

May 15, 2019

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 and Audited Standalone and Consolidated Financial Results under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

With reference to the above subject, we hereby inform you that:

- a) The meeting of the Board of Directors was held on Wednesday, the 15<sup>th</sup> May, 2019 at 11.30 A.M. and concluded at **2:50** P.M.
- b) The Board has considered and approved :
  - (i) Audited Standalone and Consolidated Financial Results for the quarter and year ended 31<sup>st</sup> March, 2019.  
Audited Standalone and Consolidated Financial Results for the Financial Year ended 31<sup>st</sup> March, 2019 and copies of the Audit Reports as submitted by the Auditors of the Company on Standalone and Consolidated Financial Results alongwith statement on Impact of Audit Qualifications is enclosed as **Annexure- A**.
  - (ii) Re-appointment of Mr. Sunil Sethy as Managing Director and Key Managerial Personnel (KMP) of the Company for a period of one year w.e.f 1<sup>st</sup> August,2019 , subject to the approval of the Shareholder at the General Meeting. The details required under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No CIR/CFD/CMD/4/2015 dated 09/09/2015 are given in **Annexure - B**.

Thanking You,

Yours Faithfully,  
**For Zuari Agro Chemicals Limited**



**R.Y. Patil**  
**Vice President & Company Secretary**

Encl: As above

**ZUARI AGRO CHEMICALS LIMITED**

(Formerly known as Zuari Holding Limited)

CIN No.: L65910GA2009PLC006177

Registered Office: Jaikisaan Bhawan, Zuarinagar, Goa - 403726, India

Tel: +0832 259 2180, 259 2181 Fax: +0832 255 5279

www.zuari.in



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

**To**  
**Board of Directors of**  
**Zuari Agro Chemicals Limited,**

1. We have audited the accompanying statement of quarterly standalone Ind AS financial results of Zuari Agro Chemicals Limited ('the Company') for the quarter ended March 31, 2019 and for the year ended March 31, 2019 ('the 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 Regulation'), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ('the Circular'). The standalone Ind AS financial results for the quarter ended March 31, 2019 and year ended March 31, 2019 have been prepared on the basis of the standalone Ind AS financial results for the nine-month period ended December 31, 2018, the audited annual standalone Ind AS financial statements as at and for the year ended March 31, 2019, and the relevant requirements of the Regulation and the Circular, which are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these standalone Ind AS financial results based on our review of the standalone Ind AS financial results for the nine-month period ended December 31, 2018 which was prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34 Interim Financial Reporting, specified under Section 133 of the Companies Act 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India; our audit of the annual standalone Ind AS financial statements as at and for the year ended March 31, 2019; and the relevant requirements of the Regulation and the Circular.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. Attention is drawn to Note 13 of the standalone Ind AS financial results explaining the evaluation of recoverable amount as required under Ind AS 39 "Financial Instruments: Recognition and Measurement" to assess impairment provision, if any, on the Company's investment of INR 119.43 crores in the rock phosphates mining project through MCA Phosphates Pte Ltd, a joint venture company. The joint venture company has provided for diminution in the entire value of the said investment which is under arbitration. The Company has, based on valuation carried by an external valuer, assessed that the indicative value is higher than its carrying amount. However, complete details used in such valuation were not made available to us and we were unable to review the valuation report and pending such review and in absence of other sufficient appropriate audit evidence, we are unable to comment on the adjustments, if any, required to be made to the standalone Ind AS financial results, in this regard.
4. **Emphasis of Matter**
  - a) We draw attention to Note 12 of the standalone Ind AS financial results, which describes the impact of INR 11.62 crores as an adjustment related to assessment of the impairment of investment in MCA Phosphates Pte Ltd, a joint venture company, which has led to a restatement of the standalone Ind AS financial results for the year ended March 31, 2018.
  - b) We draw attention to Note 16 of the standalone Ind AS 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 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 standalone Ind AS financial results.



# **S.R. BATLIBOI & Co. LLP**

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- c) We draw attention to Note 7 of the standalone Ind AS financial results, regarding Goods and Services Tax ('GST') credit on input services recognized by the Company based on its assessment and on a legal opinion obtained by the Company and reliance placed on an order of High Court of Gujarat providing interim relief in a similar matter. The Company has also filed a writ petition in the High Court of Bombay at Goa and is confident of matter being to be decided in its favor.

Our opinion is not qualified in respect of above matters.

5. In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of our observation in paragraph 3 above, these quarterly standalone Ind AS financial results as well as the year to date results:
- i. are presented in accordance with the requirements of the Regulation read with the Circular, in this regard; and
  - ii. give a true and fair view of the net loss including other comprehensive income and other financial information for the quarter ended March 31, 2019 and for the year ended March 31, 2019.
6. Further, read with paragraph 1 above, we report that the figures for the quarter ended March 31, 2019 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2019 and the published year-to-date figures up to December 31, 2018, being the date of the end of the third quarter of the current financial year, which were subjected to a limited review as stated in paragraph 1 above, as required under the Regulation and the Circular.

