



May 29, 2022

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. 29<sup>th</sup> May, 2022, inter alia has considered and approved the following:

1. Audited Standalone and Consolidated Financial Results for the quarter and year ended 31<sup>st</sup> March, 2022.

Audited Standalone and Consolidated Financial Results for the Financial Year ended 31<sup>st</sup> March, 2022 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. Appointment of Mr. Amandeep (DIN: 00226905) as an Additional Director in the category of Independent Directors for a term of 3 years w.e.f May 29, 2022 which shall be subject to the approval of the members.

In compliance with SEBI Letter dated June 14, 2018 read along with NSE Circular No. NSE/CML/2018/24 dated June 20, 2018 and BSE Circular dated LIST/COMP/14/2018-19 dated June 20, 2018, we wish to confirm that Mr. Amandeep has not been debarred from holding the office of Director by virtue of any SEBI Order or any other Authority.

The details required under Regulation 30 of SEBI (Listing Obligation 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**

**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: Jal Kisaan Bhawan, Zuarinagar, Goa -403 726, CIN -L65910GA2009PLC006177  
**STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2022**

S. No	Particulars	STANDALONE					CONSOLIDATED					(INR in Crore)
		3 months ended 31/03/2022	3 months ended 31/12/2021	3 months ended 31/03/2021	Year ended 31/03/2022	Year ended 31/03/2021	3 months ended 31/03/2022	3 months ended 31/12/2021	3 months ended 31/03/2021	Year ended 31/03/2022	Year ended 31/03/2021	
		Audited	Unaudited	Audited	Audited	Audited	Audited	Unaudited	Audited	Audited	Audited	
1	<b>Continuing operations</b>											
	Revenue											
	(a) Revenue from operations	25.76	25.30	-	83.01	0.11	892.61	950.46	659.18	3,589.80	2,403.74	
	(b) Other income	22.86	17.14	25.63	49.61	49.54	33.35	17.67	27.05	60.51	62.45	
	<b>Total income</b>	<b>48.62</b>	<b>42.44</b>	<b>25.63</b>	<b>132.62</b>	<b>49.65</b>	<b>925.96</b>	<b>968.13</b>	<b>686.23</b>	<b>3,650.31</b>	<b>2,466.19</b>	
2	<b>Expenses</b>											
	(a) Cost of raw material and components consumed	16.29	10.54	-	29.74	-	647.64	451.97	298.86	1,962.14	1,110.17	
	(b) Purchases of traded goods	3.20	11.46	-	42.76	-	84.88	115.46	47.20	546.94	412.31	
	(c) Changes in inventories of finished goods, traded goods and work-in-progress	(2.02)	(1.67)	-	(4.76)	0.10	(154.13)	51.79	43.10	(150.49)	24.68	
	(d) Employee benefits expense	1.02	0.49	0.87	2.99	4.38	26.92	25.53	17.95	104.86	98.09	
	(e) Depreciation and amortisation expense	0.88	0.88	0.88	3.53	3.67	16.45	17.88	20.56	67.49	67.96	
	(f) Finance costs	26.00	28.36	16.93	116.23	118.35	45.29	40.40	29.99	172.63	200.45	
	(g) Other expenses	8.34	6.54	6.97	19.89	24.64	265.31	231.71	204.66	893.18	552.73	
	<b>Total expense</b>	<b>53.71</b>	<b>56.60</b>	<b>25.65</b>	<b>210.38</b>	<b>151.14</b>	<b>932.36</b>	<b>934.74</b>	<b>662.32</b>	<b>3,596.75</b>	<b>2,466.39</b>	
3	<b>Profit / (loss) before share of profit of joint venture and tax from continuing operations (1-2)</b>	<b>(5.09)</b>	<b>(14.16)</b>	<b>(0.02)</b>	<b>(77.76)</b>	<b>(101.49)</b>	<b>(6.40)</b>	<b>33.39</b>	<b>23.91</b>	<b>53.56</b>	<b>(0.20)</b>	
4	Share of profit of joint venture	-	-	-	-	-	14.40	52.89	0.13	160.29	86.74	
5	<b>Profit / (loss) before tax from continuing operations (3+4)</b>	<b>(5.09)</b>	<b>(14.16)</b>	<b>(0.02)</b>	<b>(77.76)</b>	<b>(101.49)</b>	<b>8.00</b>	<b>86.28</b>	<b>24.04</b>	<b>213.85</b>	<b>86.54</b>	
6	<b>Tax expense/ (credit)</b>											
	(a) Current tax	-	-	-	-	-	2.11	8.17	5.09	25.18	19.55	
