1370967	0.77
				12/10/2018	(70967)	Transfer	1300000	0.73
				31/03/2019			1300000	0.73
2	LIFE INSURANCE CORPORATION OF INDIA	4927377	2.78	31/03/2018			4927377	2.78
				15/02/2019	(95397)	Transfer	4831980	2.73
				22/02/2019	(170085)	Transfer	4661895	2.63
				01/03/2019	(254120)	Transfer	4407775	2.49
				08/03/2019	(980398)	Transfer	3427377	1.94
				31/03/2019			3427377	1.94
3	GOVINDLAL M PARIKH	3565680	2.01	31/03/2018			3565680	2.01
				16/11/2018	(32244)	Transfer	3533436	2.00
				31/03/2019			3533436	2.00
4	HITESH SATISHCHANDRA DOSHI	2672537	1.51	31/03/2018			2672537	1.51
				13/04/2018	72536	Transfer	2745073	1.55
				27/04/2018	150000	Transfer	2895073	1.64
				06/07/2018	(8624)	Transfer	2886449	1.63
				10/08/2018	3136	Transfer	2889585	1.63
				17/08/2018	11301	Transfer	2900886	1.64
				31/08/2018	31037	Transfer	2931923	1.66
				07/09/2018	66036	Transfer	2997959	1.69
				21/09/2018	7078	Transfer	3005037	1.70
				28/09/2018	30000	Transfer	3035037	1.71
				12/10/2018	375000	Transfer	3410037	1.93
				12/10/2018	(375000)	Transfer	3035037	1.71
				09/11/2018	12434	Transfer	3047471	1.72
				21/12/2018	100000	Transfer	3147471	1.78
				01/03/2019	145000	Transfer	3292471	1.86
				31/03/2019			3292471	1.86
5	NEMISH S SHAH	2079531	1.17	31/03/2018			2079531	1.17
				31/03/2019			2079531	1.17
6	SATTVA ORGANISERS LLP	1880000	1.06	31/03/2018			1880000	1.06
				18/05/2018	111400	Transfer	1991400	1.13
				08/06/2018	108500	Transfer	2099900	1.19

Sl. No.	Name of the Share Holder	Shareholding at the beginning of the Year		Date	Increase/ Decrease in Share holding	Reason	Cumulative Shareholding during the Year	
		No. of Shares	% of total shares of the Company				No of Shares	% of total shares of the company
				06/07/2018	1708500	Transfer	3808400	2.15
				06/07/2018	(1708500)	Transfer	2099900	1.19
				26/10/2018	42956	Transfer	2142856	1.21
				25/01/2019	696000	Transfer	2838856	1.60
				01/02/2019	39564	Transfer	2878420	1.63
				08/02/2019	11817	Transfer	2890237	1.63
				15/02/2019	67348	Transfer	2957585	1.67
				22/02/2019	100000	Transfer	3057585	1.73
				01/03/2019	85271	Transfer	3142856	1.78
				08/03/2019	57144	Transfer	3200000	1.81
				31/03/2019			3200000	1.81
7	GHI LTP LTD	1859896	1.05	31/03/2018			1859896	1.05
				25/01/2019	(1859896)	Transfer	0	0.00
				31/03/2019			0	0.00
8	GOTHIC CORPORATION	0	0.00	31/03/2018			0	0.00
				01/02/2019	1859896	Transfer	1859896	1.05
				31/03/2019			1859896	1.05
9	KETAN SHANTILAL SHAH	1747750	0.99	31/03/2018			1747750	0.99
				25/01/2019	533000	Transfer	2280750	1.29
				30/03/2019			2280750	1.29
10	GENERAL INSURANCE CORPORATION OF INDIA	1500500	0.85	31/03/2018			1500500	0.85
				10/08/2018	(100000)	Transfer	1400500	0.79
				08/03/2019	(200000)	Transfer	1200500	0.68
				31/03/2019			1200500	0.68
11	ZAFAR AHMADULLAH	800000	0.45	31/03/2018			800000	0.45
				06/07/2018	2407	Transfer	802407	0.45
				13/07/2018	500000	Transfer	1302407	0.74
				31/08/2018	10	Transfer	1302417	0.74
				26/10/2018	73858	Transfer	1376275	0.78
				02/11/2018	50440	Transfer	1426715	0.81
				31/03/2019			1426715	0.81
12	VINOD M SHAH	1392000	0.79	31/03/2018			1392000	0.79
				04/05/2018	76214	Transfer	1468214	0.83
				18/05/2018	75786	Transfer	1544000	0.87
				21/09/2018	502886	Transfer	2046886	1.16
				31/03/2019			2046886	1.16

Sl. No.	Name of the Share Holder	Shareholding at the beginning of the Year		Date	Increase/ Decrease in Share holding	Reason	Cumulative Shareholding during the Year	
		No. of Shares	% of total shares of the Company				No of Shares	% of total shares of the company
13	LOGUS REALTY PRIVATE LIMITED	1144500	0.65	31/03/2018			1144500	0.65
				15/06/2018	54000	Transfer	1198500	0.68
				29/06/2018	11000	Transfer	1209500	0.68
				13/07/2018	100000	Transfer	1309500	0.74
				14/12/2018	600000	Transfer	1909500	1.08
				18/01/2019	(533000)	Transfer	1376500	0.78
				08/03/2019	50000	Transfer	1426500	0.81
				31/03/2019			1426500	0.81

* Based on PAN wise

(v) Shareholding of Directors and Key Managerial Personnel:

For each of the Directors and KMP	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
M M Venkatachalam				
At the beginning of the year	3,89,500	0.22	3,89,500	0.22
Purchase/ Sale during the year	(2,65,635)	(0.15)	1,23,865	0.07
At the end of the year	1,23,865	0.07	1,23,865	0.07
Biswa Mohan Rath				
At the beginning of the year	1	0.00	1	0.00
Purchase / Sale during the year	-	-	-	0.00
At the end of the year	1	0.00	1	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding /accrued but not due for payment.

Particulars	Secured Loans excluding deposit	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	513	490	15	1,018
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	23	35	-	58
Total (i+ii+iii)	536	525	15	1,076
Change in Indebtedness during the financial year				
• Addition	586	50	-	636
• Deletion	277	501	15	793
Net Change	309	(451)	(15)	(150)
Indebtedness at the end of the financial year				
i) Principal Amount	782	50	-	832
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	36	31	-	67
Total (i+ii+iii)	818	81	-	899

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and / or Manager**

(₹ in lakh)

Sl. No.	Particulars of Remuneration	Mr. S. Suresh, Managing Director
	Gross salary :	
1.	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	151.33
	(b) Value of perquisites under section 17(2) Income-tax Act, 1961	0.53
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission	
	- as % of profit	-
	- Others	-
5.	Others	-
	Total	151.86
	Ceiling as per the Companies Act @ 5% of the Net Profit**	Nil

During the year, the Company has inadequate profit as per the provisions of Section 197 of the Companies Act, 2013 and computed in the manner referred to in Section 198 of the Companies Act, 2013. Remuneration of the Managing Director is subject to the compliance of the provisions of Part II, Section II of Schedule V of the Companies Act, 2013.

B. Remuneration to other directors

(₹ in lakh)

Sl. No.	Particulars of Remuneration	Fee for attending Board/ Committee Meetings	Commission	Others	Total Amount
1. Independent Directors					
	Mr. Ajay B Baliga	1.75	-	-	1.75
	Mr. V. Manickam	3.95	-	-	3.95
	Dr. (Ms)Rca Godbole	3.20	-	-	3.20
	Mr. C K Ranganathan	1.15	-	-	1.15
	Total (1)	10.05	-	-	10.05
2. Other Non-Executive Directors					
	Mr. V. Ravichandran	3.45	-	-	3.45
	Mr. M M Venkatachalam	2.90	-	-	2.90
	Mr. Ramesh K B Menon	2.55	-	-	2.55
	Total (2)	8.90	-	-	8.90
	Total Managerial Remuneration Total (B=1+2)	18.95	-	-	18.95
	Ceiling as per the Companies Act @ 1% of the Net Profit**		Nil		

** During the year, the Company has inadequate profit as per the provisions of Section 197 of the Companies Act, 2013 and computed in the manner referred to in Section 198 of the Companies Act, 2013.

C. Remuneration to Key Managerial Personnel other than Managing Director.

(₹ in lakh)

Sl. No.	Particulars of Remuneration	Company Secretary		Chief Financial Officer		Total
		Ms.G.Jalaja*	Mr.Biswa Mohan Rath#	Mr.V.Suri **	Mr. S. Ramesh kumar#	
1.	Gross salary :					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	72.76	10.71	78.21	18.18	179.13
	(b) Value of perquisites under section 17(2) Income-tax Act, 1961	0.20	0.05	0.38	0.07	0.69
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission					
	- as % of profit	-	-	-	-	-
	- Others	-	-	-	-	-
5.	Others	-	-	-	-	-
	Total	72.96	10.76	78.59	18.25	179.82

* Ms. G.Jalaja ceased to be Company Secretary effective closing hours of December 31, 2018

** Mr. V.Suri ceased to be Chief Financial Officer effective closing hours of December 31, 2018

Appointed on January 1, 2019

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended March 31, 2019.

REPORT ON CORPORATE GOVERNANCE

Pursuant to Regulation 34 read with Schedule V of Securities Exchange Board of India (LODR) Regulations, 2015 ["SEBI (LODR) Regulations"].

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

E.I.D.-Parry, a member of the Murugappa Group of Companies, believes in high standards of governance and adheres to good corporate practices and is constantly striving to improve them and adopt the best practices. Adherence to business ethics, transparency in dealings with all stakeholders, adequate and timely disclosure of information and commitment to corporate social responsibility are the basic elements of the governance policy of the company. The board recognizes that governance expectations are constantly evolving and it is committed to its standards of transparency and dissemination of information to meet both letter and spirit of the law and its own demanding levels of business ethics. The Company is committed to the spirit of Murugappa Group by upholding the core values of integrity, passion, responsibility, quality and respect in dealing with all stakeholders of the Company.

2. BOARD OF DIRECTORS

2.1 Composition and Changes during the Year

Composition

The Board of Directors of the Company ("Board") consists of an optimum number of Executive, Non Executive, Independent Directors and Non Executive Independent Directors having expertise in the fields of business strategy, finance, marketing and business management. All the Independent Directors satisfy the criteria of Independence specified in the Companies Act, 2013 (Act), Regulation 16 (1) (b) of the SEBI (LODR) Regulations and meet the criteria for appointment formulated by the Nomination and Remuneration Committee ("NRC") as approved by the Board.

NRC has formulated a policy on criteria for Board Nominations. It ensures diversity of qualification, experience, expertise and gender in the composition of the Board. The board members are appointed through a transparent process and the Independent Directors are issued appointment letters. The format of terms and conditions of appointment of Independent Directors is displayed on the website of the Company www.eidparry.com/about-us/independent-directors/. Each independent director is familiarized with the Company, business, industry, roles and responsibilities, the details of which are available on the website of the Company. www.eidparry.com/about-us/independent-directors/.

Independent Directors are appointed for a specific term based on the recommendations of the NRC by the Board and the members at their respective meetings. Non independent Directors are appointed as per the provisions of the Act and SEBI (LODR) Regulations.

The strength of the Board as on March 31, 2019 was eight directors, consisting of one Non Executive Non Independent Chairman, a Managing Director, two Non Independent Directors, one of them being a promoter and four Independent Directors including a woman director. The composition of the Board is in conformity with the Act and SEBI (LODR) Regulations.

The Composition of the Board, the number of directorship, membership and chairmanship held by each Director on the Board/ Committees of the Board of other Companies as on March 31, 2019 are as under

S. No	Name of the Directors	DIN	Category	Position	No. of Directorships & Committee membership in Public Companies (excluding EID)				Directorship in other Listed Entity	Category of Directorship
					Board*		Committee**			
					Director	Chairman	Member	Chairman		
1.	Mr. V. Ravichandran	00110086	NE, NI	Chairman	4	-	1	-	1. Coromandel International Limited 2.Cholamandalam Financial Holdings Limited (Formerly known as TI Financial Holdings Limited)	NE,NI NE,NI
2.	Mr. S. Suresh	06999319	E	Managing Director	1	-	-	-	-	-
3.	Mr. V. Manickam	00179715	NE, I	Director	3	-	1	-	1.The India Cements Capital Limited	NE,I
4.	Mr. Ramesh K B Menon	05275821	NE, NI	Director	4	1	3	-	1. Tube Investments of India Limited	NE,NI NE,NI

S. No	Name of the Directors	DIN	Category	Position	No. of Directorships & Committee membership in Public Companies (excluding EID)				Directorship in other Listed Entity	Category of Directorship
					Board*		Committee**			
					Director	Chairman	Member	Chairman		
5.	Mr. C.K.Ranganathan	00550501	NE, I	Director	2	-	1	-	1. Matrimony.Com Limited	NE, I
6.	Mr.M.M.Venkatachalam	00152619	NE, NI	Director	7	1	6	2	1. Ramco Systems Limited 2.The Ramco Cements Limited 3. Coromandel International Limited 4. Coromandel Engineering Company Limited	NE,I NE,I NE,NI Chairman & NE,NI
7.	Dr. (Ms) Rca Godbole	07306268	NE, I	Director	-	-	-	-	-	-
8	Mr. Ajay B Baliga	00030743	NE, I	Director	-	-	-	-	-	-

Non Executive ("NE"), Executive ("E"), Non Independent ("NI") and Independent ("I")

* Excludes directorship in Foreign Companies, Private companies, Section 8 companies.

**Represents memberships of Audit and Stakeholders Relationship Committees in Public Limited Companies & Private Limited Companies which are subsidiaries of Public Limited Companies.

None of the Directors on the Board is a member of more than 10 Committees or Chairman of more than 5 Committees across all the Companies in which he/she is a Director as required under Regulation 26 (1) of SEBI (LODR) Regulations.

None of the Independent Directors on the Board is an Independent Director in more than seven Listed Companies as required under Regulation 25 (1) of LODR Regulations.

None of the Directors are related to each other.

Changes in the Board during the year

Mr. Ajay B Baliga was appointed as an Independent Director at the Board Meeting held on May 09, 2018.

2.2 Board Process

The Board meets at least once in each quarter to review, the matters specifically reserved for its attention to ensure that it exercises full control over significant strategic, financial, operational and compliance matters. Additional board meetings are held to approve the Business Plan of the Company and other specific purposes. The board is regularly briefed and updated on the key activities of the business and is provided with presentations on operations, quarterly financial statements, subsidiary performance, and other specific matters concerning the company.

The maximum time gap between two meetings does not exceed 120 days. The dates of Board meetings for the financial year are generally decided in advance. Notice and detailed notes on agenda of each Board Meeting are given in writing to all the directors in advance of the meetings in compliance with Secretarial Standard on Meeting of the Board of Directors (SS-1) issued by The Institute of Company

Secretaries of India, Where it is not possible to enclose any document to the agenda, the same is tabled at the Meeting.

The Board periodically reviews compliance reports of all laws applicable to the Company, as prepared by the Company as well as steps taken by the Company to rectify instances of non-compliances. The Board is also free to recommend inclusion of any matter for discussion in consultation with Chairman. The Board has no restriction to access any information and employees of the Company.

All the discussions and decisions taking place in every meeting of the Board are entered in the Minute Book. The draft minutes are circulated within the specified time to the Board and suggestions or comments for changes, if any, are suitably incorporated in the minutes and the minutes are signed by the Chairman of the same meeting or by the Chairman of the succeeding meeting within the prescribed time period. The important decisions taken at the Board Meeting are communicated to the concerned department of the Company and an action taken report is placed at each Board Meeting.

The process specified for the Board meeting above are followed for the meetings of all the Committees constituted by the Board, to the

extent possible. The minutes of the meetings of the Committees of the Board are placed before the Board for noting. The minutes of the subsidiary Companies are placed before the Board on a quarterly basis.

Pursuant to the provisions of the Act and SEBI (LODR) Regulations, evaluation of the performance of the Board, Committees of the Board and individual directors was carried out by the Board for the year 2018-19. The questionnaires were prepared in a structured manner taking into consideration the guidance notes on Board Evaluation issued by the SEBI. The performance of each of the Individual Directors was evaluated on parameters such as attendance, level of participation in the meetings and contribution, Independence of judgement, safeguarding the interest of the Company and other stakeholders, etc.

The performance evaluation of all the independent directors was done by the entire Board excluding the concerned independent director based on the criteria of performance evaluation laid down by the NRC.

The performance evaluation of the Chairman and the Non Independent Directors were carried out by the Independent Directors.

2.3 Board meeting and attendance of directors

Six Board meetings were held during the year ended March 31, 2019 ("Year") i.e., April 27, 2018, May 09, 2018, August 08, 2018, November 09, 2018, February 01, 2019 and March 22, 2019 and the maximum gap between any two Board meetings did not exceed one hundred twenty days during the Year.

The attendance of Directors at Board Meeting ("BM") and last AGM are as under:

Sl. No	Name of the Directors	Position	Attendance	
			BMs	AGM held on August 8, 2018
1	Mr. V. Ravichandran	Chairman	6	Present
2	Mr. S. Suresh	Managing Director	6#	Present
3	Mr. V. Manickam	Director	6#	Present
4	Mr. Ramesh K B Menon	Director	6	Present
5	Mr. C.K.Ranganathan	Director	4#	Not Present
6	Mr. M.M.Venkatachalam	Director	6	Present
7	Dr. (Ms) Rca Godbole	Director	6#	Present
8	Mr. Ajay B Baliga	Director	4	Present

includes attendance through video conference

2.4 Details of shares held by non-executive directors as on March 31, 2019:

Except Mr.M.M.Venkatachalam who is holding 1,23,865 equity shares in the Company, none of the other directors hold any equity shares in the Company.

None of the directors hold any convertible securities in the Company.

2.5 Meeting of Independent Directors

During the year, a meeting of the independent directors was held on March 22, 2019 as required under Regulation 25 (3) of the SEBI (LODR) Regulations and Schedule IV of the Act to discuss the matters specified therein. All the Independent Directors attended the meeting.

2.6 The Board has identified the following skills / expertise / competence fundamental for the effective functioning of the Company which are currently available with the Board.

- Corporate Strategy, Business Strategy
- Marketing, Sales, Supply Chain Management, Product Development and Branding
- Operations
- Finance / Financial Management
- Leadership experience and understanding of significant organisations, their process, strategies, planning etc.
- Auditing, Taxation, Risk Advisory
- Governance Practices, Compliance
- Agriculture

2.7 All independent directors fulfill the conditions specified in these regulations and are independent of the management.

2.8 There were no instances of independent director who resigned before the expiry of his/her tenure during the year.

3. Committees of the Board

The Board has constituted different committees as required under the Companies Act, 2013 and SEBI (LODR) Regulations. Details of the Committees and their terms of reference are given below.

3.1 Audit Committee

The Audit Committee has been constituted as required under Section 177 of the Act and Regulation 18 of the SEBI (LODR) Regulations.

3.1.1 Brief Description of the Terms of Reference

Audit Committee

Oversight of the Company's financial reporting process and disclosure of financial information;

Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval.

Evaluation of internal financial controls and risk management systems.

Recommendations for appointment, remuneration and terms of appointment of auditors of the Company.

Monitoring the usage of funds from issue proceeds, to grant approvals for related party transactions which are in the ordinary course of business and on arms length basis

During the year, all the recommendations made by the Audit Committee were accepted by the Board of Directors.

3.1.2. Composition of the Committee and attendance

The Audit Committee comprises of four independent directors. The committee met five times during the Year as on May 8, 2018, August 7, 2018, November 9, 2018, February 1, 2019 and March 22, 2019. The details of the composition of the Committee and attendance of the members are as follows:

Name of the Directors	Position	Category	No of meetings attended
Mr. V. Manickam	Chairman	NE,I	5
Dr. (Ms) Rca Godbole	Member	NE,I	5
Mr. C.K.Ranganathan*	Member	NE,I	0
Mr.M.M.Venkatachalam	Member	NE,NI	5
Mr. Ajay B Baliga	Member	NE,I	3

* ceased to be member with effect from August 7, 2018.

Non Executive ("NE"), Non Independent ("NI") and Independent ("I")

The Company Secretary acts as the Secretary to the Committee. The Managing Director, Head of Internal Audit, Chief Financial Officer,

Senior Management team members and the Statutory Auditors are invited to attend all the meetings of the Committee. The Cost Auditors are invited to the meeting as and when required.

The Committee members have separate discussions with the statutory auditors as well as internal auditors without the presence of the management team. During the year 2018-19, the Audit Committee had such a meeting on February 1, 2019.

3.2 Nomination & Remuneration Committee

The Nomination & Remuneration Committee has been constituted as required under Section 178 of the Act and Regulation 19 of the SEBI (LODR) Regulations.

3.2.1 Brief description of Terms of Reference

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.

3.2.2 Composition of the Committee and attendance

The Nomination & Remuneration Committee met three times during the Year on May 8, 2018, August 7, 2018 and November 9, 2018 and the details of the composition of the Committee and attendance of the members are as follows:

Name of the Directors	Position	Category	No of meetings attended
Mr. C.K. Ranganathan	Chairman	NE,I	1
Mr V. Ravichandran	Member	NE,NI	3
Dr. (Ms) Rca Godbole	Member	NE,I	3
Mr. Ramesh K B Menon	Member	NE,NI	3

Non Executive ("NE"), Non Independent ("NI") and Independent ("I")

3.3 Stakeholders Relationship Committee

The Stakeholders Relationship Committee has been constituted as required under Section 178 of the Act and Regulation 20 of the SEBI (LODR) Regulations.

3.3.1 Brief description of Terms of Reference

- Formulation of shareholders servicing plans and policies in line with the Company's Corporate Governance plans and policies and develop the standards therefor.
- Monitoring and reviewing the mechanism of share transfers, dematerialisation process, sub- divisions, consolidations, issue of duplicate certificates etc. and to determine and set standards for processing of the same.
- Monitoring and reviewing the mechanism of share transfers, dematerialisation process, sub- divisions, consolidations, issue of duplicate certificates etc. and to determine and set standards for processing of the same.
- Determining the standards for resolution of shareholders grievance.
- Resolving the grievances of the security holders of the listed entity.
- Review of measures taken for effective exercise of voting rights by shareholders.

3.3.2 Composition of the Committee and attendance

The Stakeholders Relationship Committee met four times during the year as on May 8, 2018, August 8, 2018, November 9, 2018 and February 1, 2019. The details of the composition of the Committee and attendance of the members are as follows:

Name of the Directors	Position	Category	No of meetings attended
Mr. V Ravichandran	Chairman	NE,NI	4
Mr. V Manickam	Member	NE,I	4
Mr. S Suresh	Member	E,NI	4
Mr. Ramesh K B Menon	Member	NE,NI	4

Non Executive ("NE"), Executive ("E"), Non Independent ("NI") and Independent ("I")

Mr. Biswa Mohan Rath, Company Secretary is the compliance officer

3.3.3 Number of complaints received and redressed during the year are given below:

Opening Balance	Received during the financial year 2018-19	Redressed during the financial year 2018-19	Closing Balance
Nil	9	9	Nil

Pursuant to Regulation 13 (3) of the SEBI (LODR) Regulations, the Company has been filing Statement of Investor Complaints with stock exchanges.

3.4 Risk Management Committee

The Risk Management Committee has been constituted as required under Regulation 21 of the SEBI (LODR) Regulations by the Company.

3.4.1 Brief description of Terms of reference

- Assisting the Board in effective operation of risk management system by performing specialised analysis and quality reviews and report to the Board the details on risk exposures and the action taken to manage the exposures.
- Review and assess the adequacy of Risk Management policies and framework for identifying, measuring, monitoring and controlling risks as well as the extent to which these are operating effectively.
- Periodically review the Company's Risk Management Policy and associated Guidelines and approve any revisions thereto before recommending adoption by the Board;
- Review the Company's Risk Profile across business, cyber security and support functions and advises the Board with regard to risk management decisions in relation to strategic and operational matters such as Corporate Strategy and related matters.

3.4.2 Composition of the Committee and attendance

A meeting of the Risk Management Committee was held on March 22, 2019 during the Year. The details of the composition of the Committee and attendance of the members are as follows:

Name of the Directors	Position	Category	No of meetings attended
Mr. V Manickam	Chairman	NE,I	1
Mr. V Ravichandran	Member	NE,NI	1
Mr. S Suresh	Member	E,NI	1

Non Executive ("NE"), Executive ("E"), Non Independent ("NI") and Independent ("I")

3.5 Corporate Social Responsibility (CSR) Committee

The Corporate Social Responsibility Committee has been constituted as required under Section 135 of the Act.

3.5.1 Brief Description of the Terms of reference

- To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken as specified in schedule VII of Companies Act, 2013.
- To recommend the amount of expenditure to be incurred on the CSR activities.

- To monitor the CSR Policy of the Company from time to time
- To prepare a transparent monitoring mechanism for ensuring implementation of the projects/programmes/ activities proposed to be undertaken by the Company and to do all such acts, deeds and things as may be required in connection with the CSR activities.

3.5.2 Composition of the Committee and attendance

The Corporate Social Responsibility Committee met three times during the year, on May 8, 2018, November 9, 2018 and March 22, 2019. The details of the composition of the Committee and attendance of the members are as follows:

Name of the Director	Position	Category	No of meetings attended
Mr.V Manickam	Chairman	NE,I	3
Mr. V Ravichandran	Member	NE,NI	3
Mr. S Suresh	Member	E,NI	3

Non Executive ("NE"), Executive ("E"), Non Independent ("NI") and Independent ("I")

4. Remuneration of Directors

4.1 Remuneration Policy

This Remuneration Policy provides the framework for remuneration of members of the Board of Directors, Key Managerial Personnel, Senior Management and other employees of E.I.D.-Parry (India) Limited (Company).

This Policy is guided by the principles and objectives as enumerated in Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of the SEBI (LODR) Regulations, to ensure reasonableness and sufficiency of remuneration to attract, retain and motivate competent resources, a clear relationship of remuneration to performance and a balance between rewarding short and long-term performance of the Company.

This policy reflects the remuneration, philosophy and principles of the Murugappa Group and considers the pay and employment conditions with peers / competitive market to ensure that pay structures are appropriately aligned.

4.2 Remuneration of Non-Executive Directors

Non-Executive Directors ("NEDs") are paid remuneration by way of Sitting Fees and Commission. The remuneration/ commission/ compensation to the NEDs will be decided by the Board in

accordance with this policy and subject to applicable conditions of SEBI (LODR) Regulations.

As approved by the shareholders at the shareholders meeting, commission is paid at a rate not exceeding 1% per annum of the profits of the Company computed in accordance with Section 198 of the Companies Act, 2013. The Commission paid is restricted to a fixed sum within the above limit annually on the basis of their tenor in office during the financial year.

The payment of the Commission to the NEDs is placed before the Board every year for its consideration and approval, subject to availability of profit as computed under Section 198 of the Act.

The sitting fee payable to the NEDs for attending the Board and committee meetings is fixed subject to the statutory ceiling. The fee is reviewed periodically and aligned to comparable best in class companies.

- Keeping with evolving trends in industries and considering the time and efforts spent by specific NEDs, the practice of paying differential commission is considered by the Board.
- Independent Directors are not eligible to receive stock options under the employee stock option scheme/plan ("ESOP") of the Company.
- Where the annual remuneration payable to a single Non-Executive Director exceeds 50% of the total annual remuneration payable to all Non-Executive Directors, the approval of the shareholders in the manner specified in applicable laws/ regulations is obtained.

4.3 Remuneration of Executive Director

The elements of the total compensation are approved by the Nomination and Remuneration Committee within the overall limits specified under the Act. The compensation paid to the Managing Director is within the scale approved by the Shareholders. However, in view of inadequacy of profit, as per Section 197 read with Section II, Part II, Schedule V of the Act, remuneration paid to the Managing Director requires approval of the shareholders by way of a special resolution at the ensuing AGM.

The fees or compensation payable to an Executive Director who is a Promoter or member of Promoter Group, shall be subject to the approval of shareholders in the manner as prescribed under the applicable regulations, if the annual remuneration payable to such Executive Director exceeds the threshold limits and the approval so granted shall be valid till the expiry of the term of such Director.

4.4 The sitting fees paid to the non-executive directors during the Year are given below.

₹ in Lakh

S. No	Name of the Directors	Category	Position	Sitting fees for attending meetings
1.	Mr. V. Ravichandran	NE,NI	Chairman	3.45
2.	Mr. V. Manickam	NE,I	Director	3.95
3.	Mr. Ajay B Baliga	NE,I	Director	1.75
4.	Dr (Ms) Rca Godbole	NE,I	Director	3.20
5.	Mr. Ramesh K B Menon	NE,NI	Director	2.55
6.	Mr. C K Ranganathan	NE,I	Director	1.15
7.	Mr. M.M. Venkatachalam	NE,NI	Director	2.90

Non Executive ("NE"), Non Independent ("NI") and Independent ("I")

Sitting fees for Board and Audit Committee meetings was paid at Rs 25,000 and for other Committees at Rs 15,000. Non-Executive Directors are not entitled to stock options under ESOP Scheme.

During the year, the Company has not paid any commission to the non executive Directors due to inadequate profit as per the provisions of Section 197 read with Section 198 of the Companies Act, 2013.

4.5 The Remuneration paid to the Executive Director during the Year are given below.

S. No	Name of the Director	Category	Position	Salary, Allowances & Perquisites (₹)	No of Stock Options granted
1.	Mr. S. Suresh	E,NI	Managing Director	151,86,588	-

Executive ("E") and Non Independent ("NI")

4.6. Disclosures as per Clause IV, Section II, Part II of Schedule V of the Act:

i. All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of the Managing Director is given below:

DESCRIPTION	2018-19
Salary	106,39,369
Benefits	3,60,323
Incentive	23,33,197
Retirement Benefits	
Contribution to Provident Fund	6,97,754
Contribution to Superannuation Fund	8,72,192
Contribution to Gratuity	2,83,753
	18,53,699
TOTAL	1,51,86,588

ii. Details of fixed component and performance linked incentives:- As stated above:

iii. Performance criteria for performance linked incentives; - Criteria framed as per Company Rules read with policy and the performance against the same was evaluated by the Nomination and Remuneration Committee.

iv. Service Contracts - 5 years

v. Notice Period – 3 Months

vi. Severance Fees - Nil

vii. Number of stock option granted – Nil

viii. Whether the same has been issued at a discount as well as the period over which accrued and over which exercisable. - No

5. GENERAL BODY MEETINGS

5.1 The date, time and venue of last three Annual General Meetings (AGMs) and Extraordinary General Meetings ("EGMs") held are as follows.

Year ended 31st March	Day	Date	Time	Venue
2016	Friday	August 5, 2016	4.30 p.m	The Music Academy, Madras
2017	Friday	August 4, 2017	3.30 p.m	New No. 168 (Old No. 306), T.T.K. Road,
2018	Wednesday	August 8, 2018	3.30 p.m	Royapettah, Chennai - 600014

5.2 Details of Special Resolutions passed during the last three AGMs are given below:

Date of AGM	Particulars
August 5, 2016	Issue of Non Convertible Debentures for an amount not exceeding ₹ 300 Crore during a period of one year Appointment of Mr S Suresh as Deputy Managing Director w.e.f July 1, 2016.
August 4, 2017	Issue of Non Convertible Debentures for an amount not exceeding ₹ 300 Crore during a period of one year.
August 8, 2018	Issue of Non Convertible Debentures for an amount aggregating to ₹ 300 Crore during a period of one year.

5.3 During the year, no postal ballot was conducted

6. MEANS OF COMMUNICATION

The Communication with shareholders and Investors by the Company were through multiple channels of Communication such as publication in daily newspapers, disclosure to National Stock Exchange of India Limited and BSE Limited and display on the Company's website at www.eidparry.com.

As per the requirements of the Regulation 46 of the SEBI (LODR) Regulations, the quarterly and yearly audited financial results of the Company were published in newspaper in Business Standard (English) and in Dinamani (Tamil) within 48 hours of conclusion of the Board Meetings at which respective financial results were approved and results are placed on the Company's Website at www.eidparry.com/financials/

Details of Investor / Analysts / Brokers meetings / Concall transcripts, whenever held and official news releases are also posted on the Company's Website. The web link is www.eidparry.com/investors-meet-analysts-call/

The Company has a designated e-mail address, viz., investorservices@parry.murugappa.com exclusively for investor services.

7. GENERAL SHAREHOLDER INFORMATION

A separate section has been included in the Annual Report furnishing details required under the SEBI (LODR) Regulations.

8. OTHER DISCLOSURES & AFFIRMATIONS

8.1 Related Party Transactions

During the year, there were no materially significant related party transaction considered to have potential conflict with the interests of the Company at large. The Company has formulated a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions. The policy is available on the web link www.eidparry.com/Policies-Codes.

8.2 Details of non-compliance, penalties and strictures imposed.

During the last three years, there were no strictures or penalties imposed on the Company either by Stock Exchanges or by SEBI or any statutory authority for non-compliance on any matter related to capital markets.

8.3 Whistle Blower Policy and Vigil Mechanism

The company has established a whistle blower mechanism to provide an avenue for reporting concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy for the directors / employees / customers by providing adequate safeguards against victimisation of directors / employees / customers who avail this mechanism and also for appointment of an ombudsperson to deal with the complaints received.

The Company has laid down a Whistle Blower policy which contains the process to be followed for dealing with complaints and in exceptional cases, also provides for direct access to the Chairperson of the Audit Committee. The Company affirms that no person has been denied access to the Audit Committee

The policy is available on the Company's website at www.eidparry.com.

8.4 Compliance with mandatory requirements

The Company has complied with all mandatory requirements as laid down in the SEBI (LODR) Regulations.

8.5 Compliance with Accounting Standards

The Company has followed the Guidelines of Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements and notes to accounts of this Annual Report.

8.6 Disclosure from Senior Management

Periodical disclosures from Senior Management relating to all material financial and commercial transactions, where they had or were deemed to have had personal interest, that might have had a potential conflict with the interest of the Company at large were placed before the Board.

8.7 Commodity price risk and commodity hedging activities

The Company enters into Derivative Contracts such as Forwards, Swaps, etc., to hedge its foreign currency fluctuation risks for underlying assets/liabilities and high probable transactions at appropriate times, as per policy.

8.8 During the year under review, the Company has not raised any funds from public issue, rights issue, preferential issue or through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the SEBI (LODR) Regulations.

8.9 A certificate has been received from R Sridharan & Associates, Practising Company Secretary, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

8.10 Total Fees for all services paid by the listed entity and its subsidiaries on a consolidated basis to the Statutory Auditor and all entities in the network firm/network.

S. No	Name of the Company	Fees (Excluding out of pocket expenses) (₹ in Lakh)
1.	E.I.D.- Parry (India) Limited	52.00
2.	Parry Sugars Refinery India Private Limited	10.00
Total Fees		62.00

9. Subsidiary Companies

For the purpose of this Regulation, Parry Sugars Refinery Private Limited is a material unlisted subsidiary Company of the Company. The Audit Committee reviews the financial statements and in particular, the investments made by unlisted subsidiary companies. The minutes of the Board Meetings as well as statements of all significant transactions of the unlisted subsidiary companies are placed before the Board of the Company for their review. The Company has formulated a policy for determining material subsidiaries and the policy is available at the weblink.

[http:// www.eidparry.com/policies-codes/](http://www.eidparry.com/policies-codes/)

10. Prevention of Insider Trading

The Company has formulated a Code of practices and procedures for fair disclosure of unpublished price sensitive information in accordance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 read with the SEBI (Prohibition of

Insider Trading)(Amendment) Regulations, 2018 and the same has been published on the Company's website <http://www.eidparry.com/Policies-Codes>. A Code of Conduct to regulate, monitor and report trading by insiders in securities of the Company has also been formulated.

11. Compliance with the Code of Conduct

The Board has laid down a "Code of Conduct" (Code) for all the Board members and the Senior Management of the Company. Annual declaration regarding compliance with the Code is obtained from every person covered by the Code of Conduct. A declaration to this effect signed by the Managing Director is forming part of this report. The Code is available on the Company's website at www.eidparry.com.

12. Compliance with Corporate Governance Norms

The Company has complied with the Corporate Governance requirements as specified in Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (LODR) Regulations

M/s. R Sridharan & Associates Company Secretaries have certified that the Company has complied with the conditions of corporate governance as stipulated in the SEBI (LODR) Regulations. The said certificate is annexed to this Report and will be forwarded to the Stock Exchanges and the Registrar of Companies, Tamil Nadu, Chennai, along with the Annual Report.

13. Non-mandatory requirements

As regards the non-mandatory requirements, the following have been adopted

13.1 Shareholder Rights: The quarterly financial results are published in leading financial newspapers, uploaded on the Company's website and any major developments are covered in the press releases issued by the Company and posted in the Company's website. The Company has therefore not been sending the half yearly financial results to the shareholders.

13.2 There are no audit qualifications on the Company's financial statements.

13.3. The Company has separate persons for the post of Chairman and Managing Director.

On behalf of the Board

V. Ravichandran

Place : Chennai

Chairman

Date : May 8 , 2019

DIN: 00110086

CORPORATE GOVERNANCE CERTIFICATE

The Members

E.I.D- PARRY (INDIA) LIMITED

Dare House

Parrys Corner

Chennai - 600 001

We have examined all relevant records of **E.I.D- PARRY (INDIA) LIMITED**, (CIN: L24211TN1975PLC006989) having its Registered Office at Dare House, Parrys Corner, Chennai – 600 001, for the purpose of certifying compliance of the conditions of Corporate Governance under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2019. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. This Certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2019.

For R.Sridharan & Associates
Company Secretaries

Place: Chennai
Date: May 8, 2019

CS R.Sridharan
FCS No. 4775
CP No. 3239
UIN : S2003TN063400

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT WITH THE COMPANY'S CODE OF CONDUCT

The Board of Directors
E.I.D.-Parry (India) Limited
Dare House
Parrys Corner
Chennai - 600 001

This is to confirm that the Board has laid down a code of conduct for all Board members and Senior Management of the Company. The code of conduct has also been posted on the website of the Company.

It is further confirmed that all Directors and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the year ended March 31, 2019

Chennai
May 8, 2019

S. Suresh
Managing Director

GENERAL SHAREHOLDER INFORMATION

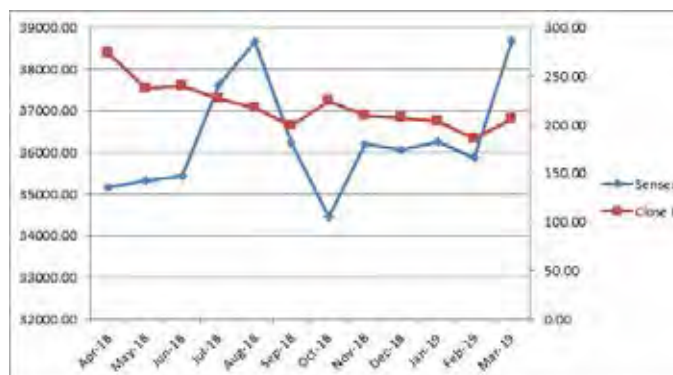
i. Annual General Meeting Day, Date and Time Venue	Monday, July 29, 2019 at 3.30 p.m. The Music Academy, Madras, New No. 168 (Old No. 306), T.T.K Road, Royapettah, Chennai – 600 014	
ii. Financial Year	April 1, 2018 to March 31, 2019	
iii. Date of Book closure	July 15, 2019 to July 29, 2019 (both days inclusive).	
iv. Dividend Payment Date	Not Applicable	
v. Listing on stock exchanges	Equity shares: National Stock Exchange of India Limited, Exchange Plaza, Plot No.C/1, G. Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051.	BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.
	The Listing fees for the financial year 2018-19 has been paid to both the above Stock Exchanges.	
vi. Stock Code		
Name of the Stock Exchange/Depository	Code/ISIN	
National Stock Exchange of India Limited. (NSE)	EIDPARRY	
BSE Limited (BSE)	500125	
ISIN	INE126A01031	
vii. Debenture Trustees	IDBI Trusteeship Services Limited Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai – 400 001. Tel : +91 22 4080 7000 Fax : +91 22 6631 1776 Email : itsl@idbitrustee.com	

viii. Market Price Data – Monthly high, low and trading volume for equity shares

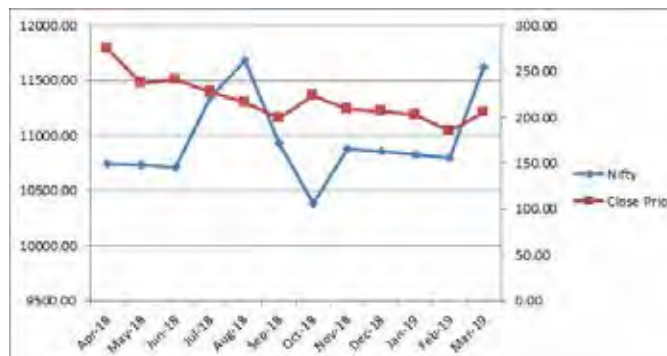
Period	Bombay Stock Exchange (BSE)			National Stock Exchange (NSE)			(BSE & NSE)
	High ₹	Low ₹	Volume (No. of shares)	High ₹	Low ₹	Volume (No. of shares)	Total volume (No. of shares)
Apr-18	289.90	261.00	6,08,203	289.85	260.20	23,16,575	29,24,778
May-18	281.00	229.60	6,87,205	280.00	228.70	36,81,314	43,68,519
Jun-18	243.80	204.00	4,73,792	244.95	204.10	41,69,725	46,43,517
Jul-18	238.00	209.40	18,21,996	237.70	206.90	50,16,355	68,38,351
Aug-18	238.30	213.80	2,93,107	238.50	213.25	27,75,143	30,68,250
Sep-18	243.75	196.25	10,57,183	243.80	197.60	1,13,94,817	1,24,52,000
Oct-18	237.00	177.00	6,22,245	236.70	176.40	52,39,216	58,61,461
Nov-18	248.00	209.00	4,25,569	247.90	208.00	27,07,529	31,33,098
Dec-18	219.00	193.00	2,23,255	219.40	192.95	16,07,451	18,30,706
Jan-19	232.25	189.25	55,54,972	232.60	192.90	28,93,205	84,48,177
Feb-19	205.00	181.15	2,94,776	206.00	181.30	34,29,473	37,24,249
Mar-19	222.00	186.00	12,04,363	222.00	185.10	50,29,305	62,33,668

ix. Performance in comparison to broad based indices such as BSE Sensex, NSE Nifty, CRISIL Index, etc...

Share Price performance in comparison with BSE SENSEX



Share Price performance in comparison with NSE NIFTY



x. Investor Contacts

(a) Registrar and Transfer Agents

Karvy Fintech Private Limited,
Unit: E.I.D.-Parry (India) Ltd.,
Karvy Selenium Tower B,
Plot Number 31 & 32, Gachibowli, Financial District,
Hyderabad - 500 032
Tel : 040 6716 2222
Fax : 040 2342 0814
E-Mail : einward.ris@karvy.com;
prem.kumar@karvy.com;
Contact Person: Mr. Prem Kumar, Manager

(b) Company

E.I.D.-Parry (India) Limited,
Secretarial Department,
3rd Floor, Dare House, Parrys Corner,
Chennai – 600 001.
Tel : +91-044-2530 6789
Fax : +91-044-2534 1609
E-Mail : investorservices@parry.murugappa.com;
biswamohanrath@parry.murugappa.com;

Contact Person : Mr. Biswa Mohan Rath, Company Secretary

xi. Share Transfer System

Share Transfers in Physical Form

Share transfers are approved by Stakeholders Relationship Committee.

Managing Director / Chairman are individually authorised to approve transfers up to 5,000 shares (Face value of ₹ 1 each) per transferor / transferee.

Certain senior executives along with a Director have been authorised to approve request for transfers up to 1,000 shares (Face value of ₹ 1 each) per transferor / transferee.

Certain senior executives have also been authorised to approve transfers up to 500 shares (Face value of ₹ 1/- each) per transferor / transferee.