**For S.R. Batliboi & Co. LLP**

Chartered Accountants

**ICAI Firm Registration Number: 301003E/E300005**

*Vishal Sharma*

per Vishal Sharma

Partner

Membership No.: 096766



Place: Gurugram

Date: May 15, 2019

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

To  
Board of Directors of  
Zuari Agro Chemicals Limited,

1. We have audited the accompanying statement of quarterly consolidated Ind AS financial results of Zuari Agro Chemicals Limited ('the Company') comprising its subsidiaries (together, 'the Group'), and its joint ventures for the quarter ended March 31, 2019 and the consolidated Ind AS financial results for the year ended March 31, 2019 ('the 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 Regulation'), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ('the Circular'). The consolidated Ind AS financial results for the quarter ended March 31, 2019 and year ended March 31, 2019 have been prepared on the basis of the consolidated Ind AS financial results for the nine-month period ended December 31, 2018, the audited annual consolidated Ind AS financial statements as at and for the year ended March 31, 2019, and the relevant requirements of the Regulation and the Circular, which are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these consolidated Ind AS financial results based on our review of the consolidated Ind AS financial results for the nine-month period ended December 31, 2018 which was prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34 Interim Financial Reporting, specified under Section 133 of the Companies Act 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India; our audit of the annual consolidated Ind AS financial statements as at and for the year ended March 31, 2019; and the relevant requirements of the Regulation and the Circular.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. Attention to Note 17 of the consolidated Ind AS financial results which include the Group's share of total comprehensive income / (loss) (comprising of income / (loss) and other comprehensive income / (loss)) of INR (6.22) crores and INR 3.10 crores for the quarter and year ended March 31, 2019 respectively, in respect of one joint venture, located outside India, whose financial results have not been subject to an audit and has been compiled and approved by the management. The Company's management has converted such unaudited financial results of such joint venture located outside India from accounting principles generally accepted in the respective country to accounting principles generally accepted in India. Accordingly, we are unable to comment on the financial impact, if any, on the Consolidated Ind AS financial results if the same had been audited.
4. Attention is drawn to Note 13 of the consolidated Ind AS financial results explaining the evaluation of recoverable amount as required under Ind AS 39 "Financial Instruments: Recognition and Measurement" to assess impairment provision, if any, on the Holding Company's investment of INR 119.43 crores in the rock phosphates mining project through MCA Phosphates Pte Ltd, a joint venture company. The joint venture company has provided for diminution in the entire value of the said investment which is under arbitration. The Holding Company has, based on valuation carried by an external valuer, assessed that the indicative value is higher than its carrying amount. However, complete details used in such valuation were not made available to us and we were unable to review the valuation report and pending such review and in absence of other sufficient appropriate audit evidence, we are unable to comment on the adjustments, if any, required to be made to the consolidated Ind AS financial results, in this regard.



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## 5. Emphasis of Matter

- a) We draw attention to Note 12 of the consolidated Ind AS financial results, which describes the impact of INR 11.62 crores as an adjustment related to assessment of the impairment of investment in MCA Phosphates Pte Ltd, a joint venture company, which has led to a restatement of the consolidated Ind AS financial results for the year ended March 31, 2018.
- b) We draw attention to Note 16 of the consolidated Ind AS 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 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 consolidated Ind AS financial results.
- c) We draw attention to Note 7 of the consolidated Ind AS financial results, regarding Goods and Services Tax ('GST') credit on input services recognized by the Group based on its assessment and on a legal opinion obtained by the Holding Company and a subsidiary and reliance placed on an order of High Court of Gujarat providing interim relief in a similar matter. The Holding Company has also filed a writ petition in the High Court of Bombay at Goa and is confident of matter being to be decided in its favor.

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

6. 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 other auditors on separate financial statements and the other financial information of subsidiaries and joint ventures (including its subsidiary and associates) except for the possible effects of our observations in paragraph 3 and 4 above, these quarterly consolidated Ind AS financial results as well as the year to date results:

- i. includes the results of the following entities:

|                                     |  |
|-------------------------------------|--|
| 1.                                  | Zuari Agro Chemicals Limited   |
| <b>Subsidiaries</b>                 |  |
| 2.                                  | Mangalore Chemicals and Fertilisers Limited  |
| 3.                                  | Adventz Trading DMCC   |
| <b>Joint Ventures</b>               |  |
| 4.                                  | Zuari Maroc Phosphates Private Limited   |
| 5.                                  | Paradeep Phosphates Limited (subsidiary of Zuari Maroc Phosphates Private Limited) |
| 6.                                  | MCA Phosphates Pte. Limited  |
| <b>Associates of Joint Ventures</b> |  |
| 7.                                  | Fosfatos del Pacifico S.A. (associate of MCA Phosphates Pte. Limited)              |
| 8.                                  | Zuari Yoma Agri Solutions Limited (associate of Paradeep Phosphates Limited)       |

- ii. are presented in accordance with the requirements of the Regulation read with the Circular, in this regard; and
- iii. give a true and fair view of the consolidated net loss including and other comprehensive income and other financial information for the quarter ended March 31, 2019 and for the year ended March 31, 2019.

7. We did not audit the financial results and other financial information, in respect of one subsidiary located outside India whose financial results include total assets of INR 6.27 crores as at March 31, 2019, and total revenues of INR 0.87 crores and INR 5.88 crores for the quarter and the year ended on that date respectively. These financial results and other financial information have been audited by other auditor, which financial results, other financial information and auditor's report have been furnished to us by the management. The consolidated Ind AS financial results also include the Group's share of net profit of INR 4.61 crores and INR 58.42 crores for the quarter and for the year ended March 31, 2019 respectively, as considered in the consolidated Ind AS financial results, in respect of joint venture, whose financial results, other financial information have been audited by other auditor and whose report have been furnished to us by the



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management. Our opinion, in so far as it relates to the affairs of such subsidiary and joint venture is based solely on the report of other auditors. Our opinion is not modified in respect of this matter.

One of the subsidiary is located outside India whose financial results and other financial information have been prepared in accordance with accounting principles generally accepted in its respective country and which have been audited by other auditor under generally accepted auditing standards applicable in its respective country. The Company's management has converted the financial results of such subsidiary 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 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 auditor and the conversion adjustments prepared by the management of the Company and audited by us.

8. Further, read with paragraph 1 above, we report that the figures for the quarter ended March 31, 2019 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2019 and the published year-to-date figures up to December 31, 2018, being the date of the end of the third quarter of the current financial year, which were subjected to a limited review as stated in paragraph 1 above, as required under the Regulation and the Circular.

**For S.R. Batliboi & Co. LLP**

Chartered Accountants

**ICAI Firm Registration Number: 301003E/E300005**



**per Vishal Sharma**

Partner

Membership No.: 096766



Place: Gurugram

Date: May 15, 2019

**ZUARI AGROCHEMICALS 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, 2019**

(Rs. in Crore)