	(b) Tax relating to earlier years	1.16	-	-	1.16	-	1.16	-	-	1.16	-	
	(c) Deferred tax charge/ (credit)	-	-	-	-	-	(2.13)	7.96	4.15	20.92	18.91	
	<b>Income tax expense/ (credit)</b>	<b>1.16</b>	<b>-</b>	<b>-</b>	<b>1.16</b>	<b>-</b>	<b>1.14</b>	<b>16.13</b>	<b>9.24</b>	<b>47.26</b>	<b>38.46</b>	
7	<b>Profit / (loss) for the period / year from continuing operations (5-6)</b>	<b>(6.25)</b>	<b>(14.16)</b>	<b>(0.02)</b>	<b>(78.92)</b>	<b>(101.49)</b>	<b>6.86</b>	<b>70.15</b>	<b>14.80</b>	<b>166.59</b>	<b>48.08</b>	
8	<b>Profit / (loss) for the period / year from discontinued operations (Refer Note 5(i) below)</b>	<b>(0.01)</b>	<b>(27.94)</b>	<b>(2.26)</b>	<b>(4.53)</b>	<b>(135.63)</b>	<b>0.43</b>	<b>(26.22)</b>	<b>(16.82)</b>	<b>4.25</b>	<b>(174.31)</b>	
9	<b>Tax expense of discontinued operations (Refer Note 5(i) below)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
10	<b>Profit / (loss) for the period / year from discontinued operations (Refer Note 5(i) below) (8-9)</b>	<b>(0.01)</b>	<b>(27.94)</b>	<b>(2.26)</b>	<b>(4.53)</b>	<b>(135.63)</b>	<b>0.43</b>	<b>(26.22)</b>	<b>(16.82)</b>	<b>4.25</b>	<b>(174.31)</b>	
11	<b>Profit / (loss) for the period / year (7 + 10) (a)</b>	<b>(6.26)</b>	<b>(42.10)</b>	<b>(2.28)</b>	<b>(83.45)</b>	<b>(237.12)</b>	<b>7.29</b>	<b>43.93</b>	<b>(2.02)</b>	<b>170.84</b>	<b>(126.23)</b>	
12	<b>Other Comprehensive income (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	0.06	0.06	0.47	0.12	0.53	0.44	0.04	1.08	(0.15)	1.31	
	Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	(0.13)	0.01	(0.21)	0.10	(0.27)	
	Net (loss)/gain on FVTOCI financial instruments	23.30	2.54	4.03	40.79	10.93	23.30	2.54	4.02	40.79	10.93	
	Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-	-	-	-	-	
	Share of OCI of joint ventures	-	-	-	-	-	0.21	(0.09)	0.15	(0.39)	0.28	
	<b>B Items that will be reclassified to profit or loss</b>											
	Exchange differences on translation of foreign operations	-	-	-	-	-	(0.05)	(0.01)	0.01	(0.06)	0.07	
	<b>Total Other Comprehensive Income (b)</b>	<b>23.36</b>	<b>2.60</b>	<b>4.50</b>	<b>40.91</b>	<b>11.46</b>	<b>23.77</b>	<b>2.49</b>	<b>5.05</b>	<b>40.29</b>	<b>12.32</b>	
13	<b>Total Comprehensive Income / (loss) for the period / year (a+b)</b>	<b>17.10</b>	<b>(39.50)</b>	<b>2.22</b>	<b>(42.54)</b>	<b>(225.66)</b>	<b>31.06</b>	<b>46.42</b>	<b>3.03</b>	<b>211.13</b>	<b>(113.91)</b>	
14	<b>Profit attributable to:</b>											
	Owners of the equity						5.69	29.65	(8.79)	130.45	(157.08)	
	Non-controlling interest						1.60	14.28	6.77	40.39	30.85	
	<b>Other comprehensive income attributable to:</b>											
	Owners of the equity						23.67	2.50	4.87	40.38	12.09	
	Non-controlling interest						0.10	(0.01)	0.18	(0.09)	0.23	
	<b>Total comprehensive income attributable to:</b>											
	Owners of the equity						29.36	32.15	(3.92)	170.83	(144.99)	
	Non-controlling interest						1.70	14.27	6.95	40.30	31.08	
15	<b>Paid-up Equity Share Capital (face value INR 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>	<b>42.06</b>	
16	<b>Other Equity as per balance sheet of previous accounting year</b>						(150.69)				154.14	
17	<b>Earnings / (Loss) per share (of INR 10/- each) (not annualised):</b>											
	(a) Basic and diluted EPS from continuing operations (INR)	(1.49)	(3.37)	0.00	(18.76)	(24.13)	1.25	13.28	1.91	30.01	4.10	
	(b) Basic and diluted EPS from discontinued operations (INR)	0.00	(6.64)	(0.54)	(1.08)	(32.25)	0.10	(6.23)	(4.00)	1.01	(41.45)	
	(c) Basic and diluted EPS from continuing and discontinued operations (INR)	(1.49)	(10.01)	(0.54)	(19.84)	(56.38)	1.35	7.05	(2.09)	31.02	(37.35)	