Details of Complaints received and redressed

Nature of Complaints	Received during the year	Resolved during the year
Correction in Name, Non receipt of Share Certificates, Non receipt of Dividend, Duplicate Share Certificate and Transmission of shares	9	9

There were no complaints remaining pending at the beginning and end of the financial year 2018 – 19.

xii. Distribution of shareholding as on March 31, 2019*

No. of equity shares held	No. of shareholders	%	No. of shares	%
upto 1 - 5000	52133	97.41	13891783	7.85
5001 - 10000	665	1.24	4922841	2.78
10001 - 20000	330	0.61	4735784	2.68
20001 - 30000	113	0.21	2751277	1.55
30001 - 40000	33	0.06	1183725	0.67
40001 - 50000	41	0.08	1885302	1.07
50001 - 100000	67	0.13	4930891	2.79
100001 & ABOVE	138	0.26	142693378	80.62
Total	53520	100.00	176994981	100.00

Shareholding Mode	No. of shareholders	%	No. of shares	%
Physical	12,657	23.65	2323618	1.31
Demat/Electronic	40,863	76.35	174671363	98.69
Total	53,520	100.00	176994981	100.00

* Based on Folio & DP ID / Client ID wise

Shareholding Pattern as on March 31, 2019

Sl. NO	Category	No. of share holders	No. of Shares	% to paid-up Capital
A	Shareholding of Promoter and Promoter Group			
(1)	Indian	56	79408050	44.86
(2)	Foreign	1	12100	0.01
	Total Shareholding of Promoter and Promoter Group	57	79420150	44.87
(B)	Public Shareholding			
(1)	Institutions	99	18643870	10.53
(2)	Non-Institutions	51232	78860561	44.56
	Total Public Shareholding	51331	97504431	55.09
(c)	Shares held by Custodian and against which Depository Receipts have been issued			
(1)	Promoter and Promoter Group	-	-	-
(2)	Public	1	70400	0.04
	Total (A) + (B) + (C)	51389	176994981	100

xiii. Dematerialisation of Shares and Liquidity

The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the depositories in India viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Equity shares of the Company representing 98.69% of the Company's share capital are dematerialized as on March 31, 2019. The Company's shares are regularly traded on National Stock Exchange of India Limited and the BSE Limited, in electronic form.

xiv. Outstanding GDR/ADR/Warrants or any Convertible instruments, conversion date and likely impact on equity

As on March 31, 2019, 70,400 (0.04%) GDR are outstanding. Each GDR represents one underlying equity share.

xv. Plant Locations in India**Sugar**

- | | | |
|--|---|--|
| <p>1 Sugar and Distillery Factory
138, Keel Arungunam Road,
Nellikuppam - 607 105.
Cuddalore District
Tamilnadu</p> | <p>2 Sugar Factory
Pugalur - 639 113
Karur District
Tamilnadu</p> | <p>3 Sugar Factory
Pettavaithalai - 639 112
Tiruchirapalli District
Tamilnadu</p> |
| <p>4 Sugar Factory
Kurumbur - 614 622
Aranthangi Taluk, Pudukottai District
Tamilnadu</p> | <p>5 Distillery Factory
Udaikulam Village, Koothandan Post,
Sivagangai Taluk,
Sivagangai District - 630 561
Tamilnadu</p> | <p>6 Sugar Factory & Distillery
Hullatti Village
Haliyal Mandal - 581 329
Uttara Kannada
Karnataka</p> |
| <p>7 Sugar Factory & Distillery
Sankili Village
Regidi Amadalavalasa Mandal
Srikakulam District - 532 440
Andhra Pradesh</p> | <p>8 Sugar Factory
NH-13, Nagarlal Post,
Nainegali - 587 207
Bagalkot Taluq & District
Karnataka</p> | <p>9 Sugar & Co-generation Power
(leased unit)
Khanpet village, PO Toragall,
Ramdurg Taluk,
Belgaum District, Karnataka.</p> |

Nutraceuticals

- | | |
|--|---|
| <p>10 Nutraceuticals Factory
Kadiapatti, Nemathanpatti Road
Panangudi (P.O), Thirumayam Taluk
Oonaiyur - 622 505
Pudukottai District
Tamilnadu</p> | <p>11 Survey No-79/2,
Near Agrawal Godown,
Dangat Industrial Estate,
Shivane-Warje-NDA Road,
Shibvane, Pune -411023.
Maharashtra.</p> |
|--|---|

R & D Facility

- | | | |
|--|---|---|
| <p>12 Sugarcane R&D Centre
43, Annai Nagar
Pugalur - 639113
Karur Dt., Tamil Nadu</p> | <p>13 Sugarcane R&D Centre
D.No.23, Morai Campus
Nellikuppam - 607105
Cuddalore Dt., Tamil Nadu</p> | <p>14 Research Farm
Edayanvalli
Melpattambakkam Post - 607104
Cuddalore Dt., Tamil Nadu</p> |
| <p>15 45/1, Shree Rama Layout
Behind Subramanya Temple
Cheemasandra
Virgo Nagar Post
Bengaluru - 560 049</p> | <p>16 Nutraceuticals R&D Centre
655, T.H. Road
Thiruvottiyur
Chennai - 600019</p> | |

xvi. Address for correspondence

E.I.D.-Parry (India) Limited,
Secretarial Department,
3rd Floor, Dare House,
Parrys Corner,
Chennai - 600 001.

Tel : +91-044-2530 6789,

Fax : +91-044-2534 1609

E-Mail : investorservices@parry.murugappa.com;

OTHER INFORMATION FOR SHAREHOLDERS

DIVIDENDS

Pursuant to Section 124 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), all unclaimed / unpaid dividend remaining unclaimed / unpaid for a period of seven years from the date they became due for payment, are required to be transferred to the Investor Education & Protection Fund (IEPF). Accordingly, dividends remaining unclaimed for a period of 7 years will be transferred by the Company to the IEPF. Shareholders who have not encashed their dividend warrants (for earlier periods) may approach our Registrar and Transfer Agent M/s. Karvy Fintech Private Limited, Hyderabad for issue of Cheques / demand drafts in lieu of dividend warrants quoting the Folio Number / Client ID.

During the year an amount of ₹ 23,28,852 was transferred to IEPF in accordance with the provisions of Section 124(5) of the Companies Act, 2013 in respect of which dividend amounts have remained unclaimed for seven years.

In line with Section 124(6) of the Companies Act, 2013, 73,197 Equity Shares in respect of which the dividend amounts have remained unclaimed for seven consecutive years were transferred to IEPF. The Company has published an advertisement with regard to transfer of equity shares to IEPF pertaining to unclaimed dividend which was due for transfer on April 25, 2018 in the newspapers viz., Business Standard and Makkal Kural. The Company has also sent communication to the concerned shareholder individually with regard to transfer of their shares along with the details of unclaimed dividend proceeds.

Due dates on which the unclaimed dividends would be transferred to IEPF are given below:

Year	Dividend Type	Amount of Dividend Per share (₹.)	Due for transfer to the Investor Education and Protection Fund
2012 – 13	Interim	6.00	08.03.2020
2014 –15	Interim	2.00	25.04.2022
2014 – 15	Final	1.00	10.09.2022
2016 – 17	Interim	4.00	30.03.2024
2017 – 18	Final	3.00	14.09.2025
2018 – 19	Interim	2.00	10.03.2026
2018 – 19	Interim	1.00	28.04.2026

NOMINATION FACILITY

Section 72 of the Companies Act, 2013 provides inter alia, the facility of nomination to shareholders. This facility is mainly useful for all holders holding the shares in single name.

In case where the securities are held in joint names, the nomination will be effective only in the event of the death of all the holders.

Shareholders are advised to avail of this facility.

BENEFITS OF DEMATERIALISATION

1.31% of the shares are still in physical form. Shareholders who are holding shares in physical form are advised to convert their holdings into demat form, since the Company's equity shares are under compulsory demat trading.

GENERAL

Members are requested to quote their Folio No./DP & Client ID Nos, Email ids, Telephone/Fax numbers for timely investor servicing by the Company/Registrar and Transfer Agent. Members holding shares in electronic form are requested to update with their depository participant their present address, e-mail ids and bank particulars (9 digit MICR code).

UNCLAIMED SUSPENSE ACCOUNT

In accordance with Regulation 39(4) read with Schedule VI of SEBI (LODR) Regulations, the Company has dematted all physical shares which remained unclaimed by shareholders to an "Unclaimed Suspense Account" opened by the Company for this purpose. All corporate benefits that accrue on these shares such as bonus shares, split etc. shall also be credited to the Unclaimed Suspense Account and the voting rights on such shares shall remain frozen. Shareholders whose shares are lying in unclaimed suspense account are requested to write to the Registrar & Transfer Agent and provide the correct details to enable the Company to transfer the unclaimed share certificate directly to the Shareholders demat account.

The following disclosures are made in pursuance of Regulation 34(3) read with Clause F of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 .

Sl.No.	Particulars	No. of shareholders	No. of shares
(i)	Aggregate number of shareholders and the outstanding shares lying in the unclaimed suspense account at the beginning of the year	1682	1041823
	Less : Number of shares transfer to Investor Education Protection Fund	69	59340
		1613	982483
(ii)	Number of shareholders who approached the issuer for transfer of shares from the unclaimed suspense account during the year	8	988 #
(iii)	Number of shareholders to whom shares were transferred from the unclaimed suspense account during the year	8	988
(iv)	* Aggregate number of shareholders and the outstanding shares lying in the unclaimed suspense account at the end of the year	1605	981495

* In respect of a transmission case, claim of one of the Legal heirs of the deceased shareholder has been settled. Since balance shares still remains unclaimed, it continues to appear in both no. of shareholders and no. of shares.

One shareholder has claimed part shares during 2017-18. Balance shares he claimed during the financial year 2018-19. Hence, under Sl.No (ii) and (iii), only number of shares transferred to him during the year has been taken into account.

BUSINESS RESPONSIBILITY REPORT

About this report

Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 [SEBI (LODR) Regulations] prescribe that top 500 companies based on market capitalisation as per NSE / BSE as on March 31 of every financial year, are required to have "Business Responsibility Report" (BRR) as part of their Annual Report. Following is the Third Business Responsibility Report of your Company as the Company is amongst the top 500 listed entities as per the market capitalisation at NSE/ BSE as on March 31, 2019. The report has been prepared as prescribed and in accordance with Regulation 34 of the SEBI (LODR) Regulations.

About E.I.D.- Parry (India) Limited

E.I.D.-Parry (India) Limited, a leading player in sugar with interests in promising areas of nutraceuticals, is one of the oldest companies in India and one of the top five sugar producers in the country. E.I.D. Parry has eight sugar plants spread across South India. The integrated sugar units have been designed to optimize process efficiencies, increase sugarcane recovery and increase energy efficiency through reduced steam and power consumption. E.I.D. Parry continues to be one of the leading producers of international quality sugar, through its innovative process and farmer centric practices.

SECTION A:

GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company:

L24211TN1975PLC006989

2. Name of the Company:

E.I.D.-Parry (India) Limited

3. Registered address:

Dare House, Parrys Corner, Chennai - 600 001

4. Website:

www.eidparry.com

5. E-mail id:

investorservices@parry.murugappa.com

6. Financial Year reported:

April 1, 2018 – March 31, 2019

7. Sector(s) that the Company is engaged in (industrial activity code-wise):

NIC Code	Description
10721	Sugar
1101	Distillery
35106	Cogeneration
03213	Nutraceuticals

8. List three key products/services that the Company manufactures/provides (as in balance sheet):

- Sugar
- Distillery
- Nutraceuticals

9. Total number of locations where business activity is undertaken by the Company :

- a. **Number of International Locations** - The Company operates through two overseas subsidiaries and sells its products across nearly 40 countries with **manufacturing units in U.S.A and Chile**. Major geographies, where the Company operates are:
- i. USA
 - ii. Europe
- b. **Number of National Locations:** The Company has its **registered office in Chennai and 11 manufacturing units located across India.**

10. Markets served by the Company – Local/State/National/ International :

The company is predominantly in sugar business and serves the Indian market. The Nutra business is predominantly export oriented and the serve the international geography as stated above

SECTION B: FINANCIAL DETAILS OF THE COMPANY

Sr. No	Particulars	FY 18-19 Standalone ₹ in Crore
1	Paid up Capital (INR)	17.70
2	Total Turnover (INR)	2046.44
3	Total profit after taxes (INR)	163.13
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)*	0.74%

- * The Company spent an amount of Rs..120.40 Lakh on CSR activities though the Company was not required to spend any amount on the basis of average net profits for the immediately preceding three financial years as specified under Section 135 of the Companies Act, 2013.

5. List of activities in which expenditure in 4 above has been Incurred:-

(a) Health Care	Details of the projects undertaken are given in Annual Report on CSR Activities enclosed as Annexure "C" to the Board's Report
(b) Education	
(c) Rural development	
(d) Sustainable livelihood	

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?
Yes. Refer to Annexure A to the Board's Report.

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such Subsidiary Company(s)?

Yes, E.I.D.- Parry (India) Limited encourages its Subsidiary Companies to participate in its group wide Business Responsibility (BR) initiatives on various activities. All subsidiary Companies are aligned to the activities under the aegis of Murugappa Group.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%,30-60%,More than 60%]

We do not mandate that our suppliers and partners participate in the Company's BR initiatives. However, they are encouraged to do so.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

- (a) Details of the Director / Director responsible for implementation of the BR policy/policies

- DIN Number : 06999319
- Name : S.Suresh
- Designation : Managing Director

(b) Details of the BR head

Sr.No	Particulars	Details
1	DIN Number (If applicable)	06999319
2	Name	S.Suresh
3	Designation	Managing Director
4	Telephone number	044-25306789
5	e-mail id	sureshs@parry.murugappa.com

2. Principle-Wise BR Policy/Policies

As per Regulation 34 of the SEBI (LODR) Regulations read with SEBI Circular No CIR/CFD/CMD/10/2015 dated 4th November 2015, the nine areas of Business Responsibilities are as follows:

- P1** Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
- P2** Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
- P3** Businesses should promote the well-being of all employees.
- P4** Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
- P5** Businesses should respect and promote human rights.
- P6** Businesses should respect, protect, and make efforts to restore the environment.
- P7** Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
- P8** Businesses should support inclusive growth and equitable development.
- P9** Businesses should engage with and provide value to their customers and consumers in a responsible manner.

Details of compliance (Reply in Y/N)-YES

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for...	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy confirm to any national / international standards? If yes, specify (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	www.eidparry.com/policies-code								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/ Policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

All the policies are signed by the Managing Director. All the policies in E.I.D Parry are based on its guiding principles and core values. These policies are mapped to each principle hereunder:

Principle	Applicable Policies
Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.	Values and Beliefs, called the 'Five Lights' Whistle Blower Policy Code of Conduct
Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.	Safety, Health and Environmental Policy Food Safety & Quality Policy TPM Policy Sustainable Sugarcane Production and Processing Policy
Principle 3: Businesses should promote the well-being of all employees.	Safety, Health and Environmental Policy Prevention of Sexual Harassment Policy
Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized	CSR Policy
Principle 5: Businesses should respect and promote human rights.	Values and Beliefs, called the 'Five Lights' Whistle Blower Policy Code of conduct
Principle 6: Businesses should respect, protect, and make efforts to restore the environment.	Safety, Health and Environment Policy Sustainable Sugarcane Production and Processing Policy. TPM Policy

Principle	Applicable Policies
Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.	Values and Beliefs, called the 'Five Lights'.
Principle 8 Businesses should support inclusive growth and equitable development.	CSR Policy.
Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.	Values and Beliefs, called the 'Five Lights' Food Safety & Quality Policy TPM Policy Sustainable Sugarcane Production and Processing Policy.

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the Principles									
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (Please specify)									

3. Governance related to BR

- a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

The BR performance revolves around a number of policies which is assessed by the BR Head monthly, quarterly and annually based upon its importance and impact on the Company's operations and activities.

- b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

This is the third Business Responsibility Report of the Company which forms part of the Company's Annual Report for FY 2018-19. The same can be accessed at: www.eidparry.com/Financials/.

SECTION E: PRINCIPLE-WISE PERFORMANCE

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY

The Company lays strong emphasis on ethics and establishment of good governance culture. The Company believes that since organisations employ societal and environmental resources, governance processes must ensure that they are utilised efficiently to meet the aspirations and expectations of all stake holders. The Company believes in high standards of governance and adheres to good corporate practices and is constantly striving for improvement and adoption of best practices. Adherence to business ethics, transparency in dealings with all stakeholders, adequate and timely disclosure of information and commitment to corporate social responsibility are the basic elements of the governance policy of the company. The Company has always given its best efforts to uphold and nurture these core values across all operational aspects. These values and the commitment to ethical business practices are reflected in the Spirit of the Murugappa Group

which is inspired by a set of enduring values and beliefs called the 'Five Lights' – a guide to everyday excellence. It clearly defines a way of life, and is demonstrated by these strong values we live by: Integrity, Passion, Quality, Respect and Responsibility. These five Core Principles of the Murugappa Group of which the Company is a part, inspire the Company to set standards which not only meet the requirements of applicable legislations but go beyond, in many areas of its functioning.

1. Does the policy relating to ethics, bribery and corruption cover only the company? Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/ NGOs / Others?

The Company has a Whistle blower Policy which aims to deter and detect actual or suspected misconduct. It has been established to ensure that genuine concerns of misconduct/ unlawful conduct, which an individual believes may be taking place within the organisation, are raised at an early stage in a responsible and confidential manner. This mechanism also provides for adequate safeguards against victimisation of employees who avail of the mechanism. Any employee can report such incident without fear to the ombudsman.

The Company, as part of the Murugappa Group, is guided by its five core principles governing the group to remain consistently vigilant and ensure ethical conduct of its operations. All internal and external stakeholders of the Company are expected to work within the framework of these principles. The Company ensures selection of vendors and contractors, who maintain and follow ethical standards. The Company endeavours to impart periodical training on ethics to its employees and relevant stakeholders are also made aware of the same from time to time.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

During the year 2018-19, one complaint received from a stakeholder of the Company. The complaint was resolved satisfactorily.

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE

Sustainability is a part of the Company's DNA. The Company has two different business lines i.e. Sugar and Nutraceuticals and they are all governed by the same principle of Sustainability - Enshrined in the tenets of conserving, preserving, enhancing and creating each business in sync with nature. The Company has been a pioneer in promoting sustainable farming practices. Two Sugar Plants of the Company are

certified by BONSUCRO, a multi stake holder organisations which fosters sustainability of the sugarcane sector. The Company is the first Sugar Company in Asia and amongst a select few across the globe to be certified as adhering to the sustainability standards and also for the new standard for the small holder farmers (2019).

The Company has Environmental and Safety Accreditations of EMS 14001 across its Units and OHSAS 18001 across some of its Units, to drive business sustainability. In order to move towards world class manufacturing, few factories of the Units, started practicing the Total Productive Maintenance (TPM) Tools. Pudukottai Unit is the world's first unit to receive the prestigious "Award for TPM Excellence, Category-A" from the Japan Institute of Plant Maintenance (JIPM) in Kyoto for achieving the most effective production system with sugar cane as the raw material. In order to serve the Customers with better Quality and food safety, three of the factories of the Company are certified for FSSC 22000 System and QMS ISO 9001. These plants serve as benchmarks for Traceability, Quality and Reliability. In order to address Social and Ethical Standards, two factories of the Company have been qualified under the Sedex Members Ethical Trade Audit (SMETA) for its Customers. The SMETA programme lists parameters to assess Social and Ethical Standards. The Company undertakes multi-centre field/ clinical trials to ensure that its products do not have an untoward impact on users. The Company is the world leader in micro algae technology comprising organic spirulina and natural Beta Carotenoids-Dunaliella Salina and Haematococcus pluvialis (Astaxanthin). Nutraceuticals are food or part of food that provides medical or health benefits including the prevention and/or treatment of a disease and Nutraceutical has advantage over the medicine because they avoid side effects and are naturally dietary supplements. The Nutraceuticals division having its facility for organic microalgae cultivation and processing located in Onaiyur has received the U.S. Food and Drug Administration (US-FDA) approval. With a growing shift towards natural and organic products, the Company has positioned itself strongly in the field of human health and wellness.

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

- **Sugar-** Sugarcane is a water-intensive crop. To optimize and conserve water, the Company promotes drip irrigation system, intercropping and trash conservation measures. These measures entail water savings upto 50% as established by reputed studies. Sugarcane contains 30% of solids and 70% of water. The water generated from sugarcane is reused in sugar plants, which helps in conserving ground water. Several collaborative initiatives are in place along with leading organizations for measuring carbon and water foot print and optimize the use of water in the Company's

command area of operation. To retain soil moisture and to conserve flora and fauna, trash is not burnt in the fields and instead they are shredded and mulched to improve water holding capacity and increase organic content of the soil. The Company has eliminated the use of chemical pesticides by advocating use of Bio-control agents through Integrated Pest Management and disease management Programs. Pressmud, a by-product of sugarcane, is used as organic manure in sugarcane fields which contains essential nutrients and organic carbon to improve and sustain the soil quality.

- **Power-** Bagasse, a by-product of sugarcane, is used as bio- fuel to generate power and export to grid as a green product. The ash generated is used as a filler during manure production. Bagasse is a CO₂ neutral renewable energy source and it qualifies for Clean Development Mechanism certification.
 - **Distillery Products-** Molasses, a by-product of sugarcane, is used to manufacture Ethanol and is being blended with gasoline by the Oil Marketing Companies for use in automobiles. This helps in reduction of greenhouse gases as against fossil fuels. In the process of manufacturing Ethanol, CO₂ is generated, which is being bottled and used for industrial & potable purpose. The effluent generated from molasses based process, is rich in NPK which is being extracted through advanced technology and reused as fertilizer thus helping to reduce the use of chemical fertilizer in fields.
- 2. For each such product, provide the following details in respect of resource use (Energy, water, raw material etc.) per unit of product (optional):**
- **Sugar** – For crushing of sugarcane, the resources required are water, steam and power. As sugarcane contains 70% of water, most of the factories draw minimum ground water for sugar production. The Company is one of the few to work towards achieving ZLD for the sugar operations. The Company has commissioned a condensate polishing unit at Nellikuppam factory which has enabled recycling of 2400 Cubic meter of water every day for a cane crush rate of 7000 MT/Day. This water recycling facility is also proposed to be replicated across other units. The factories have installed advanced energy conservation systems like vapour conditioners, vacuum system and VFD, which conserve energy. The average Industry norm on steam required for sugar process is 45.0% / ton of cane whereas the Company's factories operate between 32 to 39% / ton of cane. The Industry norm on power required is 38 kw/ton of cane whereas all factories operate between 24 to 30 kw/ton of cane.
 - **Power** – The Industry norm of steam to fuel ratio is 2.0 to 2.2 where as all factories operate between 2.4 to 2.7.

- **Distillery Products** – The best fermentation and distillation efficiencies are achieved with overall efficiency at 89% to 90% as against the norm of 86%. In case of Alcohol, water required is 25 ltr/ ltr of alcohol whereas all factories of the Company operate between 10 -13 ltr/ltr of alcohol.
- The Company's carbon footprints of sugar and ethanol are very negligible when compared with other foods and fuels. The carbon footprint of sugar is expected to be in the range of 200 to 500 kg Co₂equivalent per tonne of sugar.

3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

The Company is the first Company in Asia to obtain Bonsucro Certification for sustainable sugar. In order to align its operations and supply to its customers on sustainable sourcing, the Company has adopted Bonsucro certification. Incidentally, its Unit in Pugalur is the first Company producing sugar from cane in Asia to obtain Bonsucro Certification. Presently, Three Units of the Company i.e. at, Pugalur, Nellikuppam and Haliyal have been certified for Bonsucro Standards thereby ensuring sustainable sourcing. The Company has taken initiatives to increase the farmer base substantially in three years to come. Also the Company has started supplying Bonsucro Certified sugar to its customers.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company is predominantly engaged in the business of manufacture of sugar and sugarcane is the primary raw material for its operations. The Company procures sugarcane from farmers who are located within its local command area and whose livelihood is directly dependent upon the Company. The Company has taken a number of initiatives to improve the yield through adoption of sustainable cultivation practices. 2000 farmers are currently certified as adopting sustainable practices by conforming to the latest BONSUCRO small holder farmer standards. The farmers are engaged with the Company in a number of initiatives, like clean seed development programs, Sustainable Sugarcane Initiative (SSI) program promoted by the state government, integrated bio based crop protection programs, drip irrigation etc., which has direct benefits through improvement in economic wellbeing. The company also promotes many rural entrepreneur amongst its farmers for mechanised cultivation ,nursery seeding production

and production of biocontrol agents and this has brought about a significant economic transformation of the predominantly agrarian economy. Women farmer training programs and empowerment have brought women into the forefront of agriculture thus encompassing all genders in business chain management. The Company supports the communities around the place of work by seeking contractual arrangements for handling and transportation of its products and in-plant services.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

The production of Sugar from Sugarcane is indeed an eco-friendly virtuous cycle. All joint and by products generated during the process of sugar manufacture are productively utilised viz. bagasse is utilised for power generation, molasses is utilised to produce distillery products and other wastes generated like press mud are utilised for manufacture of organic manure. The Company has laid down comprehensive guidelines on waste management for all its units, which cover hazardous as well as non-hazardous waste and monitoring of performance for each unit, is carried out on a regular basis. The Company is one of the few sugar factories to work towards achieving ZLD for the sugar operations. The Company has commissioned a condensate polishing unit at its Nellikuppam factory which has enabled recycling of 2400 Cubic meter of water every day for a cane crush rate of 7000 MT/Day. This water recycling facility will be replicated across other units also. The Company has adopted management practices detailed under the international standards such as ISO 9001, ISO 14001, OHSAS. Some of the manufacturing units of the Company are already certified and are working towards improvement in energy efficiency.

PRINCIPLE 3: BUSINESSES SHOULD PROMOTE THE WELLBEING OF ALL EMPLOYEES

The Company ensures a work environment that promotes well-being of all its employees. Focusing on health, safety and preventing discrimination are part of the Company's guiding principles on Employees' well-being. The Company provides equal employment opportunities to all irrespective of their caste, creed, gender, race, religion, disability etc., The Company respects the right of employees to freedom of association, participation, and collective bargaining and provides access to appropriate grievance redressal mechanisms. The Company is committed to provide a work environment which ensures that every woman employee is treated

with dignity, respect and equality. The Company has instituted processes and mechanisms to ensure that issues relating to sexual harassment are effectively addressed. In terms of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, Internal Complaints Committees have been constituted in all units. These Committees are intended to facilitate open and structured discussions on sexual harassment complaints, and to ensure their resolution in a fair and just manner. The Company has strengthened its performance-driven orientation through robust competence mapping, gap identification, training and development. The Company contributes to the medical insurance of its employees and also organises health check-ups for employees. The Company also enhances employee engagement through various initiatives on an ongoing basis. The Company is deeply committed to safety of its Employees at workplace and regularly organises mock fire drills and Fire Safety training classes at all its locations.

1. Please indicate the total number of employees.

The total number of permanent Employees is 2485 as on March 31, 2019.

2. Please indicate the total number of employees hired on temporary / contractual / casual basis.

The total number of employees hired on temporary / contractual / casual basis is 2532 as on March 31, 2019.

3. Please indicate the number of permanent women employees

The total number of Women Employees is 54 as on March 31, 2019

4. Please indicate the Number of permanent employees with disabilities

The number of permanent employees with disabilities is 5.

5. Do you have an employee association that is recognized by management?

Yes. We have employees' associations for Non-Management Employees which are recognised by the Management.

6. What percentage of your permanent employees is members of this recognized employee association?:

Percentage of Permanent employees in recognised employees association 70%

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8 What percentage of your under mentioned employees were given safety & skill up-gradation training in the previous year?

- Permanent Employees: 85%
- Permanent Women Employees : 86%
- Casual/Temporary/Contractual Employees : 100%
- Employees with Disabilities : 0.00%

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALIZED

The Company is responsive to the requirements of all its Stakeholders and this is enshrined in our Corporate Values & Beliefs of Integrity, Passion, Quality, Respect and Responsibility. These values require that the Company acts as a responsible corporate citizen and change lives for the better and this is to be done in a manner that reflects humility. These values require us to provide everyone equal opportunities to progress and grow. The Company considers its employees, business associates (network of farmers, suppliers, stockists and dealers), customers, shareholders/investors and communities surrounding its operations and regulatory authorities as its key stakeholders. The Company continues its engagement with them through various mechanisms such as consultations with local communities, small farmer training, women empowerment in agriculture, supplier/vendor meets, customer/employee satisfaction surveys, investor forums, etc. The Company's website, www.eidparry.com, contains comprehensive information for the stakeholders about the Company. The Company also has designated an exclusive email- id for investor services – investorservices@parry.murugappa.com. The Company also promptly intimates the Stock Exchanges about all price-sensitive information or such other matters which in its opinion are material and of relevance to the stakeholders of the Company.

1. Has the company mapped its internal and external stakeholders?

Yes. The Company has mapped its internal and external stakeholders. It uses both formal and informal mechanisms to engage with various stakeholders to understand their concerns and expectations.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.

The Company identifies underprivileged communities around its business locations as disadvantaged, vulnerable and marginalised stakeholders and continuously engages with all such stakeholders identifying their needs and priorities so as to serve these needs accordingly.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

The Company has always engaged itself in special initiatives with the disadvantaged, vulnerable and marginalized stakeholders. Special targeted small farmer development collaborative projects with leading institutions are underway to entail inclusive growth and development of marginal and women farmers. The company has a dedicated state of the art and integrated R&D function with facilities recognised by the Department of Scientific & Industrial Research (DSIR), Ministry of Science & Technology, Govt. of India. The R&D facilities promote soil test based nutrient management, production of low cost eco-friendly bio-products and plant tissue culture facility for production of quality seed to farmers. Many rural entrepreneurs are nurtured to inclusively enable technology transfer among marginalised farming communities.

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

The Company respects the rights and dignity of all individuals and upholds the principles of human rights. The Company's commitment to human rights and fair treatment is set out in its code of conduct and the Five Principles governing the group. The policy provides conduct of operations with honesty, integrity and openness with respect for human rights and interests of employees. The Company believes that a sustainable organisation rests on a foundation of ethics and respect for human rights.

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs/Others?

The Company's Policy on Human Rights covers not only the Company but extends to its subsidiaries. The Company encourages its suppliers, contractors and others to follow the principles laid down in the five principles of its values and beliefs.

Respecting human rights is fundamental to the Company's policies and business dealings and the Company is equally focussed on building awareness around promotion of human rights with every associate and supply chain partners. All employees and contractors are required to respect the human rights of fellow workers and communities where the Company operates. The Company does not employ child labour and does not permit any occurrence of forced or compulsory labour, conducts proper checks and audits to ensure that its contractors follow the same. The Company's business relationship with its Vendors / contractors encourages its vendors to comply with relevant laws safeguarding labour rights and human rights.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

The Company has not received any Complaints pertaining to violation of Human rights during the financial year 2018-19.

PRINCIPLE 6: BUSINESS SHOULD RESPECT, PROTECT, AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT

The Company places its highest priority in ensuring that best practices and procedures are followed relating to environment protection. To enrich soil, the Company ensures that its farmers carry out trash shredding or trash mulching post-harvest. The by-products after process are efficiently recycled as pressmud or enriched compost to implement the concept of waste to wealth creation. These value added by-products ensure soil health through increase in soil organic matter. The Company promotes water conservation and management measures by drip irrigation system. Further, the Company does not use ground water for process in any of the sugar units. Sugarcane contains 70% of water which is extracted and recycled in process as well as used back for irrigation in fields. Bagasse is used as fuel in boilers which does not emit any obnoxious gases like So₂. Bagasse is a CO₂ neutral fuel and is a source of renewable energy. All the factories of the Company have installed online effluent and air mission monitoring systems, which are connected to the websites of CPCB/ SPCB for online monitoring.

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/others.

Sustainability is built into Company's business processes. As on date, the Company is encouraging all its external stakeholders to strictly adhere to safety and restoration of the environment.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

All factories of the Company have a green belt to an extent of 40% of plant area. The Company has promoted through training and demonstrations to all its farmers not to burn the trash post-harvest, but to shred and mulch to enrich the soil and balanced fertiliser application without use of pesticides is being promoted to mitigate the risk to environment on a larger scale. Carbon and water footprinting exercise has been carried out with National and International Institutions. Bagasse is the predominant fuel used in the factories and this is an environment friendly renewable energy source.

3. Does the company identify and assess potential environmental risks? Y/N

Yes, the Company has a mechanism to identify and assess potential environmental risks in its plants, projects and operations. Environmental risk identification and mitigation is ingrained in the Company's risk management system.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

The Company uses Bagasse as the primary fuel to generate both thermal and electrical energy requirements of the plants. Bagasse is a CO₂ neutral fuel, qualifying for Clean Development Mechanism.

All major locations are certified for requirements under ISO 14001 (Environmental Management System) and OHSAS 18001 (Occupational Health and Safety System). The system requirements are broad based by incorporating internal standards. Layered audits are carried out to check the level of compliance. Deviation management system ensures that the corrective actions are close looped and issues are addressed within a reasonable time frame.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

The Company has undertaken clean technology to ensure Zero water drawl from ground/river/canals for the operation of the sugar factory. The distilleries of the Company are ZLD compliant and the solids recovered from the effluent, are recycled as a manure. The Company has undertaken a number of measures for energy efficiency as follows:

- Variable frequency drive installation to reduce power consumption
- Instrumentation for steam & condensate flow to minimize energy
- Automatic combustion control system in the boilers to optimize fuel usage.
- Recycle of unburnt carbon ash to minimize fuel consumption
- Energy audits and reviews to optimize the usage of thermal and electrical energy.

All factories of the Company have installed the advanced energy conservation systems like vapour conditioners, vacuum system and VFD, which conserve energy. The industry norm on steam required for sugar process is 45.0% per ton of cane whereas all factories operate between 32 to 39% per ton of cane. The industry norm on power required is 37 kw per ton of cane whereas all factories operate between 24 to 30 kw per ton of cane. The industry norm of steam fuel ratio is 2.0 to 2.2 where as our units operate between 2.4 to 2.7. Many of the factories of the Company have won the “Excellent energy efficient unit” awards from CII and from Bureau of Energy Efficiency, Government of India. In the area of Renewable energy, the bio-gas generation from effluent – reduce fossil fuel use. The Effluent used as fuel in incineration boiler generates steam and power.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes, the emissions / waste generated by the Company are within the permissible limits given by CPCB/ SPCB. Besides the Company's manufacturing units are connected on line with the CPCB, which monitors on a regular basis the norms laid down under the applicable environment protection laws.

7. Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

There were no pending or unresolved show cause/legal notices from CPCB/SPCB as at the end of 2018-19.

PRINCIPLE 7: BUSINESSES, WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER

The Company believes that being in an industry, which is one the most regulated sectors, significant improvement can be achieved, if the Company works together with the Government, legislators, trade bodies and regulators to create positive policies affecting the industry especially cane pricing and sustainable growth affecting millions of farmers. The Company has always been at the forefront and strived to create a positive impact in the business eco-system and communities by practicing proactive advocacy not for securing certain benefits for

industry, but also advocating certain best practices for the benefit of the community at large who are affected by its business. The Company engages with a number of industry bodies and associations to influence public and regulatory policy in a responsible manner.

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

The Company is a member of various trade and chamber associations. The Indian Sugar Mills Association (ISMA) and South Indian Sugar Mills Association (SISMA) are the prime bodies that represent the interests of the private sugar mills and is the interface between the industry and Government on policy matters relating to sugar industry. The Company actively participates in the functioning of ISMA and SISMA in the matter of advancing the cause of the Industry and policy matter concerning the industry as well as vital issues concerning the industry.

Besides, the Company is a member of the following Associations.

- a) CII (Confederation of Indian Industry)
- b) FICCI (Federation of Indian Chamber of Commerce and Industry)
- c) ASSOCHAM (Associated Chambers of Commerce and Industry of India)

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes, specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

The Company through ISMA, SISMA and various other industry associations, participates in advocating matters for advancement of the industry's interest and public good. It supports various initiatives of the Government which include farmers welfare, environment, customer information and education.

PRINCIPLE 8: BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

The Murugappa Group is known for its tradition of philanthropy and community service. The Group's philosophy is to reach out to the community by establishing service-oriented philanthropic institutions in the field of education and healthcare which has been identified as the core focus areas. The Company has been upholding the Group's tradition by earmarking a part of its income for carrying out its social responsibilities. The Company believes that social responsibility is not just a corporate obligation that has to be carried out but it is one's dharma. The Company has been carrying out Corporate Social Responsibility (CSR) activities for a long time through AMM Foundation, an autonomous charitable trust, in the field of education and healthcare, while also pursuing CSR activities for the benefit

of local communities around the factories in the States of Tamil Nadu, Andhra Pradesh and Karnataka.

The Company has always believed to ensure protection of interests of all its stakeholders in tandem with its growth. The Company believes not only in value-added business, but also in discharging its responsibilities to various sections of society and in providing opportunities to learn, contribute, advance, recognize and reward initiative, innovativeness and creativity. It believes in not only making customers delighted, but the community around also, by establishing service-oriented philanthropic institutions in the field of Education and Medicare. The Company has leveraged its 100 years old experience in cane procurement and sugar manufacturing in satisfying the needs of its principal stake holders, the farmers and the consumers. The most important stakeholder of the Company are farmers and rural communities with whom the Company has forged long and enduring partnerships through crop development and procurement activities. The Company has the distinction of being the only sugar Company in India in making prompt payment to farmers even in the most difficult times. Timely payment to farmers is not only one of the critical and most enduring practice practiced by the Company but it is the hallmark of its existence and operations. The stakeholder communities face the challenge of securing sustainable livelihoods, which is addressed through the Company's multi-pronged approach to address these issues at several levels and methods. Besides prompt payment, the Company helps the farmers in a number of ways to meet their crop protection needs, improvement of yield and recovery and adoption of best cultivation practices

1. Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

Inclusive growth is at the core of the Company's community development strategy. As mandated by the Companies Act, 2013 and based on recommendation of the CSR Committee, the Board of Directors have adopted a CSR Policy. The CSR policy, inter-alia, deals with the objectives of the Company's CSR initiatives, the guiding principles, the thrust areas of CSR, the responsibilities of the CSR Committee, the implementation plan and reporting framework:

The thrust areas of the Company's CSR activities are:

- Empowerment of the disadvantaged sections of the society through education, access to and awareness about financial services and the like;
- Provision of access to basic necessities like healthcare, drinking water & upliftment of underprivileged;
- Work towards eradicating hunger and poverty, through livelihood generation and skill development;

- Supporting environmental and ecological balance through afforestation, soil conservation, rain water harvesting, conservation of flora & fauna, and similar program;

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/ any other organization?

The Company undertakes CSR project/programs identified by the CSR Committee and approved by the Board of Directors, in line with the CSR Policy.

Thereafter the Company implements its CSR programs/projects:

- a) Through an implementation partner that can be a public charitable trust or a society registered under applicable Acts or a Company registered under Section 8 of the Companies Act, 2013 or
- b) On its own

3. Have you done any impact assessment of your initiative?

Yes, the CSR committee internally performs a review and an impact assessment of its initiatives at the end of each year to understand the effectiveness of the programme in terms of delivery of desired benefits to the community and to gain insights for improving the design and delivery of future initiatives.

4. What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

During the year 2018-19, the Company has spent an amount of ₹120.40 Lakh on CSR activities encompassing various community development projects. As per Section 135 of the Companies Act, 2013, the Company was not required to spend any amount on CSR Activities during the year 2018-19 considering its average net profits for the preceding three financial years. During the year, the Company won ET Now's Best Corporate Social Responsibilities Practices Award during Feb 2019 at Mumbai.

Details of the projects undertaken are given in Annual Report on CSR Activities enclosed as Annexure 'C' to the Board's Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

The CSR Committee of the Board of Directors identifies and implements all CSR projects/ programs and periodic reports are provided for review by the Committee.

The Company has a well-defined, transparent monitoring and review mechanism to ensure that each CSR projects/ program has:

- 1) Clear sustainable objectives developed out of the societal needs that may be determined through need assessment studies and research (secondary or primary);
- 2) Clear targets, time lines and measurable indicators, wherever possible;
- 3) A progress monitoring and reporting framework that is aligned with the requirements of Section 135 of the Companies Act 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER

The Company is committed to delivering Quantity products combined with Quality. This provides a value proposition to the customers and meet their expectations. The Company produces its products by working closely with the Customers and understanding their requirements. The company has derived a Food Safety and Quality Policy to drive its business. In order to provide the first time product to its customers, the plants follows either TPM or interventions such as FSSC 22000 and QMS ISO 9001:2015 system. Being involved in the business of providing food products, it is of paramount importance to align products with stringent qualitative and performance related parameters. The products of the Company undergo quality checks at different levels and well-defined SOPs and procedures have helped to identify and eliminate bottlenecks in the processes and systems. The Company's overall approach on this aspect is guided by its quality policy, food safety policy and TPM Policy. The Company's food safety management system is based on various practices and codes for food safety, including HACCP, good manufacturing practices, Codex, Alimentarius commission guidelines, ISO 22002-1:2009, norms laid down by Food Safety and Standards Authority of India and other similar food safety standards issued from time to time. Across Plants, surveillance audits and certifications are conducted for Quality, Environment, Food Safety and Occupational Health & Safety (OHSAS 18001). Focused quality enhancement initiatives are rolled out to enable the Company to benchmark with the best-in-class and be future ready. to meet the challenges of a globally competitive market. The major plants of the Company have Food Safety Systems Certification (FSSC 22000) and certification for Supplier's Guiding Principles (SGP) compliance. Some of its Units are regularly audited by Customers to verify and validate to qualify to their required standards.

1. What percentage of customer complaints / consumer cases are pending as on the end of financial year.

The Company has addressed all the customer complaints received during the FY 2018-19 and there were no customer complaints pending with the Company as on March 31, 2019. Each of the

received complaints was handled by respective Units and its expert teams meticulously. A robust system of handling customer complaint exists within the Company. The Company records all the complaints in SAP plant form. Each of the complaints immediately on receipt undergoes a thorough investigation. Root Cause Analysis is carried out to have correction or corrective or preventives actions taken. These actions are communicated back to the customer. In the FY 2018-19, a total of 60 customer complaints from institutional, trade and retail customers were registered in SAP system with the Company. All the complaints were resolved with appropriate corrections, counter measures/ corrective / preventive actions based on the root cause analysis / Why Why analysis carried out at the respective Units of the Company. Also proactively several Standard Operation Procedures (SOPs) were strengthened / revised / developed for the required Quality and Food Safety requirements across the Units and deployed horizontally.

2. Does the company display product information on the product label, over and above what is mandated as per local laws?

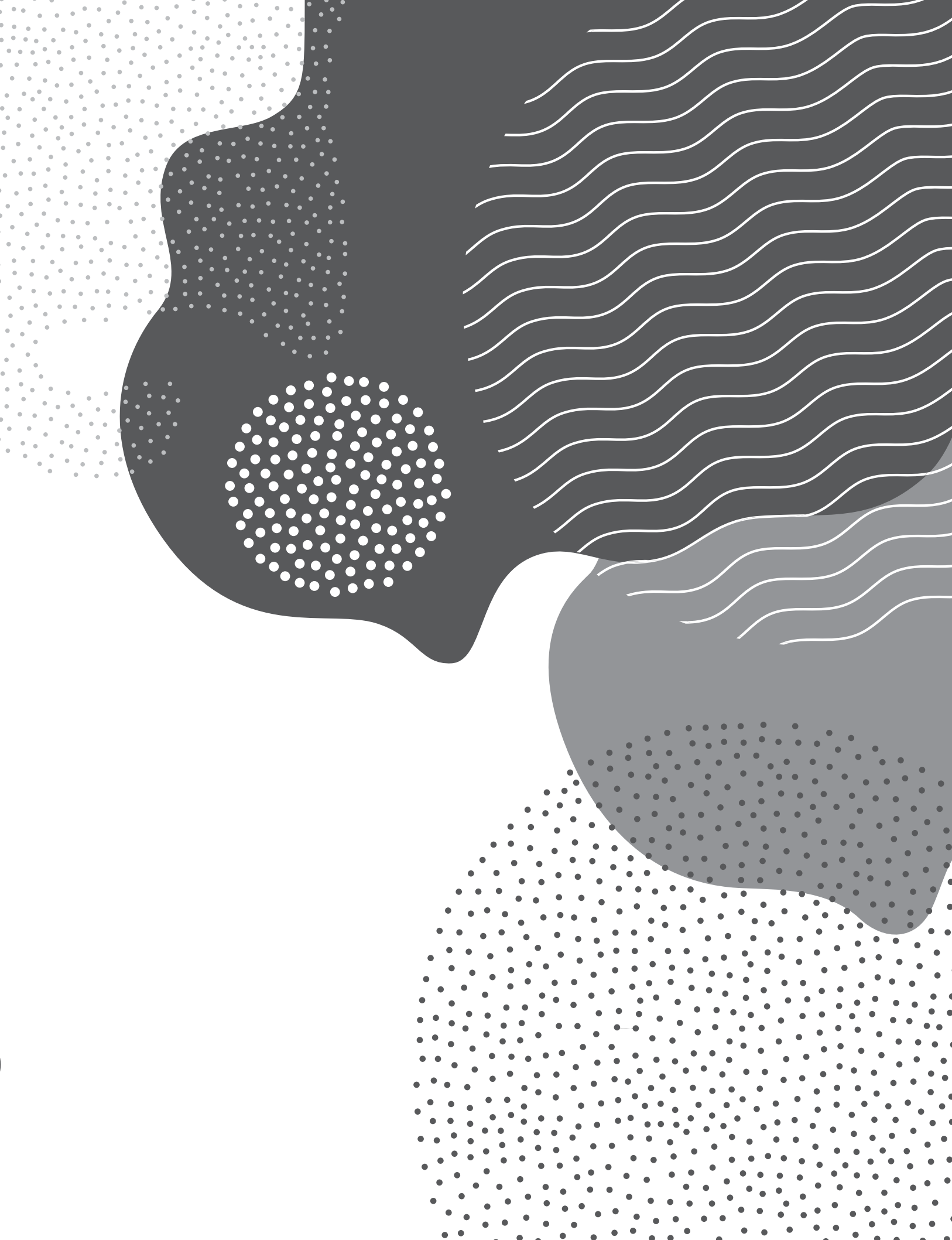
The Company displays all the requisite product information and safety guidance on the product label as required under the Food Safety and standards Act, 2006, Legal Metrology Act, 2011 and other applicable laws. Over and above the mandatory requirements, the Company also subscribes to various customer information requirements. Product Information about the physical dimensions and/or compositions/nutrient content is provided through the product labels/pack declaration and/or catalogues.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

There have been no cases relating to unfair trade practices, irresponsible advertising and/or anti-competitive behavior against the Company.

4. Did your company carry out any consumer survey/consumer satisfaction trends?

To understand its quality of product, process, packing and services, the company conducts periodical customer surveys/ feed backs at planned intervals. The core objective is to establish the level of satisfaction amongst customers of the Company and to identify areas of improvement in its services. In addition to these, the Company also carries out market research surveys to understand markets, customer trends and expectations.