| Sr No | Particulars   | STANDALONE  |                              |   |                          |  | CONSOLIDATED  |                              |   |                          |  |
|-------|---|---|------------------------------|---|--------------------------|--|---|------------------------------|---|--------------------------|--|
|       |   | 3 months ended<br>31/03/2019<br>(Refer Note 18 below) | 3 months ended<br>31/12/2018 | 3 months ended<br>31/03/2018<br>(Refer Note 18 below) | Year ended<br>31/03/2019 | Year ended<br>31/03/2018<br>(Restated - Refer Note 12 below) | 3 months ended<br>31/03/2019<br>(Refer Note 18 below) | 3 months ended<br>31/12/2018 | 3 months ended<br>31/03/2018<br>(Refer Note 18 below) | Year ended<br>31/03/2019 | Year ended<br>31/03/2018<br>(Restated - Refer Note 12 below) |
|       |   | Audited   | Unaudited                    | Unaudited   | Audited                  | Audited  | Audited   | Unaudited                    | Unaudited   | Audited                  | Audited  |
| 1     | <b>Revenue</b>  |   |                              |   |                          |  |   |                              |   |                          |  |
|       | (a) Revenue from Operations   | 1,403.88  | 908.14                       | 1,117.64  | 5,126.55                 | 4,649.96   | 1,999.64  | 1,653.22                     | 1,707.17  | 8,102.90                 |  |
|       | (b) Other Income  | 0.29  | 34.71                        | 33.14   | 68.87                    | 81.25  | 1.66  | 14.39                        | 40.28   | 45.52                    |  |
|       | <b>Total Income</b>   | <b>1,404.17</b>                                       | <b>942.85</b>                | <b>1,150.78</b>                                       | <b>5,195.42</b>          | <b>4,731.21</b>  | <b>2,001.30</b>                                       | <b>1,667.61</b>              | <b>1,747.45</b>                                       | <b>8,148.42</b>          |  |
| 2     | <b>Expenses</b>   |   |                              |   |                          |  |   |                              |   |                          |  |
|       | (a) Cost of raw material and components consumed                                | 668.96  | 746.18                       | 619.51  | 2,838.52                 | 2,203.47   | 1,017.15  | 1,240.40                     | 959.47  | 4,401.76                 |  |
|       | (b) Purchases of traded goods   | 164.05  | 518.44                       | 249.79  | 1,560.25                 | 1,410.89   | 257.80  | 671.70                       | 329.26  | 2,208.47                 |  |
|       | (c) Changes in inventories of finished goods, traded goods and work in progress | 310.12  | (601.81)                     | (54.12)   | (464.63)                 | (234.32)   | 311.27  | (745.51)                     | (98.90)   | (564.06)                 |  |
|       | (d) Employee benefits expense   | 25.22   | 25.04                        | 21.67   | 100.66                   | 93.03  | 43.45   | 44.18                        | 37.62   | 175.62                   |  |
|       | (e) Depreciation and amortisation expense                                       | 11.82   | 11.61                        | 11.29   | 45.50                    | 42.58  | 23.03   | 22.28                        | 20.39   | 87.46                    |  |
|       | (f) Excise duty on sale of goods  | -   | -                            | -   | -                        | 2.39   | -   | -                            | -   | 6.08                     |  |
|       | (g) Finance costs   | 117.42  | 101.39                       | 90.11   | 383.26                   | 315.82   | 139.22  | 119.90                       | 116.31  | 487.90                   |  |
|       | (h) Other expenses  | 247.11  | 211.84                       | 219.75  | 966.29                   | 832.67   | 362.98  | 383.82                       | 377.33  | 1,566.49                 |  |
|       | <b>Total expense</b>  | <b>1,544.70</b>                                       | <b>1,012.69</b>              | <b>1,158.00</b>                                       | <b>5,429.85</b>          | <b>4,666.53</b>  | <b>2,154.90</b>                                       | <b>1,736.77</b>              | <b>1,741.48</b>                                       | <b>8,363.64</b>          |  |
| 3     | <b>Profit / (Loss) before exceptional items and tax (1-2)</b>                   | <b>(140.53)</b>                                       | <b>(69.84)</b>               | <b>(7.22)</b>   | <b>(234.43)</b>          | <b>64.68</b>   | <b>(153.60)</b>                                       | <b>(69.16)</b>               | <b>5.97</b>   | <b>(215.22)</b>          |  |
| 4     | Exceptional items   | 11.62   | -                            | (25.56)   | 11.62                    | (25.56)  | 11.62   | -                            | (25.56)   | 11.62                    |  |
| 5     | Share of profit of joint ventures   | -   | -                            | -   | -                        | -  | 0.21  | 19.95                        | (2.07)  | 55.35                    |  |
| 6     | <b>Profit / (Loss) before tax (3+4+5)</b>                                       | <b>(128.91)</b>                                       | <b>(69.84)</b>               | <b>(32.78)</b>  | <b>(222.81)</b>          | <b>39.12</b>   | <b>(141.77)</b>                                       | <b>(49.21)</b>               | <b>(21.66)</b>  | <b>(148.25)</b>          |  |
| 7     | <b>Tax expense/ (credit)</b>  |   |                              |   |                          |  |   |                              |   |                          |  |
|       | (a) Current Tax   | (14.93)   | -                            | (0.15)  | (14.93)                  | 17.99  | (17.17)   | 6.62                         | 3.86  | (0.96)                   |  |
|       | (b) Deferred Tax Charge/ (Credit)   | 15.08   | (1.51)                       | (6.37)  | 3.27                     | 5.80   | 12.77   | 0.94                         | (18.17)   | 7.85                     |  |
|       | (c) Deferred tax Charge/ (Credit) of earlier years (Net)                        | -   | -                            | 0.37  | -                        | (15.00)  | -   | -                            | 0.37  | (15.00)                  |  |