**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, 2022 (Audited)	As at March 31, 2021 (Audited)	As at March 31, 2022 (Audited)	As at March 31, 2021 (Audited)
<b>Assets</b>				
<b>Non-current assets</b>				
(a) Property, plant and equipment	63.47	76.46	1,239.23	1,232.43
(b) Right of use assets	7.81	-	69.73	80.83
(c) Capital work-in-progress	-	-	320.06	78.26
(d) Investment property	3.62	3.62	3.62	3.62
(e) Intangible assets	-	-	111.24	114.46
(f) Investments in a joint venture	-	-	1,084.29	924.39
(g) Financial assets				
(i) Investments	1,548.67	1,183.82	42.18	27.22
(ii) Loans	1.99	1.92	0.04	0.02
(iii) Others	0.91	0.78	10.68	9.70
(h) Deferred tax assets (net)	67.41	67.41	69.78	67.41
(i) Other non-current assets	6.10	6.09	20.79	123.17
(j) Income tax assets (net)	14.73	11.16	14.73	11.16
	<b>1,714.71</b>	<b>1,351.26</b>	<b>2,986.37</b>	<b>2,672.67</b>
<b>Current assets</b>				
(a) Inventories	21.99	2.57	503.88	221.56
(b) Financial assets				
(i) Investments	-	-	-	0.01
(ii) Trade receivables	10.75	0.01	633.51	453.93
(iii) Cash and cash equivalents	5.62	56.26	565.51	427.32
(iv) Bank balances other than (iii) above	64.08	131.71	139.23	181.61
(v) Loans	1.13	0.87	-	0.01
(vi) Others	2.37	351.14	16.14	22.00
(c) Other current assets	23.25	23.09	98.81	100.09
	<b>129.19</b>	<b>565.65</b>	<b>1,957.08</b>	<b>1,406.53</b>
Assets held for sale	1,336.25	1,311.77	1,318.81	1,292.66
	<b>1,465.44</b>	<b>1,877.42</b>	<b>3,275.89</b>	<b>2,699.19</b>
<b>Total assets</b>	<b>3,180.15</b>	<b>3,228.68</b>	<b>6,262.26</b>	<b>5,371.86</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
(a) Equity share capital	42.06	42.06	42.06	42.06
(b) Other equity	(193.23)	(150.69)	324.95	154.14
<b>Equity attributable to equity holders of the parent company</b>			<b>367.01</b>	<b>196.20</b>
(c) Non-controlling interests	-	-	477.44	442.58
<b>Total equity</b>	<b>(151.17)</b>	<b>(108.63)</b>	<b>844.45</b>	<b>638.78</b>
<b>Non-current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	288.50	393.50	506.65	521.23
(i.a) Lease liabilities	-	-	66.83	73.22
(ii) Others	-	-	0.15	1.01
(b) Provisions	0.53	0.57	17.14	17.64
(c) Deferred tax liabilities (net)	-	-	51.07	27.88
(d) Other non-current liabilities	-	-	0.34	0.51
	<b>289.03</b>	<b>394.07</b>	<b>642.18</b>	<b>641.49</b>
<b>Current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	940.22	515.57	2,063.68	1,251.17
(i.a) Lease liabilities	-	-	5.96	5.33
(ii) Trade payables				
a) total outstanding dues of micro enterprises and small enterprises	-	-	10.58	12.68
b) total outstanding dues of creditors other than micro enterprises and small enterprises	147.92	35.93	576.57	395.67
(iii) Others	61.10	32.46	194.17	140.14
(b) Other current liabilities	36.39	8.40	47.00	24.23
(c) Liabilities for current tax (net)	-	-	8.39	1.95
(d) Provisions	1.06	0.96	13.68	11.30
	<b>1,186.69</b>	<b>593.32</b>	<b>2,920.03</b>	<b>1,842.47</b>
Liabilities directly associated with the assets held for sale	1,855.60	2,349.92	1,855.60	2,249.12
<b>Total liabilities</b>	<b>3,331.32</b>	<b>3,337.31</b>	<b>5,417.81</b>	<b>4,733.08</b>
<b>Total equity and liabilities</b>	<b>3,180.15</b>	<b>3,228.68</b>	<b>6,262.26</b>	<b>5,371.86</b>