INDEPENDENT AUDITOR'S REPORT

To The Members of E.I.D.- Parry (India) Limited

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

Opinion

1. We have audited the accompanying standalone Ind AS financial statements of E.I.D. - Parry (India) Limited ("the Company"), which comprise the balance sheet as at March 31, 2019, and the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for opinion

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

Key audit matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the key audit matter
<p>Impairment assessment of carrying value of Investment in Parry Sugars Refinery India Private Limited (PSRIPL)</p> <p>(Refer Note 5 A to the standalone Ind AS financial statements)</p> <p>The Company's investment in PSRIPL, a wholly owned subsidiary of the Company, aggregates to ₹ 56,871 Lakh as at March 31, 2019.</p> <p>PSRIPL is engaged in the business of manufacture and sale of refined sugar. The carrying value of investment is greater than the net worth of the subsidiary as at March 31, 2019 which is an indicator of potential impairment of this investment and accordingly an impairment assessment has been performed by the Management.</p> <p>This is a key audit matter as the investment is significant to the financial statements and Management judgement is required in certain key areas such as discount and growth rates in estimating future cash flows prepared by the Company (the Model) along with the Management's valuer to support the carrying value of its investment.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Understanding and evaluating the design and testing the operating effectiveness of key controls in relation to the impairment testing Model. • Assessing the Model and evaluating the independence, competence, capabilities and objectivity of the management's valuer. • Assessing the historical accuracy of the Company's forecasts by comparing the forecasts used in the prior year models with the actual performance in the current year. • Testing the mathematical accuracy of the underlying calculations and agreeing the forecasts for the ensuing year with the latest Board approved budgets. • Evaluating, along with the auditor's experts, the key assumptions such as discount rate and growth rate used in the Model. • Performing sensitivity tests on the Model for a range of certain assumptions, such as discount rate and growth rate. • Evaluating adequacy of the disclosures made in the financial statements. <p>Based on the procedure performed, we did not identify any material exceptions in the impairment assessment carried out by the management in respect of the carrying value of its investment in Parry Sugars Refinery India Private Limited.</p>

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report together with the annexure thereto, Report on Corporate Governance and Business Responsibility Report but does not include the standalone Ind AS financial statements and our auditor's report thereon. Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the Standalone Ind AS financial statements

6. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the Standalone Ind AS financial statements

8. Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.
9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the financial statements represent the

underlying transactions and events in a manner that achieves fair presentation.

10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

13. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
14. 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 Statement of Changes in Equity and Cash Flow Statement 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, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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 Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact, if any, of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 53 to the standalone Ind AS financial statements.
 - ii. The Company has long-term contracts including derivative contracts as at March 31, 2019 for which there were no material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2019

For **Price Waterhouse Chartered Accountants LLP**

Firm Registration Number: 012754N/N500016

Chartered Accountants

Subramanian Vivek

Partner

Membership No. 100332

Place: New Delhi

Date: May 8, 2019

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

Referred to in paragraph 14(f) of the Independent Auditors’ Report of even date to the members of E.I.D. -Parry (India) Limited on the standalone Ind AS financial statements as of and for the year ended March 31, 2019.

Report on the Internal Financial Controls with reference to financial statements 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 E.I.D. – Parry (India) Limited (“the Company”) as of March 31, 2019 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.

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”) 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 with reference to financial statements 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 controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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, 2019, 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 No. 100332

Place: New Delhi

Date: May 8, 2019

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of E.I.D. -Parry (India) Limited on the standalone Ind AS financial statements as of and for the year ended March 31, 2019

- 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 three 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) According to the information and explanations given to us and based on the examination of the registered title deeds provided to us, we report that the title deeds of all the immovable properties of land and buildings as disclosed in Note 2, 3 and 10 to the standalone Ind AS financial statements are held in the name of the Company as at the Balance Sheet date other than those immovable properties which are yet to be registered in the name of the company consequent to the Scheme of Arrangement (Demerger) of Haliyal and Sankili units of Parry Sugar Industries Limited with the Company and Scheme of Amalgamation of Sadashiva Sugars Limited with the Company.
 Immovable properties of land and buildings whose title deeds have been pledged as security for loans, guarantees, etc. are held in the name of the Company as per the Memorandum of Entry executed by the Company and confirmed by the banker as on the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the financial statement, the lease agreements are in the name of the Company where the Company is a lessee in the agreement.
- ii. The physical verification of inventory excluding stocks with third parties have been conducted at reasonable intervals 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 not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- 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 loans and investments made, and guarantees and securities 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 employees' state insurance, income tax, and professional tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and service tax and other material statutory dues, as applicable, with the appropriate authorities. Also refer Note 29 to the standalone Ind AS financial statements regarding management's assessment on certain matters relating to provident fund.
- (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 excise duty and value added tax as at March 31, 2019 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (In Lakh)*	Period to which the amount relates	Forum where the dispute is pending
The Finance Act, 1994	Service Tax	180	2005-06 to 2016-17	Commissioner (Appeals)/ Central Excise and Service Tax Appellate Tribunal
The Central Excise Act, 1944	Excise duty	1,260	1997-2016	(Commissioner Appeals)/CESTAT/Honorable High Court/Honorable Supreme Court
Sales Tax Act of various states/ Central Sales Tax Act, 1956	Sales Tax	264	1978-2016	Assistant/ Deputy Commissioner/ Tribunal/ Honorable Supreme court
Income Tax Act, 1961	Income Tax dues	5,575	1984-85 to 2015-16	Income Tax Appellate Tribunal / CIT Appeals / Honorable High Court

*net of amount paid under protest

- 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 or dues to debenture holders as at the balance sheet date.
- ix. In our opinion, and according to the information and explanations given to us, the moneys raised by way of term loans have been applied for the purposes for which they were obtained. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments).
- 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. As more fully discussed in Note 40 to the Standalone Ind AS financial statements, managerial remuneration aggregating to ₹ 152 Lakh have been paid in excess of the limits prescribed under Section 197 read with Schedule V. The Company has proposed to obtain shareholders' approval in the ensuing Annual General Meeting to comply with the requirements 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 Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Ind AS 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 No. 100332

Place: New Delhi

Date: May 8, 2019

STANDALONE BALANCE SHEET AS AT MARCH 31, 2019

₹ in Lakh

S.No	Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
A	ASSETS			
	Non-Current Assets			
	(a) Property, Plant and Equipment	2	1,24,912	1,34,982
	(b) Capital work in progress	2	1,008	533
	(c) Investment Property	3	2,271	2,508
	(d) Goodwill	3A	1,452	1,452
	(e) Other Intangible assets	4	95	109
	(f) Intangible assets under development	4	137	-
	(g) Financial Assets			
	(i) Investments			
	a) Investments in subsidiaries	5A	80,132	73,132
	b) Investments in joint venture	5B	660	-
	c) Other Investments	6	17,059	14,699
	(ii) Loans	8	1,200	2,000
	(iii) Other financial assets	9	465	412
	(h) Deferred tax assets (Net)	44	8,262	6,828
	(i) Income tax assets (Net)	15	6,565	6,536
	(j) Other non current assets	10	1,684	3,188
	Total non-current assets		2,45,902	2,46,379
	Current Assets			
	(a) Inventories	11	97,272	1,09,762
	(b) Financial assets			
	(i) Trade receivables	7	16,175	13,446
	(ii) Cash and Cash equivalents	12	70	70
	(iii) Bank balances other than (ii) above	13	2,388	941
	(iv) Loans	8	451	48
	(v) Other financial assets	9	6,496	6,819
	(c) Other current assets	10	18,821	15,705
			1,41,673	1,46,791
	Assets classified as held for sale	14	3,686	11,051
	Total current assets		1,45,359	1,57,842
	TOTAL ASSETS		3,91,261	4,04,221
B	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity share capital	16	1,770	1,770
	(b) Other equity	17	1,69,580	1,62,043
	Total equity		1,71,350	1,63,813
	Liabilities			
	Non-Current Liabilities			
	(a) Financial liabilities			
	i. Borrowings	18	35,206	27,498
	(b) Deferred tax liabilities (Net)	44	2,800	-
	(c) Long term provisions	23	721	686
	(d) Other non-current liabilities	22	944	1,081
	Total non-current liabilities		39,671	29,265
	Current Liabilities			
	(a) Financial Liabilities			
	i. Borrowings	19	37,522	43,243
	ii. Trade payables	20		
	a. total outstanding dues of micro and small enterprises		-	-
	b. total outstanding dues other than (ii)(a) above		40,807	56,802
	iii. Other financial liabilities	21	98,822	1,05,337
	(b) Short term provisions	23	564	667
	(c) Other current liabilities	22	2,525	2,801
	Liabilities directly associated with assets classified as held for sale	14	-	2,293
	Total current liabilities		1,80,240	2,11,143
	Total Liabilities		2,19,911	2,40,408
	TOTAL EQUITY AND LIABILITIES		3,91,261	4,04,221

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

In terms of our report attached

For Price Waterhouse Chartered accountants LLP

Firm Registration Number: 012754N/N500016

Chartered Accountants

Subramanian Vivek

Partner

Membership No :100332

New Delhi

Date: May 08, 2019

S. Suresh

Managing Director

DIN 06999319

Biswa Mohan Rath

Company Secretary

Chennai

Date: May 08, 2019

For and on behalf of the Board of Directors

V.Ravichandran

Chairman

DIN 00110086

S Rameshkumar

Chief Financial Officer

STATEMENT OF STANDALONE PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

₹ in Lakh

S.No	Particulars	Note No.	Year ended March 31, 2019	Year ended March 31, 2018
I	Revenues from Operations	24	1,85,503	1,94,194
II	Other Income	25	19,141	19,373
III	Total Income (I+II)		2,04,644	2,13,567
IV	Expenses:			
	Cost of materials consumed	26	1,24,003	1,63,478
	Purchases of Stock-in-Trade	27	780	919
	Changes in Inventories of finished goods, by products, work-in-progress and stock in trade	28	12,879	(37,494)
	Excise duty on sale of goods		-	2,065
	Employee benefits expense	29	14,544	13,510
	Finance costs	30	11,343	11,290
	Depreciation and amortisation expense	31	11,377	11,296
	Other expenses	32	35,409	35,001
	Total Expenses (IV)		2,10,335	2,00,065
V	Profit/(loss) before tax from continuing operations and exceptional items (III-IV)		(5,691)	13,502
VI	Exceptional item	43	3,516	(8,719)
VII	Profit before tax from continuing operations (V+VI)		(2,175)	4,783
VIII	Tax Expense:			
	(1) Current Tax	45	-	31
	(2) Deferred Tax	45	(4,907)	(3,396)
			(4,907)	(3,365)
IX	Profit/(Loss) for the year from Continuing Operations (VII-VIII)		2,732	8,148
	Profit/(Loss) for the year from discontinued Operations before tax		20,876	3,002
	Tax expense of discontinued operations		7,295	1,049
X	Profit/(Loss) for the year from discontinued Operations (after tax)		13,581	1,953
XI	Profit/(Loss) for the year (IX+X)		16,313	10,101
	Other Comprehensive Income			
	A. i) Items that will not be reclassified to profit or loss			
	a) Remeasurements of defined benefit plans		(205)	(156)
	b) Equity instruments through other comprehensive income		2,359	7,794
			2,154	7,638
	ii) Income tax relating to items that will not be reclassified to profit or loss		(462)	(1,751)
	B. i) Items that will be reclassified to profit or loss			
	a) Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge		(15)	(203)
	ii) Income tax relating to items that will be reclassified to profit or loss		5	70
XII	Total other comprehensive income (A(i-ii)+B(i-ii))		1,682	5,754
XIII	Total Comprehensive Income (XI+XII)		17,995	15,855
XIV	Earnings Per Equity Share (Nominal value per share ₹ 1)			
	- For continuing operations			
	(a) Basic	48	1.54	4.60
	(b) Diluted	48	1.54	4.60
	- For discontinued operations			
	(a) Basic	48	7.67	1.10
	(b) Diluted	48	7.67	1.10
	- For continuing and discontinued operations			
	(a) Basic	48	9.21	5.70
	(b) Diluted	48	9.21	5.70

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

In terms of our report attached

For Price Waterhouse Chartered accountants LLP

Firm Registration Number: 012754N/N500016

Chartered Accountants

Subramanian Vivek

Partner

Membership No :100332

New Delhi

Date: May 08, 2019

S. Suresh

Managing Director

DIN 06999319

Biswa Mohan Rath

Company Secretary

Chennai

Date: May 08, 2019

For and on behalf of the Board of Directors

V.Ravichandran

Chairman

DIN 00110086

S Rameshkumar

Chief Financial Officer

Standalone Statement of Changes in Equity for the year ended 31 March 2019

(in Indian ₹ Lakh, unless otherwise stated)

Particulars	Share Capital	Share Capital Suspense	Reserves and Surplus							Other reserves			Total
			Capital redemption reserve	Capital Reserve on amalgamation	Securities premium reserve	Debenture Redemption reserve	Capital Reserve	General reserve	ESOP Reserve	Retained earnings	Equity Instruments through comprehensive Income	Effective portion of cash flow hedges	
Balance at April 1, 2017	1,759	11	4,288	688	6,103	1,667	5,718	88,669	53	33,128	5,519	143	1,47,746
Movement during 2017-18													
Profit for the year	-	-	-	-	-	-	-	-	-	10,101	-	-	10,101
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	-	-	(102)	5,989	(133)	5,754
Amount transferred within reserves	-	-	-	-	5	833	-	11	(16)	(833)	-	-	-
Transactions with owners in their capacity as owners :													
Shares issued during the year	11	(11)	-	-	66	-	-	-	-	-	-	-	66
Recognition of share based payments	-	-	-	-	-	-	-	-	146	-	-	-	146
Payment of dividends	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at March 31, 2018	1,770	-	4,288	688	6,174	2,500	5,718	88,680	183	42,294	11,508	10	1,63,813
Movement during 2018-19													
Profit for the year	-	-	-	-	-	-	-	-	-	16,313	-	-	16,313
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	-	-	(134)	1,826	(10)	1,682
Amount transferred within Reserves	-	-	-	-	-	(1,667)	-	-	-	1,667	-	-	-
Transactions with owners in their capacity as owners :													
Shares issued during the year	-	-	-	-	-	-	-	-	-	-	-	-	-
Recognition of share based payments	-	-	-	-	-	-	-	-	162	-	-	-	162
Payment of dividends	-	-	-	-	-	-	-	-	-	(10,620)	-	-	(10,620)
Balance at March 31, 2019	1,770	-	4,288	688	6,174	833	5,718	88,680	345	49,520	13,334	-	1,71,350

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

In terms of our report attached

For Price Waterhouse Chartered accountants LLP

Firm Registration Number: 012754N/N500016

Chartered Accountants

Subramanian Vivek

Partner

Membership No :100332

New Delhi

Date: May 08, 2019

For and on behalf of the Board of Directors

V.Ravichandran

Chairman

DIN 00110086

S Rameshkumar

Chief Financial Officer

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2019

₹ in Lakh

Particulars	For the Year ended March 31, 2019		For the Year ended March 31, 2018	
A. Cash flow from operating activities				
Net profit before tax from continuing and discontinued operations		18,701		7,785
Adjustments for :				
Depreciation and Amortisation	11,377		11,446	
Finance costs	11,343		11,290	
Profit from discontinued operations	(20,876)		-	
Gain on sale of Investment in subsidiary (exceptional item)	(3,516)			
Dividend Income	(11,534)		(14,193)	
Profit on sale of investment property and fixed assets (net)	(399)		(381)	
Net (Gain)/loss arising on FVTPL Transaction	(531)		(1,217)	
Interest Income (including Government grant interest income)	(1,082)		(248)	
Liabilities/ Provisions no longer required written back	(986)		(1,262)	
Bad debts written off and provision for doubtful debts	945		1,337	
Provision for employee benefits	94		134	
Rental income from investment property net of expense	(1,406)		(1,332)	
Fixed Assets scrapped	171	(16,400)	115	5,690
Operating profit before working capital changes		2,301		13,475
Changes in operating assets & liabilities				
Adjustments for increase/(decrease) in				
Trade Receivables	(3,517)		1,372	
Inventories	12,490		(39,304)	
Bank balances considered as other than cash and cash equivalent	397		(482)	
Other Assets	(1,562)		(13,164)	
Other Financial Assets	(4,753)		833	
Trade Payable	(15,065)		31,900	
Other Liabilities	(481)		9,644	
Other Financial Liabilities	125		(15,220)	
Cane bills due	11,186		10,404	
		(1,180)		(14,017)
Cash generated from operations		1,121		(542)
Income tax paid net of refund		(1,508)		(1,387)
Net cash used in operating activities		(387)		(1,929)

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2019

₹ in Lakh

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
B. Cash flow from investing activities		
Purchase of Property, plant and equipment and intangible assets	(5,777)	(4,815)
Proceeds from sale of investment property and fixed assets	652	1,109
Sale of investments & Investment income	531	6,280
Investments in subsidiary companies (Refer note no 5.2)	(7,000)	(6,549)
Investments in Joint ventures (Refer note no 5.3)	(660)	-
Repayment of loan by subsidiary	-	82
Intercompany loan	397	(2,000)
Rent received from Investment property (net)	1,406	1,332
Interest received	255	161
Proceeds from sale of discontinued operations	29,458	-
Proceed from sale of investment in subsidiary	3,540	-
Dividend income received	16,849	8,879
Net cash from investing activities	39,651	4,479
C. Cash flow from financing activities		
Proceeds from issue of equity shares	-	*
Security premium in issue of shares	-	66
Proceeds from long term borrowings	20,428	1,046
Repayment of long term borrowings	(33,415)	(18,681)
Net increase / (Decrease) in working capital borrowing	(5,721)	25,089
Finance costs paid	(9,935)	(10,152)
Dividends paid Including Dividend Tax #	(10,620)	-
Net cash used in financing activities	(39,265)	(2,632)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	-	(83)
Reconciliation :		
Cash and cash equivalents as at beginning of the Year	70	153
Cash and cash equivalents as at end of the Year (refer Note No 12)	70	70
Net (decrease) / increase in cash and cash equivalents	0	(83)

* less than ₹ 1 Lakh

Includes amounts transferred to earmarked dividend accounts.

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

In terms of our report attached

For Price Waterhouse Chartered accountants LLP

Firm Registration Number: 012754N/N500016

Chartered Accountants

Subramanian Vivek

Partner

Membership No :100332

New Delhi

Date: May 08, 2019

S. Suresh

Managing Director

DIN 06999319

Biswa Mohan Rath

Company Secretary

Chennai

Date: May 08, 2019

For and on behalf of the Board of Directors

V.Ravichandran

Chairman

DIN 00110086

S Rameshkumar

Chief Financial Officer

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Corporate Information

E.I.D. - Parry (India) Limited is a significant player in Sugar with interests in promising area of Nutraceuticals. The Company also has a significant presence in Farm Inputs business through its subsidiary, Coromandel International Limited.

The Company has eight sugar factories having a capacity to crush 43,800 Tonnes of Cane per day, generate 160 MW of power and four distilleries having a capacity of 234 KLPD. In the Nutraceuticals business, it holds a strong position in the growing wellness segment mainly catering to the world markets with its organic products.

SIGNIFICANT ACCOUNTING POLICIES

1 Statement of Compliance

The financial statements have been prepared in accordance with Ind ASs notified under Sec 133 of the Companies Act, 2013[Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

Standards issued but not yet effective

The Ministry of Corporate Affairs (MCA) notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019 (the 'Rules') on March 30, 2019. The rules notify the new lease standard Ind AS 116, Leases and also brings in amendments to existing Ind AS. The rules shall be effective from reporting periods beginning on or after April 1, 2019 and cannot be early adopted.

a) New Standard issued :

Ind AS 116 , Leases

Ind AS 116 requires the lessee to recognise a 'right-of-use asset' and a 'lease liability' for almost all leasing arrangements.

The lessee will no longer be required to classify a lease as an operating lease or finance lease. The new standard requires entities to make more judgements and estimates in determining when a customer has the right to direct the use of an identified asset and the incremental rate of borrowing and make more disclosures (e.g., discount rate, weighted average lease term, other qualitative and quantitative information). In the capacity of a lessee, most companies will have a significant impact on their balance sheets along with ancillary impacts on their financial metrics. The new standard is mandatory for financial years commencing on or after April 1, 2019 and early application is not permitted. The standard permits either a full retrospective or a modified retrospective approach for the adoption.

Impact: The Company is in the process of assessing the impact of adoption of Ind AS 116.

b) Amendments to existing standards

Amendments to Ind AS 12, Income Taxes

- (i) Appendix C to Ind AS 12, Income Taxes has been inserted. The appendix provides accounting for uncertainty over income tax treatments. The appendix corresponds to IFRIC 23, Uncertainty over Income Tax Treatments issued by the IFRS Interpretations Committee.
- (ii) New paragraph 57A has been added to Ind AS 12 to clarify that the income tax consequences of dividends on financial instruments classified as equity should be recognised according to where the past transactions or events that generated distributable profits were recognised.

Impact: The Company is in the process of assessing the detailed impact of above amendment.

Amendment to Ind AS 19, Employee Benefits

Amendment to Ind AS 19, Employee Benefits requires an entity to:

- (i) use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- (ii) recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Impact: Management has assessed the effects of the above amendment and concluded that the same has no impact on the Company.

Amendment to Ind AS 23, Borrowing Costs

Amendment to Ind AS 23, Borrowing Costs clarifies that if a specific borrowing remains outstanding after a qualifying asset is ready for its intended use or sale, it becomes part of general borrowings.

Impact: Management has assessed the effects of the above amendment and concluded that the same has no impact on the Company.

Amendment to Ind AS 28, Investments in Associates and Joint Venture

Amendment to Ind AS 28, Investments in Associates and Joint Ventures states that Investors could have long-term interests (for example, preference shares or long-term loans) in an associate or

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

joint venture that form part of the net investment in the associate or joint venture. The amendment clarifies that these long-term interests in an associate or joint venture to which the equity method is not applied should be accounted for using Ind AS 109, Financial Instruments. The requirements of Ind AS 109 are applied to long-term interests before applying the loss allocation and impairment requirements of Ind AS 28.

Impact: Management has assessed the effects of the above amendment and concluded that the same has no impact on the Company.

Amendments to Ind AS 103, Business Combinations and Ind AS 111, Joint Arrangements

This amendment clarifies measurement of previously held interest in obtaining control/joint control over a joint operation as follows:

- (i) On obtaining control of a business that is a joint operation, previously held interest in joint operation is remeasured at fair value at the acquisition date;
- (ii) A party obtaining joint control of a business that is joint operation should not remeasure its previously held interest in the joint operation.

Impact: Management has assessed the effects of the above amendment and concluded that the same has no impact on the Company.

Amendment Ind AS 109, Financial Instruments

Amendment to Ind AS 109 to enable an entity to measure at amortised cost some prepayable financial assets with negative compensation. Impact: Management has assessed the effects of the above amendment and concluded that the same has no impact on the Company.

1.1 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, defined benefit plan - plan assets measured at fair value, assets held for sale which is measured at lower of cost and fair value less cost to sell and share based payments as explained in the accounting policies below.

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

Fair value is 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 or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

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

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

The principal accounting policies are set out below.

1.2 Revenue Recognition

The Company has adopted Ind AS 115 from April 1, 2018 and had opted for retrospective application with the cumulative effect of initially applying this standard recognised as an adjustment to the opening balance of retained earnings at the date of initial application. The standard has been applied to all open contracts as on April 1, 2018 and subsequent contracts with customers from that date.

i. Sale of goods

Revenue is recognised when the performance obligations are satisfied and the control of the product is transferred, being when the goods are delivered as per the relevant terms of the contract at which point in time the Company has a right to payment for the asset, customer has legal title of the asset, customer bears significant risk and rewards of ownership and the customer has accepted the asset or the Company has objective evidence that all criteria for acceptance have been satisfied. Payment for the sale is made as per the credit terms in the agreements with the customers. The credit period is generally short term, thus there is no significant financing component.

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Certain products of the Company carry a right of return. The Company based on accumulated experience estimates the right of return and revenue is recognised only to the extent that it is highly probable that a significant reversal in the cumulative revenue recognised will not occur. The validity of this assumption and estimated amount of return are reassessed at each reporting period.

ii. Rendering of services

The performance obligation under service contract are provision of handling service, business support service and other ancillary services set forth in the contracts. Revenue from rendering of services are recognised over a period of time by reference to the stage of completion as the customer simultaneously receives and consumes the benefit provided by the Company's performance as the Company performs.

Payment for the service rendered is made as per the credit terms in the agreements with the customers. The credit period is generally short term, thus there is no significant financing component.

iii. Dividend and interest income

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

iv. Insurance Claims

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

v. Export Incentives

Export incentive under Duty Entitlement Pass Book Scheme are treated as income in the year of export at the estimated realisable value.

1.3 Leasing

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

Company as Lessee

The Company's significant leasing arrangements are in respect of operating leases for premises that are cancelable in nature. The lease rentals under such agreements are recognised in the Statement of Profit and Loss as per the terms of the lease.

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease or based on the time pattern of user benefit basis. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Company as Lessor

The Company's significant leasing arrangements are in respect of operating leases for premises that are cancelable in nature. The lease rentals under such agreements are recognised in the Statement of Profit and Loss as per the terms of the lease.

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

1.4 Functional and Presentation Currency and Foreign Currency Transactions

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (i.e. the "functional currency"). The

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financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for :

- Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- Exchange differences on transactions entered into in order to hedge certain foreign currency risks (see note 1.20 below for hedging accounting policies); and
- Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

1.5 Borrowings and related costs

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. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

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. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

1.6 Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the company with no future related costs are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

In respect of government loans at below-market rate of interest existing on the date of transition, the Company has availed the

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optional exemption under Ind AS 101 - First Time Adoption and has not recognised the corresponding benefit of the government loan at below-market interest rate as Government grant.

1.7 Employee Benefits

(a) Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period.

Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- Remeasurement

The company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'.

Past service cost is recognised in profit or loss in the period of a plan amendment.

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss.

Curtailment gains and losses are accounted for as past service costs. The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Contributions paid/payable to defined contribution plans comprising of Superannuation (under a scheme of Life Insurance Corporation of India) and Provident Funds for certain employees covered under the respective Schemes are recognised in the Statement of Profit and Loss each year.

The Company makes contributions to Provident Fund Trusts for certain employees, at a specified percentage of the employees' salary. The Company has an obligation to make good the shortfall, if any, between the return from the investments of trust and the notified interest rates.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

(b) Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

Gratuity for certain employees is covered under a Scheme of Life Insurance Corporation of India (LIC) and contributions in respect of such scheme are recognized in the Statement of Profit and Loss. The liability as at the Balance Sheet date is provided for based on the actuarial valuation carried out as at the end of the year.

1.8 Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 50.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Under the previous GAAP, share based payment costs were accrued on an intrinsic value method. Upon transition to Ind AS, the Company has availed the exemption to apply the fair value to only unvested options.

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1.9 Earnings per Share

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

1.10 Taxation

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

a. Current tax

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

b. Deferred tax

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

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that

there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

c. Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

1.11 Property, Plant and Equipment

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

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

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

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method

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are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

Estimated useful lives of the assets as per technical evaluation performed by the Company are as follows:

Asset	Useful lives (in years)
Buildings	3 - 60 years
Plant and equipment (Continuous Process)	2-18 years
Plant and equipment (General)	2 - 8 years
Vehicles	4 - 8 years
Office equipment, furniture and fixtures	3 - 10 years

Assets on leased premises are depreciated over the remaining period of lease or as per the useful life tabulated above whichever is less.

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 sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Assets costing ₹ 5,000 and below are depreciated over a period of one year.

1.12 Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost including transactions costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirement for cost model. Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Estimated useful lives of the assets are as follows:

Asset	Useful lives (in years)
Buildings	10 - 60 years

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

1.13 Intangible Assets

a. Intangible assets acquired separately

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

b. Internally-generated intangible assets - research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

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The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

c. Derecognition of intangible assets

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

d. Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Asset	Useful lives (in years)
Software & Licenses	3 to 10 years

1.14 Impairment of Tangible & Intangible Assets

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

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

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash

flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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

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

1.15 Inventories

Inventories other than by products are stated at the lower of cost and net realizable value. Inventories of by-products are valued at net realizable value. Cost of raw materials and traded goods comprises cost of purchases after deducting rebates and discounts. 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 all other costs incurred in bringing the inventories to their present location and condition. Net realizable value represents the estimated selling price in the ordinary course of business, less all estimated costs of completion and costs necessary to make the sale. Cost of inventories are determined on weighted average basis.

1.16 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific

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to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

1.17 Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities 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 recognised immediately in profit or loss.

1.18 Financial assets

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

All recognised financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets

a. Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortized cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

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

The debt instruments carried at amortised cost include Deposits, Debtors, Loans and advances recoverable in cash.

For the impairment policy on financial assets measured at amortized cost, refer Note 1.18e

Investment in subsidiaries are accounted under cost basis.

For the impairment policy on investment in subsidiaries, refer Note 1.18e

All other financial assets are subsequently measured at fair value.

b. Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

c. Investments in equity instruments at FVTOCI

The Company has elected to carry investment in equity instruments at Fair value through other comprehensive income. On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. 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 reclassified to profit or loss on disposal of the investments.

The Company has equity investments which are not held for trading. The Company has elected the FVTOCI irrevocable option for these investments (see note 6). Fair value is determined in the manner described in note 49.8.

Dividends on these investments in equity instruments are recognised in profit or loss when the Company's right to receive the dividends 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. Dividends recognised in profit or loss are included in the 'Other income' line item.

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d. Financial assets at fair value through profit or loss (FVTPL)

The Company carries derivative contracts not designated in a hedge relationship at FVTPL. Financial assets at FVTPL also includes assets held for trading.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends 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.

e. Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

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

f. Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

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

g. Foreign exchange gains and losses

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

- For foreign currency denominated financial assets measured at amortized cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.
- For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortized cost. Thus, the exchange differences on the amortized cost are recognized in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

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1.19 Financial liabilities and equity instruments

a. Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

b. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

c. Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

c.1. Financial liabilities at FVTPL

Financial liabilities at FVTPL includes derivative liabilities. Non-derivative financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL. There are no non-derivative financial liabilities carried at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

Fair value is determined in the manner described in note 49.8.

c.2. Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial

liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

c.3. Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109;
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

c.4. Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

c.5. Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognised in profit or loss.

1.20 Derivative financial instruments & Hedge Accounting

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps. Further details of derivative financial instruments are disclosed in note 49.8

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

The Company designates certain hedging instruments, which include derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges, cash flow hedges, or hedges of net investments in foreign operations. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Cash Flow Hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recorded in other comprehensive income and are grouped under head of cashflow hedge reserve. The gain or loss relating to the ineffective portion is recognized immediately in the profit or loss, and is included in the 'Other income' line item. The cumulative gain or loss previously recognized in other comprehensive income remains there until the forecast transaction occurs. When the hedged item is a non-financial asset, the amount recognized in other comprehensive income is transferred to the carrying amount of the asset when it is recognized.

In other cases the amount recognized in other comprehensive income is transferred to profit or loss in the same period that the hedged item affects profit or loss. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognized in the other comprehensive income is transferred to profit or loss, and is included in Other income.

1.21 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet, where there is a legally enforceable right to offset the recognised amounts and there is intention to settle on net basis or realise the assets and liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

1.22 Cash flow statement

Cash flows are reported using the indirect method, whereby profit/(loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information. Cash & cash equivalents includes balances in current accounts, cash on hand, cheques, drafts on hand. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

1.23 Key sources of estimation uncertainty

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key assumption concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is as given below.

a. Fair value measurement and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in notes 3 and 49.8.

b. Useful life of Property, Plant and Equipments

The Company reviews the estimated useful lives of Property, plant and equipment at the end of each reporting period. During the current year, there has been no change in life considered for the assets.

c. Impairment of Tangible Assets, Intangible Asset and Financial Assets

The recoverable amounts have been determined based on value in use calculations which uses cash flow projections or net realisable value. For further details, refer note 1.14, 1.18e, 3A and 5A. Based on the impairment assessment carried out by the Management, it has been determined that no impairment is required.

1.24 Operating Cycle

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

1.25 Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as deduction, net of tax, from the proceeds.

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

1.27 Goodwill

Goodwill on business combinations is included under non current assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of the business include the carrying amount of goodwill relating to the business sold. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-

generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

1.28 Non current assets (or disposal groups) held for sale & discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use 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, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised.

A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

1.29 Rounding off amounts

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

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

NOTE 2

PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
Carrying amounts of:		
Freehold land	5,332	5,815
Buildings	20,299	21,328
Plant and equipment	98,128	1,06,802
Furniture and Fixtures	223	242
Office Equipments	494	323
Vehicles	436	472
	1,24,912	1,34,982
Capital Work-in-progress	1,008	533
Total	1,25,920	1,35,515

Particulars	Freehold land	Buildings (Refer note 3)	Plant and equipment (Refer note 2)	Furniture and Fixtures	Office Equipments	Vehicles	Total
Cost							
Balance at 01-Apr-2017	5,907	24,296	1,34,173	342	633	763	1,66,114
Additions	-	469	3,164	-	327	210	4,170
Disposals	(1)	(49)	(473)	-	(37)	(110)	(670)
Transfer to Asset held for sale	(157)	(407)	(1,266)	(3)	(44)	(49)	(1,926)
Transfer from Investment property	66	-	-	-	-	-	66
Balance at 31-March-2018	5,815	24,309	1,35,598	339	879	814	1,67,754
Additions	-	309	4,302	-	407	126	5,144
Disposals	(41)	(69)	(437)	(2)	(58)	(217)	(824)
Transfer from Investment property	-	218	-	-	-	-	218
Transfer to Asset held for sale	(442)	(607)	(3,829)	-	(25)	(17)	(4,920)
Balance at 31-March-2019	5,332	24,160	1,35,634	337	1,203	706	1,67,372

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and Fixtures	Office Equipments	Vehicles	Total
Accumulated depreciation and impairment							
Balance at 01-April-2017	-	2,069	19,381	79	361	298	22,188
Eliminated on disposals	-	(11)	(295)	-	(28)	(70)	(404)
Depreciation expense	-	974	9,885	18	229	126	11,232
Transfer to Asset held for sale	-	(51)	(175)	-	(6)	(12)	(244)
Balance at 31-March-2018	-	2,981	28,796	97	556	342	32,772
Eliminated on disposals	-	(12)	(156)	-	(43)	(189)	(400)
Depreciation expense	-	973	9,978	17	217	128	11,313
Transfer from Investment property	-	9	-	-	-	-	9
Transfer to Asset held for sale	-	(90)	(1,112)	-	(21)	(11)	(1,234)
Balance at 31-March-2019	-	3,861	37,506	114	709	270	42,460
Carrying amount as on March 31, 2018	5,815	21,328	1,06,802	242	323	472	1,34,982
Carrying amount as on March 31, 2019	5,332	20,299	98,128	223	494	436	1,24,912

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Note:

1. Details of assets offered as security are provided in Note 18 and 19.
2. Additions for the year includes ₹ 55 Lakh (2018- ₹ 103 Lakh) of Fixed assets additions made in approved In-house R&D Centres.
3. Includes Building on leasehold land : Cost : ₹ 837 Lakh (2018 - ₹ 828 Lakh) and Accumulated Depreciation : ₹ 182 Lakh (2018 - ₹ 131 Lakh).
4. Capital work in progress primarily represents building and plant and equipment related work.
5. Refer Note. 52 for contractual commitments for acquisition of Property, plant and equipment.

NOTE 3

INVESTMENT PROPERTY

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
Carrying amounts of:		
Completed investment properties	2,271	2,508
Total	2,271	2,508
Particulars	As at March 31, 2019	As at March 31, 2018
Cost		
Balance at beginning of the year	2,592	2,630
Re classified from / (as) Asset held for sale	-	30
Deletions	-	(2)
Transfer to Property, Plant & Equipment	(218)	(66)
Balance at end of the year	2,374	2,592
Particulars	As at March 31, 2019	As at March 31, 2018
Accumulated depreciation and impairment		
Balance at beginning of year	84	56
Depreciation expense	28	28
Transfer to Property, Plant & Equipment	(9)	-
Balance at end of the year	103	84

1. Includes Building on leasehold land : Cost : ₹ 612 Lakh (2018 - ₹ 612 Lakh) and Accumulated Depreciation : ₹ 55 Lakh (2018 - ₹ 42 Lakh).

All of the Company's investment properties are held under freehold interests except as mentioned above.

3.1 Fair value of the Company's investment properties

The following table gives details of the fair value of the Company's investment properties as at March 31, 2019 and March 31, 2018:

₹ in Lakh

Particulars	Level 3	
	March 31, 2019	March 31, 2018
i. Land and Buildings in Tamilnadu	31,051	31,051

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

The fair value of the Company's investment properties as at March 31, 2019 and March 31, 2018 have been arrived at on the basis of a valuation carried out by M/s.Value Assessors & Surveyors Private Limited, independent valuers not related to the Company. M/s.Value Assessors & Surveyors Private Limited are registered with the authority which governs the valuers in India, and they have appropriate qualifications and relevant experience in the valuation of properties in the relevant locations. Fair value was derived using the market comparable approach based on recent market/government guideline prices without any significant adjustments being made to the market observable data.

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

For rental income earned and direct operation expenses incurred in connection with investment property refer note. 25 and note 38.

NOTE 3A

(i) Impairment tests for goodwill :

Goodwill of ₹ 1,452 Lakh (March 31, 2018 ₹ 1,452 Lakh) represents the goodwill accounted on the date of acquisition of erstwhile subsidiary Parrys Sugar Industries Limited as reflected in the Consolidated Financial Statements of the Company for the year ended March 31, 2015 which was subsequently merged with the Company (which was a common control entity). The Company has assessed the goodwill for impairment and based on the assessment no impairment has been considered. The entire goodwill as mentioned above is attributable to the Company's factory located at Ramdurg.

(ii) Significant estimate: key assumptions used for value-in-use calculations :

The Company tests whether goodwill has suffered any impairment on an annual basis. For the current and previous financial year, the recoverable amount of the CGUs was determined based on value-in-use calculations which require the use of assumptions. The factory at Ramdurg is operated on a leased property. The lease period expires in September 2032 and the arrangement does not contain a renewal clause. Therefore, cash flow projections based on financial budgets approved by management cover a thirteen-year and six months period upto the end of lease term.

The following table sets out the key assumptions for the Ramdurg CGU to which entire goodwill is allocated are as follows:

Description	Assumption	Approach used to determining values
Sales volume (% annual growth rate)	1.5% growth rate over the period of 7 years. Thereafter, stable volume assumed over the projection period	Based on management's expectations of market development and past performance
Sales price (% annual growth rate)	3.8% growth rate over the projection period	Based on current industry trends, minimum support price announced by government and including long-term inflation forecasts
Post-tax discount rate	12.24%	Reflect specific risks relating to the business and geography in which they operate.

(iii) Significant estimate: Impact of possible changes in key assumptions

The recoverable amount of the Ramdurg CGU is estimated to exceed the carrying amount of the CGU as at March 31, 2019 by ₹ 2,217 Lakh. If the post-tax discount rate applied to the cash flow projections of this CGU had been higher than management's estimates (15.24% instead of 12.24%), the Company's headroom will reduce to ₹ 452 Lakh.

The Directors and management have considered and assessed reasonably possible changes for other key assumptions and have not identified any instances that could cause the carrying amount of the Ramdurg CGU to exceed its recoverable amount.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

NOTE 4

INTANGIBLE ASSETS

₹ in Lakh

Intangible assets and intangible assets under development	As at March 31, 2019	As at March 31, 2018
Carrying amounts of:		
Software and Licenses	95	109
Total	95	109
Intangible assets under development	137	-

Cost	As at March 31, 2019	As at March 31, 2018
Balance at beginning of the year	1,218	1,138
Transfer to Asset held for sale	-	(2)
Additions	22	82
Balance at end of the year	1,240	1,218

Accumulated depreciation and impairment	As at March 31, 2019	As at March 31, 2018
Balance at beginning of year	1,109	1,073
Amortisation expense	36	36
Balance at end of year	1,145	1,109
Carrying amount at end of the year	95	109

NOTE 5 A

FINANCIAL ASSETS: INVESTMENTS IN SUBSIDIARIES

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
I. Quoted Investments		
(a) Investments in Equity Instruments at Cost		
17,71,55,580 (2018 - 17,71,55,580) shares of ₹ 1 each fully paid up in Coromandel International Limited	11,989	11,989
Total Quoted Investments	11,989	11,989
Market value of quoted investments	8,99,950	9,30,333

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
II. Unquoted Investments		
(a) Investments in Equity Instruments at Cost		
15,00,000 (2018 - 15,00,000) shares of ₹10 each fully paid up in Parry Sugar Limited	150	150
50,00,000 (2018 - 50,00,000) shares of ₹ 10 each fully paid up in Parry Infrastructure Company Private Limited	500	500
US Nutraceuticals LLC (refer note 5.4)	-	7,790
1,000 shares of \$1 each fully paid up in US Nutraceuticals Inc (refer note 5.4)	7,790	-
33,80,92,105 (2018 - 30,12,50,000) shares of ₹ 10 each fully paid up in Parry Sugars Refinery (India) Private Limited (refer note 5.5)	56,871	49,871
6,838 (2018 - 6,838) equity shares fully paid up Alimtec S.A.	2,640	2,640
9,500 (2018 - 9,500) shares of ₹ 10 each fully paid up in Parry Agro Chem Exports Limited	*	*
18,00,150 (2018 - 18,00,150) shares of ₹ 10 each fully paid up in Parry Investments Limited.	192	192
Total Unquoted Investments	68,143	61,143
Total Non-Current Investments	80,132	73,132
Aggregate amount of impairment in value of investments	-	-

NOTE 5 B

FINANCIAL ASSETS: INVESTMENTS IN JOINT VENTURE

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
Unquoted Investments		
(a) Investments in Equity Instruments at Cost		
66,00,000 (2018- Nil) shares of ₹ 10 each fully paid up in Alagavista Greentech Private Limited	660	-
Total Unquoted Investments	660	-
Aggregate amount of impairment in value of investments	-	-

* less than ₹ 1 Lakh

- 5.1. The details of subsidiaries are given in the Note 51 - Related Party.
- 5.2. During the year, Company has invested in 3,68,42,105 Equity Shares of face value ₹ 10 each at a premium of ₹ 9 per share in Parry Sugars Refinery India Private Limited amounting to ₹ 7,000 Lakh.
- 5.3. During the year, Company has invested in 66,00,000 Equity Shares of face value ₹ 10 each at a par per share in Alagavista Greentech Private Limited amounting to ₹ 660 Lakh.
- 5.4. During the year, US Nutraceuticals LLC was converted into US Nutraceuticals Inc with 1,000 equity shares of face value \$1 each
- 5.5. The carrying value of investments is less than the net worth of the subsidiary which is an indicator of potential impairment. The Company has performed a detailed impairment assessment and based on the assessment performed no impairment is deemed necessary.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

NOTE 6

OTHER INVESTMENTS

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
I. Quoted Investments		
(a) <i>Investments in Equity Instruments at FVTOCI</i>		
82,440 (2018 - 82,440) shares of ₹ 10 each fully paid up in State Bank of India	264	206
393 (2018 - 393) shares of ₹ 10 each fully paid up in Cholamandalam Investment and Finance Company Limited	6	6
42,938 (2018 - 42,938) shares of ₹ 10 each fully paid up in Coromandel Engineering Company Limited	12	20
2,000 (2018 - 2,000) shares of ₹ 1 each fully paid up in Carborundum Universal Limited	8	7
250,000 (2018 - 2,50,000) shares of ₹ 2 each fully paid up in Metkore Alloys & Industries Ltd	2	7
Total and aggregate market value of quoted investments	293	246
II. Unquoted Investments		
(a) <i>Investments in Equity Instruments at FVTOCI</i>		
100 (2018 -100) shares of ₹ 10 each fully paid up in Travancore Sugars and Chemicals Limited	*	*
23,600 (2018 - 23,600) shares of ₹ 10 each fully paid up in Kartik Investments Trust Limited	24	11
18,270 (2018 -18,270) shares of ₹ 100 each fully paid up Murugappa Management Services Limited	57	56
125 (2018 -125) shares of 25 pence each fully paid up in Hawker Siddley Group Limited	*	*
10,000 (2018 -10,000) shares of ₹ 1 each fully paid up in Indian Dairy Entrepreneurs Agricultural Company Limited	*	*
266 (2018 - 266) shares of ₹ 10 each fully paid up in Chennai Wellington Corporate Foundation	*	*
6,37,200 (2018 - 6,37,200) shares of ₹ 10 each fully paid up in Indian Potash Limited	16,636	14,339
1,00,000 (2018 -1,00,000) shares of ₹ 10 each fully paid up in Bio Tech Consortium (India) Limited	49	47
2 (2018 - 2) shares of ₹ 10 each fully paid up in Murugappa Morgan Thermal Ceramics Limited	*	*
20 (2018- 20) shares of ₹ 100 each fully paid up in Kullittalai Cane Farms Private Limited	*	*
Total Unquoted Investments	16,766	14,453
Total Other Investments	17,059	14,699
Aggregate amount of impairment in value of investments	-	-
Current	-	-
Non-current	17,059	14,699

* less than ₹ 1 Lakh

NOTE 7

TRADE RECEIVABLES

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
Trade Receivables		
Unsecured, considered good*	16,175	13,446
Doubtful	2,619	1,864
Allowance for doubtful debts (expected credit loss allowance)	(2,619)	(1,864)
Total	16,175	13,446
Current	16,175	13,446
Non-current	-	-

* Debts due by private companies in which the Company's directors are directors is ₹ 1,766 Lakh (March 31, 2018 - ₹ 55 Lakh).

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

The trade receivables of the Company do not contain a significant financing component and accordingly, the Company has adopted the simplified approach under Ind AS 109 for recognition of impairment losses on trade receivables. Consequently, the disclosure of trade receivables into "Trade receivables which have significant increase in credit risk" and "Trade receivables which are credit impaired" has not been given since it is not relevant to the Company.

The Company uses other publicly available financial information and its own trading records before accepting any customer. The Company's exposure is continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Refer Note No 51.5 for receivable from related parties.

Of the trade receivables balance, customer balances which represent more than 5% of the total balance of trade receivable are given below.

₹ in Lakh

Customer	As at March 31, 2019	As at March 31, 2018
Mondelez India Foods Limited	1,905	-
Parry Sugars Refinery India Private Limited	1,653	-
TNEB Limited	1,356	2,281
Parry America Inc *	-	2,187
Tamil Nadu Newsprint and Papers Limited	1,503	1,586
Hubli Electricity Supply Company Limited	1,412	1,441
Pepsico India Holdings Private Ltd.	805	-
TRIFOLIO-M GMBH *	-	730

* Includes balances relating to discontinued operations which has been considered in Note 14

NOTE 8

LOANS

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, Considered good		
(a) Loans Receivables considered good - Secured	-	-
(b) Loans Receivables considered good - Unsecured		
i) Inter corporate loans (refer note 51.5 - for related party information)	51	48
ii) Others	1,600	2,000
(c) Loans Receivables which have significant increase in Credit Risk; and	-	-
(d) Loans Receivables - credit impaired	-	-
Total	1,651	2,048
Current	451	48
Non-current	1,200	2,000

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

NOTE 9

OTHER FINANCIAL ASSETS

₹ in Lakh

Particulars	Non-current		Current	
	As at March 31, 2019	As at March 31,, 2018	As at March 31, 2019	As at March 31,, 2018
At Amortised Cost				
(a) Security Deposits	465	412	199	172
(b) Interest receivable*	-	-	551	160
(c) Dividend from Subsidiary	-	-	-	5,315
(d) Insurance claims	-	-	12	17
(e) Advance recoverable in cash:				
(i) Unsecured and Considered Good	-	-	5	147
(ii) Considered Doubtful	-	-	266	266
Less: Provision for Doubtful Advances	-	-	(266)	(266)
(f) Government subsidy receivable	-	-	4,900	-
(g) Other receivable	-	-	352	546
At Fair Value				
(a) Fair value of Foreign exchange Forwards	-	-	477	462
Total	465	412	6,496	6,819

*Includes interest subsidy receivable of ₹ 350 Lakh (March 31, 2018 : Nil).

