



May 28, 2021

BSE Limited
Floor 25, P.J. Towers,
Dalal Street,
Mumbai - 400 001
BSE scrip Code: 534742

National Stock Exchange of India Ltd,
Exchange Plaza, 5th floor,
Bandra-Kurla Complex,
Bandra (E).
Mumbai - 400 051
NSE Symbol: ZUARI

Dear Sirs,

Sub: Outcome of the Board Meeting under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

With reference to the above subject, we hereby inform you that the Board of Directors at its meeting held today, i.e. 28th May, 2021, inter alia has considered and approved the following:

1. Audited Standalone and Consolidated Financial Results for the quarter and year ended 31st March, 2021.

Audited Standalone and Consolidated Financial Results for the Financial Year ended 31st March, 2021 and copies of the Audit Reports as submitted by the Auditors of the Company on Standalone and Consolidated Financial Results is enclosed as **Annexure- A**.

2. Conversion of Rs.350 crores receivable from Zuari Farmhub Limited (balance purchase consideration pursuant to Business Transfer Agreement dated 31st March, 2020) into 3,50,000 Compulsorily Convertible Debentures (CCDs) of Rs. 10,000 each, which shall rank pari passu with the existing 4,35,560 CCDs of Rs. 10,000 each (aggregating to Rs. 435.56 crores) which were allotted by Zuari Farmhub Limited as part settlement of total purchase consideration of Rs.785.56 crores, as per the Business Transfer Agreement dated 31st March, 2020.
3. Convening of the Extraordinary General Meeting of the Company through Video Conferencing Mode on 23rd June, 2021 pursuant to section 100(2) of the Companies Act, 2013 based on the the requisition received from Finquest Financial Solutions Pvt. Ltd and other shareholders (holding 10.69% of shares of the Company).
4. Waiver of recovery of excess remuneration paid to Mr. Sunil Sethy, Managing Director for the financial year 2020-21, subject to approval of the shareholders.

Thanking You,

Yours Faithfully,
For Zuari Agro Chemicals Limited

Vijayamahantesh Khannur
Company Secretary

Encl: As above

ZUARI AGRO CHEMICALS LIMITED

CIN No.: L65910GA2009PLC006177

Registered Office: Jaikisaan Bhawan, Zuarinagar, Goa - 403 726, India.

Tel: +0832 2592180, 2592181, 6752399

www.zuari.in

ZUARI AGRO CHEMICALS LIMITED
 Regd. Office: Jai Kisaan Bhawan, Zuarinagar, Goa -403 726, CIN -L65910GA2009PLC006177
STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2021