|       | <b>Income tax expense/ (credit)</b>   | <b>0.15</b>   | <b>(1.51)</b>                | <b>(6.15)</b>   | <b>(11.66)</b>           | <b>8.79</b>  | <b>(4.40)</b>   | <b>7.56</b>                  | <b>(13.94)</b>  | <b>6.89</b>              |  |
| 8     | <b>Profit / (Loss) for the period/year (6-7) (a)</b>                            | <b>(129.06)</b>                                       | <b>(68.33)</b>               | <b>(26.63)</b>  | <b>(211.15)</b>          | <b>30.33</b>   | <b>(137.37)</b>                                       | <b>(56.77)</b>               | <b>(7.72)</b>   | <b>(155.14)</b>          |  |
| 9     | <b>Other Comprehensive income / (expense) (net of tax)</b>                      |   |                              |   |                          |  |   |                              |   |                          |  |
|       | <b>A Items that will not be reclassified to profit or loss</b>                  |   |                              |   |                          |  |   |                              |   |                          |  |
|       | Re-measurement gains (losses) on defined benefit plans                          | (2.61)  | (0.48)                       | 1.69  | (0.40)                   | 0.64   | (2.60)  | (1.89)                       | 2.34  | (1.56)                   |  |
|       | Income tax relating to items that will not be reclassified to profit or loss    | 0.91  | 0.17                         | (0.59)  | 0.14                     | (0.22)   | 0.91  | 0.66                         | (0.81)  | 0.55                     |  |
|       | Net (loss)/gain on FVTOCI financial instruments                                 | (6.14)  | (3.71)                       | (15.37)   | (28.78)                  | (13.73)  | (6.14)  | (3.71)                       | (15.37)   | (28.78)                  |  |
|       | Income tax effect   | -   | -                            | -   | -                        | -  | -   | -                            | -   | -                        |  |
|       | Share of OCI of joint ventures  | -   | -                            | -   | -                        | -  | (0.55)  | 0.53                         | (1.42)  | (0.93)                   |  |
|       | <b>B Items that will be reclassified to profit or loss</b>                      |   |                              |   |                          |  |   |                              |   |                          |  |
|       | Share of OCI of joint ventures  | -   | -                            | -   | -                        | -  | -   | -                            | (0.99)  | (0.99)                   |  |
|       | Exchange differences on translation of foreign operations                       | -   | -                            | -   | -                        | -  | (1.28)  | (5.02)                       | 1.73  | 7.32                     |  |
|       | <b>Total Other Comprehensive Income/(loss) (b)</b>                              | <b>(7.84)</b>   | <b>(4.02)</b>                | <b>(14.27)</b>  | <b>(29.04)</b>           | <b>(13.31)</b>   | <b>(9.66)</b>   | <b>(9.43)</b>                | <b>(14.52)</b>  | <b>(23.40)</b>           |  |
| 10    | <b>Total Comprehensive Income/(loss) for the period/year (a+b)</b>              | <b>(136.90)</b>                                       | <b>(72.35)</b>               | <b>(40.90)</b>  | <b>(240.19)</b>          | <b>17.02</b>   | <b>(147.03)</b>                                       | <b>(66.20)</b>               | <b>(22.24)</b>  | <b>(178.54)</b>          |  |
| 11    | <b>Profit attributable to:</b>  |   |                              |   |                          |  |   |                              |   |                          |  |
|       | Owners of the equity  |   |                              |   |                          |  | (134.57)  | (63.19)                      | (17.26)   | (170.58)                 |  |
|       | Non-controlling interest  |   |                              |   |                          |  | (2.80)  | 6.42                         | 9.54  | 15.44                    |  |
|       | <b>Other comprehensive income attributable to:</b>                              |   |                              |   |                          |  |   |                              |   |                          |  |
|       | Owners of the equity  |   |                              |   |                          |  | (9.66)  | (9.00)                       | (14.72)   | (23.05)                  |  |
|       | Non-controlling interest  |   |                              |   |                          |  | 0.00  | (0.43)                       | 0.20  | (0.35)                   |  |
|       | <b>Total comprehensive income attributable to:</b>                              |   |                              |   |                          |  |   |                              |   |                          |  |
|       | Owners of the equity  |   |                              |   |                          |  | (144.23)  | (72.19)                      | (31.98)   | (193.63)                 |  |
|       | Non-controlling interest  |   |                              |   |                          |  | (2.80)  | 5.99                         | 9.74  | 15.09                    |  |
| 12    | <b>Paid-up Equity Share Capital (face value Rs. 10/- per share)</b>             | <b>42.06</b>  | <b>42.06</b>                 | <b>42.06</b>  | <b>42.06</b>             | <b>42.06</b>   | <b>42.06</b>  | <b>42.06</b>                 | <b>42.06</b>  | <b>42.06</b>             |  |
| 13    | <b>Other Equity as per balance sheet of previous accounting year</b>            |   |                              |   |                          | <b>631.78</b>  |   |                              |   | <b>1,422.66</b>          |  |
| 14    | <b>Earnings/ (Loss) per share (of Rs.10/- each) (not annualised):</b>           |   |                              |   |                          |  |   |                              |   |                          |  |
|       | (a) Basic (Rs.)   | (30.69)   | (16.25)                      | (6.33)  | (50.20)                  | 7.21   | (32.00)   | (15.02)                      | (4.10)  | (40.56)                  |  |
|       | (b) Diluted (Rs.)   | (30.69)   | (16.25)                      | (6.33)  | (50.20)                  | 7.21   | (32.00)   | (15.02)                      | (4.10)  | (40.56)                  |  |