NOTE 10

OTHER ASSETS

₹ in Lakh

Particulars	Non-current		Current	
	As at March 31, 2019	As at March 31,, 2018	As at March 31, 2019	As at March 31,, 2018
(a) Security Deposit	44	166	25	-
(b) Capital Advances	37	-	-	38
(c) Balance with Government authorities	402	-	3,371	5,429
(d) Advance recoverable in kind or for value to be received*				
(i) Unsecured and Considered Good	1,201	3,022	15,425	10,238
(ii) Considered Doubtful	1,807	2,859	-	-
Less: Provision for Doubtful Advances	(1,807)	(2,859)	-	-
Total	1,684	3,188	18,821	15,705

* Represents majorly advances paid to sugarcane farmers, harvesters and transporters.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

NOTE 11

INVENTORIES

(At lower of cost and net realisable value)

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Raw materials	3,756	3,676
(b) Work-in-process	1,809	2,594
(c) Finished goods	84,018	95,433
(d) Stores and spares	2,687	2,378
(e) By products	5,002	5,681
Total	97,272	1,09,762

The cost of inventories recognised as an expense during the year in respect of continuing operations was ₹ 1,37,662 Lakh (March 31, 2018: ₹ 1,26,903 Lakh).

The cost of inventories recognised as an expense includes ₹ 221 Lakh (2017-18: ₹ 1,152 Lakh) in respect of write-downs of inventory to net realisable value, and has been reduced by Nil (2017-18: Nil) in respect of reversal of such write downs.

Finished goods includes inventories worth ₹ 17,363 Lakh (2017-18: ₹ 29,160 Lakh) carried at net realisable value.

The mode of valuation of inventories has been stated in note 1.15.

NOTE 12

CASH AND CASH EQUIVALENTS

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, cheques and drafts on hand. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the balance sheet as follows:

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Balances with banks		
(i) In Current account	69	39
(b) Cash on hand	1	3
(c) Cheques, drafts on hand	-	28
Total	70	70

NOTE 13

OTHER BANK BALANCES

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Balances with banks in earmarked accounts		
- In Unpaid Dividend account	2,076	232
- In Cane Development / SEFASU Loan No-Lien account	102	515
- In Margin Money accounts towards Bank Guarantee	210	194
Total	2,388	941

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

NOTE 14

Assets & Liabilities classified as held for sale / Discontinued operations

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
(i) Asset relating to discontinued operations (refer note a below)	-	11,027
(ii) Asset associated with factory held for sale (refer note b below)	3,686	-
(iii) Investment in Parry America (refer note a below)	-	24
Total	3,686	11,051
Liabilities associated with asset held for sale	-	2,293

- a. The Board of Directors of the Company in their meeting held on December 22, 2017 had approved the sale of Bio-pesticides division of the Company and its Investment in Parry America Inc (a wholly owned subsidiary of the Company), to the company's subsidiary, Coromandel International Limited, with effective date as April 01, 2018 for a consideration of ₹ 33,801 Lakh adjusted for subsequent working capital movements. The shareholders through the postal ballot had approved the same on February 22, 2018. The Proceeds of sale substantially exceeded the carrying amount of the related net assets and, accordingly, no impairment losses were recognised on the reclassification of these divisions as held for sale. The major classes of assets and liabilities of the Bio business at the end of the previous reporting period are as follows.

₹ in Lakh

Particulars	As at March 31, 2018
Property, Plant and equipment	2,218
Capital Work in Progress	167
Intangible	2
Inventories	2,998
Trade receivable	5,251
Cash and bank balances	1
Other financial assets	13
Other assets	377
Assets of bio business classified as held for sale	11,027
Trade payable	1,985
Other liabilities	210
Provisions	98
Liabilities of bio business associated with assets classified as held for sale	2,293
Net assets of bio business classified as held for sale	8,734

- b. The Board of Directors of the Company in their meeting held on February 01, 2019 have approved the sale of Property, plant and equipment of the Puducherry factory of the Company in next 12 months. The Company is currently in the process of identifying potential buyers and the directors of the Company expect that the fair value less cost to sell will be higher than the aggregate carrying amount of the related assets. Therefore, no impairment loss were recognised on reclassification of the assets as held for sale as at March 31, 2019.

₹ in Lakh

Particulars	As at March 31, 2019
Property, Plant and equipment	3,686
Assets classified as held for sale	3,686

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Analysis of Profit for the year from discontinued operations.

The result of the discontinued operations included in the Profit for the year are set out below.

₹ in Lakh

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Profit for the year from the discontinued operations		
Revenue	-	13,789
Other income *	20,876	813
Total income	20,876	14,602
Depreciation	-	150
Other expenses debited to profit or loss	-	11,450
Total expenses	-	11,600
Profit before tax	20,876	3,002
Attributable income tax expenses	7,295	1,049
Profit for the year from the discontinued operations (After tax)	13,581	1,953
Cash flows from discontinued operations :		
Net cash flow from operating activities	-	849
Net cash flow from investing activities	29,458	(967)
Net cash flow from financing activities	-	(1)
Net (decrease) / increase in cash and cash equivalents from discontinued operations	29,458	(119)

* amount for the year ended March 31, 2019 represent gain on sale of bio-pesticides division.

Movement in Asset & Liabilities Held for Sale during the year

₹ in Lakh

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Balance at beginning of the year	8,734	590
Add: Transferred from Asset held for sale	-	-
Add: Assets related to discontinued operations	-	11,027
Add: Assets related to Puducherry unit	3,686	-
Less : Liabilities related to discontinued operations	-	(2,293)
Less: Disposals related to discontinued operations	(8,582)	(560)
Less: Transferred to continuing operation	(152)	-
Less: Transferred to Investment Property	-	(30)
Balance at end of year	3,686	8,734

NOTE 15

INCOME TAX ASSETS (NET)

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
Tax refund receivable	6,565	6,536
Total	6,565	6,536

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

NOTE 16

EQUITY SHARE CAPITAL

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
AUTHORISED :		
Equity Shares:		
2,34,40,00,000 Equity Shares of ₹1 each (2018 - 2,34,40,00,000)	23,440	23,440
Preference Shares:		
2,03,10,000 Redeemable Preference shares of ₹ 100/each (2018 - 2,03,10,000)	20,310	20,310
ISSUED, SUBSCRIBED AND FULLY PAID UP		
17,69,94,981 Equity Shares of ₹1 each (2018 - 17,69,94,981)	1,770	1,770
	1,770	1,770

16.1 Reconciliation of number of shares and amount outstanding at the beginning and at the end of the reporting period. ₹ in Lakh

Reconciliation	2018-19		2017-18	
	No of Shares	₹ Lakh	No of Shares	₹ Lakh
Equity Shares of ₹ 1 each fully paid up				
At the beginning of the period	17,69,94,981	1,770	17,58,70,898	1,759
Allotment of shares on exercise of Employee Stock Option (refer note 50)	-	-	49,222	*
Allotment of shares on account of merger of PSIL	-		10,74,861	11
At the end of the period	17,69,94,981	1,770	17,69,94,981	1,770

* Less than ₹ 1 Lakh

16.2 Details of shares held by each shareholder holding more than 5 percent of equity shares in the company: ₹ in Lakh

Name of the Share holder	No of shares held as at			
	March 31, 2019		March 31, 2018	
	Nos.	%	Nos.	%
Ambadi Investment Limited	6,80,58,444	38.45	6,80,58,444	38.45

16.3 Terms attached to Equity Shares:

The Company has one class of equity share having a par value of ₹1 per share. Each holder of equity share is entitled to one vote per share. The dividend when proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General meeting. Repayment of capital on liquidation will be in proportion to the number of equity shares held.

Share options granted under the Company's employee share option plan carry no rights to dividends and no voting rights.

16.4 Details of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date.

During the year 2017-18, 10,74,861 equity shares of ₹1 each fully paid up were allotted to shareholders of Parrys Sugar Industries Limited (PSIL) other than the Company in the proportion of 2 equity shares of ₹ 1 each in the company for every 13 equity shares of ₹ 10 each held in the PSIL pursuant to the Scheme of Amalgamation between PSIL and the Company.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

16.5 Dividend

On February 01, 2019 and March 22, 2019 a dividend of ₹ 2 per share (total dividend ₹ 3,540 Lakh) and ₹ 1 per share (total of dividend ₹ 1,770 Lakh) was paid in February 2019 and April 2019 respectively to the holders of fully paid equity shares. Final dividend of ₹ 3 per share (total dividend of ₹ 5,310 Lakh) proposed and approved by the shareholder at the Annual General Meeting held on August 03, 2018, for the year ended March 31, 2018 was paid during the year.

16.6 Refer note 50 for the shares reserved for issue under Employee stock option plans.

Note 17

OTHER EQUITY

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
Share Capital suspense	-	-
Capital redemption reserve	4,288	4,288
Capital reserve on amalgamation	688	688
Securities Premium reserve	6,174	6,174
Debenture Redemption reserve	833	2,500
Capital Reserve(as per Scheme of Arrangement of Demerger)	5,718	5,718
General Reserve	88,680	88,680
Cash flow hedging reserve	-	10
Share options outstanding reserve	345	183
Reserve for equity instruments through other comprehensive income	13,334	11,508
Retained Earnings	49,520	42,294
Total	1,69,580	1,62,043

RESERVES AND SURPLUS:

₹ in Lakh

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(a) Share Capital Suspense		
Opening balance (Arising Pursuant to Scheme of Amalgamation with Parrys Sugar Industries Limited)	-	11
Less : Utilised for Allotment of Shares	-	(11)
Closing balance	-	-
(b) Capital Redemption Reserve	4,288	4,288
Closing balance	4,288	4,288
The capital redemption reserve is created out of the statutory requirement to create such reserve on buyback of shares. These are not available for distribution of dividend and will not be reclassified subsequently to profit or loss.		
(c) Capital reserve on amalgamation		
Opening balance (Arising Pursuant to Scheme of Amalgamation with Parrys Sugar Industries Limited)	688	688
Less : Utilised during the period	-	-
Closing balance	688	688

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

₹ in Lakh

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(d) Securities Premium Account		
Opening balance	6,174	6,103
Add : Addition during the period	-	71
Closing balance	6,174	6,174

Securities premium is used to record premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

(e) Debenture Redemption Reserve		
Opening balance	2,500	1,667
Add : Addition during the period	833	833
Less : Utilised during the period	2,500	-
Closing balance	833	2,500

Debenture redemption reserve is created as per the statutory requirements to maintain funds to repay the debenture liability. These will be subsequently transferred to Retained Earnings on payment of the debenture liability.

(f) Capital Reserve (as per Scheme of Arrangement of Demerger)	5,718	5,718
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(g) General Reserve		
Opening balance	88,680	88,669
Add : Transfer from Share Option Outstanding Reserve in Pursuant of Lapses of ESOP	-	11
Closing balance	88,680	88,680

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss except to the extent permitted as per Companies Act, 2013 and rules made thereunder.

(h) Cash Flow Hedging Reserve		
Opening balance	10	143
Add : Deferred taxes recognised	5	70
Less : Utilised /reversed during the year	(15)	(203)
Closing balance	-	10

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gains or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item.

(i) Share Options Outstanding Reserve		
Opening balance	183	53
Add : Addition during the year	162	146
Less : Utilised for Issuing ESOP	-	(5)
Less: Transfer to General Reserve on Lapse of Option	-	(11)
Closing balance	345	183

The above reserve relates to share options granted by the Company to its employees under its employee share option plan. Further information about share based payments to employees is set out in note 50.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

₹ in Lakh

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(j) Reserve for equity instruments through Other Comprehensive income		
Opening Balance	11,508	5,519
Additions/(Deletions)	1,826	5,989
Closing balance	13,334	11,508

This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those assets have been disposed of.

(k) Retained Earnings		
Opening Balance	42,294	33,128
Less : Transfer to Debenture Redemption Reserve	833	833
Add : Transfer from Debenture Redemption Reserve	2,500	-
Profit/(Loss) for the year	16,313	10,101
Remeasurement of defined benefit plans (net of tax)	(134)	(102)
	60,140	42,294
Less : Appropriations		
Final dividend for FY 2017-18 (refer note 16.5)	5,310	-
Interim Dividend on Equity Shares	5,310	-
Closing Balance	49,520	42,294
The amount that can be distributed by the Company as dividends to its equity shareholders is determined considering the requirements of the Companies Act, 2013. Thus, the amounts reported above are not distributable in entirety.		
Total Other Equity	1,69,580	1,62,043

NOTE 18

NON-CURRENT BORROWINGS

₹ in Lakh

LONG TERM BORROWING	Non-Current Portion		Current Maturities	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Unsecured - at amortised cost				
i). Bonds / Debentures	-	-	-	9,997
ii). Deposits	1,605	1,492	-	-
iii). Purchase Tax Deferment Loan	241	350	109	-
Sub Total	1,846	1,842	109	9,997
Secured - at amortised cost				
i). Bonds / Debentures	9,989	-	-	-
ii). Term Loans				
- from banks	17,090	17,040	8,033	19,554
- from Government of India - Sugar Development Fund	6,281	8,616	2,359	1,508
Sub Total	33,360	25,656	10,392	21,062
Total	35,206	27,498	10,501	31,059

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

SUMMARY OF BORROWING ARRANGEMENTS

₹ in Lakh

Particulars	March 31, 2019	March 31, 2018	Rate of interest	Security	Terms of repayment
a. 8.25% Secured, Redeemable Non-convertible debentures 2018-19 series.	9,989	-	8.25%	Secured by way of first mortgage/charge on various properties of the company and assets cover thereof exceeds hundred percent of the principal amount of the said debentures.	Redeemable on April, 2021.
b. 9.23% Unsecured, Redeemable Non-convertible debentures 2015-16 series was repaid in September 2018	-	9,997	9.23%	Unsecured	Redeemed
c. State Bank of India	-	951	1 Year MCLR + 0.75%	Secured by pari passu first charge on fixed assets of Sankili and Haliyal plants.	Repaid
d. State Bank of India - Financial Assistance Loan	-	4,793	As per the terms of this loan, interest @ 12% per annum will be directly paid by the Government to the Bank.	Secured by pari passu first charge on fixed assets of (both present and future) of the Company and second charge on the Company's current assets.	Repaid
e. State Bank of India - Financial Assistance Loan	-	484	As per the terms of this loan, interest rate is 12.25% per annum. Out of this @ 12% will be reimbursed by Government of India through nodal Bank.	Secured by pari passu first charge on fixed assets of (both present and future) of the Company and second charge on the Company's current assets.	Repaid
f. State Bank of India	-	180	1 Year MCLR + 0.75%	Secured primarily by pari passu first charge on the plant and machinery of the Company and pari passu first charge by way of equitable mortgage of land and Factory buildings of the Bagalkot plant and collaterally secured by pari passu charge on the fixed assets of the Bagalkot plant.	Repaid
g. State Bank of India	-	699	1 Year MCLR + 0.75%	Secured by pari passu first charge on fixed assets of Company.	Repaid
h. State Bank of India (CAPEX Term Loan)	5,000	-	1 Year MCLR + 0.15%	Secured primarily by pari passu first charge on the fixed assets of the Company.	One year Moratorium of repayment. Repayable in 48 equal Monthly installments.
i. HDFC Bank - SOFT Loan	1,370	6,173	1 Year MCLR + .05%	Secured by pari passu first charge on movable fixed assets (both present and future) of the Company.	Repayable in 2 equal quarterly installments.
j. HDFC Bank	-	3,326	1 Year MCLR + .05%	Secured by pari passu first charge on movable fixed assets (both present and future) of the Company.	Repaid

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

₹ in Lakh

Particulars	March 31, 2019	March 31, 2018	Rate of interest	Security	Terms of repayment
k. HDFC Bank	13,329	19,991	1Year MCLR + .05%	Secured by pari passu first charge on movable fixed assets (both present and future) of the Company.	Repayable in 2 equal annual installments.
l. HDFC Bank - Soft Loan 2019	5,423	-	6M MCLR. Out of this 7% will be reimbursed by Government of India on a quarterly basis.	Secured by pari passu first charge on movable fixed assets (both present and future) of the Company aggregating to 1.25 times of the loan.	One year Moratorium of repayment. Repayable in 16 equal quarterly installments.
m. Sugar Development Fund Loans					
i. Pettavaithalai - Modernisation and Expansion of Sugar and Cogeneration units	316	632	4%	Secured by way of a bank guarantee from State Bank of India.	Repayable in 1 equal annual installments
ii. Nellikuppam - Expansion of Sugar and Co-generation Units	648	864	4%	Secured by way of a bank guarantee from State Bank of India.	Repayable over 3 yearly Installments
iii. Nellikuppam - Expansion of Sugar and Co-generation Units	791	1,046	4.25%	Secured by way of a bank guarantee from State Bank of India.	Repayable over 3 yearly Installments
iv. Haliyal Modernisation and capacity expansion	226	226	4.25%	Secured by way of a bank guarantee from Indusind Bank Ltd.	Repayable over 5 years in 8 equal half yearly installments commencing from November, 2020.
v. Haliyal Cane Development	188	263	7.00%	Secured by way of a bank guarantee from Indusind Bank Ltd.	Repayable over 3 years in 5 equal half yearly installments
vi. Haliyal Modernisation and Expansion	2,380	2,380	7.00%	Secured by way of a bank guarantee from Indusind Bank Ltd.	Repayable over 5 years in 10 equal half yearly installments commencing from September, 2019.
vii. Sankili - Modernisation and Expansion of sugar unit and Cane Development Loan Tranche I	165	231	6.75%	Secured by way of a bank guarantee from Indusind Bank Ltd.	Repayable over 3 years in 5 equal half yearly installments
viii. Sankili - Modernisation and Expansion of sugar unit and Cane Development Loan Tranche II	260	249	4.25%	Secured by way of a bank guarantee from Indusind Bank Ltd.	Repayable in 8 equal half yearly installments commencing from January, 2021.
ix. Bagalkot - Cane Development Loan I	30	90	6.75%	Secured by way of a bank guarantee.	Repayable in 1 equal half yearly installments
x. Bagalkot - Cane Development Loan II	74	149	8.25%	Secured by way of a bank guarantee.	Repayable in 1 equal annual installments
xi. Bagalkot - Co Generation Loan	122	183	6.25%	Secured by way of a bank guarantee.	Repayable over 2 years in 4 equal half yearly installments
xii. Bagalkot - Modernisation Loan	740	740	7.00%	Secured by way of a bank guarantee.	Repayable over 5 years in 10 equal half yearly installments commencing from May, 2019
xiii. Ramdurg - Loan for Expansion unit I	537	672	8.25%	Secured by way of a bank guarantee.	Repayable over 4 years in 8 equal installments
xiv. Ramdurg - Loan for Expansion unit II & III	900	1,000	7.00%	Secured by way of a bank guarantee.	Repayable over 5 years in 9 equal half yearly installments

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

₹ in Lakh

Particulars	March 31, 2019	March 31, 2018	Rate of interest	Security	Terms of repayment
xv. Ramdurg - Loan for Expansion unit III	1,028	1,028	7.00%	Secured by way of a bank guarantee.	Repayable over 5 years in 10 equal half yearly installments commencing from September, 2019.
xvi. Ramdurg - Cane Development Loan I	104	174	6.75%	Secured by way of a bank guarantee.	Repayable over 2 years in 3 equal half yearly.
xvii. Ramdurg - Cane Development Loan II	131	196	7.00%	Secured by way of a bank guarantee.	Repayable over 2 years in 4 equal half yearly installments.
n. TNPL Deposit	1,605	1,491	Interest Free	Unsecured	Repayable on December 2024
o. Purchase Tax deferment Loan					
i. Purchase Tax deferment Loan (2012-13)	109	109	Interest Free	Unsecured	Repayable on April 2019
ii. Purchase Tax deferment Loan (2014-15)	80	80	Interest Free	Unsecured	Repayable on April 2021
iii. Purchase Tax deferment Loan (2015-16)	161	161	Interest Free	Unsecured	Repayable on April 2021
Total	45,707	58,557			

Breach of Loan agreement:

There is no breach of loan agreement

Note 19

SHORT TERM BORROWINGS

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured - at amortised cost		
a. Others		
- Pre-shipment Rupee Loan from banks (refer note a)	3,031	38,103
Secured - at amortised cost		
a. Loan repayable on demand		
- from banks (refer note b and c below)	24,505	5,140
b. Others		
- Commercial Paper (refer b and c below)	9,986	-
Total	37,522	43,243

- Interest for Standard Chartered Bank Loan of ₹ 3,031 Lakh is linked to 1 Month T-Bill plus spread with a tenor of one month.
- Working Capital Demand Loan availed from State Bank of India of:
 - ₹ 14,500 Lakh @ 1 M MCLR plus 10 bps with a tenor of 7 days
 - ₹ 9,539 Lakh from State Bank of India at the rate of 8.60% repayable within 4 months, for which 100% Interest subvention is available as per Government Notification
 - ₹ 466 Lakh from State Bank of India at the rate of 8.60% cash credit facility
 - ₹ 9,986 Commercial Paper issued at the rate of 7.6% with a tenor of 3 months
- Working Capital facilities from State Bank of India are secured by hypothecation of sugar and other stocks, stores, book debts and liquid assets and further secured by a second charge over the immovable properties of the Company

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

d. Net Debt Reconciliation

₹ in Lakh

Details	As at March 31, 2019	As at March 31, 2018
Opening net debt	1,07,496	98,821
Proceeds from long term borrowings	20,428	1,046
Repayment of long term borrowings	(33,415)	(18,681)
Net increase / (Decrease) in working capital borrowing	(5,721)	25,089
Interest Expenses	11,343	11,290
Interest reimbursement by the government (refer note. 25.1)	(733)	-
Interest Paid (net of subsidy received)	(9,935)	(10,152)
Decrease in cash equivalents	-	83
Closing net debt (refer note a)	89,463	1,07,496

Note a : Net Debt Calculation

Details	As at March 31, 2019	As at March 31, 2018
Non-current borrowings (refer note. 18)	35,206	27,498
Short term Borrowings (refer note. 19)	37,522	43,243
Current maturities of long-term debt (refer note. 18)	10,501	31,059
Interest accrued but not due on borrowings and acceptance (refer note. 21)	6,654	5,766
Interest receivable (refer note. 9)	(350)	-
Cash and cash equivalents (refer note. 12)	(70)	(70)
Net Debt	89,463	1,07,496

NOTE 20

TRADE PAYABLES

₹ in Lakh

Particulars	Current	
	As at March 31, 2019	As at March 31, 2018
Trade payables	38,852	55,394
Employee related payables	1,955	1,408
Total	40,807	56,802

There are no dues to enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 which is on the basis of such parties having been identified by the management and relied upon by the auditors.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

NOTE 21

OTHER FINANCIAL LIABILITIES

₹ in Lakh

Particulars	Current	
	As at March 31, 2019	As at March 31, 2018
At Amortised Cost		
(a) Current maturities of long-term debt	10,501	31,059
(b) Interest accrued but not due on borrowings and acceptance	6,654	5,766
(c) Unclaimed dividends (refer note 21.1 and 21.2)	306	232
(d) Unpaid dividend	1,770	-
(e) Other Liabilities		
– Due to Directors	-	113
– Cane Bill due payable to Banks	79,045	67,859
– Other Miscellaneous liabilities (includes Retention money and Investment money deposits)	484	210
At Fair Value		
(a) Fair value of Forward and Options	62	98
Total	98,822	1,05,337

21.1 These amounts represent warrants issued to the Shareholders which remained unrepresented as on March 31, 2019 and March 31, 2018 respectively.

21.2 During the year, ₹ 23 Lakh (March 31, 2018 : ₹ 23 Lakh) was transferred to the Investor Education and Protection Fund and there are no amount due to be transferred to Investor Education and Protection Fund.

NOTE 22

OTHER LIABILITIES

₹ in Lakh

Particulars	Non-current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
a. Statutory remittances (Contributions to PF and ESIC, Withholding Taxes and indirect Taxes.)	-	-	440	692
b. Deposits from Customers and Others	-	-	1,108	1,130
c. Deferred revenue arising from interest free deposit and Government grants	944	1,081	-	-
d. Gratuity Payable	-	-	977	979
Total	944	1,081	2,525	2,801

NOTE 23

PROVISIONS

₹ in Lakh

Particulars	Non-current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Provision for compensated absences	721	686	564	667
Total	721	686	564	667

The provision for employee benefits includes annual leave and vested long service leave entitlements accrued and compensation claims made by employees.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

NOTE 24

REVENUE FROM OPERATIONS

₹ in Lakh

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(a) Sales of Products	1,79,338	1,91,688
(b) Other operating revenues		
- Government production subsidy (refer note 24.2)	3,863	-
- Sundry Income	983	923
- Scrap sales	333	332
- Liabilities/ Provisions no longer required written back	986	1,251
Total	1,85,503	1,94,194

24.1 There are no critical judgements involved in the determination of the amount and timing of revenue. For details of disaggregated revenue refer Note. 46.

24.2 The Company recognises income based on the export obligation fulfilled. The obligation to export is lower of the allocated quantity and 16.7 kg per MT of cane crushed for the sugar season 2018-19. The unfulfilled obligation as at March 31, 2019 based on the allocated quantity amounts to MT 27,830. However the obligation might change based on the actual quantity of cane crushed for sugar season 2018-19. The Company has time till September 30, 2019 to fulfill the above mentioned obligation.

24.3 Goods and service tax (GST) has been effective from 1 July 2017. Consequently excise duty, Value Added Tax (VAT), service tax. etc has been replaced with GST. Until 30 June 2017, 'Sale of Products' included amount excise duty recovered on sales. With effective from 1 July 2017, 'Sale of Products' excludes the amount of GST recovered. Accordingly revenue from sale of products for the year ended March 31, 2019 are not comparable with that of the previous year.

24.4 Reconciliation of revenue recognised with contract price

₹ in Lakh

Particulars	Year ended March 31, 2019
Contract price	1,85,909
Adjustments for:	
Rebates and discounts	406
Revenue from operations	1,85,503

24.5 Refer note 54 for impact on account of transition to Ind AS 115.

NOTE 25

OTHER INCOME

₹ in Lakh

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(a) Interest income earned on financial assets and others that are not designated as at fair value through profit or loss		
On bank deposits (at amortised cost)	81	10
On loans and advances to subsidiaries & others (at amortised cost)	131	92
On others (at amortised cost)	363	146
	575	248
(b) Dividend Income		
From equity investments designated		
As at cost	11,515	14,172
As at FVTOCI	19	21
	11,534	14,193
(c) Other gains or losses		
- Profit on sale of fixed assets (Net)	399	375
- Net gain arising on financial assets designated as at FVTPL	531	1,217
- Net gain /(Loss) on foreign currency transaction and translation	882	(855)
	1,812	737

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

₹ in Lakh

Particulars	Year ended March 31, 2019		Year ended March 31, 2018	
(d) Other non-operating income				
- Rental income				
Operating lease rental from investment property	1,832		1,689	
- Services	1,038		977	
- Sale of tenancy Rights	-		300	
- Insurance claim received	26		154	
- Government grant income (refer note 25.1)	733		13	
- Commission	1,539		1,007	
- Others	52	5,220	55	4,195
Total		19,141		19,373

25.1 The Government grant income represents interest subvention benefit (Pursuant to Notification no. 1(6)/2018-SP-I) and below market interest rate loans.

NOTE 26

COST OF MATERIAL CONSUMED

₹ in Lakh

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(a) Sugarcane *	1,06,870	1,09,993
(b) Others	17,133	53,485
Total	1,24,003	1,63,478

* Net of reversal of ₹ 4,614 Lakh of certain payable pertaining to supply of raw material for the year ended March 31, 2019 (March 31, 2018: Nil)

NOTE 27

PURCHASES OF STOCK-IN-TRADE

₹ in Lakh

Classes of Goods	Year ended March 31, 2019	Year ended March 31, 2018
(a) Sugar	197	78
(b) Nutra Products	583	841
Total	780	919

NOTE 28

CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS, BY-PRODUCTS AND STOCK IN TRADE

₹ in Lakh

Particulars	Year ended March 31, 2019		Year ended March 31, 2018	
Opening Stock:				
Work-in-process	2,594		1,340	
Finished goods	95,433		61,533	
By products	5,681		3,335	
Stock-in-trade	-	1,03,708	6	66,214

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

₹ in Lakh

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Closing Stock:		
Work-in-process	1,809	2,594
Finished goods	84,018	95,433
By-products	5,002	5,681
Stock-in-trade	-	-
	90,829	1,03,708
(Increase)/Decrease in Stocks	12,879	(37,494)

NOTE 29

EMPLOYEE BENEFIT EXPENSE

₹ in Lakh

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(a) Salaries, Wages and Bonus	11,055	10,507
(b) Contribution to Provident and Other Funds (refer note 47)	1,200	1,123
(c) Workmen Staff Welfare Expenses and others (refer note below)	2,127	1,734
(d) Share-based payments to employees (refer note 50)	162	146
Total	14,544	13,510

The Company has evaluated the impact of the recent Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-1/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In this regard, appropriate provision has been made in the Financial Statements.

NOTE 30

FINANCE COST

₹ in Lakh

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(i) Interest costs:		
(a) Debentures	1,179	952
(b) Loans and others	9,831	9,655
(ii) Other borrowing costs	220	580
(iii) Unwinding of discounts on deposits received	113	103
Total	11,343	11,290

30.1. The weighted average interest on funds borrowed generally is 6.30 % per annum (2017-18 - 7.83% per annum).

NOTE 31

DEPRECIATION AND AMORTISATION EXPENSE

₹ in Lakh

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Depreciation/amortisation on		
a. Property, plant and equipment	11,313	11,232
b. Investment property	28	28
c. Intangible assets	36	36
Total	11,377	11,296

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

NOTE 32

OTHER EXPENSES

₹ in Lakh

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(a) Consumption of Stores, Spares and Consumable	2,503	2,240
(b) Power and Fuel	4,055	6,214
(c) Rent (refer note 41)	1,439	1,186
(d) Repairs and Maintenance (refer note 39)		
- Buildings	169	225
- Plant and Machinery	3,353	3,871
- Others	4,463	8,195
(e) Insurance	487	504
(f) Rates and Taxes	2,432	1,148
(g) Packing, Despatching and Freight *	6,988	5,448
(h) Commission to Selling Agents	297	279
(i) Auditors' Remuneration (refer note 35)	56	52
(j) Directors' Fees and Commission (refer note 40.2)	19	97
(k) Sales Promotion and Publicity	722	448
(l) Fixed Assets scrapped	171	100
(m) Professional Charges	2,896	3,054
(n) Provision for Doubtful Debts and Advances **	870	1,174
(o) Bad Debts/Advances written off **	1,175	234
Less: Transfer from provision	(1,100)	(71)
(p) Cane Development Expenditure	812	356
(q) General Manufacturing, Selling and Administration Expenses (refer note 36)	3,482	4,220
(r) Corporate Social Responsibility expenditure (refer note 34)	120	123
Total	35,409	35,001

* Net of freight subsidy pursuant to Notification no.1(14)/2018-S.P. - I dated October 05, 2018 amounting to ₹ 954 Lakh for the year ended March 31, 2019 (March 31, 2018 - Nil).

** Includes bad debt / provision for doubtful debts pertaining to trade receivables amounting to ₹ 844 Lakh for the year ended March 31, 2019.

NOTE 33

RESEARCH AND DEVELOPMENT EXPENDITURE INCURRED BY THE APPROVED INHOUSE R & D CENTRES

₹ in Lakh

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(i) Revenue Expenses (excluding depreciation and fixed assets scrapped):-		
a) Employee benefit expense	247	227
b) Power and Fuel	23	52
c) Repairs and Maintenance	44	80
d) Miscellaneous expenses	150	315
e) Other Income relating to Research and Development	(59)	(30)
Net Revenue expenses on Research and Development	405	644
(ii) Fixed Assets additions in R & D Centre made during the year	55	103

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

NOTE 34

EXPENDITURE INCURRED FOR CORPORATE SOCIAL RESPONSIBILITY

₹ in Lakh

Particulars	2018-19	2017-18
(i) Amount required to be spent as per Sec 135 of the Companies Act, 2013	Nil	13
(ii) Actual expenditure incurred for Corporate social responsibility	120	123

NOTE 35

PAYMENT TO AUDITORS

₹ in Lakh

Particulars	2018-19	2017-18
(i) Audit Fees	33	33
(ii) Fees for other services	19	16
(iii) Reimbursement of out of pocket expenses	4	3
Total	56	52

NOTE 36

₹ in Lakh

Particulars	2018-19	2017-18
Amounts contributed to electoral trust during the year	400	200

NOTE 37

₹ in Lakh

Particulars	2018-19	2017-18
Amounts contributed to the National Defence Fund or any other Fund approved by the Central Government	-	-

NOTE 38

DIRECT OPERATING EXPENSES ARISING FROM INVESTMENT PROPERTY

₹ in Lakh

Particulars	2018-19	2017-18
Direct operating expenses arising from investment property that generated rental income during the year	438	358
Direct operating expenses arising from investment property that did not generate rental income during the year	16	27
Total	454	385

NOTE 39

REPAIRS AND MAINTENANCE INCLUDES STORES AND SPARE PARTS CONSUMED

₹ in Lakh

Particulars	2018-19	2017-18
Repairs and maintenance includes Stores and spare parts consumed	2,406	2,942

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

NOTE 40

DIRECTOR'S REMUNERATION:

40.1 Whole time Directors remuneration:

₹ in Lakh

Particulars	2018-19	2017-18
Short-term benefits	133	186
Post-employment benefits	19	17
Total	152	203

Note : Managerial remuneration above does not include gratuity and leave encashment benefit, since the same is computed actuarially for all the employees and the amount attributable to the managerial person cannot be ascertained separately. Managerial remuneration as disclosed above for the year ended March 31, 2019 has been paid in excess of the limits specified in Schedule V to the Companies Act, 2013 as the Company has no profits, computed in accordance with Section 198 of the Companies Act, 2013, during the financial year. The Company has proposed to obtain the shareholders' approval to comply with the requirements of Section 197 read with Schedule V to the Act in the ensuing Annual General Meeting.

40.2 Non Whole time Directors remuneration :

₹ in Lakh

Particulars	2018-19	2017-18
Commission to Non Whole Time Directors	-	77
Directors' sitting Fees	19	20
Total	19	97

NOTE 41

OPERATING LEASE ARRANGEMENTS

41.1 Company as a Lessee

The Company has entered into a non cancellable and non renewable operating lease agreement with Shri Dhanalaxmi Sahakari Sakkare Karkhane Niyamit, Ramdurg for the lease of sugar factory together with the specified assets on Built, Own, Operate and Transfer basis (BOOT) for a period of 25 years till 2032.

41.2 Payments recognised as expense

₹ in Lakh

Particulars	2018-19	2017-18
Minimum Lease payments	1,020	893

41.3 Non-cancellable operating lease commitments

₹ in Lakh

Particulars	2018-19	2017-18
Not later than 1 year	1,038	919
Later than 1 year and not later than 5 years	4,404	3,961
Later than 5 years	3,913	4,379
Total	9,355	9,259

41.4 Company as a Lessor

Payments recognised as Income

Particulars	2018-19	2017-18
Rental income	1,832	1,689

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

NOTE 42

DISCLOSURE AS PER REGULATION 34(3) AND 53(F) OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURES REQUIREMENTS) REGULATIONS, 2015:

Loans and advances in the nature of loans to subsidiaries: (Refer note no 51)

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
1. Loan balance	51	48
Maximum balance outstanding during the year	54	132
2. Guarantee	29,575	32,215

Note: The loan is repayable on demand and carries interest of 9% per annum. This loan has been given for general business purpose.

NOTE 43

Exceptional items for the year ended March 31, 2019 represents the gain on sale of investments in Parry America Inc. (a wholly owned subsidiary) to its subsidiary Coromandel International Limited. For the year ended March 31, 2018 exceptional item represents one-time settlement of additional cane price for sugar seasons 2013-14 to 2016-17 which has been agreed with farmers registered with the Company in Tamilnadu.

NOTE 44

DEFERRED TAX BALANCES

The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred tax assets	8,262	6,828
Deferred tax liabilities	(2,800)	-
Total	5,462	6,828

2018-19	Opening balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Deferred tax (liabilities) / asset in relation to				
Property plant and equipment	(24,808)	648	-	(24,160)
Provision for Doubtful Debts, Provision for compensated absences and others	3,976	(224)	-	3,752
Cash flow hedges	(5)	-	5	-
Financial assets at FVTOCI	(3,092)	-	(533)	(3,625)
Defined benefit obligation	118	-	71	189
	(23,811)	424	(457)	(23,844)
Tax losses	23,856	(2,812)	-	21,044
Net Deferred Tax Assets / (Liability)	45	(2,388)	(457)	(2,800)
MAT Credit entitlement	6,783	1,479	-	8,262

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

₹ in Lakh

2017-18	Opening balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Deferred tax (liabilities)/asset in relation to				
Property plant and equipment	(25,972)	1,164	-	(24,808)
Provision for Doubtful Debts, Provision for compensated absences and others	2,732	1,244	-	3,976
Cash flow hedges	(75)	-	70	(5)
Financial assets at FVTOCI	(1,287)	-	(1,805)	(3,092)
Defined benefit obligation	64	-	54	118
	(24,538)	2,408	(1,681)	(23,811)
Tax losses	23,948	(92)	-	23,856
Net Deferred Tax Asset / (Liability)	(590)	2,316	(1,681)	45
MAT Credit entitlement	6,752	31		6,783

Note 45

INCOME TAXES RELATING TO CONTINUOUS OPERATIONS

45.1 Income tax recognised in profit or loss

₹ in Lakh

Particulars	2018-19	2017-18
Current tax		
In respect of current year	-	-
In respect of prior years	-	31
Others	-	-
Deferred tax		
In respect of current year	(4,785)	(3,360)
In respect of previously unrecognised/unused tax losses	(122)	
MAT Credit availed	-	(31)
Adjustments to deferred tax attributable to change in tax rates	-	(5)
Total income tax gain recognised in the current year relating to continuing operations	(4,907)	(3,365)

The income tax expense for the year can be reconciled to the accounting profit as follows:

₹ in Lakh

Particulars	2018-19	2017-18
Profit before tax from continuing operations	(2,175)	4,783
Income tax expense calculated at 34.944%	(760)	1,671
Effect of income that is exempt from taxation	(4,177)	(4,910)
Effect of concession	(81)	(378)
Effect of expenses that are not deductible in determining taxable profit	233	257
Effect on deferred tax balance due to change in income tax rates from 34.608% to 34.944%	-	(5)
	(4,785)	(3,365)
Adjustments recognised in respect of previously unrecognised/unused tax losses	(122)	-
Income tax expense recognised in profit or loss (relating to continuing operations)	(4,907)	(3,365)

The tax rate used for the 2018-19 and 2017-18 reconciliations above is the corporate tax rate of 34.944% payable by corporate entities in India on taxable profits under the Indian tax law.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

45.2 Income tax recognised in other comprehensive income

₹ in Lakh

Particulars	2018-19	2017-18
Deferred tax		
Arising on income and expenses recognised in other comprehensive income:		
Net fair value gain on investments in equity shares at FVTOCI	533	(1,805)
Net gain on designated portion of hedging instruments in cash flows hedges	(5)	70
Remeasurement of defined benefit obligation	(71)	54
Total income tax recognised in other comprehensive income	457	(1,681)

45.3 Income tax directly recognised in equity

No tax has been recognised directly in equity

NOTE 46

SEGMENT INFORMATION

Information reported to the chief operating decision maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided, and in respect of the following segments tabulated below. The directors of the Company have chosen to organise the Company around differences in products and services. No operating segments have been aggregated in arriving at the reportable segments of the Company. Specifically the Company's reportable segments under Ind AS 108 are as follows.

Operating Segment :

Sugar	Cogeneration	Distillery	Nutraceuticals
Sugar	Power	Spirits	Nutraceuticals

Geographical information:

The Company operates in the following principal geographical areas -

North America	Europe	Rest of the world	India (Country of domicile)
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Revenue and expenses directly attributable to segments are reported under each reportable segment. Other expenses and income which are not attributable or allocable to segments have been disclosed as net unallocable expenses/income.

Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Property, plant and equipment that are used interchangeably among segments are not allocated to reportable segments.

Operating segments represent the products also and therefore separate disclosure of revenue from major products is not made.

Inter segment Transfer Pricing:

Inter Segment prices are normally negotiated amongst the segments with reference to cost, market prices and business risks, within an overall optimisation objective for the enterprise.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

46.2 Geographical information

₹ in Lakh

Particulars	North America		Europe		Rest of the World		India		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Segment Revenue of continuing operations	2,592	2,204	2,337	2,186	1,447	1,359	1,79,127	1,88,445	1,85,503	1,94,194
Segment Revenue of discontinued operations	-	5,086	-	3,060	-	326	-	5,317	-	13,789
Non-current asset *	-	-	-	-	-	-	1,31,559	1,42,772	1,31,559	1,42,772

* Non-current assets exclude those relating to Investments, Deferred tax assets, Income tax assets and non-current financial assets.

NOTE 47

EMPLOYEE BENEFIT PLANS

A. Defined contribution plans

The Company makes Provident Fund, Superannuation Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 605 Lakh (Year ended March 31, 2018 - ₹ 463 Lakh) for Provident Fund contributions, ₹ 301 Lakh (Year ended March 31, 2018 - ₹ 503 Lakh) for Superannuation Fund contributions and ₹ 1 Lakh (Year ended March 31, 2018 - ₹ 4 Lakh) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

B. Defined benefit plans :

Gratuity :

In respect of Gratuity plan, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as March 31, 2019 by Mr. Khushwant Pahwa, Fellow member of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit cost method. The following table sets forth the status of the Gratuity Plan of the Company and the amount recognized in the Balance Sheet and Statement of Profit and Loss. The Company provides the gratuity benefit through annual contributions to a fund managed by the Life Insurance Corporation of India (LIC).

The Company is exposed to various risks in providing the above gratuity benefit which are as follows:

Interest Rate Risk : The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Investment Risk : The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Salary Escalation Risk : The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Demographic Risk : The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

₹ in Lakh

Particulars	Gratuity (Funded)	
	Year ended March 31, 2019	Year ended March 31, 2018
Present Value of obligations at the beginning of the year	2,485	2,164
Current service cost	217	209
Interest Cost	185	166
Re-measurement (gains)/losses:		
- Actuarial gains and losses arising from change in financial assumption	38	-
- Actuarial gains and losses arising from experience adjustment	165	148
Benefits paid	(222)	(202)
Acquisition Adjustment	(104)	-
Present Value of obligations at the end of the year	2,764	2,485
Change in fair value of planned assets		
Fair value of plan assets at beginning of year	1,422	1,232
Interest Income	110	94
Return on plan assets	(2)	(8)
Contributions from the employer	500	306
Acquisition Adjustment	(21)	-
Benefits Paid	(222)	(202)
Fair Value of plan assets at the end of the year	1,787	1,422
Amounts recognized in the Balance Sheet		
Projected benefit obligation at the end of the year	2,764	2,485
Fair value of plan assets at end of the year	1,787	1,422
Funded status of the plans – Liability recognised in the balance sheet	977	1,063*
*(Includes ₹ 84 Lakh towards discontinued operations)		
Components of defined benefit cost recognised in profit or loss		
Current service cost	217	209
Net Interest Expense	75	72
Net Cost in Profit or Loss	292	281*
*(Includes ₹ 13 Lakh towards discontinued operations)		
Components of defined benefit cost recognised in Other Comprehensive income		
Remeasurement on the net defined benefit liability:		
- Actuarial gains and losses arising from change in financial assumption	38	-
- Actuarial gains and losses arising from experience adjustment	165	148
Return on plan assets	2	8
Net Cost in Other Comprehensive Income	205	156

Particulars	2018-19	2017-18
Assumptions		
Discount rate	7.50%	7.70%
Expected rate of salary increases	6.00%	6.00%
Expected rate of attrition	5.00%	5.00%
Average age of members	39.10	39.10
Average remaining working life	18.90	18.90
Mortality (IALM (2006-2008) Ultimate)	100%	100%

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

The Company has invested the plan assets with the insurer managed funds. The insurance company has invested the plan assets in Government Securities, Debt Funds, Equity shares, Mutual Funds, Money Market Instruments and Time Deposits. The expected rate of return on plan asset is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligation.

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

₹ in Lakh

Particulars	2018-19	2017-18
Discount rate		
- 1% increase	183	163
- 1% decrease	(206)	(204)
Salary growth rate		
- 1% increase	(205)	(183)
- 1% decrease	185	166
Attrition rate		
- increase of 50% of attrition rate	(36)	(36)
- decrease of 50% of attrition rate	48	47
Mortality rate		
- increase of 10% of mortality rate	-	(1)
- decrease of 10% of mortality rate	1	1

Please note that the sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods of assumptions used in preparing the sensitivity analysis from prior years.

Negative represents increase and positive represents decrease in obligation.

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The Insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in an increase in liability without corresponding increase in the asset).

The Company's best estimate of the contribution expected to be paid to the plan during the next year is ₹ 1,196 Lakh (2018: ₹ 300 Lakh).

C. Note on Provident Fund:

With respect to employees, who are covered under Provident Fund Trust administered by the Company, the Company shall make good deficiency, if any in the interest rate declared by Trust over statutory Limit. Having regards to the assets of the Fund and the return on the investments, the Company does not expect any deficiency in the foreseeable future.