S. No	Particulars	STANDALONE					CONSOLIDATED					(INR in Crore)		
		3 months ended		3 months ended		Year ended		3 months ended		3 months ended			Year ended	
		31/03/2021		31/12/2020		31/03/2021		31/03/2020		31/03/2021			31/03/2020	
		(Refer Note 19 below)		(Refer Note 19 below)		(Refer Note 19 below)		(Refer Note 19 below)		(Refer Note 19 below)			(Refer Note 19 below)	
	Audited	Unaudited	Audited	Audited	Audited	Audited	Audited	Unaudited	Audited	Audited	Audited	Audited		
1	Continuing operations													
	Revenue													
	(a) Revenue from operations	-	-	1.52	0.11	50.25	659.18	381.44	602.98	2,403.74	3,042.06			
	(b) Other income	25.63	9.15	19.91	49.54	58.73	27.05	13.47	22.52	62.45	42.79			
	Total income	25.63	9.15	21.46	49.65	108.98	686.23	394.91	625.50	2,466.19	3,084.85			
2	Expenses													
	(a) Cost of raw material and components consumed	-	-	1.31	-	29.05	298.86	195.85	344.86	1,110.17	1,543.27			
	(b) Purchases of traded goods	-	-	-	-	-	47.20	118.25	36.76	412.31	293.95			
	(c) Changes in inventories of finished goods, traded goods and work-in-progress	-	-	0.51	0.10	9.55	43.10	(65.12)	44.84	24.68	282.97			
	(d) Employee benefits expense	0.87	0.96	2.74	4.38	7.10	17.95	30.68	24.27	98.09	99.33			
	(e) Depreciation and amortisation expense	0.88	0.89	4.55	3.67	7.56	20.56	16.18	22.02	67.96	67.80			
	(f) Finance costs	16.93	33.31	44.43	118.35	156.91	29.99	52.16	63.41	200.45	278.16			
	(g) Other expenses	6.97	1.46	27.29	24.64	71.34	204.66	74.05	180.52	552.73	691.60			
	Total expense	25.65	36.62	80.83	151.14	281.54	662.32	422.05	716.68	2,466.39	3,257.08			
3	Profit / (loss) before exceptional items and tax from continuing operations (1-2)	(0.02)	(27.47)	(59.37)	(101.49)	(172.56)	23.91	(27.11)	(91.18)	(0.20)	(172.23)			
4	Exceptional items (Refer Note 5)	-	-	698.97	-	698.97	-	-	-	86.74	82.18			
5	Share of profit of Joint venture	-	-	-	-	-	0.13	23.24	46.34	-	-			
6	Profit / (loss) before tax from continuing operations (3+4+5)	(0.02)	(27.47)	639.60	(101.49)	526.41	24.04	(3.90)	(44.84)	86.54	(90.05)			
7	Tax expense / (credit)	-	-	-	-	-	5.09	0.07	2.78	19.55	16.15			
	(a) Current tax	-	-	-	-	-	5.09	0.07	2.78	19.55	16.15			
	(b) Deferred tax charge / (credit)	-	-	180.12	-	198.78	4.15	0.19	163.08	18.01	194.07			
	Income tax expense / (credit)	-	-	180.12	-	198.78	9.24	0.26	165.86	37.46	210.22			
8	Profit / (loss) for the period / year from continuing operations (6-7)	(0.02)	(27.47)	459.48	(101.49)	327.63	14.80	(4.16)	(211.70)	48.08	(300.27)			
9	(Loss) for the period / year from discontinued operations (Refer Note 5 below)	(2.26)	(31.67)	(185.25)	(135.63)	(686.36)	(16.82)	(41.83)	(144.56)	(174.31)	(645.96)			
10	Tax (income) / expense of discontinued operations (Refer Note 5 below)	-	-	45.72	-	(169.46)	-	-	(49.95)	-	(173.69)			
11	(Loss) for the period / year from discontinued operations (Refer Note 5 below) (9-10)	(2.26)	(31.67)	(139.53)	(135.63)	(516.90)	(16.82)	(41.83)	(94.61)	(174.31)	(472.27)			
12	(Loss) for the period (8 + 11) (a)	(2.28)	(59.14)	319.95	(237.12)	(189.27)	(2.02)	(45.99)	(305.31)	(126.23)	(777.54)			
13	Other Comprehensive income / (loss) (net of tax)													
	A Items that will not be reclassified to profit or loss													
	Re-measurement gains / (losses) on defined benefit plans	0.47	0.02	0.00	0.53	0.16	1.08	(1.10)	0.90	1.31	0.40			
	Income tax relating to items that will not be reclassified to profit or loss	-	-	0.00	-	(10.04)	(0.21)	(0.03)	(0.31)	(0.27)	(0.12)			
	Net (loss)/gain on FVTOCI financial instruments	4.03	3.19	(2.19)	10.93	(17.51)	4.02	3.20	(2.19)	10.93	(17.51)			
	Income tax relating to items that will not be reclassified to profit or loss	-	-	1.08	-	7.82	-	-	1.08	-	7.82			
	Share of OCI of Joint ventures	-	-	-	-	-	0.15	(0.17)	0.83	0.28	(1.22)			
	B Items that will be reclassified to profit or loss													
	Exchange differences on translation of foreign operations	-	-	-	-	-	0.01	0.03	(3.93)	0.07	(0.13)			
	Total Other Comprehensive Income / (loss) (b)	4.50	3.21	(1.11)	11.46	(9.57)	5.05	3.13	(4.42)	12.32	(10.66)			
14	Total Comprehensive Income / (loss) for the period / year (a+b)	2.22	(55.93)	318.84	(225.66)	(198.84)	3.03	(42.86)	(309.73)	(113.91)	(783.20)			
15	Profit attributable to:													
	Owners of the equity						(8.79)	(46.36)	(316.29)	(157.08)	(802.22)			
	Non-controlling interest						6.77	0.37	10.98	30.85	29.68			
	Other comprehensive income attributable to:													
	Owners of the equity						4.87	3.11	(4.69)	12.09	(10.73)			
	Non-controlling interest						0.18	0.02	0.27	0.23	0.07			
	Total comprehensive income attributable to:													
	Owners of the equity						(3.92)	(43.25)	(320.98)	(144.99)	(812.95)			
	Non-controlling interest						6.95	0.39	11.25	31.08	29.75			
16	Paid-up Equity Share Capital (face value INR 10/- per share)	42.06	42.06	42.06	42.06	42.06	42.06	42.06	42.06	42.06	42.06			
17	Other Equity as per balance sheet of previous accounting year						74.98				299.13			
18	Earnings / (Loss) per share of INR (0/- each) (not annualised):													
	(a) Basic and diluted EPS from continuing operations (INR)	(0.00)	(6.53)	109.21	(24.13)	77.90	1.91	(1.07)	(52.70)	-1.10	(78.45)			
	(b) Basic and diluted EPS from discontinued operations (INR)	(0.54)	(7.53)	(33.17)	(32.25)	(122.90)	(4.00)	(9.95)	(22.50)	(41.45)	(112.28)			
	(c) Basic and diluted EPS from continuing and discontinued operations (INR)	(0.54)	(14.06)	76.04	(56.38)	(45.00)	(2.09)	(11.02)	(75.21)	(37.35)	(190.73)			



ZUARI AGRO CHEMICALS LIMITED

Regd. Office: Jai Kisaan Bhawan, Zuarinagar, Goa -403 726, CIN -L65910GA2009PLC006177

STATEMENT OF ASSETS AND LIABILITIES

(INR in Crores)