**ZUARI AGRO CHEMICALS LIMITED**  
 Regd. Office : Jai Kisaan Bhawan, Zuarinagar, Goa -403 726, CIN -L65910GA2009PLC006177  
**STATEMENT OF ASSETS AND LIABILITIES**

(Rs. in Crores)

| Particulars   | Standalone                           |   | Consolidated                         |   |
|---|--------------------------------------|---|--------------------------------------|---|
|   | As at<br>March 31, 2019<br>(Audited) | As at<br>March 31, 2018<br>(Restated - Refer<br>Note 12 below)<br>(Audited) | As at<br>March 31, 2019<br>(Audited) | As at<br>March 31, 2018<br>(Restated - Refer<br>Note 12 below)<br>(Audited) |
| <b>ASSETS</b>   |                                      |   |                                      |   |
| <b>Non-current assets</b>   |                                      |   |                                      |   |
| (a) Property, Plant and Equipment   | 520.27                               | 482.16  | 1,707.31                             | 1,666.77  |
| (b) Capital work-in-progress  | 119.38                               | 113.53  | 153.56                               | 146.56  |
| (c) Investment Property   | 3.62                                 | 3.62  | 3.62                                 | 3.62  |
| (d) Intangible Assets   | 20.63                                | 20.67   | 124.53                               | 127.49  |
| (e) Intangible assets under development   | -                                    | -   | 0.39                                 | -   |
| (f) Investments in Joint Ventures   |                                      |   | 898.92                               | 848.27  |
| (g) Financial Assets  |                                      |   |                                      |   |
| (i) Investments   | 868.35                               | 885.51  | 33.80                                | 62.57   |
| (ii) Loans  | 6.20                                 | 6.76  | 12.20                                | 12.44   |
| (iii) Others  | 16.30                                | 17.20   | 16.46                                | 17.61   |
| (h) Deferred tax assets (Net)   | 88.95                                | 92.08   | 88.95                                | 92.08   |
| (i) Other non-current assets  | 64.95                                | 79.68   | 82.22                                | 80.38   |
| (j) Income Tax Assets (Net)   | 52.98                                | 66.54   | 55.45                                | 66.98   |
|   | <b>1,761.63</b>                      | <b>1,767.75</b>   | <b>3,177.41</b>                      | <b>3,124.77</b>   |
| <b>Current assets</b>   |                                      |   |                                      |   |
| (a) Inventories   | 1,228.35                             | 656.76  | 1,765.28                             | 1,051.14  |
| (b) Financial Assets  |                                      |   |                                      |   |
| (i) Trade Receivables   | 2,408.66                             | 2,203.54  | 3,906.16                             | 3,417.86  |
| (ii) Cash and cash equivalents  | 7.09                                 | 33.49   | 49.89                                | 147.39  |
| (iii) Bank balances other than (ii) above   | 26.54                                | 13.06   | 34.60                                | 21.30   |
| (iv) Loans  | 1.54                                 | 17.84   | 1.30                                 | 8.49  |
| (v) Others  | 132.07                               | 192.69  | 135.19                               | 202.56  |
| (c) Other current assets  | 257.80                               | 174.65  | 338.94                               | 317.52  |
|   | <b>4,062.05</b>                      | <b>3,292.03</b>   | <b>6,231.36</b>                      | <b>5,166.26</b>   |
| <b>Total Assets</b>   | <b>5,823.68</b>                      | <b>5,059.78</b>   | <b>9,408.77</b>                      | <b>8,291.03</b>   |
| <b>EQUITY AND LIABILITIES</b>   |                                      |   |                                      |   |
| <b>Equity</b>   |                                      |   |                                      |   |
| (a) Equity share capital  | 42.06                                | 42.06   | 42.06                                | 42.06   |
| (b) Other equity  | 391.60                               | 631.78  | 1,227.88                             | 1,422.67  |
| <b>Equity attributable to equity holders of the Group</b>                                 |                                      |   | <b>1,269.94</b>                      | <b>1,464.73</b>   |
| (c) Non-controlling interests   |                                      |   | 399.55                               | 390.03  |
| <b>Total Equity</b>   | <b>433.66</b>                        | <b>673.84</b>   | <b>1,669.49</b>                      | <b>1,854.76</b>   |
| <b>Non-current liabilities</b>  |                                      |   |                                      |   |
| (a) Financial Liabilities   |                                      |   |                                      |   |
| (i) Borrowings  | 597.73                               | 323.42  | 868.40                               | 520.29  |
| (ii) Others   | 0.66                                 | 0.80  | 6.13                                 | 5.42  |
| (b) Provisions  | 0.58                                 | 0.49  | 16.99                                | 15.37   |
| (c) Deferred tax liabilities(Net)   | -                                    | -   | 17.55                                | 13.38   |
| (d) Other Non-current liabilities   | 0.85                                 | 1.02  | 0.85                                 | 1.02  |
|   | <b>599.82</b>                        | <b>325.73</b>   | <b>909.92</b>                        | <b>555.48</b>   |
| <b>Current liabilities</b>  |                                      |   |                                      |   |
| (a) Financial Liabilities   |                                      |   |                                      |   |
| (i) Borrowings  | 2,672.57                             | 2,701.54  | 4,065.71                             | 3,834.12  |
| (ii) Trade Payables   |                                      |   |                                      |   |
| a) total outstanding dues of micro enterprises and small enterprises                      | 5.37                                 | 1.50  | 8.25                                 | 2.55  |
| b) total outstanding dues of creditors other than micro enterprises and small enterprises | 1,491.54                             | 919.52  | 1,948.37                             | 1,477.49  |
| (iii) Others  | 457.53                               | 232.00  | 619.68                               | 337.30  |
| (b) Other current liabilities   | 139.70                               | 166.84  | 153.39                               | 181.79  |
| (c) Liabilities for current tax (Net)   | -                                    | 14.76   | -                                    | 14.76   |
| (d) Provisions  | 23.49                                | 24.05   | 33.96                                | 32.78   |
|   | <b>4,790.20</b>                      | <b>4,060.21</b>   | <b>6,829.36</b>                      | <b>5,880.79</b>   |
| <b>Total Equity and Liabilities</b>   | <b>5,823.68</b>                      | <b>5,059.78</b>   | <b>9,408.77</b>                      | <b>8,291.03</b>   |





Notes:

1. The above standalone and consolidated Ind AS financial results of Zuari Agro Chemicals Limited (“the Company”) and the Group comprising its Subsidiaries and its Joint Ventures including its Subsidiaries and and Associate, for the quarter and year ended on March 31, 2019 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 15, 2019. The Statutory Auditors have conducted audit of these results in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and have expressed qualified report on these results.
2. These standalone and consolidated Ind AS financial results have been prepared in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (“Ind AS”) specified in the Companies (Indian Accounting Standards) Rules 2015, as amended, as specified under section 133 of the Companies Act 2013.
3. Ind AS 115 “Revenue from Contracts with Customers”, mandatory for reporting periods beginning on or after April 1, 2018, replaces existing revenue recognition requirements. Under the modified retrospective approach there were no significant adjustments required to the retained earnings at April 1, 2018 in standalone and consolidated Ind AS financial results. Also, the application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the standalone and consolidated financial results.
4. The certificate of CEO and CFO in terms of regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of above results have been placed before the Board of Directors.
5. The consolidated financial results comprise the financial results of the Company and its subsidiaries, herein after referred to as “the Group” including its Joint Ventures and its Subsidiaries and Associates as mentioned below:

Subsidiaries:

- a) Mangalore Chemicals & Fertilizers Limited (MCFL)
- b) Adventz Trading DMCC (ATD)

Joint Ventures:

- a) Zuari Maroc Phosphates Private Limited (ZMPPL)
- b) Paradeep Phosphates Limited (PPL) (subsidiary of ZMPPL)
- c) MCA Phosphates Pte Ltd (MCAP)

Associate of Joint Ventures:

- a) Fosfatos del Pacifico S.A. (FDP) (associate of MCAP)
- b) Zuari Yoma Agri Solutions Limited (associate of PPL)

6. Revenue from operations in the standalone and consolidated financial results for the year ended March 31, 2019 are not comparable with the year ended March 31, 2018, since revenue in this year ended is net of Goods and Service Tax (GST), whereas Excise Duty formed part of other expenses for three months from April 1, 2017 to June 30, 2017 in the year ended March 31, 2018.
7. 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 Company and the Group including the Company has claimed GST refund with respect to input services effective July 01, 2017 which aggregates to Rs. 18.79 crores and Rs. 30.85 crores (net of amount eligible for recovery as subsidy), respectively. Further, during the year ended March 31, 2019, the Company and the Group including the Company has recognized GST input tax credit of Rs. 21.78 crores and Rs. 42.96 crores, respectively (including Rs. 4.02 crores and Rs. 10.31 crores, respectively, relating to the quarter ended March 31, 2019) on input services.