The actuary has assessed the calculations of the Interest Rate Guarantees based on the guidance note issued by the Institute of Actuaries of India. The disclosures required under Ind AS 19 is as set out below:

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Fund and plan asset position are as follows:

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
Accumulated Account Value of Employee's Fund	4,399	4,034
Interest Rate Guarantee Liability	87	79
Present value of benefit obligation at the end of the year	4,486	4,113
Plan asset at the end of the year	4,857	4,527
Surplus available	(371)	(414)
Asset recognised in the Balance Sheet	-	-

The plan assets are primarily invested in government securities, corporate bonds and special deposit schemes.

Assumptions for present value of interest rate guarantee are as follows:

Particulars	As at March 31, 2019	As at March 31, 2018
Discount rate (%)	7.50%	7.60%
Expected guaranteed rate (%)	8.55%	8.65%
Attrition rate (%)	5.00%	5.00%

Note 48

Earnings per Share:

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Basic Earnings per share (In ₹)		
From Continuing Operations	1.54	4.60
From Discontinued Operations	7.67	1.10
From Continuing and discontinued operations	9.21	5.70
Diluted Earnings per share (In ₹)		
From Continuing Operations	1.54	4.60
From Discontinued Operations	7.67	1.10
From Continuing and discontinued operations	9.21	5.70

48.1 Basic Earnings per share

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows.

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Earnings used in the calculation of basic earnings per share		
Profit after Taxation (₹ in Lakh)		
From Continuing Operations	2,732	8,148
From Discontinued Operations	13,581	1,953
From Continuing and discontinued operations	16,313	10,101
Number of equity shares of ₹ 1 each outstanding at the beginning of the year	17,69,94,981	17,69,45,759
Add : Number of shares issued pursuant exercise of Employees Stock option	-	49,222
(a) Number of equity Shares of ₹ 1 each outstanding at the end of the year	17,69,94,981	17,69,94,981
(b) Weighted Average number of Equity Shares	17,69,94,981	17,69,75,759

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

48.2 Diluted Earnings per share

The earnings and weighted average number of equity shares used in the calculation of diluted earnings per share are as follows : ₹ in Lakh

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Earnings used in the calculation of diluted earnings per share		
From Continuing Operations	2,732	8,148
From Discontinued Operations	13,581	1,953
From Continuing and discontinued operations	16,313	10,101

The weighted average number of equity shares for the purposes of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

Weighted average number of equity shares used in the calculation of basic earnings per share	17,69,94,981	17,69,75,759
Shares deemed to be issued for no consideration in respect of - employee options	-	1,29,376
Weighted average number of equity shares used in the calculation of diluted earnings per share	17,69,94,981	17,71,05,135

NOTE 49

FINANCIAL INSTRUMENTS

49.1 Capital management

The Company's capital management is intended to maximise the return to shareholders for meeting the long-term and short-term goals of the Company through the optimization of the debt and equity balance.

The Company determines the amount of capital required on the basis of annual and long-term operating plans and strategic investment plans. The funding requirements are met through equity and long-term/short-term borrowings. The Company monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

For the purpose of capital management, capital includes issued equity capital, securities premium and all other reserves attributable to the equity shareholders of the Company. Net debt includes all long and short-term borrowings (including current maturities of long term debt) as reduced by cash and cash equivalents.

The following table summarises the capital of the Company:

(₹ in Lakh, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
Equity	1,71,350	1,63,813
Debt	83,229	1,01,800
Cash and cash equivalents	(70)	(70)
Net debt	83,159	1,01,730
Total capital (equity + net debt)	2,54,510	2,65,543
Net debt to capital ratio	0.33	0.38

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

49.2 Categories of financial instruments

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
Financial assets		
Measured at fair value through profit or loss (FVTPL)		
(a) Mandatorily measured:		
(i) Mutual fund investment	-	-
(ii) Derivative instruments not designated in hedge accounting relationship	477	462
Measured at amortised cost		
(a) Cash and bank balances	2,458	1,011
(b) Other financial assets at amortised cost	24,310	22,263
Measured at FVTOCI		
Investments in equity instruments designated upon initial recognition	17,059	14,699
Financial liabilities		
Measured at amortised cost	2,12,295	2,32,782
Measured at FVTPL	62	98

49.3 Financial risk management objectives

The Company has adequate internal processes to assess, monitor and manage financial risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks by using financial instruments such as foreign currency forward contracts, interest and currency swaps to hedge risk exposures and appropriate risk management policies as detailed below. The use of these financial instruments is governed by the Company's policies approved by the Board of Directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk and the investment of excess liquidity. The Company does not enter into trade financial instruments, including derivative financial instruments, for speculative purposes.

Item	Primarily affected by	Risk management policies	Refer
Market risk - currency risk	USD balances and exposure towards trade payables, trade receivables, and long-term borrowings	Mitigating foreign currency risk using foreign currency forward contracts, option contracts and currency swaps	Note 49.4.1
Market risk - interest rate risk	Change in market interest rates	Maintaining a combination of fixed and floating rate debt; interest rate swaps for long-term borrowings; cash management policies	Note 49.4.2
Market risk - other price risk	Decline in value of equity instruments	Monitoring forecasts of cash flows; diversification of portfolio	Note 49.4.3
Credit risk	Ability of customers or counterparties to financial instruments to meet contractual obligations	Credit approval and monitoring practices; counterparty credit policies and limits; arrangements with financial institutions	Note 49.5
Liquidity risk	Fluctuations in cash flows	Preparing and monitoring forecasts of cashflows; cash management policies; multiple-year credit and banking facilities	Note 49.6

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

49.4 Market risk

The Company's financial instruments are exposed to market rate changes. The Company is exposed to the following significant market risks:

- Foreign currency risk
- Interest rate risk
- Other price risk

Market risk exposures are measured using sensitivity analysis. There has been no change to the Company's exposure to market risks or the manner in which these risks are being managed and measured.

49.4.1 Foreign currency risk management

The Company is exposed to foreign exchange risk on account of following:

1. Exports and imports
2. Foreign currency borrowings in the form of Foreign Currency Non-Repatriable (B) loans (FCNRB), packing credit etc. availed for meeting its funding requirements

The Company has a forex policy in place whose objective is to reduce foreign exchange risk by deploying the appropriate hedging strategies (forward covers and options) and also by maintaining reasonable open exposures within approved parameters depending on the future outlook on currencies.

a. The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities based on gross exposure at the end of the reporting period is as under:

Currency	Liabilities		Assets	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
USD/INR (in FCY Lakh)	0.95	0.36	34.75	13.38
USD/INR (in INR Lakh)	66	23	2,403	870
EURO/INR (in FCY Lakh)	-	-	5.86	4.29
EURO/INR (in INR Lakh)	-	-	455	346
GBP/INR (in FCY Lakh)	-	-	0.39	0.41
GBP/INR (in INR Lakh)	-	-	35	38

The foreign currency risk on above exposure is mitigated by derivative contracts. The outstanding contracts as at the Balance Sheet date are as follows:

b. Foreign currency forward and current and interest rate swaps outstanding as at the Balance Sheet date:

Currency	As at March 31, 2019		As at March 31, 2018	
	Buy	Sell	Buy	Sell
Forward contracts				
i Cash flow hedges				
USD/INR (in FCY Lakh)	-	-	-	1.21
USD/INR (in INR Lakh)	-	-	-	79
EURO/INR (in FCY Lakh)	-	-	-	1.06
EURO/INR (in INR Lakh)	-	-	-	86

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Currency	As at March 31, 2019		As at March 31, 2018	
	Buy	Sell	Buy	Sell
ii. Others				
USD/INR (in FCY Lakh)	-	90.85	-	118.52
USD/INR (in INR Lakh)	-	6,282	-	7,973
EURO/INR (in FCY Lakh)	-	33.28	-	45.78
EURO/INR (in INR Lakh)	-	2,582	-	3,944
AED/INR (in FCY Lakh)	-	45.24	-	-
AED/INR (in INR Lakh)	-	852	-	-
Number of contracts		146		184

At March 31, 2019, the aggregate amount of gains under forward foreign exchange contracts recognised in other comprehensive income and accumulated in the cash flow hedging reserve relating to the exposure on these anticipated future transactions is Nil (March 31, 2018: ₹ 10 Lakh).

c. Foreign currency sensitivity analysis

The Company is mainly exposed to fluctuations in US Dollar. The following table details the Company's sensitivity to a 10% increase and decrease against the US Dollar on the outstanding balances. 10% is the sensitivity used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only net outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the Rupee strengthens by 10% against the US Dollar. For a 10% weakening against the US Dollar, there would be a comparable impact on the profit or equity.

₹ in Lakh

Currency USD impact on:	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Profit or loss	395	713
Other comprehensive income	-	8
Equity	395	721

In management's opinion the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of reporting period does not reflect the exposure during the year.

49.4.2 Interest rate risk management

The Company issues commercial papers, draws working capital demand Loans, cash credit, foreign currency borrowings, Packing Credit etc. for meeting its funding requirements.

Interest rates on these borrowings are exposed to change in respective benchmark rates. The Company manages the interest rate risk by maintaining appropriate mix/portfolio of the borrowings.

Interest rate sensitivity analysis

The sensitivity analysis below has been determined for borrowings assuming the amount of borrowings outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis points increase or decrease in case of rupee borrowings is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rate were to increase by 50 basis from March 31, 2019, in case of rupee borrowings and all other variables were held constant, additional net annual interest expense on floating rate borrowing would amount to approximately ₹ 143 Lakh (March 31, 2018 - ₹182 Lakh).

49.4.3 Other price risks

The Company is exposed to equity price risks arising from equity investments. Certain of the Company's equity investments are held for strategic rather than trading purposes. The Company also holds certain other equity investments for trading purposes.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Equity price sensitivity analysis

The sensitivity analyses 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 March 31, 2019 would increase/ decrease by ₹ 171 Lakh (₹ 146 Lakh for the year ended March 31, 2018) as a result of the changes in fair value of equity investments measured at FVTOCI. The impact of change in equity price on profit or loss is not significant.

49.5 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to the customer credit risk management. The Company uses financial information and past experience to evaluate credit quality of majority of its customers and individual credit limits are defined in accordance with this assessment. Outstanding receivables and the credit worthiness of its counterparties are periodically monitored and taken up on case to case basis. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions representing large number of minor receivables operating in independent markets. There is no material expected credit loss based on the past experience. However, the Company assesses the impairment by specific items of trade receivable and has accordingly created loss allowance on trade receivables.

The Company has issued financial guarantee to its wholly owned subsidiary, Parry Sugars Refinery India Private Limited of ₹ 25,840 Lakh (March 31, 2018: ₹30,000 Lakh). Further the Company has issued Letter of Credit to its subsidiaries US Nutraceuticals Inc & Alimtec SA to the tune of ₹ 3,735 Lakh (March 31, 2018: ₹ 2,215 Lakh) during the year. Based on the financial performance of subsidiaries, the Company does not expect the guarantee liability to devolve on the Company.

The credit risk on cash and bank balances is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

49.6 Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the contractual maturities of non-derivative financial liabilities including estimated interest payments as at March 31, 2019:

₹ in Lakh

Particulars	Carrying amount	upto 1 year	1-3 year	More than 3 year	Total contracted cash flows
Non interest bearing	45,314	43,468	79	2,662	46,209
Variable interest rate instruments	28,358	12,675	13,626	5,526	31,827
Fixed interest rate instruments	1,38,623	1,20,496	18,993	1,534	1,41,023
Total	2,12,295	1,76,639	32,698	9,722	2,19,059

The table below provides details of non-derivative financial assets as at March 31, 2019

₹ in Lakh

Particulars	Carrying amount
Trade receivables	16,175
Other financial assets	1,08,444
Total	1,24,619

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

The table below provides details regarding the contractual maturities of non-derivative financial liabilities including estimated interest payments as at March 31, 2018:

₹ in Lakh

Particulars	Carrying amount	upto 1 year	1-3 year	More than 3 year	Total contracted cash flows
Non interest bearing	57,357	55,515	109	2,741	58,365
Variable interest rate instruments	36,635	21,509	17,978		39,487
Fixed interest rate instruments	1,38,790	1,29,575	6,406	8,441	1,44,422
Total	2,32,782	2,06,599	24,493	11,182	2,42,274

The table below provides details of non-derivative financial assets as at March 31, 2018:

₹ in Lakh

Particulars	Carrying amount
Trade receivables	13,446
Other financial assets	97,659
Total	1,11,105

The following table details the Company's maturity analysis for its derivative financial instruments. The table has been drawn up based on the undiscounted estimated cash flows determined by reference to the projected market rates at the end of the reporting period. A positive amount represents an anticipated cash inflow and a negative amount represents an anticipated cash outflow.

March 31, 2019

₹ in Lakh

Particulars	Less than 1 year	1-3 year	above 3 years
Net settled			
- foreign exchange forward contracts	374	41	-

March 31, 2018

Particulars	Less than 1 year	1-3 year	above 3 years
Net settled			
- foreign exchange forward contracts	354	10	-

49.7 Financing facilities

The Company has access to financing facilities of which ₹ 99,801 Lakh (as at 31 March 2018: ₹ 93,988 Lakh) were unused at the end of the reporting period. The Company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

49.8 Fair value measurements

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation techniques and inputs used):

(₹ in Lakh, unless otherwise stated)

Financial assets/financial liabilities	Fair Value as at*		Fair value hierarchy	Valuation techniques & key inputs used
	As at March 31, 2019	As at March 31, 2018		
1) Foreign currency forward contracts designated in hedge accounting relationships				
Financial asset	477	462	Level 2	Refer Note 3
Financial liabilities	(62)	(98)	Level 2	Refer Note 3
2) Investments in quoted equity instruments at FVTPL	-	-	Level 1	Refer Note 2
3) Investments in quoted equity instruments at FVTOCI	293	246	Level 1	Refer Note 2
4) Investments in unquoted equity instruments at FVTOCI	16,766	14,453	Level 3	Refer Note 4(a)

*positive value denotes financial asset and negative value denotes financial liability

Notes:

1. There were no transfers between Level 1 and 2 in the period.
2. The Level 1 financial instruments are measured using quotes in active market
3. The following table shows the valuation technique and key input used for Level 2:

Financial Instrument	Valuation Technique	Key Inputs used
Foreign currency forward contracts	Discounted Cash Flow	Forward exchange rates, contract forward and interest rates, observable yield curves.

4. The following table shows the valuation technique and key input used for Level 3:

Financial Instrument	Valuation Technique	Key Inputs used	Sensitivity
(a) Investments in unquoted equity instruments at FVTOCI	Market Multiple Approach	Discount for lack of marketability, determined by reference to the share price of listed entities in similar industries, ranging from 30% to 50% (as at March 31, 2018: 30% to 50%)	A 5% increase in the discount for lack of marketability used in isolation would decrease the carrying amount by ₹ 589 Lakh (as at March 31, 2018: ₹ 753 Lakh) and decrease in the discount for lack of marketability would increase the carrying amount by ₹ 589 Lakh (as at March 31, 2018: ₹ 753 Lakh)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

₹ in Lakh

Particulars	Fair value hierarchy	As at March 31, 2019		As at March 31, 2018	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets:					
Financial Assets at amortised cost :					
- Trade receivables	Level 2	16,175	16,175	13,446	13,446
- Cash and cash equivalents	Level 2	70	70	70	70
- Bank balances other than cash and cash equivalents	Level 2	2,388	2,388	941	941
- Loans	Level 2	1,651	1,610	2,048	1,944
- Other financial assets	Level 2	6,484	6,484	6,769	6,769

Particulars	Fair value hierarchy	As at March 31, 2019		As at March 31, 2018	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities					
Financial liabilities at amortised cost:					
Borrowings	Level 2	89,883	88,472	1,07,566	1,07,373
Trade payables	Level 2	40,807	40,807	56,802	56,802
Other financial liabilities	Level 2	81,605	81,605	68,414	68,414

1. In case of trade receivables, cash and cash equivalents, trade payables, short term borrowings and other financial assets and liabilities it is assessed that the fair values approximate their carrying amounts largely due to the short-term maturities of these instruments.
2. The fair values of the financial assets and financial liabilities included above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

Reconciliation of Level 3 fair value measurements for the year ended March 31, 2019:

₹ in Lakh

Particulars	Investments in unquoted equity instruments at FVTOCI	Total
Opening balance	14,453	14,453
Total gains or losses:		
- in profit or loss	-	-
- in other comprehensive income	2,313	2,313
Closing balance	16,766	16,766

Reconciliation of Level 3 fair value measurements for the year ended March 31, 2018:

₹ in Lakh

Particulars	Investments in unquoted equity instruments at FVTOCI	Total
Opening balance	6,630	6,630
Total gains or losses:		
- in profit or loss	-	-
- in other comprehensive income	7,823	7,823
Closing balance	14,453	14,453

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

NOTE 50

SHARE BASED PAYMENTS:

50. 1 Employee share option plan of the Company

50.1.1 Details of the employee share option plans of the Company

The Company has share option scheme for executives and senior employees of the Company. As approved by the shareholders at previous annual general meetings, ESOP schemes will be administered by the Nomination and Remuneration committee of the Board of Directors.

Each employee share option converts into one equity share of the Company on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

The following share-based payment arrangement were in existence during the current and prior years

S.No	Description	Date of grant	Number of Options granted	Expiry date	Fair value on the date of grant as per Black Scholes option pricing model	Exercise price
1	Details of options granted	31.08.2007	18,58,200	31.08.2017	29.46	64.80
		29.10.2007	2,32,400	29.10.2017	26.32	75.70
		24.01.2008	4,60,600	28.02.2015	21.98	94.15
		24.04.2008	1,52,200	24.04.2018	24.59	103.60
		28.07.2008	1,30,000	28.07.2018	26.63	92.98
		24.09.2008	3,87,000	31.10.2012	24.11	106.30
		29.10.2008	1,13,600	29.10.2018	30.73	74.95
		20.03.2009	47,800	30.06.2011	32.26	69.13
		28.01.2011	3,29,600	28.01.2021	90.05	225.15
		28.01.2011	36,700	01.04.2014	87.86	225.15
		29.04.2011	41,400	29.04.2015	92.46	240.90
		29.04.2011	34,500	29.04.2015	58.18	240.90
		27.07.2011	1,15,000	27.07.2015	105.80	269.10
		24.10.2011	75,700	24.10.2021	80.86	220.90
		24.10.2011	19,300	30.09.2014	30.21	220.90
		06.02.2017	8,43,220	06.02.2026	107.85	289.50
		06.02.2018	75,420	06.02.2027	125.20	319.45
		06.02.2018	1,36,600	06.02.2026	119.15	319.45
Total			50,89,240			

50.1.2 Fair value of share options granted in a year

A. Grant Registration ID : GT07AUG2018 :-

The weighted average fair value of 18,904 share options granted during the financial year is ₹ 88.84. Options were priced using Black Scholes model of option pricing. The expected volatility is based on historical volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility . Inputs into the model is as follows

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Particulars	Vest 1	Vest 2	Vest 3
Vest Percent (%)	25%	37.5%	37.5%
Grant date share price	233.75	233.75	233.75
Exercise price	233.75	233.75	233.75
Expected volatility	35.34	34.79	35.01
Expected life	3.51	4.51	5.51
Dividend yield	1.28	1.28	1.28
Risk free interest rate	7.70	7.82	7.90

B. Grant Registration ID : GT09NOV2018 :-

The weighted average fair value of 59,300 share options granted during the financial year is ₹ 89.24. Options were priced using Black Scholes model of option pricing. The expected price volatility is based on historical volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility. Inputs into the model is as follows:

Particulars	Vest 1	Vest 2	Vest 3	Vest 4
Vest Percent (%)	20%	20%	30%	30%
Grant date share price	224.35	224.35	224.35	224.35
Exercise price	224.35	224.35	224.35	224.35
Expected volatility	36.02	35.55	35.62	34.59
Expected life	3.51	4.51	5.51	6.51
Dividend yield	1.34	1.34	1.34	1.34
Risk free interest rate	7.50	7.60	7.67	7.73

50.1.3 Movements in share options during the year

S.No	Particulars	Description	2018-19		2017-18	
			Options (Nos.)	Weighted Average Exercise Price per option	Options (Nos.)	Weighted Average Exercise Price per option
a	Balance at the beginning of the year	Options vested and exercisable	1,70,950	272.58	1,07,368	190.97
		Options unvested	6,63,236	299.07	8,43,220	289.50
		Total	8,34,186	293.64	9,50,588	278.37
b	Options granted during the year		78,204	226.62	2,12,020	319.45
c	Options vested during the year		1,21,732	300.45	1,12,804	289.50
d	Options exercised during the year		-	-	49,222	133.35
e	Options lapsed/cancelled during the year		1,64,752	291.56	2,79,200	289.50
f	Options outstanding at the end of the year	Options vested and exercisable	2,89,154	284.89	1,70,950	272.58
		Options unvested	4,58,484	288.48	6,63,236	299.07
		Total (a + b - d - e)	7,47,638	287.09	8,34,186	293.64

Weighted Average remaining contractual life for option outstanding as at March 31, 2019 was 1944 days (March 31, 2018: 2342 days)

50.1.4. Share options exercised during the year

No share options were exercised during the year. Share options exercised during the year ended March 31, 2018 are as follows:

Grant date	Numbers exercised	Exercise date	Share price at exercise date
31-Aug-07	16,368	29-Aug-17	316.45
23-Oct-17	9,072	11-Oct-17	359.70
24-Oct-11	16,698	18-Aug-17	324.85
24-Apr-08	3,844	09-Jun-17	327
28-Jan-11	3,240	09-Jun-17	327

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Note 51

Related Party Disclosure for the year ended March 31, 2019

51.1. Subsidiary Companies/ Entities

1. Coromandel International Limited
2. Parry Chemicals Limited
3. CFL Mauritius Limited
4. Coromandel Brasil Limitada – LLP, Brazil
5. Liberty Pesticides and Fertilisers Limited
6. Dare Investments Limited
7. Alimtec S.A
8. Sabero Europe BV ,Netherlands
9. Sabero Australia Pty. Limited
10. Sabero Organics America SA, Brazil
11. Sabero Argentina SA
12. Coromandel Agronegocios De Mexico S.A C.V.
13. Parry America Inc.,
14. Parrys Investments Limited
15. Parrys Sugar Limited
16. Parry Infrastructure Company Private Limited
17. US Nutraceuticals Inc (formerly US Nutraceuticals LLC)
18. Parry Agrochem Exports Limited
19. Parry Sugars Refinery India Private Limited
20. Parry International DMCC
21. Coromandel International (Nigeria)

51.1.b Associate & Joint venture

1. Coromandel SQM (India) Private Limited
2. Yanmar Coromandel Agrisolutions Private Limited
3. Labelle Botanics LLC
4. Sabero Organics Philippines Asia Inc.
5. Algavista Greentech Private Limited

51.2. INVESTING PARTY GROUP

1. Ambadi Investments Limited (Investing Party)
2. Parry Enterprises India Limited
3. Parry Agro Industries Limited

51.3. Other related parties

1. Parry Group Staff Provident Fund
2. Parry Group Gratuity Fund
3. EID Parry Executive Staff Pension & Assurance Scheme

51.4. Key Management Personnel (KMP)

1. Mr. S Suresh, Managing Director

51.5. Private company in which Company's Directors are Directors

1. CavinKare Private Limited

Note : Related Party Relationships are as identified by the management and relied upon by the auditors.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

51.6 Transactions with related parties

₹ in Lakh

Particulars	2018-19			2017-18		KMP & Others
	Subsidiary Companies	Investing Party Group	KMP & Others	Subsidiary Companies	Investing Party Group	
Sale of Goods						
a. Parry America Inc.	-	-	-	5,014	-	-
b. U.S. Nutraceuticals L.L.C	328	-	-	233	-	-
c. Coromandel International Limited	525	-	-	1,877	-	-
d. Parry Agro Industries Limited	-	2	-	-	15	-
e. Parry Sugars Refinery India Limited	9,399	-	-	-	-	-
f. CavinKare Private Limited	-	-	1,657	-	-	1,286
g. Algavista Greentech Private Limited	-	-	24	-	-	-
Sale of Capital Goods						
a. Algavista Greentech Private Limited - Sale of Land	-	-	300	-	-	-
Rendering of services / Reimbursement						
a. Coromandel International Limited	408	-	-	378	-	-
b. Parry Sugars Refinery India Private Limited	213	-	-	81	-	-
c. Parrys Enterprises India Limited	-	66	-	-	57	-
d. Parry Agro Industries Limited	-	40	-	-	37	-
e. U.S. Nutraceuticals L.L.C	17	-	-	8	-	-
f. Alimtec S.A	5	-	-	5	-	-
g. Coromandel Engineering Co. Limited	-	25	-	-	-	-
h. Algavista Greentech Private Limited	-	-	50	-	-	-
Other income						
a. Parry Sugars Refinery India Private Limited	-	-	-	15	-	-
b. Algavista Greentech Private Limited	-	-	2	1	-	-
Dividend Income / Share of income						
a. Coromandel International Limited	11,515	-	-	14,172	-	-
Deputation Charges Received						
a. Parry Sugars Refinery India Private Limited	40	-	-	58	-	-
Purchase/Receipt of Goods						
a. Coromandel International Limited	1	-	-	2	-	-
b. Parry Sugars Refinery India Private Limited	214	-	-	2,782	-	-
c. Parry Enterprises India Limited	-	21	-	-	12	-
d. Alimtec S.A	6	-	-	6	-	-
Receipt of services						
a. U.S. Nutraceuticals L.L.C	247	-	-	218	-	-
b. Parry Sugars Refinery India Private Limited	-	-	-	1,392	-	-
c. Parry Enterprises India Limited	-	261	-	-	171	-
d. Parrys America Inc	-	-	-	-	-	-

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

₹ in Lakh

Particulars	2018-19			2017-18		KMP & Others
	Subsidiary Companies	Investing Party Group	KMP & Others	Subsidiary Companies	Investing Party Group	
Interest Income on ICD Loans						
a. Alimtec SA	4	-	-	7	-	-
Dividend Paid						
a. Ambadi Investment Ltd (Investing Party)	-	4,083	-	-	-	-
Sale of Bio pesticides division and Investments in Parry America						
a. Coromandel International Limited	32,998	-	-	-	-	-
Subscription to Equity Shares						
a. Algavista Greentech Private Limited	-		660	750		
b. Parry Sugars Refinery India Private Limited	7,000			5,799		
Employee related Contribution						
a. Parry Group Staff Provident Fund	216	-		102	-	
b. EID Parry Executive Staff Pension & Assurance Scheme	335	-		335	-	
Loans and Advances to Subsidiaries Given / (Repaid)						
a. Alimtec S.A	Nil	-		(82)	-	
Closing balances - Debit/ (Credit)						
a. Coromandel International Limited	97	-	-	(100)	-	-
a (i). Coromandel International Limited - Dividend	-	-	-	5,315	-	-
b. Parry America Inc.	-	-	-	2,187	-	-
c. U.S. Nutraceuticals LLC	57	-	-	63	-	-
d. Parry Sugars Refinery India Private Limited	1,653	-	-	(1,351)	-	-
e. Parry Agro Industries Limited	-	(15)	-	-	(15)	-
f. Alimtec SA	46	-	-	56	-	-
g. Parry Enterprises India Limited	-	(15)		-	(24)	
h. Parry Group Staff Provident Fund	-	-	1	-	-	102
i. EID Parry Executive Staff Pension & Assurance Scheme	-	-	335	-	-	335
j. Cavinkare Private Limited	-	-	97	-	-	55
k. Algavista Greentech Private Limited	-	-	14	-	-	-
Guarantees given	-	-		-	-	
a. Parry Sugars Refinery India Private Limited	25,840	-		30,000	-	
b. Alimtec SA	968	-		912	-	
c. U.S. Nutraceuticals LLC	2,767			1,303		

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

₹ in Lakh

Particulars	2018-19	2017-18
52 Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances	980	205
53 Other monies for which the Company is contingently liable		
(a) Letters of Credit and Bank Guarantees established for Purchases of Raw Materials, Spares and Capital Goods / Supply of Goods	1,457	684
(b) Disputed Income Tax demands which are under various stages of appeal (out of which ₹ 2,732 Lakh (2018 - ₹ 2,415 Lakh) have been paid under protest). (Refer note 53.3)	6,428	5,665
(c) Disputed Indirect Taxes demands (out of which ₹ 186.05 Lakh (2018 - ₹ 250.30 Lakh) have been deposited under protest). (Refer note 53.3)	1,643	6,306
(d) Cane price (Refer Note 53.1)	309	2,613
(e) 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.		
(f) Corporate Guarantee/ Letter of Credit given in favour of Subsidiaries	29,575	32,215
53.1 The Tamilnadu Government declared State Advisory Price (SAP) for the sugar year 2013-14, 2014-15 and 2015-16. The Company has challenged the right of State Government to declare the SAP in the Hon'ble High Court of Madras. The matter is subjudice.		
53.2 Future cash outflows in respect of the above referred matters are determinable only on receipt of judgements / decisions pending at various forums / authorities.		
53.3 The Income Tax Department/Commercial Tax Department/Central Excise and Service Tax and GST Authority has filed appeal against the favorable order passed by lower forum in favor of the Company in appropriate appellate forum to the extent of ₹ 6,468 lakh. It is expected that there will not be any outflow of economic resources embodying economic benefits. Hence, no provision is considered necessary against the same.		

54 Changes in accounting policies - Impact on the financial statements

The Company applied Ind AS 115 for the first time by using the modified retrospective method of adoption with the date of initial application of April 1, 2018. Under this method, the Company recognised the cumulative effect of initially applying Ind AS 115 as an adjustment to the opening balance of retained earnings as at April 1, 2018. Comparative period has not been adjusted.

Entities applying the modified retrospective method can elect to apply the revenue standard only to contracts that are not completed as at the date of initial application (that is, they would ignore the effects of applying the revenue standard to contracts that were completed prior to the date of initial application). However, the Company elected to apply the standard to all contracts as at April 1, 2018.

There was no impact on the Company's retained earnings as at April 1, 2018 on account of transition to Ind AS 115.

55 The figures for the previous year have been reclassified / regrouped wherever necessary for better understanding and comparability.

56 Approval of financial statements

The financial statements were reviewed and recommended by the Audit Committee and has been approved by the Board of Directors in their meeting held on May 07, 2019 and May 08, 2019 respectively.

In terms of our report attached
For Price Waterhouse Chartered accountants LLP
 Firm Registration Number: 012754N/N500016
 Chartered Accountants

Subramanian Vivek
 Partner
 Membership No : 100332
 New Delhi
 Date: May 08, 2019

S. Suresh
 Managing Director
 DIN 06999319

Biswa Mohan Rath
 Company Secretary

Chennai
 Date: May 08, 2019

For and on behalf of the Board of Directors
V.Ravichandran
 Chairman
 DIN 00110086

S Rameshkumar
 Chief Financial Officer

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF E.I.D. PARRY (INDIA) LIMITED

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

Opinion

1. We have audited the accompanying consolidated Ind AS financial statements of E.I.D. - Parry (India) Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint ventures (refer Note 53 to the attached consolidated Ind AS financial statements), which comprise the consolidated balance sheet as at March 31, 2019, and the consolidated statement of profit and loss (including Other Comprehensive Income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated Ind AS financial statements, including 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").
2. 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 Companies Act, 2013 ("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, its associates and joint ventures as at March 31, 2019, of consolidated total comprehensive income (comprising of

profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section of our report. We are independent of the Group, its associates and joint ventures in accordance with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 sub-paragraph 17 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	How our audit addressed the key audit matters
<p>Accounting for commodity derivative contracts as cash flow hedges of highly probable forecast purchase and sale of raw and white sugar respectively.</p> <p>(Refer Note 1.25 to the consolidated Ind AS financial statements)</p> <p>Parry Sugars Refinery India Private Limited (PSRIPL), a wholly owned subsidiary of the Holding Company, enters into derivative contracts to hedge its price risk arising from purchase and sale of raw and white sugar respectively. Certain derivative contracts are classified as cash flow hedges of highly probable forecast purchase and sale of raw and white sugar respectively and accounted for using the cash flow hedge model detailed in Ind AS 109.</p> <p>This is a key audit matter because of its significance to the financial statements, and the requirement of Management judgement in respect of certain matters, such as:</p> <ul style="list-style-type: none"> • Determination of whether the forecast transaction are highly probable to occur • Determination of the economic relationship between the hedged item and hedging instrument. 	<p>Our audit procedures included the following :</p> <ul style="list-style-type: none"> • Understanding and evaluating the design and testing the operating effectiveness of key controls in relation to accounting for commodity derivative contracts. • Verified that the transactions are executed in accordance with the Board approved risk management policy. • Assessing the historical accuracy of the subsidiaries forecasts by comparing the forecasts used in the prior period with the actual purchases and sales. • Tracing sample of transactions to the broker statements. • Comparing the nature of hedged item and the hedging instrument to ensure they have an economic relationship and the appropriateness of the hedge ratio. • Evaluation of adequacy of disclosures. <p>Based on the above procedures performed, we did not find any significant exceptions in respect of the accounting for commodity derivative contracts as cash flow hedges of highly probable forecast purchase and sale of raw and white sugar respectively in the subsidiary.</p>

Key Audit Matters	How our audit addressed the key audit matters
<p>Impairment of carrying value of property, plant and equipment (PPE) of Parry Sugars Refinery India Private Limited, a subsidiary of the Holding Company</p> <p>(Refer Note 1.28 to the consolidated Ind AS financial statements)</p> <p>As detailed in the aforesaid Note, Parry Sugars Refinery India Private Limited (PSRIPL), a subsidiary of the Holding Company has been incurring losses during the past 2 years.</p> <p>The fact that the subsidiary is incurring losses is an indicator of potential impairment of the carrying value of PPE of the subsidiary.</p> <p>This is a key audit matter because PPE is significant to the financial statements, and Management judgement is required in certain areas such as discount and growth rates in estimating future cash flows prepared by the subsidiary (the Model) along with the Management's valuer to support the carrying value of PPE.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Understanding and evaluating the design and testing the operating effectiveness of key controls in relation to the impairment testing Model. • Assessing the Model and evaluating the independence, competence, capabilities and objectivity of the management's valuer. • Assessing the historical accuracy of the Company's forecasts by comparing the forecasts used in the prior year models with the actual performance in the current year. • Testing the mathematical accuracy of the underlying calculations and agreeing the forecasts for the ensuing year with the latest Board-approved budgets. • Evaluating, along with the auditor's experts, the key assumptions such as discount rate and growth rate used in the Model. • Performing sensitivity tests on the Model for a range of certain assumptions, such as discount rate and growth rate. • Evaluating adequacy of the disclosures made in the financial statements. <p>Based on the procedures performed, we did not identify any material exceptions in the impairment assessment carried out by the management in respect of the carrying value of PPE of the subsidiary.</p>

5. The following Key Audit Matters were included in the audit report dated April 23, 2019, containing an unmodified audit opinion on the consolidated Ind AS financial statements of Coromandel International Limited, a subsidiary of the Holding Company issued by an independent firm of Chartered Accountants reproduced by us as under:

Key Audit Matters	How our audit addressed the key audit matters
<p>Revenue Recognition – Sale of goods Refer to note 3.6 'Revenue recognition', note 3.28.1 'Critical judgements in applying accounting policies' and note 3.28.2 'Key sources of estimation uncertainty' to the consolidated financial statements.</p> <p>Revenue from sale of goods is recognised when the control of goods is transferred to the customers. In terms of the application of the new revenue accounting standard Ind AS 115 (Revenue from Contracts with Customers), for some contracts, control is transferred either when the product is delivered to the customer's site or when the product is shipped, depending on the terms of the contract (including delivery and shipping terms). The Management has exercised judgement in applying the revenue accounting policy while recognising revenue.</p>	<p>We have performed the following principal audit procedures in relation to revenue recognised by the Parent:</p> <ul style="list-style-type: none"> • Understood the revenue recognition process, evaluated the design and implementation, and operating effectiveness of internal controls relating to revenue recognised. • Selected samples and tested the operating effectiveness of internal controls, relating to transfer of control. We carried out a combination of procedures involving enquiry, observation and inspection of evidence in respect of operation of these controls. • Tested the relevant information technology general controls, automated controls, and the related information used in recording and disclosing revenue. • In respect of the selected sample of transactions: <ul style="list-style-type: none"> * Tested whether the revenue is recognised upon transfer of control to customer. * We have evaluated the delivery and shipping terms of the contracts for revenue recognised during the period. * We have also tested the location stock reports from Company warehouses, where applicable, for confirmation on sales quantity made during the year. * Tested that the revenue recorded is after considering the applicable rebates and discounts. * For samples near to period end, tested the acknowledgments of customers.

Subsidy income / Government subsidies and related receivables	The following principal audit procedures have been performed by us in relation to subsidy income recognition by the Parent:
Refer to note 3.6 'Revenue recognition', and note 3.28.2 'Key sources of estimation uncertainty' to the consolidated financial statements.	<ul style="list-style-type: none"> • We have read the relevant circulars and notifications issued by GOI from time to time with regard to the subsidy policies. • We have had robust interactions with the relevant personnel in the Company with regard to updates of GOI Policy, their interpretations of the relevant circulars and notifications. • Tested the relevant information technology general controls, automated controls, and the related information used in recording and disclosing subsidy income. • We have tested the NBS rates considered by the Company for the products with the applicable circulars and notifications. • We have correlated the sales quantity considered for subsidy income with the actual sales made by the Company. • We have also agreed the quantities sold as per the Company books with the customer acknowledgements as per the iFMS portal of the Department of Fertilisers and tested the DBT claims made by the Company. • We have enquired from the Management and discussed with the Board of Directors, the appropriateness of the subsidy rates applied to recognise subsidy income.
Product and freight subsidy income pertaining to the Nutrient and other allied business is recognised on the basis of the rates notified from time to time by the Department of Fertilisers, Government of India (GOI) in accordance with the Nutrient Based Subsidy (NBS) policy on the quantity of fertilisers sold by the Company for the period for which notification has been issued and for the remaining period, based on estimates, when there is a reasonable assurance that the company will comply with all necessary conditions attached to the Subsidy including Direct Benefit Transfer ('DBT' system which was introduced by Government of India.	Valuation of subsidy receivables:
For the year ended March 31, 2019, subsidy income of ₹ 310,641 Lakh is recognised.	Following are the principal audit procedures performed on testing of valuation on subsidy receivables:
Recognition and realisability of subsidy income is dependent on GOI Policy and its various initiatives/schemes.	<ul style="list-style-type: none"> • We have analysed and discussed the status of outstanding subsidy receivables and its realisability with the Management. • We have tested the sanction notes received from the GOI for receipts. • We have tested the credits in the bank statements for the receipts. • We have verified whether the deductions made by the GOI have been adjusted in the books of accounts."

The note 3.6 'Revenue recognition' and note 3.28.1 'Critical judgements in applying accounting policies' and note 3.28.2 'Key sources of estimation uncertainty as referred above have been reproduced in note 1.6 and 1.28 to the consolidated Ind As financial statements.

Other Information

6. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Boards Report together with the annexure thereto, Report on Corporate Governance and Business Responsibility report but does not include the consolidated Ind AS financial statements and our auditor's report thereon.
7. Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
8. In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditors as furnished to us (Refer

paragraph 17 below), we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements

9. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group including its Associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, its associates and joint ventures respectively

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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

10. In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
11. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

12. Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.
13. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group and its associate companies and joint ventures has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint ventures to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
14. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
15. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

16. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

17. We did not audit the financial statements/financial information of Eight subsidiaries (and their relevant subsidiaries/ joint ventures/ associates), whose financial statements/ financial information reflect total assets of ₹ 1,078,492 Lakh and net assets of ₹ 3,49,961 Lakh as at March 31, 2019, total revenue of ₹ 1,341,547 Lakh total comprehensive income (comprising of profit and other comprehensive loss) of ₹ 68,964 Lakh and net cash outflow amounting to ₹ 30,061 Lakh for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of total comprehensive loss (comprising of loss and other comprehensive income) of ₹ 58.63 Lakh for the year ended March 31, 2019 as considered in the consolidated Ind AS financial statements, in respect of a joint venture whose financial statement/ financial information have not been audited by us. These financial statements/ financial information 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 joint venture and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiaries and joint venture, is based solely on the reports of the other auditors.
18. Of the above, the financial statements of three subsidiaries located outside India, included in the consolidated Ind AS financial statements, which constitute total assets of ₹ 17,522 Lakh and net assets of ₹ 11,680 Lakh as at March 31, 2019, total revenue of ₹ 18,947 Lakh, total comprehensive income (comprising of profit and other comprehensive income) of ₹ 1,327 Lakh and net cash inflow amounting to ₹ 1,378 Lakh for the year then ended, have been prepared in accordance with accounting principles generally accepted in their respective countries and have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from the accounting principles generally accepted in their respective countries to the accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India, including other information, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.
- 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.
19. Further, the auditors report on the Consolidated Financial Statements of Coromandel International Limited, a subsidiary of the Holding company which is audited by other auditor include the following comments:
- a) "We did not audit the financial statements / financial information of nine subsidiaries, whose financial statements / financial information reflect total assets of ₹ 7,485 Lakh as at March 31, 2019, total revenues of ₹ 7,308 Lakh and net cash inflows amounting to ₹ 1,364 Lakh for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹ 72 Lakh for the year ended March 31, 2019, as considered in the consolidated financial statements, in respect of an associate and one joint venture, whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint venture and an associate, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint venture and an associate is based solely on the reports of the other auditors.
- Six of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Parent's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Parent's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Parent and audited by us.
- b) We did not audit the financial statements / financial information of three subsidiaries, whose financial statements / financial information reflect total assets of ₹ 15 Lakh as at March

31, 2019, total revenues of ₹ 35 Lakh and net cash inflows amounting to ₹ 1 Lakh for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements / financial information are not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.”

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

Report on Other Legal and Regulatory Requirements

20. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated Ind AS financial statements.
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the 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, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint ventures incorporated in India, none of the directors of the Group companies, its associate companies and joint venture incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of internal financial controls with reference to financial statements of the Group, its associates and joint ventures 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 Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated Ind AS financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group, its associates and joint ventures— Refer Note 52 and to the consolidated Ind AS financial statements.
 - ii. The Group, its associates and joint ventures had long-term contracts including derivative contracts as at March 31, 2019 for which there were no material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and joint ventures incorporated in India.
 - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Group its associate companies and joint ventures incorporated in India for the year ended March 31, 2019.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

Chartered Accountants

Subramanian Vivek

Partner

Membership No. 100332

Place: New Delhi

Date: May 8, 2019

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

Referred to in paragraph 20(f) of the Independent Auditors’ Report of even date to the members of E.I.D. -Parry (India) Limited on the consolidated Ind As financial statements as of and for the year ended March 31, 2019

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls with reference to the financial statements of E.I.D.-Parry (India) Limited (hereinafter referred to as “the Holding Company”) and its subsidiary companies, and 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 one joint venture company incorporated in India namely Algavista Green Tech Private Limited, pursuant to MCA notification GSR 583(E) dated June 13, 2017.

Management’s Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding company, its subsidiary companies and its joint venture, 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 with reference to financial statements 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 the 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 with reference to the financial statements 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 the financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the financial statements included obtaining an understanding of internal financial controls with reference to the 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 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 the financial statements.

Meaning of Internal Financial Controls with reference to the financial statements

6. A company’s internal financial control with reference to the 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 the 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 the financial statements

7. Because of the inherent limitations of internal financial controls with reference to the 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 the financial statements to future periods are subject to the risk that the internal financial control with reference to the 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, its subsidiary companies and its joint ventures, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to the financial statements and such internal financial controls with reference to the financial statements were operating effectively as at March 31, 2019, 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. Further, the auditor's report on internal financial controls with reference to financial statements under Section 143(3)(i) of the Companies Act, 2013, of Coromandel International Limited a subsidiary of the Holding company which is audited by other auditors include the following comments:

"Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to three subsidiary companies and one joint venture, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of the above matters."

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

10. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to five 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 modified in respect of this matter.