	Standalone		Consolidated	
	As at March 31, 2021 (Audited)	As at March 31, 2020 (Audited)	As at March 31, 2021 (Audited)	As at March 31, 2020 (Audited)
Assets				
Non-current assets				
(a) Property, plant and equipment	76.46	487.63	1,313.26	1,739.85
(b) Capital work-in-progress	-	121.19	78.26	167.66
(c) Investment property	3.62	3.62	3.62	3.62
(d) Intangible assets	-	1.72	114.46	119.00
(e) Investments in a joint venture	-	-	924.39	837.37
(f) Financial assets				
(i) Investments	1,183.82	1,174.53	27.22	17.93
(ii) Loans	2.61	3.64	9.15	15.58
(iii) Others	0.09	0.03	0.57	0.57
(g) Deferred tax assets (net)	67.41	67.41	67.41	67.41
(h) Other non-current assets	6.09	6.40	123.17	90.61
(i) Income tax assets (net)	11.16	47.39	11.16	47.62
	1,351.26	1,913.56	2,672.67	3,107.22
Current assets				
(a) Inventories	2.57	253.41	221.56	548.65
(b) Financial assets				
(i) Investments	-	-	0.01	0.01
(ii) Trade receivables	0.01	821.05	453.93	2,219.32
(iii) Cash and cash equivalents	56.26	51.92	427.32	265.04
(iv) Bank balances other than (iii) above	131.71	40.85	181.61	58.55
(v) Loans	0.87	3.08	0.11	1.27
(vi) Others	351.14	411.77	21.90	86.79
(c) Other current assets	23.09	160.57	100.09	275.60
	565.65	1,742.65	1,406.53	3,455.23
Assets held for sale	1,311.77	0.05	1,292.66	0.05
	1,877.42	1,742.70	2,699.19	3,455.28
Total assets	3,228.68	3,656.26	5,371.86	6,562.50
Equity and liabilities				
Equity				
(a) Equity share capital	42.06	42.06	42.06	42.06
(b) Other equity	(150.69)	74.98	154.14	299.13
Equity attributable to equity holders of the parent company			196.20	341.19
(c) Non-controlling interests	-	-	442.58	414.20
Total equity	(108.63)	117.04	638.78	755.39
Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	393.50	288.55	594.45	565.63
(ii) Others	-	0.23	1.01	2.99
(b) Provisions	0.57	0.57	17.64	15.04
(c) Deferred tax liabilities (net)	-	-	27.88	8.69
(d) Other non-current liabilities	-	0.96	0.51	1.64
	394.07	290.31	641.49	593.99
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	195.00	1,056.27	853.72	2,268.05
(ii) Trade payables	-	-	-	-
a) total outstanding dues of micro enterprises and small enterprises	-	2.70	12.68	7.80
b) total outstanding dues of creditors other than micro enterprises and small enterprises	35.93	1,395.07	395.67	1,958.64
(iii) Others	353.03	708.85	542.92	858.30
(b) Other current liabilities	8.40	64.21	24.23	82.75
(c) Liabilities for current tax (net)	-	-	1.95	-
(d) Provisions	0.96	21.81	11.30	37.58
	593.32	3,248.91	1,842.47	5,213.12
Liabilities directly associated with the assets held for sale	2,349.92	-	2,249.12	-
Total liabilities	3,337.31	3,539.22	4,733.08	5,807.11
Total equity and liabilities	3,228.68	3,656.26	5,371.86	6,562.50



ZUARI AGRO CHEMICALS LIMITED

Regd. Office: Jai Kisan Bhawan, Zuarinagar, Goa -403 726, CIN - L65910G.A2009PLC006177
STATEMENT OF AUDITED CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2021

(INR in Crores)

	Standalone		Consolidated	
	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2021	For the year ended 31 March 2020
A				
Cash flow from operating activities:				
(Loss) before tax from continuing operations	(101.49)	526.41	86.54	(90.05)
(Loss) before tax from discontinued operations	(135.63)	(686.36)	(174.31)	(645.96)
Share of (profit) of a joint venture partner	-	-	(86.74)	(82.18)
Adjustments to reconcile loss before tax to net cash flows:				
Depreciation of property, plant and equipment	41.95	57.34	102.72	102.66
Amortisation of intangible assets	0.88	4.69	4.40	7.96
Profit on slump sale	-	(698.97)	-	-
Loss / (profit) on disposal of property, plant and equipment (net)	(7.18)	(4.35)	(4.04)	2.81
Excess provision / unclaimed liabilities / unclaimed balances written back	(37.05)	(12.46)	(11.07)	(12.46)
Bad debts, claims and advances written off	-	46.68	18.81	46.68
Provision for doubtful debts, claims and advances	6.84	123.09	17.85	135.67
Subsidy claims written off	1.88	1.57	1.88	1.57
Incentive under packing scheme incentive	-	(0.17)	(0.17)	(0.17)
Deferred Income	(0.30)	1.26	(0.30)	1.26
Unrealized foreign exchange fluctuation loss	10.88	32.08	2.31	33.99
Interest expense	309.28	398.66	367.06	475.75
Interest income	(10.64)	(3.40)	(19.68)	(13.29)
Dividend income	(3.24)	(28.90)	(0.04)	(0.02)
Operating profit/ (loss) before working capital adjustments	76.18	(242.83)	305.22	(35.78)
Working capital adjustments :				
(Decrease) / increase in provisions	(1.04)	1.96	(3.31)	1.71
(Decrease) / increase in trade payables and other liabilities	(40.13)	(146.73)	(271.76)	(123.36)
Decrease / (increase) in trade receivables	436.44	1,445.95	1,369.78	1,567.74
Decrease / (increase) in inventories	26.91	931.22	104.79	1,216.63
Decrease / (increase) in other assets and financial assets	(10.62)	77.40	(7.26)	25.89
(Decrease) / increase in loans and advances	0.80	(7.57)	4.77	(9.21)
	412.36	2,302.23	1,197.01	2,679.40
Less : Income tax paid (net of refunds)	36.23	5.59	18.86	(8.32)
Net cash flow from operating activities (A)	524.77	2,065.00	1,521.08	2,635.31
B				
Cash flow from investing activities:				
Purchase of property, plant and equipment, including intangible assets, capital work in progress and capital advances	(17.19)	(20.26)	(79.96)	(85.81)
Proceeds from sale of property, plant and equipment	7.69	6.59	8.06	6.59
Purchase of non-current investments	-	(0.01)	-	(0.00)
Proceeds from sale of non-current investment	1.64	0.00	1.64	-
Investment in bank deposits (having original maturity of more than 3 months)	(90.96)	(10.46)	(123.68)	(20.38)
Interest received	12.32	51.40	23.11	61.10
Dividend received	3.24	28.90	0.04	22.50
Net cash flow from/ (used in) investing activities (B)	(83.26)	56.16	(170.79)	(16.00)
C				
Cash flow from financing activities:				
Proceeds from long term borrowings	120.00	273.50	125.12	278.65
(Repayment) of long term borrowings	(138.63)	(407.78)	(290.06)	(462.12)
(Repayment) of lease liability	(2.11)	(12.25)	(8.22)	(15.05)
Proceeds from short term borrowings	215.25	249.32	215.25	249.32
(Repayment) of short term borrowings	(350.57)	(1,865.62)	(894.12)	(2,046.99)
Tax on equity dividend paid	-	-	(2.73)	(5.45)
Dividend distribution tax paid	-	-	-	(1.12)
Interest paid	(281.11)	(313.50)	(333.25)	(401.40)
Net cash flow (used in) financing activities (C)	(437.17)	(2,076.33)	(1,188.01)	(2,404.16)
D				
Net increase/ (decrease) in cash and cash equivalents (A + B + C)	4.34	44.83	162.28	215.15
Cash and cash equivalents at the beginning of the year	51.92	7.09	265.04	49.89
Cash and cash equivalents at the year end	56.26	51.92	427.32	265.04
	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2021	For the year ended 31 March 2020
Balances with banks				
- On current accounts	22.98	48.30	61.78	66.87
- On cash credit accounts	33.27	3.60	33.27	3.60
- Deposits with original maturity of less than 3 months	-	-	332.25	194.52
Cash on hand	0.01	0.02	0.02	0.05
Cash and cash equivalents	56.26	51.92	427.32	265.04