**ZUARI AGRO CHEMICALS LIMITED**  
 Regd. Office: Jai Kisaan Bhawan, Zuarinagar, Goa -403 726, CIN -L65910GA2009PLC006177  
**STATEMENT OF AUDITED CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2022**

(INR in Crores)

	Standalone		Consolidated	
	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2022	For the year ended 31 March 2021
	Audited	Audited	Audited	Audited
<b>A Cash flow from operating activities:</b>				
Profit/(Loss) before tax from continuing operations	(77.76)	(101.49)	213.85	86.54
Profit/(Loss) before tax from discontinued operations	(4.53)	(135.63)	4.25	(174.31)
Share of (profit) of a joint venture partner	-	-	(160.29)	(86.74)
<b>Adjustments to reconcile loss before tax to net cash flows:</b>				
Depreciation of property, plant and equipment	3.53	41.95	63.97	102.72
Amortisation of intangible assets	-	0.88	3.53	4.40
Loss / (profit) on disposal of property, plant and equipment (net)	(0.05)	(7.18)	5.44	(4.04)
Excess provision / unclaimed liabilities / unclaimed balances written back	(37.38)	(37.05)	(44.50)	(11.07)
Bad debts, claims and advances written off	1.02	-	1.02	18.81
Provision for doubtful debts, claims and advances	-	6.84	9.70	17.85
Subsidy claims written off	0.08	1.88	(0.08)	1.88
Incentive under packing scheme incentive	-	-	(0.17)	(0.17)
Deferred Income	(0.30)	(0.30)	(0.30)	(0.30)
Unrealized foreign exchange fluctuation loss	8.68	10.88	16.81	2.31
Interest expense	217.89	309.28	243.99	367.06
Rent Received	-	-	(1.21)	-
Interest income	(13.38)	(10.64)	(17.94)	(19.68)
Dividend income	(6.46)	(3.24)	(0.06)	(0.04)
<b>Operating profit/ (loss) before working capital adjustments</b>	<b>91.34</b>	<b>76.18</b>	<b>338.01</b>	<b>305.22</b>
<b>Working capital adjustments :</b>				
Increase/(Decrease) in provisions	0.56	(1.04)	1.52	(3.31)
Increase/(Decrease) in trade payables and other liabilities	496.48	(40.13)	705.26	(271.76)
Increase/(Decrease) in trade receivables	(173.12)	436.44	(336.64)	1,369.78
Decrease / (increase) in inventories	85.61	26.91	(178.25)	104.79
Decrease / (increase) in other assets and financial assets	45.84	(10.62)	61.20	(7.26)
(increase)/Decrease in loans and advances	(10.25)	0.80	3.72	4.77
	<b>445.12</b>	<b>412.36</b>	<b>256.81</b>	<b>1,197.01</b>
Less : Income tax paid (net of refunds)	2.40	36.23	(23.47)	18.86
<b>Net cash flow from operating activities (A)</b>	<b>538.86</b>	<b>524.77</b>	<b>571.35</b>	<b>1,521.08</b>
<b>B Cash flow from investing activities:</b>				
Purchase of property, plant and equipment, including intangible assets, capital work in progress and capital advances	(16.61)	(17.19)	(227.68)	(79.96)
Proceeds from sale of property, plant and equipment	0.06	7.69	0.29	8.06
Proceeds from sale of non-current investment	25.94	1.64	25.94	1.64
Investment in bank deposits (having original maturity of more than 3 months)	67.53	(90.96)	42.03	(123.68)
Interest received	12.41	12.32	20.98	23.11
Rent Received	-	-	1.21	-
Dividend received	5.87	3.24	0.06	0.04
<b>Net cash flow from/ (used in) investing activities (B)</b>	<b>95.20</b>	<b>(83.26)</b>	<b>(137.17)</b>	<b>(170.79)</b>
<b>C Cash flow from financing activities:</b>				