Management, based on an opinion obtained by the Group and also relying on similar fact pattern in an order dated September 18, 2018 of the High Court of Gujarat in respect of an application of another company on similar matter wherein ad-interim relief was granted, is of the view that to the extent the aforesaid Notification denies grant of refund of unutilized tax credit in respect of tax paid on input services is ultra vires to the Central Goods and Services Tax Act, 2017. The Company has also filed a writ petition in the Hon'ble High Court of Bombay at Goa in this regard.

Accordingly, the management is confident of refund in respect of tax paid on input services and that no liability including interest, if any, would arise from the same.

8. During the quarter ended September 30, 2018, the Company had received demand notice of Rs. 27.67 crores towards excess refund on account of input tax credit on input services till the period ended March 31 2018. As the Company has filed writ petition in the Hon'ble High Court of Bombay at Goa, challenging the notifications no. 21/2018-CT dated April 18, 2018 & No. 26/2018-CT dated June 13, 2018 and based on the legal opinion obtained by the Group, is confident that the demand will not sustain, thereby no provision has been made in the books of account.

9. Mangalore Chemicals and Fertilizers Limited (MCFL), a subsidiary of the Company had engaged an independent firm to carry out forensic review of certain transactions relating to investment in preference shares of Bangalore Beverages Limited and advances to United Breweries (Holdings) Limited, which indicated that these transactions may have involved irregularities. These investment and advances aggregating to Rs. 216.68 crores in the books of the subsidiary company were fully provided for during the year ended March 31, 2016.

Zuari Fertilisers and Chemicals Limited (ZFCL), the then holding company of MCFL, (now merged with the Company) had filed a petition before the National Company Law Tribunal, Bengaluru ("NCLT") to claim accountability of erstwhile promoter group for the aforesaid irregularities. The matter is currently pending before the NCLT.

10. The standalone Ind AS financial results of the Company for the quarter and year ended March 31, 2019 have been prepared on the basis of notified concession price of Urea under New Urea Policy 2015, which are further adjusted for input price escalation / de-escalation, as estimated on the basis of prescribed norms.

Mangalore Fertilizers and Chemicals Limited (MCFL), a subsidiary company, recognizes Urea concession income as per Government of India (GOI) notification dated June 17, 2015 which is based on estimates and changes, if any, and are recognized in the year of finalization of the prices by the GOI under the scheme. Accordingly, revenue from operations for the quarter and year ended March 31, 2019 and the year ended March 31, 2018 include additional urea concession income of Rs. 30.51 crores and Rs. 20.69 crores, respectively, relating to immediately preceding financial year recognized on finalization of escalation/de-escalation claims.

The subsidy on Phosphatic and Pottasic fertilizers has been accounted based on the rates announced by the GOI under Nutrient Based Subsidy Policy, from time to time.

11. Under the provision of Ind AS 108, the Company/Group operates in a single segment of fertilizer operations and therefore separate segment disclosures have not been given.

12. In respect of the Company's investment of Rs. 119.43 crores in the rock phosphate mining project (which is under development) through MCA Phosphate Pte Limited (MCAP), a joint venture company, there has been a deadlock between the Company and its JV partner Mitsubishi in its rock phosphate mining project through MCAP about certain impairments recorded in the financial statements of MCAP for financial years 2015-16 and 2016-17. On February 15, 2018, MCAP had issued a share offer notice by virtue of which the Company was offered to subscribe to certain ordinary shares. In light of the objections already raised by the Company in regard to the impairment and adoption of accounts and the nominal value at which the shares were issued, it did not subscribe to the rights issue. On May 30, 2018, the Company obtained a clarification from the JV partner that its shareholding in MCAP has been diluted from 30% to 0.17% with effect from April 01, 2018.



The Company initiated legal proceedings before the High Court of Singapore on June 4, 2018 seeking certain relief. The matter was heard on August 13, 2018 and the Company has been advised that, an order has been passed by the High Court of Singapore mandating that *inter alia* no steps should be taken: i) in respect of any matter specified as a super-majority decision in the shareholders agreement dated December 20, 2011, without the prior written consent of the Company, to, among other things, preserve the Company's original investment; and ii) no steps should be taken to change the shareholding of MCAP or to amend the Articles of Association of MCAP or to act in any manner inconsistent with the shareholders agreement mentioned above. The Company has also initiated arbitration proceedings against the JV partner in accordance with the arbitration rules of the International Chamber of Commerce (ICC) and has also moved application seeking interim relief with ICC for continuation of the reliefs granted by the High Court of Singapore. The ICC, vide its order on application for interim relief dated December 4, 2018, amended the order passed by the High Court of Singapore by allowing the respondents (i.e. Mitsubishi Corporation and MCA Phosphate Pte Limited) to exercise contractual options to purchase or sell shares of MCA Phosphates Pte. Limited in accordance with the terms of any applicable agreements. Mitsubishi Corporation has agreed not to exercise such contractual options till the final award is issued in the aforesaid arbitration. The Company has filed its claim with the arbitration tribunal on April 23, 2019. Basis the Company's discussions with its counsel for the arbitration, the Company is confident that the reliefs sought by the Company in its claim will be awarded in its favour by the arbitration tribunal constituted by ICC.