Notes:

1. The above audited standalone financial results and consolidated financial results have been prepared in accordance with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules 2015, as amended, from time to time.
2. The consolidated financial results comprise the financial results of the Company and its subsidiaries, herein after referred to as "the Group" including its Joint Venture (including Joint Venture's Subsidiary and Associate) as mentioned below:

1	Zuari Agro Chemicals Limited (ZACL)
Subsidiaries	
2	Mangalore Chemicals and Fertilizers Limited (MCFL)
3	Adventz Trading DMCC (ATD)
4	Zuari Farmhub Limited (ZFL)
Joint Venture	
5	Zuari Maroc Phosphates Private Limited (ZMPPL) Paradeep Phosphates Limited (PPL) (subsidiary of ZMPPL) Zuari Yoma Agri Solutions Limited (ZYASL) (associate of PPL)

3. These audited standalone and consolidated financial results for the quarter and year ended on March 31, 2021 have been reviewed by the Audit Committee and taken on record by the Board of Directors of the Company in their respective meetings held on May 28, 2021. The Statutory Auditors have conducted the audit of these results in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and have expressed unqualified report on the above results.
4. The Company is engaged in the manufacture, distribution, import and sale of Urea, DAP and various grades of NPK fertilizers under the "Jai kisaan" brand for more than 5 decades. In Q4 of FY19 and Q1 of FY20, due to significant delays in receipt of Government Subsidies, drought like situation in key marketing areas led to deterioration of the Company's liquidity position along-with elongation of the working capital cycle and also a built up of high-priced inventory. The Company was unable to pass on the increase in the prices of the raw materials to the farmers which contributed to operating losses, cash flow mismatch and reduced financial flexibility leading to the Company having a net current liability position of INR 1,557.61 crores as March 31, 2021 (INR 1,506.27 crores as at March 31, 2020) before considering the effect of the business transfer agreement as explained in Note 5(i). These factors adversely impacted Company's cash flows, debt position, recall of borrowings by certain lenders, downgrading of rating to ICRA D and prolonged shutdown of its plants for different periods during the earlier periods.

With optimal working capital liquidation/ realization and in agreement with lenders on the resolution plan, the Company had cleared all the overdues with Banks / Financial Institutions and have reduced its borrowings and all debt accounts are standard with the lenders. All these helped the Company upgrading its credit ratings to ICRA B stable in April 2020 which though shifted to Credit rating ICRA B placed under watch in July 2020.

During the year, Ammonia and Urea plant operated at normal levels except for a temporary period when plants operated at lower load due to disruption in bagging operations due to COVID-19 pandemic. Further, operations of NPK A plant were intermittently closed during the year and at NPK B plant operations resumed from the end of October 2020, which was primarily due to non-availability of raw materials.

The above factors/events indicate that there is a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. As described in Note 5(i), the Company has entered into a Business Transfer Agreement with a group company (PPL) for transfer of its fertilizer plant at Goa and associated businesses of the Company as a going concern on a slump sale basis and against which an advance equivalent to 30% of the



consideration has been approved by the Board of PPL to be paid to the Company after adjusting amount receivable from the Company. The Company is also undertaking various steps to continue operations at its fertilizer plant and discussions with lenders for funding as required based on available credit limits. A combination thereof and resultant future cash flow projections, the management of Company believes that the Company will be able to realise its assets and discharge its liabilities and material uncertainty on the Company's ability to continue as a going concern will be addressed.

5. (i) Pursuant to board approval dated February 22, 2021, the Company entered into a Business Transfer Agreement (BTA) dated March 01, 2021 with Paradeep Phosphates Ltd (PPL), subsidiary of ZMPPL, a joint venture company (the Company and OCP S.A. hold 50% each of the total equity capital of ZMPPL and ZMPPL holds 80.45% of the share capital of PPL) to transfer its fertilizer plant at Goa and associated businesses as going concern on a slump sale basis for an agreed enterprise value of INR 2,052.25 crores (converted basis the enterprise value of USD 280 million as per the BTA).

The effect of the transfer will be reflected in the financial information/statements of the period in which the deal is consummated post receipt of all requisite regulatory approvals. The long stop date as per the BTA is June 30, 2021 however, it is expected to be consummated in the second quarter of financial year 2021-22.