For **Price Waterhouse Chartered Accountants LLP**

Firm Registration Number: 012754N/N500016

Chartered Accountants

Subramanian Vivek

Partner

Membership No. 100332

Place: New Delhi

Date: May 8, 2019

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

₹ in Lakh

S.No	Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
A	ASSETS			
	Non-Current Assets			
	(a) Property, plant and equipment	2	3,00,581	3,11,412
	(b) Capital Work in Progress	2	18,655	4,350
	(c) Investment Property	3	2,271	2,508
	(d) Goodwill	4	2,570	2,502
	(e) Other Intangible Assets	5	2,311	3,233
	(f) Intangible assets under Development		1,661	1,062
	(g) Financial Assets			
	(i) Investments accounted for using equity method			
	a) Investments in associate	6	929	873
	b) Investments in Joint ventures	7	2,159	1,620
	(ii) Other Investments	8	36,236	36,457
	(iii) Loans	10	1,200	2,000
	(iv) Other financial assets	11	493	441
	(h) Deferred Tax Assets (Net)	34	8,855	7,115
	(i) Income Tax Assets (Net)	17	6,683	6,767
	(j) Other Non Current Assets	12	14,050	12,337
	Total non-current assets		3,98,654	3,92,677
	Current Assets			
	(a) Inventories	13	5,74,342	4,09,588
	(b) Financial Assets			
	(i) Investments	8	2,460	4,074
	(ii) Trade Receivables	9	2,07,187	1,82,883
	(iii) Government subsidies receivable		2,44,248	2,62,686
	(iv) Cash and Cash Equivalents	14	17,060	54,538
	(v) Bank balances other than (iv) above	15	11,070	11,831
	(vi) Loans	10	43,205	40,777
	(vii) Other Financial assets	11	10,621	12,067
	(c) Income tax assets (Net)	17	-	327
	(d) Other Current Assets	12	86,430	88,434
			11,96,623	10,67,205
	Assets classified as held for sale	16	3,686	-
	Total current assets		12,00,309	10,67,205
	TOTAL ASSETS		15,98,963	14,59,882
B	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity Share Capital	18	1,770	1,770
	(b) Other Equity	19	3,11,020	2,95,224
	Equity attributable to the owners of the Company		3,12,790	2,96,994
	Non controlling interest	20	1,32,456	1,26,648
	Total equity		4,45,246	4,23,642
	Liabilities			
	Non-Current Liabilities			
	(a) Financial Liabilities			
	i. Borrowings	21	45,206	40,997
	ii. Other financial Liabilities	24	51	-
	(b) Long term Provisions	26	2,225	2,203
	(c) Deferred Tax Liabilities (Net)	34	14,048	12,908
	(d) Other non-current liabilities	25	944	1,083
	Total non-current liabilities		62,474	57,191
	Current Liabilities			
	(a) Financial Liabilities			
	i. Borrowings	22	4,43,255	3,61,438
	ii. Trade Payables			
	(a) total outstanding dues of micro and small enterprises	23	1,261	651
	(b) total outstanding dues other than (ii)(a) above	23	4,84,644	4,63,547
	iii. Other Financial Liabilities	24	1,46,298	1,37,762
	(b) Short term Provisions	26	2,387	1,684
	(c) Current tax liability (net)	17	3,846	2,196
	(d) Other Current Liabilities	25	9,552	11,771
	Total current liabilities		10,91,243	9,79,049
	Total Liabilities		11,53,717	10,36,240
	TOTAL EQUITY AND LIABILITIES		15,98,963	14,59,882

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

In terms of our report attached

For Price Waterhouse Chartered accountants LLP

Firm Registration Number: 012754N/N500016

Chartered Accountants

Subramanian Vivek

Partner

Membership No :100332

New Delhi

Date: May 08, 2019

S. Suresh

Managing Director

DIN 06999319

Biswa Mohan Rath

Company Secretary

Chennai

Date: May 08, 2019

For and on behalf of the Board of Directors

V.Ravichandran

Chairman

DIN 00110086

S Rameshkumar

Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

₹ in Lakh

S.No	Particulars	Note No.	Year ended March 31, 2019	Year ended March 31, 2018
I	Revenues from Operations	27	16,56,539	15,43,758
II	Other Income	28	(4,757)	17,341
III	Total Income (I+II)		16,51,782	15,61,099
IV	Expenses:			
	Cost of materials consumed		10,78,561	10,24,019
	Purchases of Stock-in-Trade		2,21,719	1,36,969
	Changes in Inventories of finished goods, work-in-progress and stock in trade	29	(1,04,534)	(43,969)
	Excise duty on sale of goods		-	6,481
	Employee benefits expense	30	59,484	52,970
	Finance costs	31	42,451	33,551
	Depreciation and amortisation expense	32	27,233	25,130
	Other expenses	33	2,40,811	2,30,409
	Total Expenses (IV)		15,65,725	14,65,560
	Share of profit of Associates	46	(2)	55
	Share of profit of Joint ventures	46	25	(60)
	Exceptional items	49	(2,385)	(8,719)
V	Profit before tax (III-IV)		83,695	86,815
VI	Tax Expense:			
	(1) Current Tax	35	41,169	38,288
	(2) Deferred Tax	35	(1,239)	(3,216)
			39,930	35,072
VII	Profit for the year (V - VI)		43,765	51,743
	Other Comprehensive Income			
	A. i) Items that will not be reclassified to profit or loss			
	a) Remeasurements of the defined benefit plans		(252)	(552)
	b) Fair value movement of cashflow hedge instrument		(619)	-
	c) Share of OCI as reported by Joint ventures and associate		2	-
	d) Equity instruments through other comprehensive income		(2,319)	(10,101)
			(3,188)	(10,653)
	ii) Income tax relating to items that will not be reclassified to profit or loss		(649)	(422)
	B. i) Items that will be reclassified to profit or loss			
	a) Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge		4,513	(203)
	b) exchange differences in translating the financial statements of foreign operations		1,125	38
	ii) Income tax relating to items that will be reclassified to profit or loss		15	70
VIII	Total other comprehensive income (A(i-i)+B(i-i))		1,816	(11,170)
IX	Total Comprehensive Income (VII+VIII)		45,581	40,573
	Profit for the year attributable to:			
	- Owners of the Company		15,349	25,582
	- Non-controlling interests		28,416	26,161
	Other comprehensive income for the year:			
	- Owners of the Company		3,423	(4,372)
	- Non-controlling interests		(1,607)	(6,798)
	Total comprehensive income for the year:			
	- Owners of the Company		18,772	21,210
	- Non-controlling interests		26,809	19,363
X	Earnings Per Equity Share (Nominal value per share ₹ 1)			
	(a) Basic	43	8.67	14.46
	(b) Diluted	43	8.63	14.36

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

In terms of our report attached

For Price Waterhouse Chartered accountants LLP

Firm Registration Number: 012754N/N500016

Chartered Accountants

Subramanian Vivek

Partner

Membership No :100332

New Delhi

Date: May 08, 2019

S. Suresh

Managing Director

DIN 06999319

Biswa Mohan Rath

Company Secretary

Chennai

Date: May 08, 2019

For and on behalf of the Board of Directors

V.Ravichandran

Chairman

DIN 00110086

S Rameshkumar

Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019 (in Indian Rupees Lakh, unless otherwise stated)

Particulars	Equity		Reserves and Surplus										Items of other comprehensive income			Total equity attributable to the owners of the company	Non-controlling interest	Total equity	
	Share Capital	Share Capital Suspense	Capital redemption reserve	Capital Reserve on amalgamation	Capital Reserve on consolidation	Securities premium	Debt Redemption reserve	Capital Reserve	Foreign currency translation reserve	Central Subsidy	General reserve	ESOP Reserve	Statutory Reserve	Retained earnings	Equity Instruments through Other comprehensive Income				Effective portion of cash flow hedges
Balance as at March 31, 2017	1,759	11	4,887	688	6,226	43,387	3,083	5,932	4,179	7	1,92,145	197	26	7,211	5,150	143	2,75,031	1,13,769	3,88,800
Movement during 2017-18																			
Profit for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	25,582	-	-	25,582	26,161	51,743
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	-	60	-	-	-	-	(267)	(4,030)	(133)	(4,370)	(6,798)	(11,168)
Amount transferred within Reserves	-	-	-	-	-	-	833	-	-	-	18,200	(23)	2	(19,012)	-	-	-	-	-
Recognition of share based payments	-	-	-	-	-	-	-	-	-	-	-	554	-	-	-	-	554	-	554
Other movements during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	(105)	-	-	(105)	705	600
Transactions with owners in their capacity as owners :																			
On issue of shares	11	(11)	-	-	-	1,196	-	-	-	-	-	-	-	-	-	-	1,196	-	1,196
Movement on account of reduction in control percentage without loss of control	-	-	(1)	-	-	(16)	-	(1)	(8)	-	(301)	-	-	(105)	2	-	(430)	430	-
Payment of dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(7,619)	(7,619)
On account of increase in shareholding in subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(464)	(464)
Balance at March 31, 2018	1,770	-	4,886	688	6,226	44,567	3,916	5,931	4,231	7	2,10,044	728	28	12,840	1,122	10	2,96,994	1,26,648	4,23,642

Particulars	Equity	Reserves and Surplus										Items of other comprehensive income			Total equity attributable to the owners of the company	Non-controlling interest	Total equity		
	Share Capital	Share Capital Suspense	Capital redemption reserve	Capital Reserve on amalgamation	Capital Reserve on consolidation	Securities premium	Debt Redemption reserve	Capital Reserve	Foreign currency translation reserve	Central Subsidy	General reserve	ESOP Reserve	Statutory Reserve	Retained earnings	Equity Instruments through Other comprehensive Income	Effective portion of cash flow hedges			
Movement during 2018-19																			
Profit for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	15,349	-	-	15,349	28,416	43,765
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	-	942	-	-	-	-	(147)	(1,288)	3,916	3,423	(1,607)	1,816
Amount transferred within Reserves	-	-	-	-	-	86	(1,667)	-	-	-	18,168	(86)	2	(16,503)	-	-	-	-	-
Recognition of share based payments	-	-	-	-	-	-	-	-	-	-	-	586	-	-	-	-	586	-	586
Other movements during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	454	454
Transactions with owners in their capacity as owners :																			
On issue of shares	-	-	-	-	-	273	-	-	-	-	-	-	-	-	-	-	273	-	273
Movement on account of reduction in control percentage without loss of control	-	-	*	-	-	(4)	-	-	(2)	-	(61)	-	-	(22)	6	-	(83)	83	-
Payment of dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	(12,800)	-	-	(12,800)	(12,490)	(25,290)
Movement on account of common control transaction	-	-	-	-	-	-	-	-	-	-	9,048	-	-	-	-	-	9,048	(9,048)	-
Balance at March 31, 2019	1,770	-	4,886	688	6,226	44,922	2,249	5,931	5,171	7	2,37,199	1,228	30	(1,263)	(160)	3,926	3,12,790	1,32,456	4,45,246

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

In terms of our report attached

For Price Waterhouse Chartered accountants LLP

Firm Registration Number: 012754/N/500016

Chartered Accountants

Subramanian Vivek

Partner

Membership No :100332

New Delhi

Date: May 08, 2019

S. Suresh

Managing Director

DIN 06999319

Biswa Mohan Rath

Company Secretary

Chennai

Date: May 08, 2019

For and on behalf of the Board of Directors

V.Ravichandran

Chairman

DIN 00110086

S Rameshkumar

Chief Financial Officer

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

₹ in Lakh

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
A. Cash flow from operating activities		
Net profit before tax	83,695	86,815
Adjustments for :		
Depreciation and Amortisation	27,233	25,130
Finance costs	42,451	33,551
Dividend Income	(48)	(326)
Profit on sale of fixed assets and asset scrapped (net)	538	178
Net (Gain)/loss arising on FVTPL Transaction	(870)	(1,828)
Interest Income (including government grant interest income)	(4,923)	(5,692)
Liabilities/ Provisions no longer required written back	(1,869)	(2,726)
Bad debts written off and provision for doubtful debts	1,595	3,185
Net unrealised exchange gain or loss	(7,775)	8,822
Net gain arising on derivatives at FVTPL	113	(3,995)
Earnings on equity method	(23)	5
Provision for employee benefits	1,359	(52)
Rental income from investment property net of expense	(1,406)	(1,332)
Others	43	111
	56,418	55,031
Operating profit before working capital changes	1,40,113	1,41,846
Changes in working capital		
Adjustments for increase/(decrease) in		
Trade and other receivables	(27,483)	(1,572)
Government subsidies receivable	18,438	(6,983)
Inventories	(1,64,575)	(52,387)
Bank balances considered as other than cash and cash equivalent	5,712	(2,753)
Other Assets	1,241	(55,637)
Other Financial Assets	6,891	7,184
Trade payable	37,944	36,020
Other Liabilities	(553)	(13,793)
Other Financial Liabilities	7,585	391
Exchange difference on translation to presentation currency	(2,310)	(246)
Cane bills due	11,186	10,404
	(1,05,924)	(79,372)
Cash generated from operations	34,189	62,474
Direct taxes paid net of refund	(39,430)	(36,547)
Net cash flow (used in) / from operating activities	(5,241)	25,927

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

₹ in Lakh

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
B. Cash flow from investing activities		
Purchase of fixed assets including capital advances	(35,209)	(19,165)
Proceeds from sale of fixed assets	899	1,421
Inter-corporate deposits/ loans given	(42,426)	(42,052)
Inter-corporate deposits matured/ loans received	40,000	51,500
Sale / Purchase of investments and bank deposits (net)	(4,442)	1,950
Investments in subsidiaries/joint ventures	(660)	(750)
Interest received	4,557	6,143
Rent received from Investment property (net)	1,406	1,332
Dividend income received	48	901
Net cash flow (used in) / from investing activities	(35,827)	1,280
C. Cash flow from financing activities		
Proceeds from issue of equity shares	452	1,739
Proceeds from long term borrowings	30,428	1,046
Repayment of long term borrowings	(46,916)	(25,105)
Net increase / (Decrease) in working capital borrowing	82,312	72,731
Finance costs	(40,812)	(32,267)
Dividends paid Including Dividend Tax*	(22,020)	(13,960)
Net cash flow from financing activities	3,444	4,184
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(37,624)	31,391
Reconciliation :		
Cash and cash equivalents at beginning of the year	54,538	23,145
Exchange gain/(loss) on cash and cash equivalents	146	2
Cash and cash equivalents at end of the year	17,060	54,538
Net (decrease) / increase in cash and cash equivalents	(37,624)	31,391

* Includes amounts transferred to earmarked dividend accounts.

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

In terms of our report attached

For Price Waterhouse Chartered accountants LLP

Firm Registration Number: 012754N/N500016

Chartered Accountants

Subramanian Vivek

Partner

Membership No :100332

New Delhi

Date: May 08, 2019

S. Suresh

Managing Director

DIN 06999319

Biswa Mohan Rath

Company Secretary

Chennai

Date: May 08, 2019

For and on behalf of the Board of Directors

V.Ravichandran

Chairman

DIN 00110086

S Rameshkumar

Chief Financial Officer

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Corporate Information

E.I.D.-Parry (India) Limited (EID Parry or the "Holding Company") is a significant player in Sugar with interests in promising areas of Nutraceuticals. The Group also has a significant presence in Farm Inputs business including Bio-pesticides through its subsidiary, Coromandel International Limited.

E.I.D.-Parry (India) Limited has eight sugar factories having a capacity to crush 43,800 Tonnes of Cane per day, generate 160 MW of power and four distilleries having a capacity of 234 KLPD. In the Bio Pesticides business, the Group offers a unique neem extract, Azadirachtin, having a good demand in the developed countries bio pesticide markets. In the Nutraceuticals business, it holds a strong position in the growing wellness segment mainly catering to the world markets with its organic products.

SIGNIFICANT ACCOUNTING POLICIES

1 Statement of Compliance

The financial statements have been prepared in accordance with Ind ASs notified under Sec 133 of the Companies Act, 2013[Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

Standards issued but not yet effective

The Ministry of Corporate Affairs (MCA) notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019 (the 'Rules') on March 30, 2019. The rules notify the new lease standard Ind AS 116 ,Leases and also brings in amendments to existing Ind AS. The rules shall be effective from reporting periods beginning on or after April 1, 2019 and cannot be early adopted.

a) New Standard issued :

Ind AS 116 , Leases

Ind AS 116 requires the lessee to recognise a 'right-of-use asset' and a 'lease liability' for almost all leasing arrangements. The lessee will no longer be required to classify a lease as operating lease or finance lease.

The new standard requires entities to make more judgements and estimates in determining when a customer has the right to direct the use of an identified asset and the incremental rate of borrowing and make more disclosures (e.g., discount rate, weighted average lease term, other qualitative and quantitative information). In the capacity of a lessee, most companies will have a significant impact on their balance sheets along with ancillary impacts on their financial metrics.

The new standard is mandatory for financial years commencing on or after April 1, 2019 and early application is not permitted. The standard permits either a full retrospective or a modified retrospective approach for the adoption.

Impact: The Group is in the process of assessing the impact of adoption of Ind AS 116.

b) Amendments to existing standards

Amendments to Ind AS 12, Income Taxes

- (i) Appendix C to Ind AS 12, Income Taxes has been inserted. The appendix provides accounting for uncertainty over income tax treatments. The appendix corresponds to IFRIC 23, Uncertainty over Income Tax Treatments issued by the IFRS Interpretations Committee.
- (ii) New paragraph 57A has been added to Ind AS 12 to clarify that the income tax consequences of dividends on financial instruments classified as equity should be recognised according to where the past transactions or events that generated distributable profits were recognised.

Impact: The Group is in the process of assessing the detailed impact above amendment.

Amendment to Ind AS 19, Employee Benefits

Amendment to Ind AS 19, Employee Benefits requires an entity to:

- (i) use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- (ii) recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Impact: Management has assessed the effects of the above amendment and concluded that the same has no material impact on the Group.

Amendment to Ind AS 23, Borrowing Costs

Amendment to Ind AS 23, Borrowing Costs clarifies that if a specific borrowing remains outstanding after a qualifying asset is ready for its intended use or sale, it becomes part of general borrowings.

Impact: Management has assessed the effects of the above amendment and concluded that the same has no impact on the Group.

Amendment to Ind AS 28, Investments in Associates and Joint Venture

Amendment to Ind AS 28, Investments in Associates and Joint Ventures states that Investors could have long-term interests (for example, preference shares or long-term loans) in an associate or joint venture that form part of the net investment in the associate or joint venture. The amendment clarifies that these long-term interests in an associate or joint venture to which the equity method is not applied should be accounted for using Ind AS 109, Financial Instruments. The requirements of Ind AS 109 are applied to long-term interests before applying the loss allocation and impairment

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

requirements of Ind AS 28.

Impact: Management has assessed the effects of the above amendment and concluded that the same has no impact on the Group.

Amendments to Ind AS 103, Business Combinations and Ind AS 111, Joint Arrangements

This amendment clarifies measurement of previously held interest in obtaining control/joint control over a joint operation as follows:

- (i) On obtaining control of a business that is a joint operation, previously held interest in joint operation is remeasured at fair value at the acquisition date;
- (ii) A party obtaining joint control of a business that is joint operation should not remeasure its previously held interest in the joint operation.

Impact: Management has assessed the effects of the above amendment and concluded that the same has no impact on the Group.

Amendment to Ind AS 109, Financial Instruments

Amendment to Ind AS 109 to enable an entity to measure at amortised cost some prepayable financial assets with negative compensation.

Impact: Management has assessed the effects of the above amendment and concluded that the same has no material impact on the Group.

SIGNIFICANT ACCOUNTING POLICIES

1.1 Statement of Compliance

The financial statements have been prepared in accordance with Ind ASs notified under Sec 133 of the Companies Act, 2013 [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

1.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, defined benefit plan - plan assets measured at fair value, asset held for sale which is measured at lower of cost or fair value less cost to sell and share based payments as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is 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 or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair

value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

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

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

The principal accounting policies are set out below:

1.3 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Holding Company and entities controlled by the Holding Company and its subsidiaries (together referred to as Group). Control is achieved when the Group:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholder's meetings.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the 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 Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

1.3.1 Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Group.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

1.4 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 (or groups of 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 recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in 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.

1.5 Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

After application of the equity method of accounting, the Group determines whether there is any objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate or a joint venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

to recognise impairment loss with respect to the Group's investment in an associate or a joint venture.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount, any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale.

1.6 Revenue Recognition

The Group has adopted Ind AS 115 from April 1, 2018 and had opted for modified retrospective application with the cumulative effect of initially applying this standard recognised as an adjustment to the opening balance of retained earnings at the date of initial application. The standard has been applied to all open contracts as on April 01, 2018, and subsequent contracts with customers from that date.

i. Sale of goods

Revenue is recognised when the performance obligations are satisfied and the control of the product is transferred, being when the goods are delivered as per the relevant terms of the contract at which point in time the Group has a right to payment for the asset, customer has legal title of the asset, customer bears significant risk and rewards of ownership and the customer has accepted the asset or the Group has objective evidence that all criteria for acceptance have been satisfied. Payment for the sale is made as per the credit terms in the agreements with the customers. The credit period is generally short term, thus there is no significant financing component.

Certain products of the Group carry a right of return. The Group also provides customers uncertainties such as rebates based on quantity purchased, timing of collection etc., Various estimates are made to recognise the impact of rebates and other incentives on revenue. These estimates are made based on historical and forecasted data, contractual terms and current conditions. The Group based on accumulated experience estimates the right of return and rebates and revenue is recognised only to the extent that it is highly probable that a significant reversal in cumulative revenue recognised will not occur. The validity of this assumption and estimated amount of return are reassessed at each reporting period.

ii. Subsidy Income

The Group recognizes subsidy income as per Ind AS 20 'Accounting for Government Grants' on the basis of the rates notified from time to time by the Government of India in accordance with the Nutrient Based Subsidy (NBS) policy on the quantity of fertilisers sold by the Company for the period for which notification has been issued and for the remaining period, based on estimates, when there is a reasonable assurance that the Group will comply with all necessary conditions attached to Subsidy.

iii. Rendering of services

The performance obligation under service contract are provision of handling services, business support services and other ancillary services set forth in the contracts. Revenue from rendering of services are recognised over a period of time by reference to the stage of completion as the customer simultaneously receives and consumes the benefit provided by the Group's performance as the Group performs.

Payment for the service rendered is made as per the credit terms in the agreements with the customers. The credit period is generally short term, thus there is no significant financing component.

iv. Dividend and interest income

- a). Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).
- b). Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

v. Insurance Claims

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

vi. Export Incentives

Export incentive under Duty Entitlement Pass Book Scheme are treated as income in the year of export at the estimated realisable value.

1.7 Leasing

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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Group as Lessee

The Group's significant leasing arrangements are in respect of operating leases for premises that are cancelable in nature. The lease rentals under such agreements are recognised in the Statement of Profit and Loss as per the terms of the lease.

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease and based on the time pattern of user benefit basis. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Group as Lessor

The Group's significant leasing arrangements are in respect of operating leases for premises that are cancelable in nature. The lease rentals under such agreements are recognised in the Statement of Profit and Loss as per the terms of the lease.

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Group's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

1.8 Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which these entities operate (i.e. the "functional currency"). The financial statements are presented in Indian Rupee (₹), the national currency of India, which is the functional currency and presentation currency of the Holding Company.

1.9 Foreign Currency Transactions

In preparing the financial statements of the Group, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at

the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for :

- Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- Exchange differences on transactions entered into in order to hedge certain foreign currency risks (see note 1.25 below for hedging accounting policies); and
- Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.
- Effective April 01, 2018 the Group has adopted Appendix B to Ind AS 21- Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment was insignificant.

1.10 Borrowings and related costs

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. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

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. Where there is a breach of a material provision of a long-term loan arrangement on or before the

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the Group does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

1.11 Government grants other than NBS subsidy income

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

In respect of government loans at below-market rate of interest existing on the date of transition, the Group has availed the optional exemption under Ind AS 101 - First Time Adoption and has not recognised the corresponding benefit of the Government loan at below-market interest rate as Government grant.

1.12 Employee Benefits

(a) Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period.

Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- Remeasurement

The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'.

Past service cost is recognised in profit or loss in the period of a plan amendment.

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss.

Curtailment gains and losses are accounted for as past service costs. The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Contributions paid/payable to defined contribution plans comprising of Superannuation (under a scheme of Life Insurance Corporation of India) and Provident Funds for certain employees covered under the respective Schemes are recognised in the Statement of Profit and Loss each year.

Gratuity for certain employees is covered under a Scheme of Life Insurance Corporation of India (LIC) and contributions in respect of such scheme are recognized in the Statement of Profit and Loss. The liability as at the Balance Sheet date is provided for based on the actuarial valuation carried out as at the end of the year.

The Group makes contributions to Provident Fund Trusts for certain employees, at a specified percentage of the employees' salary. The Group has an obligation to make good the shortfall, if any, between the return from the investments of trust and the notified interest rates.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

(b) Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

1.13 Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 44.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Under the previous GAAP, share based payment costs were accrued on an intrinsic value method. Upon transition to Ind AS, the Group has availed the exemption to apply the fair value to only unvested options.

1.14 Earnings per Share

The Group presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

1.15 Taxation

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

a. Current tax

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

b. Deferred tax

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

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

c. Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when

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the deferred tax balances relates to the same taxation authority. Current tax assets and tax 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.

1.16 Property, Plant and Equipment

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

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

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

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

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

Estimated useful lives of the assets are as per the technical evaluation performed by the Group which is as follows:

Asset	Useful lives (in years)
Buildings	3 - 80 years
Plant and equipment (Continuous Process)	2- 25 years
Vehicles	4 - 8 years
Office equipment, furniture and fixtures	3 - 10 years

Assets on leased premises are depreciated on the remaining period of lease or as per the useful life set above whichever is earlier. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Assets costing ₹ 5,000 and below are depreciated over a period of one year.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise

from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

1.17 Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost including transactions costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirement for cost model. Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Estimated useful lives of the assets are as follows:

Asset	Useful lives (in years)
Buildings	10 - 60 years

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

1.18 Intangible Assets

a. Intangible assets acquired separately

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

b. Internally-generated intangible assets - research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

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- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and to use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

c. Derecognition of intangible assets

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

d. Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Asset	Useful lives (in years)
Patents, Trademarks, Product registration, Technical know how, Software, Licenses and Clinical Trial cost	3 to 20 years

e. Biological assets

The Company recognises neem plantation as Biological assets and are carried at historical cost of acquisition less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure on biological assets are added to its book value 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.

Cost incurred for new plantations are capitalised and depreciated over their estimated useful life which has been ascribed to be 20 years.

1.19 Impairment of Tangible and Intangible Assets

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

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

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

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

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

1.20 Inventories

Inventories other than by products are stated at the lower of cost and net realisable value. Inventories of by-products are valued at net realisable value. Cost of raw materials and traded goods comprises cost of purchases after deducting rebates and discounts. 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 all other costs incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Cost of inventories are determined on weighted average basis except in case of raw materials of subsidiary company Coromandel

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

International Limited relating to Nutrient and allied business and Crop protection determined in FIFO basis and in case of subsidiary Parry Sugars Refinery India Private Limited, cost of raw material, cost of work in progress and finished goods of white sugar are determined on the basis of "specific identification method".

1.21 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as an interest expense.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

1.22 Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities 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 recognised immediately in profit or loss.

1.23 Financial assets

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

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

a. Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortized cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- the debt instruments carried at amortised cost include Deposits, Trade receivable, Loans and advances recoverable in cash.

For the impairment policy on financial assets measured at amortized cost, refer Note 1.23e

Investment in joint ventures and associates are accounted under equity method.

For the impairment policy on investment in associates and joint ventures, refer Note 1.23e

All other financial assets are subsequently measured at fair value.

b. Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

c. Investments in equity instruments at FVTOCI

The Group has elected to carry investment in equity instruments as Fair value through other comprehensive income. On initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. 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 reclassified to profit or loss on disposal of the investments.

The Group has equity investments which are not held for trading. The Group has elected the FVTOCI irrevocable option for both of these

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investments (see note 8). Fair value is determined in the manner described in note 50.9.

Dividends on these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends 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. Dividends recognised in profit or loss are included in the 'Other income' line item.

d. Financial assets at fair value through profit or loss (FVTPL)

The Group carries derivative contracts not designated in a hedge relationship at FVTPL. Financial assets at FVTPL also includes assets held for trading.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Group's right to receive the dividends 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.

e. Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the

scope of Ind AS 115, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information on case to case basis.

f. Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

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

g. Foreign exchange gains and losses

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

- For foreign currency denominated financial assets measured at amortized cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.
- For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortized cost. Thus, the exchange differences on the amortized cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

1.24 Financial liabilities and equity instruments

a. Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

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b. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

c. Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Group, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

c.1. Financial liabilities at FVTPL

Financial liabilities at FVTPL includes derivative liabilities. Non-derivative financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Group as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL. There are no non-derivative financial liabilities carried at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

Fair value is determined in the manner described in note 50.9.

c.2. Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

c.3. Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a Group entity are initially measured at their fair values and, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109;
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

c.4. Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

c.5. Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

1.25 Derivative financial instruments and Hedge Accounting

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps. Further details of derivative financial instruments are disclosed in note 50.9

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

a. Commodity Derivatives

Some of the Group's commodity derivatives are treated as hedges of price risk associated with the cash flow of highly probable forecast purchase and sale of raw and white sugar respectively (cash flow hedges).

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The Group documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

Commodity derivatives not designated as hedge are accounted for at fair value through profit or loss and are included in other income.

b. Other financial derivatives :

The Group designates certain hedging instruments, which include derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges, cash flow hedges, or hedges of net investments in foreign operations. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Cash Flow Hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recorded in other comprehensive income and are grouped under head of cashflow hedge reserve. The gain or loss relating to the ineffective portion is recognized immediately in the profit or loss, and is included in the 'Other income' line item. The cumulative gain or loss previously recognized in other comprehensive income remains there until the forecast transaction occurs. When the hedged item is a non-financial asset, the amount recognized in other comprehensive income is transferred to the carrying amount of the asset when it is recognized. In other cases the amount recognized in other comprehensive income is transferred to profit or loss in the same period that the hedged item affects profit or loss. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognized in the other comprehensive income is transferred to profit or loss, and is included in Other income.

1.26 Cash flow statement

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

1.27 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount in reported in the balance sheet, where there is a legally enforceable right to offset the recognised amounts and there is intention to settle on net basis or realise the assets and liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counter party.

1.28 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies the directors of the Group are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

a. Critical accounting judgements

The following are the critical judgments, apart from those involving estimations, that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognized in the financial statements.

i. Revenue recognition

In making their judgment, the management considered the detailed criteria for the recognition of revenue from the sale of goods set out in Ind AS 115 and, in particular, whether the Group had transferred control over the goods to the buyer.

ii. Determination of functional currency

Parry Sugars Refinery India Private Limited (PSRIPL), a subsidiary of the Holding company is domiciled in India. In making their judgement of functional currency, the directors of PSRIPL considered the detailed scenario for the determination of USD as functional currency on the basis of criteria laid down in Ind AS 21 and, in particular in which currency major purchases and sales are made.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

iii. Hedge Accounting

Accounting for commodity derivative contracts as cash flow hedges of highly probable forecast purchase and sale of raw and white sugar respectively. Judgement in this regard are involved in respect of whether the forecast transaction are highly probable to occur.

b. Key sources of estimation uncertainty

Key assumption concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as given below.

i. Fair value measurement and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation. The management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in notes 3 and 50.9.

ii. Useful life of Property, Plant and Equipments

The Group reviews the estimated useful lives of Property, plant and equipment at the end of each reporting period. During the current year, there has been no material change in life considered for the assets.

iii. Revenue recognition

The Group provides customer incentives, such as rebates, based on quantity purchased, timing of collections etc. Various estimates are made to recognise the impact of rebates and other incentives on revenue. These estimates are made based on historical and forecasted data, contractual terms and current conditions.

iv. Subsidy income

Subsidy income is recognised on the basis of the rates notified from time to time by the Government of India in accordance with the Nutrient Based Subsidy (NBS) policy on the quantity of fertilisers sold by the Coromandel International Limited, a subsidiary, for the period for which notification has been issued and for the remaining period, based on estimates.

v. Estimation of net realisable value of inventories

Inventories are stated at the lower of cost and net realisable value. In estimating the net realisable value of inventories the Group makes an estimate of future selling prices and costs necessary to make the sale.

vi. Provision for employee benefits

The Group uses actuarial assumptions to determine the obligations for employee benefits at each reporting period. These assumptions include the discount rate, expected long-term rate of return on plan assets, rate of increase in compensation levels and mortality rates.

vii. Provision for taxes

Significant judgments are required in determining the provision for income taxes, including the amount expected to be paid/recovered for uncertain tax positions.

viii. Impairment of property, plant and equipment

Parry Sugars Refinery India Private Limited, a subsidiary of the Holding Company has been incurring losses during the past 2 years. This is an indicator of potential impairment of carrying amount of property, plant and equipment of the subsidiary. Management has performed a detailed impairment assessment of the property, plant and equipment of the subsidiary and based on the assessment performed no impairment has been deemed necessary. The recoverable amounts have been determined based on value in use calculations which uses cash flow projections. The carrying amount of property, plant and equipment are stated in Note 2.

ix. Provisions for doubtful receivables

The Group makes provision for doubtful receivables based on a provision matrix which takes into account historical credit loss experience and adjusted for current estimates.

1.29 Operating Cycle

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

1.30 Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as deduction, net of tax, from the proceeds.

1.31 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

1.32 Rounding off amounts

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

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NOTE 2 PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
Freehold land	32,927	33,248
Buildings, Road and railway sidings	56,734	57,684
Plant and equipment	2,06,211	2,16,650
Furniture and Fixtures	3,325	2,552
Vehicles	1,384	1,278
	3,00,581	3,11,412
Capital Work-in-progress	18,655	4,350
Total	3,19,236	3,15,762

Particulars	Freehold Land	Buildings, Roads and Railway sidings (Refer note 3)	Plant and equipment	Furniture & Fixtures and office equipments	Vehicles	Total
Cost						
Balance at 01-April-2017	33,185	70,935	3,38,701	9,684	3,054	4,55,559
Additions	-	2,199	11,323	1,224	567	15,313
Transfer from investment property	66	-	-	-	-	66
Disposals	(19)	(124)	(4,322)	(347)	(239)	(5,051)
Effect of foreign currency exchange differences	19	114	437	-	7	577
Balance at 31-March-2018	33,251	73,124	3,46,139	10,561	3,389	4,66,464
Additions	168	1,728	13,348	1,833	556	17,633
Transfer from investment property	-	218	-	-	-	218
Disposals	(41)	(362)	(3,560)	(1,001)	(549)	(5,513)
Transfer to Asset held for sale	(442)	(607)	(3,829)	(25)	(17)	(4,920)
Effect of foreign currency exchange differences	(5)	1,041	2,055	21	1	3,113
Balance at 31-March-2019	32,931	75,142	3,54,153	11,389	3,380	4,76,995

Accumulated depreciation and impairment

Balance at 01-April-2017	2	12,600	1,12,551	7,445	1,914	1,34,512
Eliminated on disposals	-	(25)	(3,480)	(338)	(170)	(4,013)
Depreciation expense	1	2,839	20,079	902	364	24,185
Impairment recognised in statements of profit and loss	-	-	139	-	-	139
Effect of foreign currency exchange differences	-	26	200	-	3	229
Balance at 31-March-2018	3	15,440	1,29,489	8,009	2,111	1,55,052
Eliminated on disposals	-	(97)	(2,673)	(984)	(482)	(4,236)
Depreciation expense	-	2,924	21,756	1,041	377	26,098
Transfer from investment property	-	9	-	-	-	9
Transfer to Asset held for sale	-	(90)	(1,112)	(21)	(11)	(1,234)
Effect of foreign currency exchange differences	1	222	482	19	1	725
Balance at 31-March-2019	4	18,408	1,47,942	8,064	1,996	1,76,414
Carrying amount as on March 31, 2018	33,248	57,684	2,16,650	2,552	1,278	3,11,412
Carrying amount as on March 31, 2019	32,927	56,734	2,06,211	3,325	1,384	3,00,581

Note:

- Details of assets offered as security is provided in Note 21 and 22.
- Capital work in progress primarily represents Building and Plant and equipment related work.
- Includes Building on leasehold land : Cost : ₹ 837 Lakh (2018 - ₹ 828 Lakh) and Accumulated Depreciation : ₹182 Lakh(2018 - ₹ 131 Lakh).
- Additions for the year includes ₹ 317 Lakh (2018 - ₹ 142 Lakh) of Fixed assets additions made in approved In-house R&D Centres
- Interest capitalised during the year amounting to ₹ 283 Lakh (2018: Nil) is included in Work in progress
- Refer Note 51 for contractual commitments for acquisition of property, plant and equipment.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3

INVESTMENT PROPERTY

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
Carrying amounts of:		
Completed investment properties *	2,271	2,508
Total	2,271	2,508

Particulars	As at March 31, 2019	As at March 31, 2018
Cost		
Balance at beginning of the year	2,592	2,630
Re-classified from Asset held for sale	-	30
Deletions	-	(2)
Transfer to Property, Plant and Equipment	(218)	(66)
Balance at end of the year	2,374	2,592

Particulars	As at March 31, 2019	As at March 31, 2018
Accumulated depreciation and impairment		
Balance at beginning of year	84	56
Depreciation expense	28	28
Transfer to Property, Plant and Equipment	(9)	-
Balance at end of the year	103	84

* Includes Building on leasehold land : Cost : ₹ 612 Lakh (2018 - ₹ 612 Lakh) and Accumulated Depreciation : ₹ 55 Lakh (2018 - ₹ 42 Lakh).

All of the Holding Company's investment properties are held under freehold interests except as mentioned above.

3.1 Fair value of the Group's investment properties

The following table gives details of the fair value of the Group's investment properties as at March 31, 2019 and March 31, 2018:

₹ in Lakh

Particulars	Level 3	
	March 31, 2019	March 31, 2018
i. Land and Buildings in Tamilnadu	31,051	31,051

The fair value of the Group's investment properties as at March 31, 2019 and March 31, 2018 have been arrived at on the basis of a valuation carried out by M/s. Value Assessors & Surveyors Private Limited, independent valuers not related to the Group. M/s. Value Assessors & Surveyors Private Limited are registered with the authority which governs the valuers in India, and they have appropriate qualifications and relevant experience in the valuation of properties in the relevant locations. Fair value was derived using the market comparable approach based on recent market/government guideline prices without any significant adjustments being made to the market observable data.

In estimating the fair value of the properties, current use is considered as the highest and best use.

For rental income earned and direct operation expenses incurred in connection with investment property refer note. 28 and note 38

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 4

GOODWILL

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
Carrying amounts of:		
Goodwill	2,570	2,502
Total	2,570	2,502

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Cost		
Balance at beginning of the year	2,502	2,502
Effect of foreign currency exchange differences	68	-
Balance at end of the year	2,570	2,502

As at March 31, 2019 goodwill of ₹ 1,452 Lakh (March 31, 2018 : ₹ 1,452 Lakh), ₹ 1,086 Lakh (March 31, 2018 : ₹ 1,018 Lakh) and ₹ 32 Lakh (March 31, 2018 : ₹ 32 Lakh) relates to the Sugar, Nutraceuticals and Fertiliser segments respectively. Goodwill on each of the segment arose when the businesses were acquired and has been assessed for impairment and based on the assessment no impairment has been considered.

(i) Impairment tests for goodwill :

Goodwill of ₹ 1,452 Lakh represents the goodwill accounted on the of acquisition of erstwhile Subsidiary Parrys Sugar Industries Limited (Which was a Common control entity) as reflected in the Consolidated Financial Statements of the Company for the year ended March 31, 2015.

The Group has determined each factory location as a cash generating unit (CGU). The entire goodwill is attributable to the Holding Company's factory located at Ramdurg.

(ii) Significant estimate: key assumptions used for value-in-use calculations :

The Group tests whether goodwill has suffered any impairment on an annual basis. For the current and previous financial year, the recoverable amount of the CGUs was determined based on value-in-use calculations which require the use of assumptions. The factory at Ramdurg is operated on a leased property. The lease period expires in September 2032 and the arrangement does not contain a renewal clause Therefore, cash flow projections based on financial budgets approved by management cover a thirteen-year and six months period upto the end of lease term.

The following table sets out the key assumptions for the Ramdurg CGU to which entire goodwill is allocated are as follows:

Description	Assumption	Approach used to determining values
Sales volume (% annual growth rate)	1.5% growth rate over the period of 7 years. Thereafter, stable volume assumed over the projection period	Based on management's expectations of market development and past performance
Sales price (% annual growth rate)	3.8% growth rate over the projection period	Based on current industry trends, minimum support price announced by government and including long-term inflation forecasts
Post-tax discount rate	12.24%	Reflect specific risks relating to the business and geography in which they operate.

(iii) Significant estimate: Impact of possible changes in key assumptions

The recoverable amount of the Ramdurg CGU is estimated to exceed the carrying amount of the CGU as at March 31, 2019 by ₹ 2,217 Lakh. If the post-tax discount rate applied to the cash flow projections of this CGU had been higher than management's estimates (15.24% instead of 12.24%), the Group's headroom will reduce to ₹ 452 Lakh.

The Directors and management have considered and assessed reasonably possible changes for other key assumptions and have not identified any instances that could cause the carrying amount of Ramdurg CGU to exceed its recoverable amount.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 5

INTANGIBLE ASSETS

₹ in Lakh

Intangible assets and intangible assets under development	As at March 31, 2019	As at March 31, 2018
Carrying amounts of:		
Software and Licenses	97	111
Product registrations	705	973
Technical know-how	89	134
Patents	1,346	1,863
Product development	-	26
Other rights	74	126
Total	2,311	3,233

Cost	Software and Licenses	Product registrations	Technical know-how	Patents	Product development	Other rights	Total
Balance at April 1, 2017	1,138	1,768	725	2,726	92	315	6,764
Additions	82	234	-	359	-	96	771
Disposals	-	-	-	(68)	-	(253)	(321)
Effect of foreign currency exchange differences	-	(34)	-	2	-	10	(22)
Balance at March 31, 2018	1,220	1,968	725	3,019	92	168	7,192
Additions	22	-	-	237	-	105	364
Disposals	-	(12)	-	(207)	-	(141)	(360)
Effect of foreign currency exchange differences	-	(44)	-	183	6	(14)	131
Balance at March 31, 2019	1,242	1,912	725	3,232	98	118	7,327

Accumulated depreciation and impairment	Software and Licenses	Product registrations	Technical know-how	Patents	Product development	Other rights	Total
Balance at April 1, 2017	1,073	857	502	698	66	34	3,230
Eliminated on disposals	-	-	-	(39)	-	-	(39)
Amortisation expense	36	154	89	150	-	4	433
Impairment recognised in statement of Profit and loss	-	-	-	345	-	-	345
Effect of foreign currency exchange differences	-	(16)	-	2	-	4	(10)
Balance at March 31, 2018	1,109	995	591	1,156	66	42	3,959
Eliminated on disposals	-	(12)	-	(82)	-	-	(94)
Impairment recognised in statement of Profit and loss	-	-	-	605	-	-	605
Amortisation expense	36	243	45	146	28	4	502
Effect of foreign currency exchange differences	-	(19)	-	61	4	(2)	44
Balance at March 31, 2019	1,145	1,207	636	1,886	98	44	5,016
Carrying amount at March 31, 2018	111	973	134	1,863	26	126	3,233
Carrying amount at March 31, 2019	97	705	89	1,346	-	74	2,311

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 6

FINANCIAL ASSETS: INVESTMENTS IN ASSOCIATES ACCOUNTED FOR USING EQUITY METHOD

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
I. Unquoted Investments		
(a) <i>Interest in</i>		
49% of Labelle Botanics LLC	929	873
320 (2018 - 320) Equity shares of PHP\$100/- each fully paid-up in Sabero Organics Philippines Asia Inc.	*	*
Total	929	873

* less than a Lakh

NOTE 7

INVESTMENTS IN JOINT VENTURES ACCOUNTED FOR USING EQUITY METHOD

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
Unquoted Investments		
1,30,04,000 (2018 - 1,30,04,000) Equity shares of ₹10 each, fully paid-up in Yanmar Coromandel Agrisolutions Private Limited	468	453
50,00,000 (2018 - 50,00,000) Equity shares of ₹10 each, fully paid-up in Coromandel SQM (India) Private Limited	1,238	1,167
66,00,000 (2018 - Nil) Equity shares of ₹10 each, fully paid-up in Algavista Greentech Private Limited	453	-
Total	2,159	1,620

NOTE 8

OTHER INVESTMENTS

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
I. Quoted Investments		
(a) <i>Investments in Equity Instruments at FVTOCI</i>		
82,440 (2018 - 82,440) shares of ₹ 10 each fully paid up in State Bank of India	264	206
393 (2018 - 393) shares of ₹ 10 each fully paid up in Cholamandalam Investment and Finance Company Limited	6	6
50,43,138 (2018 - 50,43,138) shares of ₹10 each fully paid up in Coromandel Engineering Company Limited	1,442	2,400
2,000 (2018 - 2,000) shares of ₹ 1 each fully paid up in Carborundum Universal Limited	8	7
2,50,000 (2018 - 2,50,000) shares of ₹ 2 each fully paid up in Metkore Alloys & Industries Limited	2	7
300 (2018 - 300) shares of ₹ 10 each fully paid up in Chennai Petroleum Corporation Limited	1	1
(b) <i>Investments in Equity Instruments at FVTPL</i>		
13,719 (2018: 13,719) Equity shares of ₹10 each, fully paid-up in Rama Phosphate Limited	12	13
Total aggregate market value of quoted investments	1,735	2,640

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
II. Unquoted Investments		
(a) <i>Investments in Equity Instruments at FVTOCI</i>		
100 (2018 - 100) shares of ₹ 10 each fully paid up in Travancore Sugars and Chemicals Limited	*	*
23,600 (2018 - 23,600) shares of ₹ 10 each fully paid up in Kartik Investments Trust Limited	24	11
42,410 (2018 - 42,410) shares of ₹ 100 each fully paid up Murugappa Management Services Limited	156	154
7,27,200 (2018 - 7,27,200) shares of ₹ 10 each fully paid up in Indian Potash Limited	18,986	16,365
1,00,000 (2018 - 1,00,000) shares of ₹10 each fully paid up in Bio Tech Consortium (India) Limited	49	47
41,79,848 (2018 - 41,79,848) Ordinary shares of Tunisian Dinars (TND) 10 each, fully paid up in Tunisian Indian Fertilisers S.A.#	-	-
2,000 (2018 - 2,000) Equity shares of ₹10 each, fully paid-up in Nandesari Environment Control Limited	15	9
10,01,000 (2018 - 10,01,000) Equity shares of ₹10 each, fully paid-up in Ranar Agrochem Limited (formerly Prathyusha Chemicals and Fertilisers Limited)	2	2
5000 (2018 - 5,000) shares of ₹10 each fully paid up in Chola People Service (P) Limited	74	37
125 (2018 -125) shares of 25 pence each fully paid up in Hawker Siddley Group Limited	*	*
10,000 (2018 -10,000) shares of ₹ 1 each fully paid up in Indian Dairy Entrepreneur and Agricultural Co Limited	*	*
266 (2018 - 266) shares of ₹10 each fully paid up in Chennai Wellington Corporate Foundation	*	*
2 (2018 - 2) shares of ₹10 each fully paid up in Murugappa Morgan Thermal Ceramics Limited	*	*
20 (2018 - 20) shares of ₹100 each fully paid up in Kullittalai Cane Farms Private Limited	*	*
12,82,070 (2018 -12,82,070) Ordinary shares of South African Rand 1 each, fully paid-up in Foskor (Pty) Limited	-	5,781
46 (2018 - Nil) Class D shares of South African Rand 2,00,000 each, fully paid-up in Foskor (Pty) Limited	1,901	-
16,100 (2018 -16,100) Equity shares of ₹10/- each, fully paid-up in Bharuch Enviro Infrastructure Limited	107	140
2,75,000 (2018 - 2,75,000) Equity shares of ₹10/- each, fully paid-up in Narmada Clean Tech	15	16
53,92,160 (2018 - 53,92,160) Equity shares of ₹10 each, fully paid-up in A.P. Gas Power Corporation Limited	11,235	9,281
(b) <i>Other Investment at FVTPL</i>		
30,471 (2018 - 31,864) units of ₹1,000/- each, fully paid-up in Faering Capital India Evolving Fund Mutual Funds	324	361
	2,460	4,074
1,000 (2018 -1,000) shares of ₹10/- each, fully paid-up in UTI Master Shares	*	*
(c) <i>Other at FVTOCI</i>		
Share application money pending allotment - at cost	4	4
Loans at FVTOCI**	1,609	1,609
Total Unquoted Investments	36,961	37,891
Total Other Investments	38,696	40,531
Current	2,460	4,074
Non-current	36,236	36,457

* less than a Lakh

The Ordinary shares of Tunisian Indian Fertilisers S.A., Tunisia (TIFERT) held by the Group have been pledged to secure the obligations of TIFERT to their lenders, except 8,04,848 shares.