The Company had not considered any impairment loss till the time of finalization of the financial statements for the year ended March 31, 2018. During the quarter ended June 30, 2018, the Company has assessed the fair value of the said investment based on the fair valuation done by an independent valuer and have concluded that the impairment loss was required to be recognised. Accordingly, the Company recognized an impairment loss of Rs. 11.62 crores in the standalone and consolidated financial results and the figures for the year ended March 31, 2018 were appropriately restated and disclosed under exceptional items as per Ind AS 8 "Accounting Policies, Change in Accounting Estimates and Errors".

Disclosure pursuant to Ind AS 8 "Accounting Policies, Change in Accounting Estimates and Errors" (specified under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2015) is as below:

(Rs. in crores)

| Particulars                           | Standalone        |                  |                           |                            | Consolidated      |                  |                           |                            |
|---------------------------------------|-------------------|------------------|---------------------------|----------------------------|-------------------|------------------|---------------------------|----------------------------|
|                                       | Profit before tax | Profit after tax | Earnings per Share* (Rs.) | Total Comprehensive Income | Profit before tax | Profit after tax | Earnings per Share* (Rs.) | Total Comprehensive Income |
| Year Ended March 31, 2018 (Restated)  | 39.12             | 30.33            | 7.21                      | 17.02                      | 169.09            | 145.83           | 27.91                     | 132.42                     |
| Year Ended March 31, 2018 (Published) | 50.74             | 41.95            | 9.97                      | 28.64                      | 180.71            | 157.45           | 30.67                     | 144.04                     |

\*Basic & diluted

13. For the year ended March 31, 2019, as per the requirement of arbitration proceedings (as explained in Note 12 above), the Company has got the valuation of MCAP investment in Fosfatos del Pacifico S.A(FDP), the mining project company, done by an independent valuer, which indicates a value higher than the carrying value of investment in the books of the Company. Based on the report of independent valuer, impairment loss of Rs. 11.62 crores recognized for the year March 31, 2018 has been reversed in the current year and disclosed as exceptional income in the above results.



14. As indicated in Note 13 above, exception items for the year ended March 31, 2019 represents write back of impairment of the Company's investment in the rock phosphate mining project (which is under development) through MCA Phosphates Pte Ltd (MCAP). Further, exceptional items for the year ended March 31, 2018 included in the above results represent provision made against Inter Corporate Deposits including interest accrued and impairment of the Company's investment in the rock phosphate mining project (which is under development) through MCAP..
15. The Company is planning to set up a Phosphatic fertilizer plant in Ras-Al-Khaimah (RAK) in United Arab Emirates in collaboration with Ras-Al-Khaimah Maritime City Free Zone Authority and has incurred an expenditure on feasibility study and related expenditure amounting to Rs. 32.12 crores in earlier years. The same have been carried forward pending decision on issue of shares to the Company in the proposed Joint Venture project. The JV Company has been incorporated and definitive agreement between the shareholders have been completed which also provides for the re-imburement of these expenses by the JV Company. These expenditures have been approved by the JV Company. The Company is in discussion with various EPC contractors with regard to the implementation of the project and has also signed a MoU for its rock phosphate requirements with an integrated Phosphate fertilizer company. The current license of the JV Company for the free zone was due for renewal on annual basis. The process for extension of license has been initiated by the JV Company.
16. The Company is carrying a receivable of Rs. 19.49 crore 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, the Government has ex-post facto approved the subsidy paid on specific quantity of P&K fertilizer received in the relevant district during the months of February 2013 and March 2013 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 has also filed writ petition at Hon'ble High Court of Delhi against Department of Fertilizer to recover this amount. The Company based on legal opinion, is hopeful to realize the aforesaid amount and hence no provision has been made in the accounts.
17. The consolidated Ind AS financial results include the Group's share of total comprehensive loss (comprising of loss and other comprehensive loss) of Rs. 6.22 crores for the quarter ended March 31, 2019 and total comprehensive income (comprising of loss and other comprehensive income) Rs. 3.10 crores for the year ended March 31, 2019 in respect of one joint venture including its associate, both located outside India, whose financial statements and other financial information have not been subject to audit and has been compiled by the management in accordance with accounting principles generally accepted in the respective country. The Company's management has converted the financial statements of such joint venture located outside India from accounting principles generally accepted in the respective country to accounting principles generally accepted in India.
18. The figures of quarter ended March 31, 2019 and March 31, 2018 are the balancing figures between the audited figures of full financial years and the published year to date figures up to the third quarter of that respective financial years which were subject to limited review.
19. Previous period's figures have been re-grouped / re-classified wherever necessary, to correspond with those of the current period's classification.

For and on behalf of Board of Directors



  
Sunil Sethy  
Managing Director  
DIN: 00244104



Date : May 15, 2019  
Place : Gurugram

**Statement on Impact of Audit Qualifications (for audit report with modified opinion)  
submitted along-with Annual Audited Financial Results - (Standalone)**

| Statement on Impact of Audit Qualifications for the Financial Year ended March 31,<br>2019<br>[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016] |         |  |   |  |
|---|---------|--|---|--|
| I   | SI. No. | Particulars  | Audited<br>Figures (Rs in<br>Lac)<br>(as reported<br>before<br>adjusting for<br>qualifications) | Adjusted<br>Figures<br>(audited<br>figures after<br>adjusting for<br>qualifications) |
|   | 1.      | Turnover/Total income  | 5,19,541.55   | Impact of qualification can not be assessed as of now.                               |
|   | 2.      | Total Expenditure  | 5,42,984.52   |  |
|   | 3.      | Net Profit/(Loss)  | (21,114.92)   |  |
|   | 4.      | Earnings Per Share   | (50.20)   |  |
|   | 5.      | Total Assets   | 5,82,370.22   |  |
|   | 6.      | Total Liabilities  | 5,39,004.60   |  |
|   | 7.      | Net Worth  | 43,365.63   |  |
|   | 8.      | Any other financial item(s) ( as felt appropriate by the management) | None  |  |

| II | Audit Qualification(each audit qualification separately) |  |
|----|--|--|
| a. | Details of Audit Qualification                           | In respect of impairment of Company's investment of Rs. 119.43 Crores in the rock phosphate mining project at Peru (which is under development) through its JV company MCA Phosphates Pte. Limited |