As required by Ind-AS 105 "Asset Held for Sale and Discontinued Operations" the disclosure of the impact of the above mentioned BTA as discontinued operations is as follows:

(INR in crores)

Particulars	3 months ended 31/03/2021	3 months ended 31/12/2020	3 months ended 31/03/2020	12 months ended 31/03/2021	12 months ended 31/03/2020
Total Income	815.20	569.04	401.86	2,245.49	1,971.22
Total expense	817.46	600.71	569.61	2,381.12	2,654.22
Profit/(loss) for discontinued operations before tax the year	(2.26)	(31.67)	(167.75)	(135.63)	(683.00)
Tax charge including deferred tax pertaining to discontinued operations	-	-	41.40	-	168.63
Profit/(loss) for discontinued operations	(2.26)	(31.67)	(126.35)	(135.63)	(514.37)

- (ii) During the previous year pursuant to board approval obtained on February 5, 2020 and vide Business Transfer Agreement dated March 31, 2020, the Company has transferred its assets and liabilities of its retail, speciality nutrient business (SPN) & allied, crop protection and care business (CPC), seeds and blended businesses (farmhub business) to Zuari Farmhub Limited (ZFL), a wholly owned subsidiary, with effect from March 31, 2020 on a going concern basis under a slump sale arrangement. Consequent thereof a gain of INR 698.97 crores was recognized in the standalone financial results of the quarter and year ended March 31, 2020 as an exceptional income.

As per the above-mentioned Business Transfer Agreement with ZFL, pending certain regulatory licenses, the Company had agreed to provide support services to ZFL at Nil consideration for an intermediate period, initially agreed for three months, which was extended till March 31, 2021.

As per the above-mentioned Business Transfer Agreement with ZFL, the consideration for slump sale of farmhub business to ZFL was settled by issuance of Compulsory Convertible Debentures (CCDs) of ZFL for INR 435.56 crores and balance of INR 350.00 crores payable by December 31, 2020. Subsequent to year end, in the board meeting of ZFL held on May 27, 2021, the directors of ZFL have approved issuance of CCDs by way of private placement on a preferential basis against the outstanding payable at the same terms and conditions which were kept for CCDs previously issued for discharging the balance consideration of the slump sale. The Board of Directors of ZACL in their meeting held on May 28, 2021 have also approved conversion of the balance consideration receivable in cash into



CCDs. The detailed process as per Companies Act, 2013 and rules thereunder shall be complied with by ZFL and ZACL being holding company of ZFL.

The Company has entered into a non-binding agreement with a potential investor who has expressed its interest to invest in equity of ZFL to the tune of USD 46.5 million (being 30% of the enterprise value of ZFL) in two tranches and for which a confirmatory due diligence is in advance stages and definitive agreement is expected to be executed in the coming quarters.

In terms of Ind-AS 105 “Asset Held for Sale and Discontinued Operations” particulars of discontinued operations (for Farmhub businesses) considered in the above results are as follows: -

(INR in crores)

Particulars	3 months ended 31/03/2020	12 months ended 31/03/2020
Total Income	39.70	306.55
Total expense	57.20	309.91
Profit/(loss) for discontinued operations before tax the year	(17.50)	(3.36)
Tax charge including deferred tax pertaining to discontinued operations	4.32	0.83
Profit/(loss) for discontinued operations	(13.18)	(2.53)

6. The Company has received a requisition under section 100(2) of the Companies Act, 2013 from a group of shareholders holding 10.69% of shares, requesting the Board to call for an Extraordinary General Meeting (EGM) to discuss matters including proceeding against the two BTAs as mentioned in Note 5 above, i.e. the Business Transfer Agreement (BTA) dated March 1, 2021 to transfer its fertilizer plant at Goa and its associated businesses to Pardeep Phosphates Limited and BTA dated March 31, 2020 to transfer its assets and liabilities of its retail, speciality nutrient business (SPN) & allied, crop protection & care business (CPC), seeds and blended businesses to Zuari Farmhub Limited (ZFL) with effect from March 31, 2020, on a going concern basis under a slump sale. The Board has decided to hold EGM on June 23, 2021. Further, subsequent to the year end, the Company has also been intimated by the same group of shareholders proposing to file a petition in National Company Law Tribunal (NCLT) including for cancellation of these business transfer agreements for which the Company based on the legal opinion obtained believes that the petition, if filed, would not be tenable and does not have any impact on the BTAs.
7. The Company and the Group has assessed the impact of COVID - 19 and concluded that there is no material impact on the operations of the Company and the Group and no material adjustment is required at this stage in the financial results for the year/quarter ended March 31, 2021. However, the Company and the Group will continue to monitor the impact which is a continuing process, given the uncertainties with its nature and duration of COVID - 19 and the impact may be different from the estimates considered while preparing these results.
8. The Company is carrying a receivable of INR 19.49 crores for the period February 2013 and March 2013 on account of accrual of subsidy income at higher rate in comparison to rate at which subsidy is granted. However, as per the office memorandum dated April 16, 2018 issued by the Department of Fertilizer (DoF), the Government has ex-post facto approved the subsidy paid on specific quantity of P&K fertilizer received in the relevant district during February 2013 and March 2013 months in different year since 2012-13 at the rates fixed for the next financial year which were lower than the rate approved by cabinet /CCEA for that year. The Company has represented to the Department of Fertilizer that the material moved in February 2013 and March 2013 was part of the approved movement plan of January 2013 and hence Nutrient Based Subsidy rates of 2013 should be applicable. The Company had filed writ petition at Hon'ble High Court of Delhi (DHC) against Department of Fertilizer to recover this amount. Pursuant to the court order the Court hearing was granted by DoF to present its claims and also submitted written representations.