Proceeds from long term borrowings	90.00	120.00	249.36	125.12
(Repayment) of long term borrowings	(173.11)	(138.63)	(250.21)	(290.06)
(Repayment) of lease liability	(2.24)	(2.11)	(15.71)	(8.22)
Proceeds from short term borrowings	692.81	215.25	690.21	215.25
(Repayment) of short term borrowings	(1,014.73)	(350.57)	(627.32)	(894.12)
Dividend paid on equity shares	-	-	(5.45)	(2.73)
Interest paid	(277.43)	(281.11)	(336.87)	(333.25)
<b>Net cash flow (used in) financing activities (C)</b>	<b>(684.70)</b>	<b>(437.17)</b>	<b>(295.99)</b>	<b>(1,188.01)</b>
<b>D Net increase/ (decrease) in cash and cash equivalents (A + B + C)</b>	<b>(50.64)</b>	<b>4.34</b>	<b>138.19</b>	<b>162.28</b>
Cash and cash equivalents at the beginning of the year	56.26	51.92	427.32	265.04
<b>Cash and cash equivalents at the year end</b>	<b>5.62</b>	<b>56.26</b>	<b>565.51</b>	<b>427.32</b>
	<b>For the year ended 31 March 2022</b>	<b>For the year ended 31 March 2021</b>	<b>For the year ended 31 March 2022</b>	<b>For the year ended 31 March 2021</b>
<b>Balances with banks</b>				
- On current accounts	2.46	22.98	112.29	61.78
- On cash credit accounts	3.16	33.27	3.16	33.27
- Deposits with original maturity of less than 3 months	-	0.01	450.03	332.25
Cash on hand	-	-	0.03	0.02
Cheque on hand	-	-	-	-
<b>Cash and cash equivalents</b>	<b>5.62</b>	<b>56.26</b>	<b>565.51</b>	<b>427.32</b>



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)
<b>Subsidiaries</b>	
2	Mangalore Chemicals and Fertilizers Limited (MCFL)
3	Adventz Trading DMCC (ATD)
4	Zuari FarmHub Limited (ZFL)
<b>Joint Venture</b>	
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, 2022 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 29, 2022. 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 manufacturing, 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 buildup 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, which adversely impacted the Company’s cash flows, debt position, and led to the 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. The net current liability position as on March 31, 2022 are INR 2,082.85 crores (as at March 31, 2021 INR 1,556.74 crores)

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. The credit ratings as on April 2020 was upgraded to ICRA B stable, which though shifted to Credit rating ICRA B placed under watch with developing implications from July 2020 onwards.

During the year, Ammonia and Urea plant operated at normal levels. Further, operations of NPK A and B plant were intermittently in operation 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 (Fertilizer Division) of the Company as a going concern on a slump sale basis. During



the year and current quarter, PPL continues to provide necessary financial assistance to run the operations of the Company. Further, 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 realize 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 1, 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 a going concern on a slump sale basis for an agreed enterprise value of INR 2,052.25 crores (equivalent to USD 280 million as per the BTA).