** represents loan amounting ₹1,609 Lakh (2018: ₹1,609 Lakh) to TIFERT which is compulsorily convertible to equity shares at the end of three years from June 2017

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 9

TRADE RECEIVABLES

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
Secured, considered good	9,263	8,012
Unsecured, considered good*	1,97,924	1,74,871
Having significant increase in credit risk	-	-
Credit impaired	12,775	12,183
Unsecured, considered doubtful	2,870	2,086
	2,22,832	1,97,152
Allowance for credit loss	(15,645)	(14,269)
Total	2,07,187	1,82,883
Current	2,07,187	1,82,883
Non-current	-	-

* Debts due by private companies in which the Holding Company's directors are directors as on March 31, 2019 is ₹ 97 Lakh (March 31, 2018 : ₹ 55 Lakh)

The credit period on sales of goods ranges from 10 to 180 days. No interest is charged on trade receivables up to the due date.

The Group uses other publicly available financial information and its own trading records before accepting any customer. The Group's exposure is continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

NOTE 10

LOANS

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Loans Receivables considered good - Secured	-	-
(b) Loans Receivables considered good - Unsecured		
i. Inter-corporate deposits	42,805	40,777
ii. Others	1,600	2,000
(c) Loans Receivables which have significant increase in Credit Risk and	-	-
(d) Loans Receivables - Credit impaired	-	-
Total	44,405	42,777
Current	43,205	40,777
Non - Current	1,200	2,000

Further information relating to these loans are given in note 52 - Related Party Transactions

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 11

OTHER FINANCIAL ASSETS

₹ in Lakh

Particulars	Non-current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
At Amortised Cost				
(a) Security Deposits	493	441	668	440
(b) Interest receivable *	-	-	754	818
(c) Advances from related parties	-	-	100	115
(d) Insurance claims	-	-	2,750	356
(e) Funds available with commodity exchange brokers	-	-	1,238	8,125
(f) Advance recoverable in cash				
(i) Unsecured and Considered Good	-	-	6	158
(ii) Considered Doubtful	47	47	266	266
Less: Provision for Doubtful Advances	(47)	(47)	(266)	(266)
(g) Other receivable	-	-	358	546
At Fair Value				
i) Not designated as hedges				
(a) Mark to Market gain on forward contracts	-	-	1,762	1,131
(b) Mark to Market gain on Currency and interest rate swaps	-	-	182	-
(c) Mark to Market gain on Commodity futures	-	-	2,957	-
(d) Option contracts	-	-	-	378
ii) Designated as hedges				
(a) Mark to Market gain on forward contracts	-	-	25	-
(b) Mark to Market gain on Commodity futures	-	-	(179)	-
Total	493	441	10,621	12,067

*Includes interest subsidy receivable of ₹ 350 Lakh (March 31, 2018 : Nil)

NOTE 12

OTHER ASSETS

₹ in Lakh

Particulars	Non-current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
(a) Deposit	2,836	3,233	25	38
(b) Capital Advances	5,290	1,790		
(c) Prepayment for leasehold land *	3,815	3,887		
(d) Balance with Government Authorities	763	217	40,661	56,499
(e) Advance recoverable in kind				
(i) Unsecured and Considered Good	1,201	3,038	45,527	31,776
(ii) Considered Doubtful	1,807	2,856	719	689
Less: Provision for Doubtful Advances	(1,807)	(2,856)	(719)	(689)
(f) Gratuity Fund	-	-	217	121
(g) Others	145	172	-	-
Total	14,050	12,337	86,430	88,434

* Land admeasuring 324.74 acres is pending execution of lease in the name of the Coromandel International Limited, a subsidiary Company.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 13

INVENTORIES

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
(At lower of cost and net realisable value)		
(a) Raw materials	2,01,867	1,26,242
(b) Raw materials in transit	14,672	30,068
(c) Work-in-process	6,447	6,072
(d) Finished goods	3,00,176	2,10,717
(e) By products	5,002	5,681
(f) Stock-in-trade (goods acquired for trading)	34,150	20,587
(g) Stores and spares	9,551	7,982
(h) Packing materials	2,477	2,239
Total	5,74,342	4,09,588

The cost of inventories recognised as an expense during the year was ₹11,95,746 Lakh (March 31, 2018: ₹11,17,019 Lakh).

The cost of inventories recognised as an expense includes ₹ 838 Lakh (2017-18: ₹12,506 Lakh) in respect of write-downs of inventory to net realisable value, and has been reduced by ₹ 3,102 Lakh (2017-18: Nil) in respect of reversal of such write downs.

Inventories includes ₹ 84,580 Lakh (2017-18: ₹98,338 Lakh) carried at net realisable value.

The mode of valuation of inventories has been stated in note 1.20

Refer note. 22 for inventories pledged

NOTE 14

CASH AND CASH EQUIVALENTS

₹ in Lakh

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, cheques and drafts on hand. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the balance sheet as follows:

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Balances with banks		
(i) In Current account	16,004	12,706
(ii) In EEFC account	25	3,608
(iii) In Deposit account (with original maturity less than 3 Months)	943	38,128
(b) Cash on hand	88	68
(c) Cheques, drafts on hand	-	28
Total	17,060	54,538

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 15

OTHER BANK BALANCES

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Balances with banks in earmarked accounts		
- In Unpaid Dividend account	3,940	10,408
- In Deposits having maturity of more than 3 months	5,963	-
- In Bonus Debenture redemption account	846	705
- In Cane development/ SEFASU Loan no lien account	102	515
- In Margin Money accounts towards Bank Guarantee	219	203
Total	11,070	11,831

NOTE 16

ASSETS CLASSIFIED AS HELD FOR SALE

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
Asset associated with factory held for sale (refer note below)	3,686	-
Total	3,686	-

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Balance at beginning of the year	-	590
Add: Transferred to Investment Property	-	(30)
Add: Transferred from Property, plant and equipment	3,686	-
Disposals	-	(560)
Balance at end of the year	3,686	-

The Board of Directors of the Holding Company in their meeting held on February 01, 2019 have approved the sale of Property, plant and equipment of Puducherry factory of the Holding Company in next 12 months. The Holding Company is currently in the process of identifying potential buyers and the directors of the Holding Company expect that the fair value less cost to sell will be higher than the aggregate carrying amount of the related assets. Therefore, no impairment loss were recognised on reclassification of the assets as held for sale as at March 31, 2019.

Particulars	As at March 31, 2019
Property, Plant and equipment	3,686
Assets classified as held for sale	3,686

NOTE 17

INCOME TAX ASSET

₹ in Lakh

Particulars	Non-current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Tax refund receivable	6,683	6,767	-	327
Total	6,683	6,767	-	327

Current tax liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Income Tax payable	3,846	2,196
Total	3,846	2,196

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 18

EQUITY SHARE CAPITAL

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
AUTHORISED :		
Equity Shares:		
2,34,40,00,000 Equity Shares of ₹ 1 each (2018 - 2,34,40,00,000)	23,440	23,440
Preference Shares:		
2,03,10,000 Redeemable Preference shares of ₹ 100 each (2018- 2,03,10,000)	20,310	20,310
ISSUED, SUBSCRIBED AND FULLY PAID UP		
17,69,94,981 Equity Shares of ₹ 1 each (2018 - 17,69,94,981)	1,770	1,770
	1,770	1,770

18.1 Reconciliation of number of shares

Reconciliation	2018-19		2017-18	
	No of Shares	₹ Lakh	No of Shares	₹ Lakh
Equity Shares of ₹ 1 each fully paid up				
At the beginning of the period	1769,94,981	1,770	1758,70,898	1,759
Allotment of shares on account of merger of PSIL	-	-	10,74,861	11
Allotment of shares on exercise of Employee Stock Option (refer note 44)	-	-	49,222	*
At the end of the period	17,69,94,981	1,770	17,69,94,981	1,770

* less than a Lakh

18.2 Details of shares held by each shareholder holding more than 5 percent of equity shares in the company:

Name of the Shareholder	No of shares held as at			
	March 31, 2019		March 31, 2018	
	Nos.	%	Nos.	%
Ambadi Investments Limited	6,80,58,444	38.45	6,80,58,444	38.45

18.3 Terms attached to Equity Shares:

The Holding Company has one class of equity share having a par value of ₹ 1 per share. Each holder of equity share is entitled to one vote per share. The dividend when proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General meeting. Repayment of capital on liquidation will be in proportion to the number of equity shares held.

Share options granted under the Holding Company's employee share option plan carry no rights to dividends and no voting rights. .

18.4 Details of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date

During the year 2017-18, 10,74,861 equity shares of ₹1 each fully paid up were allotted to shareholders of Parrys Sugar Industries Limited (PSIL) other than the Holding Company in the proportion of 2 equity shares of ₹ 1 each in the company for every 13 equity shares of ₹ 10 each held in the PSIL pursuant to the Scheme of Amalgamation between PSIL and the Holding Company.

18.5 Dividend

On February 01, 2019 and March 22, 2019 a dividend of ₹ 2 per share (total dividend ₹ 3,540) and ₹ 1 per share (total of dividend ₹ 1,770) was paid in February 2019 and April 2019 respectively to the holders of fully paid equity shares. Final dividend of ₹ 3 per share (total dividend of ₹ 5,310) proposed for the year ended March 31, 2018 was paid during the year.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 19

OTHER EQUITY

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
Share Capital Suspense	-	-
Capital redemption reserve	4,886	4,886
Capital reserve on amalgamation	688	688
Securities Premium reserve	44,922	44,567
Debenture Redemption reserve	2,249	3,916
Capital Reserve	5,931	5,931
Capital Reserve on consolidation	6,226	6,226
Central Subsidy	7	7
Foreign currency translation reserve	5,171	4,231
Cash flow hedging reserve	3,926	10
Reserve for equity instruments through other comprehensive income	(160)	1,122
General Reserve	2,37,199	2,10,044
Share options outstanding reserve	1,228	728
Statutory reserve	30	28
Retained Earnings	(1,283)	12,840
Total	3,11,020	2,95,224

₹ in Lakh

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(a) Share Capital Suspense		
Arising Pursuant to Scheme of Amalgamation of Parent company with Parrys Sugar Industries Limited	-	11
Add: Utilised for Allotment of Shares	-	(11)
Closing balance	-	-
(b) Capital Redemption Reserve		
Opening balance	4,886	4,887
Add: Impact of reduction in control percentage without loss of control	*	(1)
Closing balance	4,886	4,886

The capital redemption reserve is created out of the statutory requirement to create such reserve on buyback of shares. These are not available for distribution of dividend and will not be reclassified subsequently to profit or loss.

(c) Capital reserve on amalgamation	688	688
(d) Securities Premium Account		
Opening balance	44,567	43,387
Add :Addition during the period	359	1,196
Add: Impact of reduction in control percentage without loss of control	(4)	(16)
Closing balance	44,922	44,567

Securities premium is used to record the premium on issue of shares and the Holding Company's share of premium arising from shares issued at premium to non-controlling interest, where the subscription by Holding Company and non-controlling interest is not in proportion to their existing shareholding. The reserve is utilised in accordance with the provisions of the act.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

₹ in Lakh

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(e) Debenture Redemption Reserve		
Opening balance	3,916	3,083
Add : Addition during the period	833	833
Less : Utilised during the period	2,500	-
Closing balance	2,249	3,916

Debenture redemption reserve is created as per the statutory requirements to maintain funds to repay the debenture liability. These will be subsequently transferred to Retained Earnings on payment of the debenture liability.

(f) Capital Reserve		
Opening balance	5,931	5,932
Add: Impact of reduction in control percentage without loss of control	*	(1)
Closing balance	5,931	5,931

(g) Capital Reserve on consolidation	6,226	6,226
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(h) Central subsidy	7	7
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(i) Foreign currency translation Reserve		
As per last Balance Sheet	4,231	4,179
Other comprehensive income for the year net of income tax	942	60
Add: Impact of reduction in control percentage without loss of control	(2)	(8)
Closing balance	5,171	4,231

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency i.e. Indian Rupee (₹) are recognised directly and accumulated in the foreign currency translation reserve. These balances are reclassified to profit or loss on the disposal of the foreign operations

(j) Hedging Reserve		
Opening balance	10	143
Add: Other comprehensive income for the year	3,916	(203)
Add: Deferred tax	-	70
Closing balance	3,926	10

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gains or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item.

(k) Reserve for equity instruments through Other Comprehensive income		
Opening Balance	1,122	5,150
Additions/(Reduction) net of tax	(1,288)	(4,030)
Add: Impact of reduction in control percentage without loss of control	6	2
Closing balance	(160)	1,122

This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those assets have been disposed of.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

₹ in Lakh

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(l) General Reserve		
Opening balance	2,10,044	1,92,145
Add : Addition during the year	18,168	18,200
Add : Transfer from Non-controlling interest on common control transaction	9,048	-
Add: Impact of reduction in control percentage without loss of control	(61)	(301)
Closing balance	2,37,199	2,10,044

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss except to the extent permitted as per Companies Act, 2013 and rules made thereunder.

(m) ESOP Reserve		
Opening balance	728	197
Add : Addition during the year	586	531
Add: Transfer from/ (to) other reserves	(86)	-
Closing balance	1,228	728

The above reserve relates to share options granted by the Company to its employees under its employee share option plan. Further information about share based payments to employees is set out in note 44.

(n) Statutory Reserve		
As per last Balance Sheet	28	26
Movement during the year	2	2
Closing balance	30	28

(o) Retained Earnings		
Opening Balance	12,840	7,211
Add : Adjustment arising on Amalgamation	-	-
Less: Transfer from Debenture Redemption Reserve (Net)	1,667	(833)
(Loss) / Profit for the year	15,349	25,582
Remeasurement of defined benefit plans (net of tax)	(147)	(267)
	29,709	31,693
Less : Appropriations		
On account of reduction of control	22	105
Dividend on Equity Shares including dividend distribution tax	12,800	-
Transfer to General Reserve and Statutory reserve	18,170	18,179
Others	-	105
Add: On account of increase in shareholding in subsidiary	-	(464)
Closing balance	(1,283)	12,840

The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the separate financial statements of the Company and also considering the requirements of the Companies Act, 2013. thus, the amounts reported above are not distributable in entirety.

Total Other Equity	3,11,020	2,95,224
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* ₹ less than a Lakh

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 20

NON-CONTROLLING INTERESTS

₹ in Lakh

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Balance at beginning of year	1,26,648	1,13,769
Share of profit and other comprehensive income for the year	26,809	19,363
Dividend paid including dividend tax	(12,490)	(7,619)
Transfer to Controlling interest on common control transaction	(9,048)	-
Add: Transfer to Non- controlling interest on account of change in holding percentage	83	430
Other increase on account of change in reserve	454	705
Balance at end of the year	1,32,456	1,26,648

Details of non-wholly owned subsidiaries that have material non-controlling interests.

The table below shows details of non-wholly owned subsidiaries of the Group that have material non-controlling interests:

Name of the Subsidiary	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests as at	
		March 31, 2019	March 31, 2018
Coromandel International Limited	India	39.44%	39.41%

Name of the Subsidiary	Place of incorporation and principal place of business	Accumulated non-controlling interests as at	
		March 31, 2019	March 31, 2018
Coromandel International Limited	India	1,32,456	1,26,648

Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

Particulars	Coromandel International Limited	
	As at March 31, 2019	As at March 31, 2018
Non-current assets	1,82,102	1,66,224
Current assets	8,75,290	8,06,501
Non-current liabilities	13,702	15,439
Current liabilities	7,07,851	6,44,700
Equity attributable to owners of the Company	2,03,383	1,85,938
Non-controlling interests	1,32,456	1,26,648

Particulars	Coromandel International Limited	
	Year ended March 31, 2019	Year ended March 31, 2018
Total Income	13,26,164	11,04,851
Total Expenses	12,14,605	10,03,912
Exceptional item (net)	(2,385)	-
Share of profit/ (loss) of joint ventures and associate	84	(60)
Profit /(loss) for the year	72,048	66,362

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Profit /(loss) attributable to owners of the Company	43,632	40,209
Profit /(loss) attributable to non-controlling interests	28,416	26,153
Other comprehensive income for the year	(4,074)	(17,256)
Other comprehensive income attributable to owners of the Company	(2,467)	(10,455)
Other comprehensive income attributable to non-controlling interests	(1,607)	(6,801)
Total comprehensive income for the year	67,974	49,106
Total comprehensive income attributable to owners of the Company	41,165	29,754
Total comprehensive income attributable to non-controlling interests	26,809	19,352
Dividends paid to non-controlling interests	(12,490)	(7,619)
Net cash inflow / (outflow) from operating activities	52,641	25,555
Net cash inflow / (outflow) from investing activities	(59,707)	4,063
Net cash inflow / (outflow) from financing activities	(24,411)	(98)
Net cash inflow / (outflow)	(31,477)	29,520

Note:

- The figures given above are based on the consolidated financials of Coromandel International Limited along with its subsidiaries, joint ventures and associates.
- The amounts as at and for the year ended March 31, 2018 are based on the audited consolidated financials of Coromandel International Limited as at March 31, 2018. The amount set out in the table above for the said period have not been restated for the effect of common control business combination since the same is an intragroup transaction.

NOTE 21

NON-CURRENT BORROWINGS

₹ in Lakh

Particulars	Non-Current Portion		Current Maturities	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Unsecured - at amortised cost				
i). Bonds / Debentures (refer note 21.1)	-	-	-	9,997
ii). Deposits (refer note 21.2)	1,605	1,491	-	-
iii). Purchase Tax Deferment Loan (refer note 21.4)	241	350	109	-
Sub Total	1,846	1,841	109	9,997
Secured - at amortised cost				
i). Bonds / Debentures (refer note 21.3)	19,989	13,500	13,500	13,500
ii). Term Loans				
- from banks (refer note 21.5)	17,090	17,040	8,033	19,554
- from Government of India - Sugar Development Fund (refer note 21.6)	6,281	8,616	2,359	1,508
Sub Total	43,360	39,156	23,892	34,562
Total	45,206	40,997	24,001	44,559

21.1. 9.23% Unsecured redeemable debenture of ₹Nil (March 31, 2018 - ₹ 9,997 Lakh) was redeemed on September 04, 2018.

21.2. Unsecured-Deposit received from TNPL for supply of bagasse, which is interest free and Repayable in December 2024.

21.3 Detail of the secured debentures are given below

- 1,000 8.25% Secured, Redeemable Non - Convertible Debentures of ₹9,989 Lakh, is Secured by way of first mortgage/charge on various properties of the Holding Company. The said debenture is redeemable fully at par on April 2021.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

- b. 1,000 8.40% Secured, Unlisted, Redeemable Non - Convertible Debentures of ₹ 10,000 Lakh, is secured by charge on the fixed assets of the Parry Sugars Refinery India Private Limited (PSRIPL). The said debenture is redeemable fully at par on 23rd April 2021. The Holding Company has given Corporate Guarantee to the Debenture Trustee IDBI Trusteeship Services Limited against this issue.

The Principal INR liability of Debentures mentioned in the above table aggregating to ₹10,000 Lakh has been swapped for USD 14,791,805. The swap trade is effective from 18th June 2018 and termination date is 23rd April 2021. Interest liability of 8.4% p.a. in Indian Rupees has been swapped for 4.1050% fixed rate per annum on Effective USD Notional.

- c. Debenture/Bonds comprises of 1,350 10.05% 2014-15 Series A Secured, Unlisted, Redeemable Non - Convertible Debentures of ₹ 10,000 each and 1,350 10.05% 2014-15 Series B Secured Redeemable Non - Convertible Debentures of ₹ 10,00,000 each aggregating to ₹27,000 Lakh of PSRIPL, which is secured by exclusive charge on the fixed assets of PSRIPL. 1350 10.05% Series A Debentures was redeemed fully on 16 July 2018. ₹1,350 10.05% Series B Debentures are redeemable on 16 July 2019. The Holding Company has given corporate guarantee to the Debenture Trustee IDBI Trusteeship Services Limited against this issue.

The Principal INR liability of Debentures mentioned in the above table aggregating to ₹ 27,000 Lakh had been swapped for USD 44,665,012. The swap trade was effective from 22nd August 2014 and termination date is 12th July 2019. Interest liability of 10.05% p.a. in Indian Rupees had been swapped for 3.4% fixed per annum on Effective USD Notional. Swap contract has been partially unwound and the outstanding swap contract as on March 31, 2019 is USD 4,832,506 (March 31, 2018 - USD 9,665,012).

21.4 Purchase tax deferment loan carries nil rate of interest and repayable over 5 years commencing from April 2019.

21.5 Secured Term loan from banks consists of those of Holding company secured by pari passu first charge on movable fixed assets of (both present and future) of the Holding Company and further, these are secured by second charge on the Holding Company's current assets. Term loans from bank loans including unsecured carries interest rates ranging 8.20% - 8.70%.

21.6 Loan from Sugar Development Fund is secured by way of a bank guarantee from State Bank of India, Indusind Bank Ltd., which carries interest rate of 4% - 8.25% and repayable over 1 to 6 Years.

Breach of Loan agreement

There is no breach of loan agreement

NOTE 22

SHORT TERM BORROWINGS

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured - at amortised cost (refer note 22.1)		
a. Loan repayable on demand		
- from banks	68,699	59,596
b. Term loan from banks	91,031	69,503
c. Others	60,000	90,000
Secured - at amortised cost		
a. Loan repayable on demand		
- from banks (refer note 22.2)	1,43,130	80,632
b. Term loan from banks (refer note 22.3)	80,395	61,707
Total	4,43,255	3,61,438

22.1 Unsecured loans repayable on demand comprises of buyers credit denominated in foreign currency and cash credit. Unsecured short term loan and others includes foreign currency loans from bank and commercial papers.

22.2 Secured loans repayable on demand comprises buyer's credit denominated in foreign currency and cash credit. Buyer's Credit of PSRIPL and CIL is secured by first pari passu charge on all current asset of the PSRIPL as well as second pari passu charge on all movable fixed assets of the PSRIPL and CIL respectively. Cash credit facilities of Holding company and CIL are primarily secured on the current assets of the Holding company and CIL supplemented by second charge on movable and immovable properties primarily of the Holding company and CIL.

22.3 Secured short term borrowing consists of commercial papers and working capital loan. Commercial paper is secured by a pari-passu charge on current assets of Parent company and working capital loans are primarily secured by way of specific subsidy receivable, letter of comfort from Government of India or Letter of credit from Banks.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

22.4 Net debt reconciliation for the year

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
i. Opening net debt	4,01,536	3,77,214
ii. Proceeds from long term borrowings	30,428	1,046
iii. Repayment of long term borrowings	(46,916)	(25,105)
iv. Net increase / (decrease) in working capital borrowing	82,312	78,366
v. Interest expense	42,451	33,551
vi. Interest paid	(40,812)	(32,267)
vii. Increase in cash equivalents	37,624	(31,391)
viii. Effect of change in foreign exchange rates	(146)	(2)
ix. Non cash items and others	(575)	124
Closing Net Debt	5,05,902	4,01,536

NOTE 23

TRADE PAYABLES

₹ in Lakh

Particulars	Current	
	As at March 31, 2019	As at March 31, 2018
Acceptances	3,26,549	2,09,054
Other than Acceptances :		
Outstanding dues of micro enterprises and small enterprises*	1,261	651
Outstanding dues of creditors other than micro enterprises and small enterprises	1,56,033	2,51,121
Employee related payables	2,062	3,372
Total	4,85,905	4,64,198

* Due to MSME have been determined to the extent such parties have been identified on the basis of information collected by the Management. There have been no payments beyond the appointed date during the year. This has been identified by the management and relied upon by the auditors.

NOTE 24

OTHER FINANCIAL LIABILITIES

₹ in Lakh

Particulars	Non-Current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
At amortised cost				
(a) Current maturities of long-term debt	-	-	24,001	44,559
(b) Interest accrued but not due on borrowings and acceptance	-	-	10,500	9,080
(c) Unclaimed dividends (refer note 24.1 and 24.2)	-	-	2,170	1,636
(d) Unpaid dividends	-	-	1,770	-
(e) Security deposit	-	-	13,235	11,457
(f) Other Liabilities				
- Due to Directors	-	-	-	113
- Advances and Deposits repayable in cash	-	-	-	99

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

₹ in Lakh

Particulars	Non-Current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
- Cane Bill due payable to Banks	-	-	79,045	67,859
- Unclaimed debentures	-	-	846	705
- Payable on purchase of fixed assets	-	-	968	395
- Others	51	-	8,115	236
Financial liabilities mandatorily measured at fair value through profit or loss (FVTPL)				
- Foreign currency forward contracts	-	-	5,315	648
- Commodity futures	-	-	-	880
- Currency and interest rate swaps	-	-	280	95
- Derivative designated in hedge accounting relationship	-	-	53	-
Total	51	-	1,46,298	1,37,762

24.1 These amounts represent warrants issued to the Shareholders which remained un-presented as on March 31, 2019 and March 31, 2018 respectively

24.2 During the year, ₹ 23 Lakh (March 31, 2018 : ₹ 23 Lakh) was transferred to the Investor Education and Protection Fund by the Holding Company and there are no amount due to be transferred to Investor Education and Protection Fund.

NOTE 25

OTHER LIABILITIES

₹ in Lakh

Particulars	Non-Current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
a. Statutory remittances (Contributions to PF and ESIC, Withholding Taxes and Indirect Taxes)	-	-	2,148	2,809
b. Advances and Deposits from Customers and Others Liabilities	-	-	6,427	7,870
c. Deferred revenue arising from interest free deposit/ Government grant	944	1,083	-	-
d. Gratuity payable	-	-	977	1,092
Total	944	1,083	9,552	11,771

NOTE 26

PROVISIONS

₹ in Lakh

Particulars	Non-Current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Provision for employee benefits*	2,169	2,154	2,387	1,684
Provision for decommissioning liability #	56	49	-	-
Total	2,225	2,203	2,387	1,684

* The provision for employee benefits includes annual leave and vested long service leave entitlements accrued and compensation claims made by employees.

Movement represents unwinding of interest.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 27

REVENUE FROM OPERATIONS

₹ in Lakh

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(a) Sales of Products	13,33,034	12,65,836
(b) Other operating revenues		
- Government subsidy (refer note. 27.3)	3,13,232	2,70,492
- Revenue from commodity trading	2,260	-
- Liabilities/ Provisions no longer required written back	1,869	2,726
- Insurance claim	281	329
- Scrap sales	333	420
- Service Income	461	168
- Others	5,069	3,787
Total	16,56,539	15,43,758

27.1 Refer note 1.28 for critical judgements involved in the determination of the amount and timing of revenue. For details of disaggregated revenue refer Note. 41.

27.2 Goods and service tax (GST) has been effective from 1 July 2017. Consequently excise duty, Value Added Tax (VAT), service tax. etc has been replaced with GST. Until 30 June 2017, 'Sale of Products' included amount excise duty recovered on sales. With effective from 1 July 2017, 'Sale of Products' excludes the amount of GST recovered. Accordingly revenue from sale of products for the year ended March 31, 2019 are not comparable with that of the previous year.

27.3 Includes production subsidy amounting to ₹ 3,863 Lakh (March 31, 2018: Nil) recognised by the Holding company. The Holding company recognises income based on the export obligation fulfilled. The obligation to export is lower of the allocated quantity and 16.7 kg of sugar per MT of cane crushed for the sugar season 2018-19. The unfulfilled obligation as at March 31, 2019 based on the allocated quantity amounts to MT 27,830. However the obligation might change based on the actual cane crushed for sugar season 2018-19. The Holding Company has time till September 30, 2019 to fulfill the above mentioned obligation.

NOTE 28

OTHER INCOME

₹ in Lakh

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(a) Interest income earned on financial assets and others that are not designated as at fair value through profit or loss		
On asset at amortised cost and others	4,416	5,692
(b) Dividend Income	48	326
(c) Other gains or losses		
- Profit / (Loss) on sale of fixed assets (Net)	(538)	382
- Net gain arising on financial assets at FVTPL	870	1,828
- Net gain arising on derivatives at FVTPL	481	11,590
- Net gain / (Loss) on foreign currency transaction and translation	(14,465)	(6,372)
(d) Other non-operating income		
- Rental income		
i). Operating lease rental from investment property	1,832	1,689
- Services	385	660
- Insurance claim received	26	192
- Government grant income (refer note 28.1)	733	13
- Others	1,455	1,341
Total	(4,757)	17,341

28.1 The Government grant income represents subvention interest benefit on below market interest rate loans and interest income (Pursuant to Notification no. 1(6)/2018-SP-I).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 29

CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE

₹ in Lakh

Particulars	Year ended March 31, 2019		Year ended March 31, 2018	
Opening Stock:				
Work-in-process	6,072		8,254	
Finished goods	2,10,717		1,62,266	
By products	5,681		3,335	
Stock-in-trade	20,587	2,43,057	28,662	2,02,517
Less: Goods and Service tax credit on transition		-		3,418
Less: Amount disclosed as exceptional item		2,082		-
Closing Stock:				
Work-in-process	6,447		6,072	
Finished goods	3,00,176		2,10,717	
By products	5,002		5,681	
Stock-in-trade	34,150	3,45,775	20,587	2,43,057
Foreign Currency Translation Reserve		(266)		11
(Increase)/Decrease		(1,04,534)		(43,969)

NOTE 30

EMPLOYEE BENEFIT EXPENSE

₹ in Lakh

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(a) Salaries, Wages and Bonus	48,441	43,110
(b) Contribution to Provident and Other Funds (refer note.42)	4,022	3,680
(c) Workmen, Staff Welfare Expenses and others*	6,160	5,169
(d) Share-based payments to employees (refer note.44)	861	1,011
Total	59,484	52,970

* The Holding Company has evaluated the impact of the recent Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-1/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In this regard, appropriate provision has been made in the Financial Statements.

NOTE 31

FINANCE COST

₹ in Lakh

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(i) Interest costs;		
(a) Debentures	1,179	1,225
(b) Loans and others *	39,406	30,067
(ii) Other borrowing costs	1,753	2,156
(iii) Unwinding of discounts on deposits received	113	103
Total	42,451	33,551

* Net of ₹ 283 Lakh capitalised at the average interest rate of 5.14% (2018: Nil)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 32

DEPRECIATION AND AMORTISATION EXPENSE

₹ in Lakh

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Depreciation/amortisation/impairment on:		
a. Property, plant and equipment (refer note below)	26,098	24,324
b. Investment property	28	28
c. Intangible assets (refer note below)	1,107	778
Total	27,233	25,130

Note : Includes impairments expense in respect of property, plant and equipment for the year ended March 31, 2019: Nil (March 31, 2018: ₹139 Lakh) and in respect of intangible assets for the year ended March 31, 2019 ₹ 605 Lakh (March 31, 2018: ₹ 345 Lakh)

NOTE 33

OTHER EXPENSES

₹ in Lakh

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(a) Consumption of Stores, Spares and Consumables	17,452	15,365
(b) Power and Fuel	29,640	29,610
(c) Rent	9,510	10,718
(d) Repairs and Maintenance		
- Buildings	923	1,127
- Plant and Machinery	8,362	8,393
- Others	6,953	16,238
(e) Insurance	2,295	2,374
(f) Rates and Taxes	4,008	2,722
(g) Packing, Despatching and Freight *	1,12,783	1,04,848
(h) Auditors' Remuneration (as auditor of Holding Company)	56	52
(i) Directors' Fees and Commission	19	97
(j) Sales Promotion and Publicity	1,188	934
(k) Professional Charges	4,572	4,659
(l) Provision for Doubtful Debts and Advances	1,492	3,022
(m) Bad Debts/Advances written off	103	163
(n) General Manufacturing, Selling and Administration Expenses	39,897	38,538
(o) Corporate Social Responsibility expenditure	1,558	1,562
Total	2,40,811	2,30,409

* Net of freight subsidy pursuant to Notification no.1(14)/2018-S.P. - I dated October 05, 2018 amounting to ₹ 954 Lakh for the year ended March 31, 2019 (March 31, 2018 - Nil).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 34

DEFERRED TAXES

34.1 Deferred Taxes Asset / (Liability) (net) arising from

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred tax assets / (liabilities) in relation to:		
MAT credit entitlement	8,266	6,783
Property, plant and equipment	(50,180)	(52,375)
Investments at FVTOCI	(1,378)	(697)
Cash flow hedges	-	(5)
Tax losses	27,236	29,966
Provisions and statutory payment allowable on actual basis	10,863	10,535
Net Deferred Tax Asset / (Liability)	(5,193)	(5,793)
Deferred Tax Asset	8,855	7,115
Deferred Tax Liability	14,048	12,908
Net Deferred Tax Asset / (Liability)	(5,193)	(5,793)

34.2 Unrecognised deductible temporary differences, unused tax losses and unused tax credits

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:

Particulars	As at March 31, 2019	As at March 31, 2018
-long-term capital loss	56	13
-short-term capital loss	11	4
-unused tax losses	28,300	21,925
Total	28,367	21,942

NOTE 35

INCOME TAX EXPENSE

35.1 Income tax recognised in profit or loss

₹ in Lakh

Particulars	2018-19	2017-18
Current tax		
In respect of current year	41,169	38,273
In respect of prior years	-	15
Deferred tax		
In respect of current year	366	(2,989)
In respect of unrecognised/unused tax losses	(122)	-
MAT credit availed	(1,483)	(31)
Adjustments to deferred tax attributable to change in tax rates	-	(196)
Total income tax expense /(gain) recognised in the current year relating to continuing operations	39,930	35,072

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

35.2 The income tax expense for the year can be reconciled to the accounting profit as follows:

₹ in Lakh

Particulars	2018-19	2017-18
Profit before tax	83,695	86,815
Income tax expense calculated at 34.944% (2017-18 - 34.944%)	29,246	30,337
Effect of difference in tax rates of subsidiaries operating in other jurisdiction	(8)	(195)
Effect of income that is exempt from taxation	(157)	(83)
Effect of concession	(799)	(1,084)
Effect of expenses that are not deductible in determining taxable profit	268	292
Effect of unused tax losses and tax offsets not recognised as deferred tax asset	2,958	2,869
Effect of common control transaction	8,165	-
Tax on distributed profits	184	2,883
Effect of change in tax rate	51	(196)
Adjustments recognised in current year relating to current tax of previous years	(122)	15
Others	144	234
Income tax expense recognised in profit or loss	39,930	35,072

The tax rate used for the 2018-19 and 2017-18 reconciliations above is the corporate tax rate of 34.944% payable by corporate entities in India on taxable profits under the Indian tax law.

35.3 Income tax recognised in other comprehensive income

₹ in Lakh

Particulars	2018-19	2017-18
Deferred tax		
Arising on income and expenses recognised in other comprehensive income:		
Net fair value gain on investments in equity shares at FVTOCI	(559)	(609)
Net gain on designated portion of hedging instruments in cash flows hedges	15	70
Remeasurement of defined benefit obligation	(90)	187
Total income tax recognised in other comprehensive income	(634)	(352)

NOTE 36

RESEARCH AND DEVELOPMENT EXPENDITURE INCURRED BY THE APPROVED INHOUSE R&D CENTRES

₹ in Lakh

Particulars	2018-19	2017-18
(i) Revenue Expenses (excluding depreciation and fixed assets scrapped):-		
a) Employee benefit expense	1,106	830
b) Power and Fuel	76	82
c) Repairs and Maintenance	133	182
d) Miscellaneous expenses	454	509
e) Other Income relating to Research and Development	(59)	(30)
Net Revenue expenses on Research and Development	1,710	1,573
(ii) Fixed Assets additions in R&D Centre made during the year	317	142

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 37

₹ in Lakh

Particulars	2018-19	2017-18
AMOUNTS CONTRIBUTED DURING THE YEAR TO ELECTORAL TRUST	700	200

NOTE 38

DIRECT OPERATING EXPENSES ARISING FROM INVESTMENT PROPERTY

₹ in Lakh

Particulars	2018-19	2017-18
Direct operating expenses arising from investment property that generated rental income during the year	438	358
Direct operating expenses arising from investment property that did not generate rental income during the year	16	27
Total	454	385

NOTE 39

DIRECTOR'S REMUNERATION:

39.1 Whole time Director's remuneration :

₹ in Lakh

Particulars	2018-19	2017-18
Short-term benefits	133	186
Post-employment benefits	19	17
Total	152	203

Note: Managerial remuneration above does not include gratuity and leave encashment benefit, since the same is computed actuarially for all the employees and the amount attributable to the managerial person cannot be ascertained separately.

Managerial remuneration as disclosed above for the year ended March 31, 2019 has been paid in excess of the limits specified in Schedule V to the Companies Act, 2013 as the Company has no profits, computed in accordance with Section 198 of the Companies Act, 2013, during the financial year. The Holding Company has proposed to obtain the shareholders' approval to comply with the requirements of Section 197 read with Schedule V to the Act in the ensuing Annual General Meeting.

39.2 Non Whole time Directors remuneration :

₹ in Lakh

Particulars	2018-19	2017-18
Commission to Non Whole Time Directors	-	77
Directors' sitting Fees	19	20
Total	19	97

NOTE 40

OPERATING LEASE ARRANGEMENTS

40.1 Group as a Lessee

The Group has entered into the following non-cancellable operating lease agreements.

The Holding Company has entered into a non cancellable and non renewable operating lease agreement with Shri Dhanalaxmi Sahakari Sakkare Karkhane Niyamit, Ramdurg for the lease of sugar factory together with the specified assets on Built, Own, Operate and Transfer basis (BOOT) for a period of 25 years till 2032.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

40.2 Payments recognised as expense in respect of all leases

₹ in Lakh

Particulars	2018-19	2017-18
Minimum Lease payments	9,510	10,718

40.3 Non-cancellable operating lease commitments

₹ in Lakh

Particulars	2018-19	2017-18
Not later than 1 year	1,038	919
Later than 1 year and not later than 5 years	4,404	3,961
Later than 5 years	3,913	4,379
Total	9,355	9,259

40.4 Group as a Lessor

Payments recognised as income

₹ in Lakh

Particulars	2018-19	2017-18
Rental income	1,832	1,689

NOTE 41

SEGMENT INFORMATION

Information reported to the chief operating decision maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided, and in respect of the following segments tabulated below. The directors of the Holding Company have chosen to organise the Group around differences in products and services. No operating segments have been aggregated in arriving at the reportable segments of the Group. Specifically the Group's reportable segments under Ind AS 108 are as follows.

Operating Segment :

Nutrient and allied business	Crop protection	Sugar	Co-generation	Distillery	Nutraceuticals	Others
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Geographical information:

The Group operates in the following principal geographical areas -

North America	Europe	Rest of the world	India (Country of domicile)
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Revenue and expenses directly attributable to segments are reported under each reportable segment. Other expenses and income which are not attributable or allocable to segments have been disclosed as net unallocable expenses/income.

Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Property, plant and equipment that are used interchangeably among segments are not allocated to reportable segments.

Inter Segment Transfer Pricing:

Inter Segment prices are normally negotiated amongst the segments with reference to cost, market prices and business risks, within an overall optimisation objective for the enterprise.

41.1 SEGMENT REPORTING

Operating Segments revenue and results:

₹ in Lakh

Particulars	Nutrient and allied business		Crop protection		Sugar		Co-generation		Distillery		Nutraceuticals		Others		Elimination		Overall	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Revenue from operations:																		
External Customers	11,50,529	9,60,236	1,71,927	1,48,470	2,73,859	3,71,587	7,269	7,513	31,489	30,225	21,172	21,567	294	160	-	-	16,56,539	15,43,758
Inter-segmental Sales	-	-	8,264	13,754	466	2,543	5,274	3,561	265	324	-	-	-	-	(14,269)	(20,182)	-	-
Total	11,50,529	9,60,236	1,80,191	1,62,224	2,74,325	3,74,130	12,543	11,074	31,754	30,549	21,172	21,567	294	160	(14,269)	(20,182)	16,56,539	15,43,758
Results :																		
Operating Profit/(Loss)	1,18,032	1,01,443	28,315	26,998	(11,437)	(6,087)	(3,496)	(537)	2,659	3,741	800	767	-	-	-	-	1,34,873	1,26,325
Interest income																	4,416	5,692
Dividend Income																	48	901
Other Unallocated Expenses (net)																	(13,214)	(12,547)
Finance Costs																	(42,451)	(33,551)
Share of profit of Associate ventures																	(2)	55
																	25	(60)
Profit/(Loss) before Tax																	83,695	86,815
Income Tax																		
- Current																	41,169	38,288
- Deferred																	(1,239)	(3,216)
Net Profit After Tax																	43,765	51,743
Other Information :																		
Segment Assets	8,42,118	7,35,773	1,34,828	1,16,801	4,09,790	3,38,572	35,312	40,466	22,466	25,705	28,506	23,877	2,502	2,819	-	-	14,75,522	12,96,357
Unallocated Corporate Assets																	1,23,441	1,63,525
Total Assets																	15,98,963	14,59,882
Segment Liabilities	3,69,931	3,22,361	28,310	34,793	3,23,620	2,65,793	3,417	2,961	1,875	1,788	6,582	4,939	60	40	-	-	7,33,795	6,35,291
Unallocated Corporate Liabilities																	4,19,922	4,00,949
Total Liabilities																	11,53,717	10,36,240
Depreciation	8,521	7,386	2,863	2,525	8,835	8,472	3,269	3,282	1,748	1,718	1,787	1,534	-	-	-	-	27,023	24,917
Unallocated Depreciation																	210	213
Total Depreciation																	27,233	25,130

41.2 GEOGRAPHICAL INFORMATION

Particulars	North America		Europe		Rest of the World		India	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Segment Revenue	17,375	23,473	36,001	1,08,668	1,08,307	1,17,812	1,73,299	1,98,086
Non-current asset	2,383	3,101	-	-	2,219	2,555	1,72,329	1,84,274

Non-current assets exclude those relating to Investments, Deferred tax assets and non-current financial assets and other assets.

The geographical information relating to the group is provided to the extent the information is readily available in accordance with para 33 of Ind AS 108 on Operating Segment

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

41.2 Revenue from major products

₹ in Lakh

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
Phosphatic Fertilisers	6,40,771	5,01,043
Urea	52,614	50,584
Muriate of Potash	18,924	18,699
Single Super Phosphate	35,099	28,983
Others	92,480	93,613
Government subsidies	3,10,641	2,67,314
Nutrient and other allied business	11,50,529	9,60,236
Crop protection	1,80,191	1,66,224
Sugar	2,74,325	3,74,130
Co-generation	12,543	11,074
Distillery	31,754	30,549
Nutraceuticals	21,172	21,567
Others	294	160
Total	16,70,808	15,63,940
Less: Inter-segment revenue	(14,269)	(20,182)
Revenue from operations	16,56,539	15,43,758

NOTE 42

EMPLOYEE BENEFIT PLANS

A. Defined contribution plans

The Group has recognised ₹ 3,225 Lakh (March 31, 2018: ₹ 2,961 Lakh) as expense in Statement of Profit or Loss towards defined contribution plans. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

B. Defined benefit plans :

i. Gratuity -

In respect of Gratuity plan, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2019. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method. The following table sets forth the status of the Gratuity Plan of the Company and the amount recognized in the Balance Sheet and Statement of Profit and Loss. The Company provides the gratuity benefit through annual contributions to a fund managed by the Life Insurance Corporation of India (LIC).

The Company is exposed to various risks in providing the above gratuity benefit which are as follows:

Interest Rate risk : The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Investment Risk : The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Salary Escalation Risk : The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Demographic Risk : The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

₹ in Lakh

Particulars	Gratuity (Funded)	
	2018-19	2017-18
Present Value of obligations at the beginning of the year	7,533	6,793
Current service cost	728	655
Interest Cost	566	477
Re-measurement (gains)/losses:		
- Actuarial gains and losses arising from change in financial assumption	119	(147)
- Actuarial gains and losses arising from experience adjustment	31	626
Acquisition adjustment	-	11
Past service cost	-	6
Benefits paid	(734)	(888)
Present Value of obligations at the end of the year	8,243	7,533
Changes in the fair value of planned assets		
Fair value of plan assets at beginning of the year	6,562	5,556
Interest Income	532	437
Return on plan assets	(102)	(73)
Acquisition adjustment	-	11
Contributions from the employer	1,190	1,519
Benefits Paid	(734)	(888)
Fair Value of plan assets at the end of the year	7,448	6,562
Amounts recognized in the Balance Sheet		
Projected benefit obligation at the end of the year	8,243	7,533
Fair value of plan assets at end of the year	7,448	6,562
Funded status of the plans – Liability recognised in the balance sheet	795	971
Components of defined benefit cost recognised in profit or loss		
Current service cost	728	655
Net Interest Expense	34	40
Past service cost	-	6
Net Cost in Profit or Loss	762	701
Components of defined benefit cost recognised in Other Comprehensive income		
Remeasurement on the net defined benefit liability:		
- Actuarial gains and losses arising from change in financial assumption	119	(147)
- Actuarial gains and losses arising from experience adjustment	31	626
Return on plan assets	102	73
Net Cost in Other Comprehensive Income	252	552
Particulars	2018-19	2017-18
Assumptions		
Discount rate	7.50% - 7.54%	7.70% - 7.82%
Expected rate of salary increases	5% - 7%	5% - 7%
Expected rate of attrition	5% - 8%	5%
Mortality (IALM (2006-2008) Ultimate)	100%	100%

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Group has generally invested the plan assets with the insurer managed funds. The insurance company has invested the plan assets in Government Securities, Debt Funds, Equity shares, Mutual Funds, Money Market Instruments and Time Deposits. The expected rate of return on plan asset is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligation.