DoF vide their order dated September 29, 2019 had rejected the representation and submissions by the Company. The Company has filed writ petition to the higher authority against the order passed by DoF. On March 03, 2021 DHC has



issued notice in the writ petition and has directed DoF to file its reply within four weeks, and the Company has been directed to file its rejoinder within two weeks thereafter. Matter is next listed on July 28, 2021. Based on the legal assessment done by the Company, it is hopeful to realize the aforesaid amount, hence, no provision has been made in the accounts.

9. Vide notification number 26/ 2018 dated June 13, 2018, the Government has amended the definition of “Net Input Tax Credit (ITC)” for the purpose of GST refund on account of inverted duty structure with effect from July 01, 2017 to include ITC availed only on inputs which excludes input services. The management has contested this amendment (both retrospective and prospective) at different levels of authorities including but not limited to filing a writ petition in the Hon’ble High Court of Bombay at Goa in this regard. Basis legal view obtained by the management, believes that the refund / utilization in respect of tax paid on input services would be available and that no liability including interest, if any, would arise from the same on the Company. Consequently, as at March 31, 2021, the Company has carried forward an amount of INR 97.98 crores as amount recoverable towards this matter.
10. The audited financial results of the Company and Group for the quarter and year ended March 31, 2021 have been prepared on the basis of consistently applied policy parameters of estimating price for period for which pricing/escalation/or de-escalation is pending to be finalized by the Government in accordance with notified pricing policy as applicable to respective entity of the Group.
11. In case of subsidiary (MCFL), during the current year recognized urea subsidy income of INR 29.14 crores without benchmarking its cost of production using naphtha with that of gas-based urea manufacturing units recently converted to natural gas, as notified by the Department of Fertilizers for subsidy income computation. MCFL has filed writ petition against the Department of Fertilizers [DoF] before the Hon’ble High Court of Delhi [DHC] against this matter. The management of the subsidiary based on legal opinion and considering the fact that the energy cost is always a pass through in subsidy computation, believes that artificial benchmarking is arbitrary and discriminatory and is confident of realization of the aforesaid subsidy income.
12. In case of subsidiary (MCFL), the energy norms applicable for Naphtha based manufacturing units announced by the Department of Fertilizers [Dof] for the period commencing April 1, 2020 were lower than those effective till March 31, 2020. MCFL considering the fact that urea subsidy income based on previous year’s higher energy norms was extended to gas based urea manufacturing units till September 30, 2020 and not to the Naphtha based manufacturing units and based on legal advice, had taken a view that a similar extension should also be granted to it as it is discriminatory. MCFL filed a writ petition before the Hon’ble High Court of Delhi [DHC] for this matter. Based on the above, management estimated the subsidy income and based on legal advice obtained, MCFL recognised urea subsidy income of INR 26.86 crores (including INR 26.24 crores till September 30, 2020) which was included in revenue from operations in the nine month period ended December 31, 2020, the DoF evaluated the matter pursuant to the directions of the DHC and passed as order dated November 17, 2020 rejecting the request of the MCFL, for which the MCFL on November 19, 2020 sought time to submit its amended petition to bring on record the order of the DoF.

During the quarter ended March 31, 2021, MCFL filed an interim application for amending the earlier writ so as to include the DoF order of November 17, 2020 and rebuttals thereof. A fresh writ was also filed to comprehensively include all issues including the DoF order. The DHC has taken note of the same and has ordered dismissal of the earlier writ filed by the MCFL and to pursue with fresh writ. The DoF was directed to file counter affidavit and the MCFL to file a rejoinder thereafter and the matter would be taken up on July 28, 2021 for hearing. MCFL continues to litigate this matter considering that it’s discriminatory of the MCFL.

Basis the above, and the uncertainty over eventual realization of the subsidy income arising due to the DoF order, management of the subsidiary has reassessed the recognition of subsidy income and derecognized the subsidy income of INR 26.86 crores recognized in the nine months ended December 31, 2020, from the revenue from operations of the quarter ended March 31, 2021.



13. In case of subsidiary (MCFL), during the quarter ended December 31, 2020, the ammonia and urea plants were shut down from October 05, 2020 for preparations required for natural gas operation besides replacement of compatible ammonia plant catalyst. MCFL had commenced operations of ammonia and urea plants with natural gas post testing and commissioning activities and urea production commenced on December 12, 2020 and accordingly, figures for the quarter ended December 31, 2020 are not comparable to the current quarter figures in respect of MCFL.
14. The Group including Company is engaged in the business of manufacturing, trading and marketing of chemical fertilizers and fertilizers products which constitutes a single operating segment as per Ind AS 108 hence separate segment disclosures have not been furnished.

During the quarter ended March 31, 2021 NPK A plant was shut down for ten days for repair works and NPK B plant was shut down for eighteen days for repair work and non-availability of raw materials. Subsequent to the quarter, ammonia and urea plant were under annual shutdown from May 03, 2021 and were expected to commence the startup activities by May 23, 2021 however, due to damages caused to the plant on May 16, 2021 by cyclone Tauktae, the startup activities of ammonia and urea plants have been rescheduled to end of May 2021. Further, the NPK A plant was also temporarily shut down to undertake repair activities for damages caused by the cyclone. Overall, NPK A plant was shut down for eight days and NPK B is under shutdown from April 24, 2021 onwards for non-availability of raw materials. SSP plant at Mahad remained under shutdown throughout the year due to non-availability of raw materials owing to current financial situation.