|    |  |
|----|--|
| b. | Type of Audit Qualification: Qualified Opinion/Disclaimer of Opinion/Adverse Opinion<br><br>Disclaimer of opinion  |
| c. | Frequency of qualification: Whether appeared first time/repetitive/since how long continuing<br><br>Repeated since March 2018  |
| d. | For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:<br><br>The impact is not quantified  |
| e. | For Audit Qualification(s) where the impact is not quantified by the auditor:  |
|    | i) Managements estimation on the impact of audit qualification:<br><br>Not applicable  |
|    | ii) If Management is unable to estimate the impact, reasons for the same:<br><br>The matter being under litigation with ICC international court of arbitration, the accounting treatment is given based on independent valuer's report. Any impact due to arbitration order cannot be estimated as of now. |
|    | iii) Auditors' Comments on (i) or (ii) above:<br><br>Auditors' comments are self explanatory in the audit report   |



|  |   |
|--|---|
|  | <p>Signatories:</p> <ul style="list-style-type: none"><li>• Managing Director</li><li>• CFO</li><li>• Audit Committee Chairman</li><li>• Statutory Auditor</li></ul> <p><i>[Handwritten signature]</i><br/><i>[Handwritten signature]</i><br/>M. R. Q. Akbar<br/><u>Vishal Sharma</u></p> |
|  | <p>Place: Gurugram</p>  |
|  | <p>Date: 15 May 2019</p>  |



**Statement on Impact of Audit Qualifications (for audit report with modified opinion)  
submitted along-with Annual Audited Financial Results - (Consolidated)**

**Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019  
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016**

| <b>I</b> | <b>SI. No.</b> | <b>Particulars</b>       | <b>Audited Figures<br/>(as reported before adjusting for qualifications)<br/>(Rs in Lacs)</b> | <b>Adjusted Figures<br/>(audited figures after adjusting for qualifications)</b> |
|----------|----------------|--------------------------|---|--|
|          | 1.             | Turnover/Total income    | 8,14,842.00   | Impact of qualifications cannot be assessed as of now.                           |
|          | 2.             | Total Expenditure        | 8,36,363.27   |  |
|          | 3.             | Net Profit/(Loss)        | (15,513.84)   |  |
|          | 4.             | Earnings Per Share       | (40.56)   |  |
|          | 5.             | Total Assets             | 9,40,879.49   |  |
|          | 6.             | Total Liabilities        | 7,73,930.16   |  |
|          | 7.             | Net Worth                | 1,26,994.15   |  |
|          | 8.             | Non-controlling interest | 39,955.19   |  |



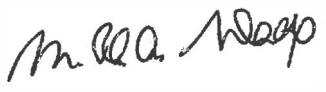

| <b>II</b> | <b>Audit Qualification(each audit qualification separately)</b> |  |
|-----------|---|--|
|           | a.  | <p>Details of Audit Qualification</p> <p>a) In respect of consolidation on the basis of unaudited financials of one joint venture of the Company located outside India, whose financial statements have been compiled and approved by the management.</p> <p>b) In respect of impairment of Company's investment of Rs. 119.43 Crores in the rock phosphate mining project at Peru (which is under development) through its JV company MCA Phosphates Pte. Limited</p> |





|  |    |  |
|--|----|--|
|  | b. | Type of Audit Qualification: Qualified Opinion/Disclaimer of Opinion/Adverse Opinion<br><br>a) & b) Disclaimer of opinion  |
|  | c. | Frequency of qualification: Whether appeared first time/repetitive/since how long continuing<br><br>a) First time<br><br>b) Repeated since March 2018  |
|  | d. | For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:<br><br>a) & b) The impact is not quantified  |
|  | e. | For Audit Qualification(s) where the impact is not quantified by the auditor:  |
|  |    | i) Managements estimation on the impact of audit qualification:<br>Not applicable  |
|  |    | ii) If Management is unable to estimate the impact, reasons for the same:<br><br>a) The matter being under arbitration any impact on account of audited financial statements in respect of the JV cannot be ascertained as of now.<br><br>b) The matter being under litigation with ICC international court of arbitration, the accounting treatment is given based on independent valuer's report. Any impact due to arbitration order cannot be estimated as of now. |
|  |    | c) Auditors' Comments on (i) or (ii) above:<br><br>Auditors' comments are self explanatory in the audit report   |



|  |   |
|--|---|
|  | <p>Signatories:</p> <ul style="list-style-type: none"><li>• Managing Director </li><li>• CFO </li><li>• Audit Committee Chairman </li><li>• Statutory Auditor </li></ul> |
|  | <p>Place: Gurugram</p>  |
|  | <p>Date: 15 May 2019</p>  |



## Annexure B

| Sr. No. | Details of events that need to be provided  | Information of such event(s)   |
|---------|---|--|
| 1       | Reason for change viz. appointment, resignation, removal, death or otherwise;       | <p>On the recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on 28th July, 2017 and the Members at the Annual General Meeting of the Company held on 22nd September, 2017 approved appointment of Mr. Sunil Sethy as Managing Director of the Company for period of 2 years upto 31<sup>st</sup> July, 2019.</p> <p>The present term of Mr. Sunil Sethy will come to an end on 31<sup>st</sup> July, 2019.</p> <p>Based on the recommendation of Nomination &amp; Remuneration Committee, the Board of Directors at its meeting held today i.e. 15<sup>th</sup> May, 2019 have approved the re-appointment of Mr. Sunil Sethy as Managing Director and Key Managerial Personnel (KMP) of the Company for a further period of one year w.e.f. 1<sup>st</sup> August, 2019, subject to the approval of shareholders by Special Resolution.</p> |
| 2.      | Date of appointment /cessation(as applicable)<br>Term of appointment                | Mr. Sunil Sethy has been re-appointed at the meeting of Board of Directors of the Company held today i.e. 15 <sup>th</sup> May, 2019 as Managing Director and Key Managerial Personnel (KMP) of the Company for a further period of one year w.e.f. 1 <sup>st</sup> August, 2019, subject to the approval of shareholders by Special Resolution.   |
| 3.      | Brief Profile (in case of appointment)  | Sunil Sethy aged 68 years, is the Managing Director of our Company. He has been associated with our Company since July 28, 2017. He is a fellow of the ICAI. He has previously served as the Managing Director of Binani Industries Limited and as the Managing Director of Chambal Fertilisers & Chemicals Limited.   |
| 4.      | Disclosure of relationships between directors (in case of appointment of director). | Mr. Sunil Sethy is not related to any of the Directors of the Company  |