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

₹ in Lakh

Particulars	March 31,2019	March 31,2018
Discount rate		
- 1% increase	465	424
- 1% decrease	(523)	(494)
Salary growth rate		
- 1% increase	(484)	(440)
- 1% decrease	439	403
Attrition rate		
- 1% increase	(56)	(59)
- 1% decrease	73	77

Note: Negative represents increase in obligation and positive represent decrease in obligation.

Please note that the sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods of assumptions used in preparing the sensitivity analysis from prior years.

The Group generally purchases insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Group is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

The Group's best estimate of the contribution expected to be paid to the plan during the next year is ₹ 2,319 Lakh (2018: ₹ 2,269 Lakh).

ii. Note on Provident Fund:

With respect to employees, who are covered under Provident Fund Trust administered by the companies in the Group, the respective companies shall make good deficiency, if any in the interest rate declared by Trust over statutory Limit. Having regards to the assets of the Fund and the return on the investments, the Group does not expect any deficiency in the foreseeable future.

The actuary has used the Deterministic Approach for the calculations of the Interest Rate Guarantees based on the guidance note issued by the Institute of Actuaries of India. The disclosures required under Ind AS 19 is as set out below:

Fund and plan asset position are as follows:

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
Accumulated Account Value of Employee's Fund	4,399	4,034
Interest Rate Guarantee Liability	87	79
Present value of benefit obligation at the end of the year	4,486	4,113
Plan asset at the end of the year	4,857	4,527
Surplus available	(371)	(414)
Asset recognised in the Balance Sheet	-	-

The plan assets are primarily invested in government securities, corporate bonds & special deposit schemes.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Assumptions for present value of interest rate guarantee are as follows:

Particulars	As at March 31, 2019	As at March 31, 2018
Discount rate	7.50%	7.60%
Expected guaranteed rate(%)	8.55%	8.65%
Attrition rate	5%	5%

Note 43 Earnings per Share:

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Basic Earnings per share (₹)	8.67	14.46
Diluted Earnings per share (₹)	8.63	14.36

43.1 Basic Earnings per share

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows.

Profit after Taxation (₹ in Lakh)	15,349	25,582
Earnings used in the calculation of basic earnings per share	15,349	25,582
Number of equity shares of ₹ 1 each outstanding at the beginning of the year	17,69,94,981	17,69,45,759
Add : Number of shares issued pursuant to exercise of Employees Stock Option	-	49,222
(a) Number of equity Shares of ₹ 1 each outstanding at the end of the year	17,69,94,981	17,69,94,981
(b) Weighted Average number of Equity Shares	17,69,94,981	17,69,75,759

43.2 Diluted Earnings per share

The earnings and weighted average number of equity shares used in the calculation of diluted earnings per share are as follows.

Earnings used in the calculation of basic earnings per share	15,349	25,582
Adjustments	(71)	(142)
Earnings used in the calculation of diluted earnings per share	15,278	25,440

The weighted average number of equity shares for the purposes of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

Weighted average number of equity shares used in the calculation of basic earnings per share	17,69,94,981	17,69,75,759
Shares deemed to be issued for no consideration in respect of - employee options	-	1,29,376
Weighted average number of equity shares used in the calculation of diluted earnings per share	17,69,94,981	17,71,05,135

44. Share based payments

44.1 Employee share option plan of the Holding Company

44.1.1 Details of the employee share option plans of the Holding Company

The Holding Company has share option scheme for executives and senior employees of the Company. As approved by the shareholders at previous annual general meetings, ESOP schemes will be administered by the Nomination and Remuneration committee of the Board of Directors.

Each employee share option converts into one equity share of the Holding Company on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

The following share-based payment arrangement were in existence during the current and prior years

S.No	Description	Date of grant	Number of Options granted	Expiry date	Fair value on the date of grant as per Black Scholes option pricing model	Exercise price
1	Details of options granted	31.08.2007	18,58,200	31.08.2017	29.46	64.80
		29.10.2007	2,32,400	29.10.2017	26.32	75.70
		24.01.2008	4,60,600	28.02.2015	21.98	94.15
		24.04.2008	1,52,200	24.04.2018	24.59	103.60
		28.07.2008	1,30,000	28.07.2018	26.63	92.98
		24.09.2008	3,87,000	31.10.2012	24.11	106.30
		29.10.2008	1,13,600	29.10.2018	30.73	74.95
		20.03.2009	47,800	30.06.2011	32.26	69.13
		28.01.2011	3,29,600	28.01.2021	90.05	225.15
		28.01.2011	36,700	01.04.2014	87.86	225.15
		29.04.2011	41,400	29.04.2015	92.46	240.90
		29.04.2011	34,500	29.04.2015	58.18	240.90
		27.07.2011	1,15,000	27.07.2015	105.80	269.10
		24.10.2011	75,700	24.10.2021	80.86	220.90
		24.10.2011	19,300	30.09.2014	30.21	220.90
		06.02.2017	8,43,220	06.02.2026	107.85	289.50
		06.02.2018	75,420	06.02.2027	125.20	319.45
		06.02.2018	1,36,600	06.02.2026	119.15	319.45
Total			50,89,240			

44.1.2 Fair value of share options granted in a year

A. Grant Registration ID : GT07AUG2018 :-

The weighted average fair value of 18,904 share options granted during the financial year is ₹ 88.84. Options were priced using Black Scholes model of option pricing. Expected volatility is based on the historical share price volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility.. Inputs into the model is as follows.

Particulars	Vest 1	Vest 2	Vest 3
Vest Percent (%)	25%	37.5%	37.5%
Grant date share price	233.75	233.75	233.75
Exercise price	233.75	233.75	233.75
Expected volatility	35.34	34.79	35.01
Expected life	3.51	4.51	5.51
Dividend yield	1.28	1.28	1.28
Risk free interest rate	7.70	7.82	7.90

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

B. Grant Registration ID : GT09NOV2018 :-

The weighted average fair value of 59,300 share options granted during the financial year is ₹ 89.24. Options were priced using Black Scholes model of option pricing. The expected price volatility is based on historical volatility (based on the remaining life of the options) , adjusted for any expected changes to future volatility. Inputs into the model is as follows.

Particulars	Vest 1	Vest 2	Vest 3	Vest 4
Vest Percent (%)	20%	20%	30%	30%
Grant date share price	224.35	224.35	224.35	224.35
Exercise price	224.35	224.35	224.35	224.35
Expected volatility	36.02	35.55	35.62	34.59
Expected life	3.51	4.51	5.51	6.51
Dividend yield	1.34	1.34	1.34	1.34
Risk free interest rate	7.50	7.60	7.67	7.73

44.1.3 Movements in share options during the year

S.No	Particulars	Description	2018-19		2017-18	
			Options (Numbers)	Weighted Average exercise price per option (₹)	Options (Numbers)	Weighted average exercise price per option (₹)
a	Balance at the beginning of the year	Options vested and exercisable	1,70,950	272.58	1,07,368	190.97
		Options unvested	6,63,236	299.07	8,43,220	289.50
		Total	8,34,186	293.64	9,50,588	278.37
b	Options granted during the year		78,204	226.62	2,12,020	319.45
c	Options vested during the year		1,21,732	300.45	1,12,804	289.50
d	Options exercised during the year		-	-	49,222	133.35
e	Options lapsed/cancelled during the year		1,64,752	291.56	2,79,200	289.50
f	Options outstanding at the end of the year	Options vested and exercisable	2,89,154	284.89	1,70,950	272.58
		Options unvested	4,58,484	288.48	6,63,236	299.07
		Total (a+b-d-e)	7,47,638	287.09	8,34,186	293.64

Weighted Average remaining contractual life for option outstanding as at March 31, 2019 was 1944 days (March 31, 2018: 2342 days)

44.1.4. Share options exercised during the year

No share options were exercised during the year. Share options exercised during the year ended March 31, 2018 are as follows:

Grant date	Numbers exercised	Exercise date	Share price at exercise date
31-Aug-07	16,368	29-Aug-17	316.45
23-Oct-17	9,072	11-Oct-17	359.70
24-Oct-11	16,698	18-Aug-17	324.85
24-Apr-08	3,844	09-Jun-17	327
28-Jan-11	3,240	09-Jun-17	327

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

44.2 Employee share option plan of the Coromandel International Limited (subsidiary)

44.2.1 Details of the employee share option plans

Particulars	Employee Stock Option Scheme 2007 (‘ESOP 2007 Scheme’)	Employee Stock Option Scheme 2016 (‘ESOP 2016 Scheme’):
Approval of shareholders	24th July 2007	11th January 2017
Administration	Remuneration and Nomination Committee of the Board of Directors	
Eligibility	The committee determines which eligible employees will receive options	
Number of equity shares reserved under the scheme	1,27,85,976	1,45,81,000
Number of equity shares per option	1	1
Vesting period	1-5 years	1-4 years
Exercise period	Within 6* years from date of vesting	Within 5 years from date of vesting
Exercise Price Determination	Latest available closing market price of the shares on the stock exchange where there is highest trading volume prior to the date of the Remuneration and Nomination Committee approving the grant.	

* In partial modification of the special resolution passed for establishing ESOP 2007, the shareholders in their meeting held on 23 July 2012 decided to approve the extension of the exercise period of options granted under the ESOP 2007 from three years to six years.

Employee Stock Option Scheme 2007 (‘ESOP 2007 Scheme’):

- a) Pursuant to the ESOP 2007 Scheme, the Company granted options which vest over a period of four years commencing from the respective dates of grant. Following are the number of options outstanding during the year:

	For the year ended March 31, 2019		For the year ended March 31, 2018	
	No. of Options	Weighted average exercise price (₹)	No. of Options	Weighted average exercise price (₹)
At the beginning of the year	52,100	287.5	6,61,182	224.81
Granted	-	-	-	-
Exercised	23,700	287.5	6,09,082	219.45
Cancelled	-	-	-	-
Lapsed	-	-	-	-
At the end of the year	28,400	287.5	52,100	287.5

- b) The above outstanding options have been granted in various tranches and have a weighted average remaining life of 0.01 years (2018: 0.02 years). The exercise price of the outstanding options is ₹ 287.5 (2018 - ₹ 44.58 to ₹ 334.35). The weighted average share price during the year is ₹ 436 (2018 - ₹ 460).
- c) Number of options exercisable at the end of the year is 28,400 (2018 - 52,100).

The fair values of the option with modified terms were determined using a Black Scholes’ model. Where relevant, the expected life used in the model has been adjusted based on management’s best estimate for the effects of non-transferability, exercise restrictions, and behavioral considerations. Expected volatility is based on the historical share price volatility over the past 3-4 years.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Following assumptions were used for calculation of fair value of grants:

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Dividend yield (%)	700	700
Expected volatility (%)	0.39-0.47	0.39-0.47
Risk free interest rate (%)	8	8
Expected term (in years)	4 to 6	4 to 6

Employee Stock Option Scheme 2016 ('ESOP 2016 Scheme'):

- a) Pursuant to the ESOP 2016 Scheme, the Company granted options which vest over a period of four years commencing from the respective dates of grant. Following are the number of options outstanding during the year:

Particulars	For the year ended March 31, 2019		For the year ended March 31, 2018	
	No. of Options	Weighted average exercise price (₹)	No. of Options	Weighted average exercise price (₹)
At the beginning of the year	21,28,400	334.32	21,74,500	319.65
Granted*	2,43,620	439.25	1,48,900	529.40
Exercised	1,20,220	319.65	1,05,200	319.65
Cancelled	97,680	319.65	89,800	319.65
Lapsed	-	-	-	-
At the end of the year	21,54,120	347.68	21,28,400	334.32

*the weighted average fair value of options granted during the year is ₹ 173.25 (2018: ₹ 207.85)

- b) The above outstanding options have been granted in various tranches and have a weighted average remaining life of 3.25 years (2018: 4.09 years). The exercise price of the outstanding options range from ₹ 319.65 to ₹ 529.40 (2018: ₹ 319.65 to ₹ 529.40). The weighted average share price during the year is ₹ 436 (2018: ₹ 460)
- c) Number of options exercisable at the end of the year 6,13,820 (2018: 3,11,740).
- d) The fair values of the option were determined using a Black Scholes' model. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions, and behavioural considerations. Expected volatility is based on the historical share price volatility over the past 5-6 years.

Following assumptions were used for calculation of fair value of grants:

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Dividend yield (%)	350 - 650	400 - 500
Expected volatility (%)	0.32 - 0.34	0.32 - 0.34
Risk free interest rate (%)	7.0 - 8.0	7.0 - 7.6
Expected term (in years)	3.5 to 6.5	5 to 6

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 45

SUBSIDIARIES

Details of the Company's subsidiaries at the end of reporting period are as follows:

Name of the Company	Country of incorporation	% of voting power (directly/indirectly) held on	
		March 31, 2019	March 31, 2018
Parry Chemicals Limited (PCHL)	India	60.56	60.59
Parry America Inc. (PAI)	USA	60.56	100.00
Coromandel International Limited (CIL)	India	60.56	60.59
Sabero Europe BV (Sabero Europe)	Netherlands	60.56	60.59
Sabero Australia Pty. Limited (Sabero Australia)	Australia	60.56	60.59
Sabero Organics America Ltda (SOAL)	Brazil	60.55	60.58
Sabero Argentina SA (Sabero Argentina)	Argentina	57.53	57.56
Coromandel Agronegocios de Mexico, S.A de C.V (Coromandel Mexico)	Mexico	60.56	60.59
Parry Infrastructure Company Pvt Limited (PICPL)	India	100.00	100.00
Parrys Investments Limited (PIL)	India	100.00	100.00
Parrys Sugar Limited (PSL)	India	100.00	100.00
CFL Mauritius Limited (CML)	Mauritius	60.56	60.59
Coromandel Brasil Limitada (CBL)	Brazil	60.56	60.59
US Nutraceuticals Inc (USN) (formerly US Nutraceuticals LLC)	USA	100.00	100.00
Parry Sugars Refinery India Private Limited (PSRIPL)	India	100.00	100.00
Parry Agrochem Exports Limited (PAEL)	India	100.00	100.00
Liberty Pesticides and Fertilisers Limited (LPFL)	India	60.56	60.59
Dare Investments Limited (DIL)	India	60.56	60.59
Coromandel International (Nigeria) Limited (CNL)	Nigeria	60.56	-
Alimtec S.A. (ASA)	Chile	100.00	100.00
Parry International DMCC	Dubai	100.00	100.00

In respect of CML, SOAL, Coromandel Mexico, CBL and CNL the financial year is from 1 January 2018 to 31 December 2018 and accordingly audited financial statements are available up to 31 December 2018. These consolidated financial statements have been adjusted by the Management for significant transactions between 1 January and 31 March to align for consolidation purposes.

In respect of Sabero Europe the financial year is from June 01, 2018 to May 31, 2019 however un-audited financial statements for the period April 01, 2018 to March 31, 2019 has been considered for the purpose of preparation of consolidated financial statements.

Note 46

FINANCIAL INFORMATION IN RESPECT OF JOINT VENTURES AND ASSOCIATES THAT ARE NOT INDIVIDUALLY MATERIAL:

a. Joint ventures

₹ in Lakh

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Group's share of profit/ (loss)	25	(60)
Group's share of other comprehensive income	2	-
Group's share of total comprehensive income	27	(60)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
Aggregate carrying amount of the Group's interests in these joint ventures	2,159	1,620

b. Associate

₹ in Lakh

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Group's share of profit/ (loss)	(2)	55
Group's share of other comprehensive income	-	-
Group's share of total comprehensive income	(2)	55

Particulars	As at March 31, 2019	As at April 01, 2018
Aggregate carrying amount of the Group's interests in these associates	929	873

NOTE 47**ACQUISITION IN SUBSIDIARIES**

During the year, Coromandel International Limited has formed a new 100% subsidiary, Coromandel International (Nigeria) Limited, by investing ₹ 23 Lakh.

NOTE 48**Conversion of US NUTRACEUTICALS LLC**

During the year, US Nutraceuticals LLC, a 100% subsidiary, was converted into a US Nutraceuticals Inc with 1000 shares of face value \$1 each.

NOTE 49**EXCEPTIONAL ITEMS**

- During the year ended March 31, 2019, Coromandel International Limited (CIL) has settled a customer claim for damages arising under an international supply agreement in respect of one of its products, and costs related thereto, including incidental legal costs estimated at ₹ 1,990 Lakh has been disclosed as an Exceptional item. CIL is pursuing with its insurers for reimbursement of this claim.
- On January 28, 2019 a fire accident occurred at the crop protection product godown in one of the CIL's manufacturing unit at Sarigam, Gujarat. The damaged caused to the inventories and other assets on account of this fire accident together with costs related thereto estimated at ₹ 395 Lakh has been disclosed as an Exceptional item. CIL is pursuing with its insurers for reimbursement of this claim.
- Exceptional item for the year ended March 31, 2018, represents one-time settlement of additional cane price for sugar season 2013-14 to 2016-17 which was agreed with farmers registered with the Holding Company in Tamilnadu.

NOTE 50**FINANCIAL INSTRUMENTS****50.1 Capital management**

The Group's capital management is intended to maximise the return to shareholders for meeting the long-term and short-term goals of the Group through the optimization of the debt and equity balance.

The Group determines the amount of capital required on the basis of annual and long-term operating plans and strategic investment plans. The funding requirements are met through equity and long-term/short-term borrowings. The Group monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Group.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

The following table summarises the capital of the Company:

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
Equity	4,45,246	4,23,642
Debt *	5,12,462	4,46,994
Cash and cash equivalents	(17,060)	(54,538)
Net debt	4,95,402	3,92,456
Total capital (equity + net debt)	9,40,648	8,16,098
Net debt to capital ratio	0.53	0.48

*Debt = Long term borrowing+short term borrowing+current maturities of long term debt

50.2 Categories of financial instruments

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
Financial assets		
Measured at fair value through profit or loss (FVTPL)		
(a) Mandatorily measured:		
(i) Equity investments	2,796	4,448
(ii) Derivative instruments not designated in hedge accounting relationship	4,901	1,509
Measured at amortised cost		
(a) Cash and bank balances	28,130	66,369
(b) Other financial assets at amortised cost	5,02,053	4,99,345
Measured at FVTOCI		
(a) Investments in equity instruments designated upon initial recognition	35,900	36,083
(b) Derivative instruments designated in hedge accounting relationship	(154)	-
Measured using equity method		
(a) Investments in equity instruments in joint ventures and associate	3,088	2,493
Financial liabilities		
Measured at amortised cost	6,30,423	5,39,225
Measured at FVTPL	5,648	1,623

50.3 Financial risk management objectives

The Group has adequate internal processes to assess, monitor and manage financial risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group seeks to minimise the effects of these risks by using financial instruments such as foreign currency forward contracts, commodity contracts, interest and currency swaps to hedge risk exposures and appropriate risk management policies as detailed below. The use of these financial instruments is governed by the Group's policies approved by the Board of Directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk and the investment of excess liquidity. The Group does not enter into trade financial instruments, including derivative financial instruments, for speculative purposes. .

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Item	Primarily affected by	Risk management policies	Refer
Market risk - currency risk	USD balances and exposure towards trade payables, trade receivables, and long-term borrowings	Mitigating foreign currency risk using foreign currency forward contracts, option contracts and swap contracts.	Note 50.4.1
Market risk - interest rate risk	Change in market interest rates	Maintaining a combination of fixed and floating rate debt; interest rate swaps for long-term borrowings; cash management policies	Note 50.4.2
Market risk - Price risk	Change in prices of commodity and value of equity instruments	Monitoring forecasts of cash flows; diversification of portfolio and commodity futures	Note 50.4.3
Credit risk	Ability of customers or counterparties to financial instruments to meet contractual obligations	Credit approval and monitoring practices; counterparty credit policies and limits; arrangements with financial institutions	Note 50.5
Liquidity risk	Fluctuations in cash flows	Preparing and monitoring forecasts of cashflows; cash management policies; multiple-year credit and banking facilities	Note 50.6

50.4 Market risk

The Group's financial instruments are exposed to market rate changes. The Group is exposed to the following significant market risks:

- Foreign currency risk
- Interest rate risk
- Price risk

Market risk exposures are measured using sensitivity analysis. There has been no change to the Group's exposure to market risks or the manner in which these risks are being managed and measured.

50.4.1 Foreign currency risk management

The Group is exposed to foreign exchange risk on account of following:

1. Exports and imports.
2. Foreign currency borrowings in the form of Foreign Currency Non-Repatriable (B) loans (FCNRB), packing credit etc. availed for meeting its funding requirements

The fluctuation in foreign currency exchange rates may have potential impact on the income statement and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the respective consolidated entities.

The Group has a forex policy in place whose objective is to reduce foreign exchange risk by deploying the appropriate hedging strategies (forward covers and options) and also by maintaining reasonable open exposures within approved parameters depending on the future outlook on currencies.

a. The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities based on gross exposure at the end of the reporting period is as under:

Currency	Liabilities		Assets	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
USD (₹ in Lakh)	5,43,045	4,10,300	45,678	52,695
EURO (₹ in Lakh)	269	44	2,110	416
GBP (₹ in Lakh)	-	-	35	38
INR (₹ In Lakh) *	28,554	31,591	10,357	14,055
AED (₹ In Lakh)	156	-	1,990	-
CLP (₹ in Lakh)	302	313	123	59

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

* Indian Rupee (INR) liabilities and assets relates to Parry Sugars Refinery India Private Limited, whose functional currency is determined as US Dollars and accordingly INR is disclosed as foreign currency

The foreign currency risk on above exposure is mitigated by derivative contracts. The outstanding contracts as at the Balance Sheet date are as follows.

b. Foreign currency forwards and currency and interest rate swaps outstanding as at the Balance Sheet date:

Currency	As at March 31, 2019		As at March 31, 2018	
	Buy	Sell	Buy	Sell
Forward contracts				
i. Cash flow hedges				
USD/INR (₹ in Lakh)	-	12,240	-	79
EURO/INR (₹ in Lakh)	-	-	-	86
ii. Others				
USD/INR (₹ in Lakh)	2,62,035	53,119	1,81,085	85,757
EURO/INR (₹ in Lakh)	-	2,582	-	3,944
AED/INR (₹ in Lakh)	-	852	-	-
Option contracts				
USD/INR (₹ in Lakh)	-	-	43,214	-
Currency and interest rate swaps				
USD/INR (₹ in Lakh)	-	12,920	-	6,275

The forward and option contracts have been entered into to hedge highly probable forecast sale transactions and trade receivables. The swap contracts have been entered into to hedge the currency and interest rate risks on the external commercial borrowings of the Company.

At March 31, 2019, the aggregate amount of gains under forward foreign exchange contracts recognised in other comprehensive income and accumulated in the cash flow hedging reserve relating to the exposure on these anticipated future transactions is Nil (March 31, 2018: ₹ 10 Lakh).

c. Foreign currency sensitivity analysis

The Group is mainly exposed to fluctuations in US Dollar. The following table details the Group's sensitivity to a 10% increase and decrease against the US Dollar on the outstanding balances. 10% is the sensitivity used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only net outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the Rupee strengthens by 10% against the US Dollar. For a 10% weakening against the US Dollar, there would be a comparable impact on the profit or equity.

₹ in Lakh

Currency USD impact on:	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Profit or loss	(14,405)	(10,639)
Other Comprehensive income	(16,957)	(9,257)
Equity	(31,362)	(19,896)

In management's opinion the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of reporting period does not reflect the exposure during the year.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

50.4.2 Interest rate risk management

The Group issues commercial papers, draws working capital demand loans, cash credit, foreign currency borrowings, Packing Credit etc. for meeting its funding requirements.

Interest rates on these borrowings are exposed to change in respective benchmark rates. The Group manages the interest rate risk by maintaining appropriate mix/portfolio of the borrowings..

a. Interest rate swap contract

PSRIPL had entered into a Swap contracts to exchange fixed interest rate in INR to USD fixed rate on agreed notional principal amounts. Such contracts enable the Group to reduce the interest cost. Details of the fixed to fixed interest rate swap is given below.

Particulars	Weighted average interest rate		As at March 31, 2019	As at March 31, 2018
	As at March 31, 2019	As at March 31, 2018	₹ Lakh	₹ Lakh
Fixed Interest Rate Swap carried at FVTPL (Fair value)	3.93%	3.46%	(98.00)	(95.00)

b. Interest rate sensitivity analysis

The sensitivity analysis below has been determined for borrowings assuming the amount of borrowings outstanding at the end of the reporting period was outstanding for the whole year. A 10 basis points increase or decrease in case of foreign currency borrowings and 50 basis points increase or decrease in case of rupee borrowings is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rate had been 10 basis points higher/ lower in case of foreign currency borrowings and 50 basis points higher/ lower in case of rupee borrowings and all other variables were held constant, the Group's profit for the year ended March 31, 2019 would decrease/ increase by ₹ 953 Lakh (March 31, 2018 - ₹ 944 Lakh).

50.4.3 Price risks

a. Commodity price risk

Commodity Price Risk arises from procurement of raw sugar and sale of white sugar by PSRIPL and the consequent exposure to changes in market prices. Exposure to the market prices of the raw sugar procured and white sugar sold is managed through the use of commodity futures and other hedging instruments, including options primarily to convert floating or indexed prices to fixed prices. The use of such contracts to hedge commodity exposures is governed by the Group's risk management policies and continuously monitored by the Trade desk team. Commodity derivatives also provides a way to meet customer's pricing requirements whilst achieving a price structure consistent with the Group's over all pricing strategy.

Some of the PSRIPL's commodity derivatives are treated as hedge of highly probable forecast purchase and sale of raw and white sugar respectively. All other commodity contracts are marked to market through income statement. The impact of hedging activities is set out below:

The table below illustrates the sensitivity of the Group's commodity pricing contracts to the price movement of commodities in respect of trading contracts:

Particulars	Impact in ₹ Lakh (-10% change)		Impact in ₹ Lakh (+10% change)	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Impact on Profit or loss for the year	(452)	993	452	(993)
Impact on Other comprehensive income for the year	7,296	-	(7,296)	-
Impact on Total equity as at end of reporting period	6,844	993	(6,844)	(993)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

b. Equity price sensitivity analysis

The Group is exposed to equity price risks arising from equity investments. Certain of the Group's equity investments are held for strategic rather than trading purposes. The Group also holds certain other equity investments for trading purposes. The sensitivity analyses 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 March 31, 2019 would increase/ decrease by ₹ 359 Lakh (₹ 361 Lakh for the year ended March 31, 2018) as a result of the changes in fair value of equity investments measured at FVTOCI. The impact of change in equity price on profit or loss is not significant.

50.5 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to the customer credit risk management. The Group uses financial information and past experience to evaluate credit quality of majority of its customers and individual credit limits are defined in accordance with this assessment. Outstanding receivables and the credit worthiness of its counterparties are periodically monitored and taken up on case to case basis. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions representing large number of minor receivables operating in independent markets. There is no material expected credit loss based on the past experience. However, the Group assesses the impairment by specific items of trade receivable and creates loss allowance except in Coromandel International Limited provision is created for past due receivables beyond 180 days ranging between 25%-100% after reckoning the underlying collaterals and provides upto 0.50% for receivables less than 180 days on expected credit loss model.

The credit risk on cash and bank balances is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

50.6 Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the contractual maturities of non-derivative financial liabilities including estimated interest payments as at March 31, 2019:

₹ in Lakh

Particulars	Carrying amount	upto 1 year	1-3 year	More than 3 year	Total contracted cash flows
Accounts payable and acceptances	4,85,905	4,89,938	-	-	4,89,938
Borrowings including interest	5,19,894	4,75,048	44,435	9,722	5,29,205
Other financial liabilities	1,09,268	1,09,268	-	-	1,09,268
Total	11,15,067	10,74,254	44,435	9,722	11,28,411

The table below provides details of non-derivative financial assets as at March 31, 2019:

Particulars	Carrying amount
Trade and Subsidy receivables	4,51,435
Other financial assets	1,20,686
Total	5,72,121

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

The table below provides details regarding the contractual maturities of non-derivative financial liabilities including estimated interest payments as at March 31, 2018:

₹ in Lakh

Particulars	Carrying amount	upto 1 year	1-3 year	More than 3 year	Total contracted cash flows
Accounts payable and acceptances	4,64,198	4,65,720	-	-	4,65,720
Borrowings including interest	4,56,074	4,18,394	39,241	8,441	4,79,578
Other financial liabilities	82,500	82,500	-	-	82,500
Total	10,02,772	9,66,614	39,241	8,441	10,27,798

The table below provides details of non-derivative financial assets as at March 31, 2018.

Particulars	Carrying amount
Trade and Subsidy receivables	4,45,569
Other financial assets	1,63,169
Total	6,08,738

The following table details the Company's maturity analysis for its derivative financial instruments. The table has been drawn up based on the undiscounted estimated cash flows determined by reference to the projected market rates at the end of the reporting period. A positive amount represents an anticipated cash inflow and a negative amount represents an anticipated cash outflow.

March 31, 2019

₹ in Lakh

Particulars	Less than 1 year	1-3 year	above 3 years
<u>Net settled</u>			
- foreign exchange forward contracts	(3,622)	41	-
- option contracts	-	-	-
- currency and interest rate swaps	(98)	-	-
- commodity futures	2,778	-	-

March 31, 2018

Particulars	Less than 1 year	1-3 year	above 3 years
<u>Net settled</u>			
- foreign exchange forward contracts	473	10	-
- option contracts	378	-	-
- currency and interest rate swaps	(95)	-	-
- commodity futures	(880)	-	-

50.7 Financial guarantee contract

Coromandel International Limited (CIL), a subsidiary, has provided a sponsor guarantee for USD 41.1 million (proportionate to the shareholding of 15%) towards the borrowings of Tunisian Indian Fertilisers S.A. (TIFERT), a company based in Tunisia, manufacturing phosphoric acid. In March 2017, TIFERT has requested reschedulement of installment due to the lenders and delayed the payment. The same was not agreed to by the Lenders and the acceleration notice was served on TIFERT by lenders on 28 March 2017. The loan installment was immediately paid on 30 March 2017 by TIFERT however, on 4 April 2017 the lenders followed up with call notice on shareholders towards guaranteed amount (CIL's share USD 35.25 million outstanding as on March 31, 2017). CIL along with other shareholders of TIFERT are in discussion with the Lenders to resolve the matter with regard to liquidity situation and operational improvements of TIFERT and also to find a solution for meeting the future debt obligations of TIFERT.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Based on communication exchanged with Lenders and operational improvement initiatives taken by TIFERT, CIL reasonably considers that TIFERT would be in a position to meet the debt obligations and it is unlikely that such an event of payment under guarantee amount will arise. TIFERT has paid the subsequent half-yearly installments that were due in September 2017 and March 2018 as per the payment schedule. The sponsor guarantee was valid upto March 31, 2018. CIL's obligation under this financial guarantee if that amount is claimed by the counterparty to the guarantee is subject to a maximum of ₹ 15,538 Lakh (March 31, 2018: ₹ 17,777 Lakh). Carrying amount of the financial guarantee contract in the books is as under:.

Particulars	As at March 31, 2019	As at March 31, 2018
Financial guarantee contract	-	-

50.8 Financing facilities

The Group has access to financing facilities of which ₹ 3,39,941 Lakh (as at March 31, 2018: ₹ 3,00,757 Lakh) were unused at the end of the reporting period. The Group expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

50.9 Fair value measurements

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation techniques and inputs used):

(₹ in Lakh, unless otherwise stated)

Financial assets / financial liabilities	Fair Value as at*		Fair value hierarchy	Valuation techniques & key inputs used
	As at March 31, 2019	As at March 31, 2018		
1) Foreign currency forward contracts	(3,581)	483	Level 2	Refer Note 3(a)
2) Currency and Interest rate swap contracts	(98)	(95)	Level 2	Refer Note 3(a)
3) Commodity future contracts	2,778	(880)	Level 1	Refer Note 2
4) Option contracts	-	378	Level 2	Refer Note 3(b)
5) Investments in quoted equity instruments at FVTOCI	1,723	2,627	Level 1	Refer Note 2
6) Investments in quoted equity instruments at FVTPL	12	4,087	Level 1	Refer Note 2
7) Investments in unquoted equity instruments at FVTOCI	36,637	33,456	Level 3	Refer Note 4(a) & 4(c)
8) Investments in unquoted equity instruments at FVTPL	324	361	Level 3	Refer Note 4(b)

* Positive value denotes financial asset (net) and negative value denotes financial liability (net).

Notes:

1. There were no transfers between Level 1 and 2 in the period.
2. The Level 1 financial instruments are measured using quotes in active market
3. The following table shows the valuation technique and key input used for Level 2:

Financial Instrument	Valuation Technique	Key Inputs used
(a) Foreign currency forward contracts, currency and interest rate swaps	Discounted Cash Flow	Forward exchange rates, contract forward and interest rates, observable yield curves.
(b) Option contracts.	Black Scholes model	The significant valuation inputs considered are the option exercise price, currency spot rates, tenure, risk-free interest rates and the anticipated volatility in the underlying currency

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

4. The following table shows the valuation technique and key input used for Level 3:

Financial Instrument	Valuation Technique	Key Inputs used	Sensitivity
(a) Investments in unquoted equity instruments at FVTOCI	Market Multiple Approach	Discount for lack of marketability, determined by reference to the share price of listed entities in similar industries, ranging from 30% to 50% (as at March 31, 2018 : 30% to 50%)	A 5% increase/ decrease in the discount for lack of marketability used in isolation would decrease/increase the carrying amount by ₹ 672 Lakh (as at March 31, 2018: ₹ 771 Lakh)
(b) Investments in unquoted venture capital fund at FVTPL	Net Asset Value (NAV) method	The Group uses net asset value (NAV) as reported by the venture capital fund for its valuation purpose.	A 10% increase/ decrease in the value of unquoted investments of the fund would increase/ decrease the carrying amount of investment by ₹ 17 Lakh (March 31, 2018: ₹ 21 Lakh)
(c) Investments in unquoted equity instruments at FVTOCI	Discounted Cash Flow Method	Long-term growth rates, taking into account management's experience and knowledge of market conditions of the specific industries, ranging from 2% (as at March 31, 2018: 2%)	If the long-term growth rates used were 100 basis points higher/lower while all the other variables were held constant, the carrying amount would increase/decrease by ₹ 1,888 Lakh (as at March 31, 2018: ₹ 4,758 Lakh)
		Weighted average cost of capital (WACC) as determined ranging from 12% to 15% (as at March 31, 2018: 12% to 15%)	A 100 basis points increase/decrease in the WACC or discount rate used while holding all other variables constant would decrease/ increase the carrying amount by ₹ 3,049 Lakh (as at March 31, 2018: ₹ 5,508 Lakh)

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Particulars	Fair value hierarchy	As at March 31, 2019		As at March 31, 2018	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial assets					
Financial assets at amortised cost:					
- Trade receivables	Level 2	2,07,187	2,07,187	1,82,883	1,82,883
- Cash and cash equivalents	Level 2	17,060	17,060	54,538	54,538
- Bank balances other than cash and cash equivalents	Level 2	11,070	11,070	11,831	11,831
- Loans	Level 2	44,405	44,364	42,777	42,673
- Government subsidies receivable	Level 2	2,44,248	2,44,248	2,62,686	2,62,686
- Other financial assets	Level 2	6,367	6,367	10,999	10,999
Particulars	Fair value hierarchy	As at March 31, 2019		As at March 31, 2018	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities					
Financial liabilities at amortised cost:					
Borrowings	Level 2	5,22,962	5,21,518	4,56,074	4,56,522
Trade payables	Level 2	4,85,905	4,85,905	4,64,198	4,64,198
Other financial liabilities	Level 2	1,06,200	1,06,200	82,500	82,500

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1. In case of trade receivables, cash and cash equivalents, trade payables, short term borrowings and other financial assets and liabilities it is assessed that the fair values approximate their carrying amounts largely due to the short-term maturities of these instruments.
2. The fair values of the financial assets and financial liabilities included above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties. .

Reconciliation of Level 3 fair value measurements for the year ended March 31, 2019:

Particulars	Investments in unquoted equity instruments at FVTOCI	Investments in unquoted venture capital fund at FVTPL	Total
Opening balance	33,456	361	33,817
Total gains or losses:			
- in profit or loss	-	(23)	(23)
- in other comprehensive income	(1,069)	-	(1,069)
Exchange differences	-	-	-
Purchases	1,790	-	1,790
Sold	-	(14)	(14)
Closing balance	34,177	324	34,501

Reconciliation of Level 3 fair value measurements for the year ended March 31, 2018:

Particulars	Investments in unquoted equity instruments at FVTOCI	Investments in unquoted venture capital fund at FVTPL	Total
Opening balance	42,413	414	42,827
Total gains or losses:			
- in profit or loss	-	71	71
- in other comprehensive income	(10,510)	-	(10,510)
Exchange differences	(56)	-	(56)
Purchases	1,609	16	1,625
Sold	-	(140)	(140)
Closing balance	33,456	361	33,817

NOTE 51

CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

₹ in Lakh

Particulars	As at March 31, 2019	As at March 31, 2018
a. Commitments		
i. Capital expenditure commitment	14,053	6,039
ii. Commitment towards investment	316	338
iii. Maximum obligation on long term lease of land	2,785	2,742
b. Other monies for which the Group is contingently liable		
i. Letters of Credit and Bank Guarantees established for Purchases of Raw Materials, Spares and Capital Goods / Supply of Goods	10,499	74,265
ii. Income tax demands which are under various stages of appeal. (refer note 51.3)	8,725	7,785
iii. Claims against the Group for Sales tax, Excise Duty and others including Industrial Disputes (refer note 51.3)	5,799	10,245
iv. Cane price (Refer Note 51.1)	309	2,613

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Particulars	As at March 31, 2019	As at March 31, 2018
v. Certain Industrial Disputes are pending before Tribunal / High Courts. The liability of the Group in respect of these disputes depends upon the final outcome of such cases and the quantum of which is not currently ascertainable.		
vi. Other claims against the Group not acknowledged as debts	6,010	1,943

51.1 The Tamilnadu Government declared State Advisory Price (SAP) for the sugar year 2013-14, 2014-15 and 2015-16. The Company has challenged the right of State Government to declare the SAP in the Hon'ble High Court of Madras. The matter is subjudice.

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

51.3 The Income Tax Department/Commercial Tax Department/Central Excise and Service Tax and GST Authority has filed appeal against the favorable order passed by lower forum in favor of the Company in appropriate appellate forum to the extent of ₹ 6,468 Lakh. It is expected that there will not be any outflow of economic resources embodying economic benefits. Hence, no provision is considered necessary against the same.

51.4 Coromandel International Limited (CIL), a subsidiary of the Company, has received a Product Liability claim from a customer in respect of contamination in the product exported during the year. The amount of the claim is not mentioned in the claim document. Discussions have been initiated with the customer to determine the amount and consequently no provision towards the said claim has been made as at the Balance Sheet date. CIL carries product liability insurance and has intimated the insurance company of receipt of such claim.

Note 52

RELATED PARTY DISCLOSURE FOR THE YEAR ENDED MARCH 31, 2019

(a) Investing Party and its Group

- i) Ambadi Investments Ltd (Investing Party)
- ii) Parry Enterprises India Limited
- iii) Parry Agro Industries Limited

(b) Joint Venture Entities

- i) Coromandel Getax Phosphates Pte Ltd
- ii) Coromandel SQM India Pvt Limited
- iii) Yanmar Coromandel Agrisolutions Private Limited
- iv) Algavista Greentech Private Limited

(c) Associate Entities

- i) Labelle Botanics LLC
- ii) Sabero Organics Philippines Asia Inc.,

(d) Others related parties

- i) Parry Group Staff Provident Fund
- ii) Coromandel Engineering Limited
- iii) EID Parry Executive Staff Pension and Assurance scheme
- iv) Parry Group Gratuity Fund

(e) Key Management Personnel

- i) Mr. S. Suresh, Managing Director

(f) Private company in which Company's Directors are Directors

- i) Cavinkare Private Limited

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

₹ in Lakh

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
i) Sale of Finished Goods / Raw Materials / Services		
Coromandel SQM India Private Limited	270	207
Parry Enterprises India Limited	-	98
Parry Agro Industries Limited	2	52
Algavista Greentech Private Limited	24	-
CavinKare Private Limited	1,657	1,286
ii) Purchase of Finished Goods and Services		
Coromandel SQM India Private Limited	3,718	3,078
Labelle Botanic LLC	4,760	4,400
Parry Enterprises India Limited	1,621	1,650
Yanmar Coromandel Agrisolutions Private Limited	-	2
iii) Purchase of Assets and Spare Parts		
Yanmar Coromandel Agrisolutions Private Limited	28	257
iv) Receipt of services		
Sabero Philippines	10	10
Yanmar Coromandel Agrisolutions Private Limited	2	-
Parry Enterprises India Limited	326	-
v) Rendering of services		
Parry Enterprises India Limited	73	57
Parry Agro Industries Limited	40	37
Coromandel Engineering Company Limited	25	-
Algavista Greentech Private Limited	52	-
Coromandel SQM India Private Limited	16	16
vi) Expenses Reimbursed by		
Coromandel SQM India Private Limited	5	4
Yanmar Coromandel Agrisolutions Private Limited	1	-
Parry Enterprises India Limited	1	1
vii) Payment of Dividend		
Ambadi Investments Limited	4,083	-
viii) Investment made		
Equity shares of Algavista Greentech Private Limited	660	-
ix) Deposit paid and received back		
Coromandel SQM India Private Limited	*	*
x) Employee related Contribution		
Parry Group Staff Provident Fund	216	102
EID Parry Executive Staff Pension and Assurance Scheme	335	335
xi) Sale of Capital goods - Land		
Algavista Greentech Private Limited	300	-

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
xii) Closing Balances - Debit / (Credit)		
Coromandel SQM India Private Limited	(349)	(636)
Yanmar Coromandel Agrisolutions Private Limited	(13)	(53)
Labelle Botanic LLC	541	(265)
Parry Agro Industries Limited	(15)	(15)
Parry Group Staff Provident Fund	1	102
Sabero Philippines	6	6
CavinKare Private Limited	97	55
Algavista Greentech Private Limited	14	-
EID Parry Executive Staff Pension and Assurance scheme	335	335
Parry Enterprises India Limited	(148)	(59)

NOTE 53.**DISCLOSURE OF ADDITIONAL INFORMATION AS REQUIRED BY THE SCHEDULE III**

a) As at and for the year ended March 31, 2019

₹ Lakh

Name of the entity in the Group	Net Asset		Share in Profit or Loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Holding Company								
E.I.D.Parrry (India) Limited	21%	91,645	-45%	(19,848)	93%	1,682	-39%	(18,166)
Subsidiaries - Indian								
Coromandel International Limited	45%	1,99,159	98%	43,234	36%	655	96%	43,889
Liberty Pesticides and Fertilisers Limited (LPFL)	*	161	*	7	-	-	*	7
Parrry Chemicals Limited (PCL)	*	980	*	11	-	-	*	11
Dare Investments Limited (DIL)	*	399	*	(1)	-13%	(229)	-1%	(230)
Parrry Infrastructure Company Private Limited	*	1,777	*	34	-23%	(426)	-1%	(392)
Parrrys Sugar Limited	*	313	*	14	-	-	*	14
Parrrys Investments Limited	*	322	*	11	2%	29	*	40
Parrry Agrochem Exports Limited	*	30	*	1	-	-	*	1
Parrry Sugars Refinery India Private limited	1%	3,199	-21%	(9,287)	225%	4,104	-11%	(5,183)
Subsidiaries - Foreign								
Sabero Organics America S.A.	*	77	*	(25)	-1%	(11)	*	(36)
Sabero Australia Pty Ltd, Australia	*	-	*	4	-	-	*	4
Sabero Europe B.V.	*	(5)	*	(1)	-	-	*	(1)
Sabero Argentina S.A.	*	7	*	11	*	(5)	*	6
Coromandel Agronegocios de Mexico, S.A de C.V (Coromandel Mexico)	*	71	*	15	*	1	*	16
Coromandel International (Nigeria) Limited	*	7	*	(6)	*	(1)	*	(7)
Parrry America Inc	*	1,416	1%	337	4%	73	1%	410
CFL Mauritius Limited	*	122	*	(17)	-163%	(2,957)	-7%	(2,974)
Coromandel Brasil Limitada, Limited Liability Partnership	*	(44)	*	12	*	6	*	18
US Nutraceuticals Inc	2%	6,754	*	(127)	31%	554	1%	427
Alimtec S.A.	1%	2,224	1%	416	-7%	(136)	1%	280
Parrry International DMCC	*	1,761	1%	564	5%	83	1%	647

Name of the entity in the Group	Net Asset		Share in Profit or Loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Joint Ventures - Indian								
Coromandel SQM (India) Private Limited	*	750	*	43	-	-	*	43
Yanmar Coromandel Agrisolutions Private Limited	*	283	*	8	*	1	*	9
Algavista Greentech Private Limited	*	453	*	(59)	-	-	*	(59)
Joint Ventures - Foreign								
Coromandel Getax Phosphates Pte Ltd.,	-	-	-	-	-	-	*	-
Associate - Foreign								
Labelle Botanics LLC	*	929	*	(2)	-	-	*	(2)
Non-controlling interest								
	30%	1,32,456	65%	28,416	-89%	(1,607)	59%	26,809
Total	100%	4,45,246	100%	43,765	100%	1,816	100%	45,581

* represents less than 1% or ₹ 1 Lakh

54. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved for issue by the Board of Directors on May 08, 2019.

In terms of our report attached

For Price Waterhouse Chartered accountants LLP

Firm Registration Number: 012754N/N500016

Chartered Accountants

S. Suresh

Managing Director

DIN 06999319

For and on behalf of the Board of Directors

V.Ravichandran

Chairman

DIN 00110086

Subramanian Vivek

Partner

Membership No :100332

New Delhi

Date: May 08, 2019

Biswa Mohan Rath

Company Secretary

Chennai

Date: May 08, 2019

S Rameshkumar

Chief Financial Officer



murugappa

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