15. Managerial remuneration paid to the erstwhile managing director (up to July 31, 2020) for the financial year 2020-21 was in excess of limits prescribed under section 197 read with Schedule V of the Companies, Act, 2013 by INR 0.07 crores. The Company proposes to seek approval of the shareholders at the ensuing Annual General Meeting for waiver of such excess remuneration paid, pursuant to section 197(10) of the Companies Act, 2013. With effect from September 03, 2020, the Company has appointed an executive director in the category of a whole-time director by a special resolution at its annual general meeting. The remuneration paid to such executive director is in compliance of Schedule V of the Companies Act 2013.

During the previous year ended March 31, 2020 due to loan repayment defaults during the previous year, a remuneration of INR 0.81 crores paid to its then managing director in accordance with ordinary resolution but not without prior approval from banks/financial institutions and approval of the shareholders by a special resolution as per provisions of Section 197 of Companies Act, 2013 (Act) read with Schedule V, has been recognized as recoverable from the managing director as at year end. As per section 197(10) of the Act, the Company proposes to seek approval of shareholders by way of special resolution for waiver of recovery of remuneration paid to the then managing director, after obtaining prior approvals from the banks / financial institutions for which Company has initiated the process.

16. During the previous year ended March 31, 2020 the Company had incurred an expense of INR 79.95 crores as demurrage charges and ship or pay charges on account of delay in clearance of raw materials from the port and on account of agreement with GAIL respectively and had recorded the same as cost of raw material consumed.
17. The Code of Social Security 2020 ('Code') relating to employee benefits received Presidential assent in September 2020. However, effective date and final rules/interpretation have not yet been notified/issued. The Company and the Group is in process of assessing the effect of the Code and will recognize the impact, if any, based on its effective date.
18. In respect of one subsidiary located outside India (ATD), whose financial information/ statements and other financial information have been prepared in accordance with accounting principles generally accepted in the respective country, the Company's management has converted the financial information/ statements of such subsidiary located outside India from accounting principles generally accepted in the respective country to accounting principles generally accepted in India.
19. The figures of quarter ended March 31, 2021 and March 31, 2020 are the balancing figures between the audited figures of full financial year and the published year to date figure up to the third quarter of that respective financial years which were subject to limited review



20. Previous period's figures have been re-grouped/re-classified wherever necessary, to correspond with those of current period's classification.



For and on behalf of Board of Directors

A handwritten signature in black ink, appearing to be "N. Kantak", written over a horizontal line.

Nitin M Kantak
Executive Director
DIN: 08029847



Date: May 28, 2021
Place: Zuarinagar, Goa

Independent Auditor's Report on the Quarterly and Year to Date Audited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
Zuari Agro Chemicals Limited

Report on the audit of the Standalone Financial Results**Opinion**

We have audited the accompanying statement of quarterly and year to date standalone financial results of Zuari Agro Chemicals Limited (the "Company") for the quarter ended March 31, 2021 and for the year ended March 31, 2021 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net loss and other comprehensive income and other financial information of the Company for the quarter ended March 31, 2021 and net loss and other comprehensive loss and other financial information of the Company for the year ended March 31, 2021.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Results" 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 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 obtained by us is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 4 in the accompanying standalone financial results, which states that in addition to net current liability position as at March 31, 2021, there are events or conditions which indicate that a material uncertainty exists that may cast significant doubt on Company's ability to continue as a going concern. It also describes the mitigating factors considered by the management in its assessment, in view of which the accompanying standalone financial results have been prepared under the going concern assumption.

Our opinion is not modified in respect of this matter.

Emphasis of Matters

- a. We draw attention to Note 6 of the accompanying standalone financial results, which describes the management's assessment of the impact of the uncertainties related to outbreak of COVID-19 on the future business operations of the Company.
- b. We draw attention to Note 7 of the accompanying standalone financial results, wherein the Company is carrying a receivable of INR 19.49 crores in relation to the subsidy income accrued during the year ended March 31, 2013. Based on the legal opinion obtained by the Company, the management believes that the amount is fully recoverable from the department of fertilizers. Pending settlement of the differential subsidy amount as more fully explained in note, the Company has not made any provision in this regard in the accompanying standalone financial results.



- c. We draw attention to Note 8 of the accompanying standalone financial results, regarding Goods and Services Tax ('GST') credit on input services recognized by the Company, which the management has assessed to recover based on the legal opinion obtained by the Company. The Company has also filed a writ petition in the High Court of Bombay at Goa.

Our opinion is not modified in respect of above matters.

Management's Responsibilities for the Standalone Financial Results

The Statement has been prepared on the basis of the standalone annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net loss and other comprehensive loss of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern (refer Note 4 of the accompanying standalone financial results) and using the going concern basis of accounting unless the Board of Directors 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 Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 the Statement.

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 Statement, 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 the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 results (refer our note on Material Uncertainty Related to Going Concern above) or, if such



S.R. BATLIBOI & Co. LLP

Chartered Accountants

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 Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

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.

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.

Other Matter

The Statement includes the results for the quarter ended March 31, 2021 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2021 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Vishal Sharma

Partner

Membership No.: 096766

UDIN: 21096766AAAAKS1632



Place: Faridabad

Date: May 28, 2021

Independent Auditor's Report on the Quarterly and Year to Date Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

To
The Board of Directors of
Zuari Agro Chemicals Limited

Report on the audit of the Consolidated Financial Results**Opinion**

We have audited the accompanying statement of quarterly and year to date consolidated Ind AS financial results of Zuari Agro Chemicals Limited ("Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its joint venture for the quarter ended March 31, 2021 and for the year ended March 31, 2021 ("Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate audited financial statements/financial results/financial information of the subsidiaries and joint venture, the Statement:

- i. includes the results of the following entities (to indicate list of entities included in the consolidation):

1	Zuari Agro Chemicals Limited
Subsidiaries	
2	Mangalore Chemicals and Fertilisers Limited
3	Adventz Trading DMCC
4	Zuari Farmhub Limited
Joint Ventures	
4	Zuari Maroc Phosphates Private Limited
5	Paradeep Phosphates Limited (subsidiary of Zuari Maroc Phosphates Private Limited)
Associates of Joint Venture	
8	Zuari Yoma Agri Solutions Limited (associate of Paradeep Phosphates Limited)

- ii. are presented in accordance with the requirements of the Listing Regulations in this regard; and
iii. gives a true and fair view in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of the consolidated net loss and other comprehensive income and other financial information of the Group for the quarter ended March 31, 2021 and consolidated net loss and other comprehensive loss and other financial information of the Group for the year ended March 31, 2021.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Results" section of our report. We are independent of the Group and its joint venture 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 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 obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion



Material Uncertainty Related to Going Concern

We draw attention to Note 4 in the accompanying consolidated financial results, which states that in addition to net current liability position as at March 31, 2021, there are events or conditions which indicate that a material uncertainty exists that may cast significant doubt on Holding Company's ability to continue as a going concern. It also describes the mitigating factors considered by the management in its assessment, in view of which the accompanying consolidated financial results have been prepared under the going concern assumption.

Our opinion is not modified in respect of this matter.

Emphasis of Matters

- a. We draw attention to Note 11 of the accompanying consolidated financial results, which describes the management's assessment of the impact of the uncertainties related to outbreak of COVID-19 on the future business operations of the Group.
- b. We draw attention to Note 7 of the accompanying consolidated financial results, wherein the Holding Company is carrying a receivable of INR 19.49 crores in relation to the subsidy income accrued during the year ended March 31, 2013. Based on the legal opinion obtained by the Holding Company, the management believes that the amount is fully recoverable from the department of fertilizers. Pending settlement of the differential subsidy amount as more fully explained in note, the Holding Company has not made any provision in this regard in the accompanying consolidated financial results.
- c. We draw attention to Note 8 of the accompanying consolidated financial results, regarding Goods and Services Tax ('GST') credit on input services recognized by the Holding Company, which the management has assessed to recover based on the legal opinion obtained by the Holding Company. The Holding Company has also filed a writ petition in the High Court of Bombay at Goa.
- d. We draw attention to Note 11, which states that in case of a Subsidiary Company (MCFL), MCFL has recognized urea subsidy income of INR 29.14 crores considering that benchmarking of its cost of production of urea using Naptha with that of gas based urea manufacturing units is arbitrary and for which the MCFL has filed a writ petition against the Department of Fertilizers before the Hon'ble High court of Delhi. Based on legal opinion obtained, the management of MCFL believes that the criteria for recognition of subsidy revenue is met.

Our opinion is not modified in respect of above matters.

Management's Responsibilities for the Consolidated Financial Results

The Statement has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of the Statement that give a true and fair view of the net loss and other comprehensive loss and other financial information of the Group including its joint venture in accordance with the applicable accounting standards prescribed under section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its joint venture 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement 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 Statement by the Directors of the Holding Company, as aforesaid.

In preparing the Statement, the respective Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of the Group and of its joint venture to continue as a going concern (refer Note 4 of the accompanying consolidated financial results), disclosing, as applicable, matters related to going



concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its joint venture are also responsible for overseeing the financial reporting process of the Group and of its joint venture.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 the Statement.

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 Statement, 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 the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 joint venture 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 Statement (refer our note on Material Uncertainty Related to Going Concern above) 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 joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group and its joint venture of which we are the independent auditors to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the Statement of which we are the independent auditors. For the other entities included in the Statement, 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.

We communicate with those charged with governance of the Holding Company and such other entities included in the Statement 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. 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.



We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities Exchange Board of India under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

Other Matter

The accompanying Statement includes the audited financial results/statements and other financial information, in respect of :

- two subsidiaries, whose financial results/statements include total assets of INR 215.64 crores as at March 31, 2021, total revenues of INR 69.02 crores and INR 296.36 crores, total net loss after tax of INR 14.93 crores and INR 25.41 crores, total comprehensive loss of INR 14.93 crores and INR 25.34 crores, for the quarter and the year ended on that date respectively, and net cash inflows of INR 18.52 crores for the year ended March 31, 2021, as considered in the Statement which have been audited by their respective independent auditors.
- one joint venture, whose financial results/statements include Group's share of net profit of INR 3.10 crores and INR 89.87 crores and Group's share of total comprehensive income of INR 3.25 crores and INR 90.15 crores, for the quarter and for the year ended March 31, 2021 respectively, as considered in the Statement, whose financial results/ financial statements, other financial information have been audited by their respective independent auditors.

The independent auditor's report on the financial statements/financial results/financial information of these entities have been furnished to us by the Management and our opinion on the Statement in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture is based solely on the reports of such auditors and the procedures performed by us as stated in paragraph above.

One of these subsidiary is located outside India whose financial results/ financial statements and other financial information have been prepared in accordance with the accounting principles generally accepted in its respective country and which have been audited by other auditors under generally accepted auditing standards applicable in its respective country. The Holding Company's management has converted the financial results/ financial statements of such subsidiary located outside India from accounting principles generally accepted in its respective country to 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 subsidiary located outside India 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 Statement 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 Results/financial information certified by the Management.

The Statement includes the results for the quarter ended March 31, 2021 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2021 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For S. R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Vishal Sharma

Partner

Membership No.: 096766

UDIN: 21096766AAAAKT3214



Place: Faridabad

Date: May 28, 2021