Pursuant to the BTA, i) the longstop date has been extended from June 30, 2021 to December 31, 2021 and further extended to June 30, 2022; and ii) with the commitment from PPL for necessary financial assistance, the Company is provided with the option to settle all outstanding amounts against fund based working capital facility prior to or on the completion date instead of earlier option of prior to completion date.

The effect of the transfer will be reflected in the financial information/statements of the period on the consummation of BTA.

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 after eliminating intercompany transactions is as follows:

**Standalone** (INR in crores)

Particulars	3 months ended	3 months ended	3 months ended	Year ended	Year ended
	31/03/2022	31/12/2021	31/03/2021	31/03/2022	31/03/2021
Total Income	716.65	522.39	815.20	2,525.13	2,245.49
Total expense	716.66	550.33	817.46	2,529.66	2,381.12
Profit/(loss) for discontinued operations before tax the year	(0.01)	(27.94)	(2.26)	(4.53)	(135.63)
Tax charge including deferred tax pertaining to discontinued operations	-	-	-	-	-
Profit/(loss) for discontinued operations	(0.01)	(27.94)	(2.26)	(4.53)	(135.63)



*[Handwritten signature]*



## Consolidated

(INR in crores)

Particulars	3 months ended	3 months ended	3 months ended	Year ended	Year ended
	31/03/2022	31/12/2021	31/03/2021	31/03/2022	31/03/2021
Total Income	714.29	521.11	797.60	2,521.49	2,194.97
Total expense	713.86	547.33	814.42	2,517.24	2,369.28
Profit/(loss) for discontinued operations before tax the year	0.43	(26.22)	(16.82)	4.25	(174.31)
Tax charge including deferred tax pertaining to discontinued operations	-	-	-	-	-
Profit/(loss) for discontinued operations	0.43	(26.22)	(16.82)	4.25	(174.31)

Subsequent to year ended March 31, 2022, PPL has completed Initial Public Offer (IPO) and listed its shares with Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) on May 27, 2022, with one of the object clause to part financing the acquisition of the Company's fertilizer plant at Goa and associated businesses.

(ii) During the year ended March 31, 2020, pursuant to board approval obtained on February 5, 2020 and vide Business Transfer Agreement dated March 31, 2020, the Company had transferred its assets and liabilities of its retail, specialty 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.

As per the above-mentioned Business Transfer Agreement and addendum thereof with ZFL, the consideration for slump sale of the farmhub business to ZFL was settled by issuance of Unlisted Compulsory Convertible Debentures (CCDs) of ZFL for INR 435.56 crores during the financial year 2019-20 and INR 350.00 crores in the current financial year.

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 at an advanced stage and a definitive agreement is expected to be executed in the coming quarters.

6. The Company had 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 (i) and (ii) above. The EGM was called on June 23, 2021 by the Board of Directors through video conferencing/ other audio visual means. However, since the requisite quorum was not present at the EGM, thereby the EGM of the Members of the Company called by the requisitionists under section 100, was cancelled for want of quorum as stipulated under section 103(2) (b) of the Companies Act 2013. Necessary filing in this regard have already been made by the Company as required by the Regulations / statute. Further, subsequent to the year end March 31, 2021, the same group of shareholders have filed a petition in National Company Law Tribunal (NCLT), Mumbai for cancellation of these BTAs for which the Company based on the legal opinion obtained believes that the petition, would not be tenable and does not have any impact on the BTAs. The petition is pending before NCLT, Mumbai.






7. 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, hearing was granted to 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 a writ petition to the higher authority against the order passed by DoF. On March 3, 2021, DHC has issued notice in the writ petition and has directed DoF to file its reply. DoF has filed its reply on July 27, 2021 and the Company has filled rejoinder and in the hearing on March 28, 2022, final disposal of the matter is scheduled on July 18, 2022. Based on the legal assessment done by the Company, it is hopeful to realize the aforesaid amount, and hence, no provision has been made in the accounts.

8. Vide notification number 26/ 2018 dated 13 June 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 01 July 2017 to include ITC availed only on inputs which excludes input services. The management has contested this amendment by filling writ petition in the Hon'ble High Court of Bombay at Goa. Based on a tax opinion, irrespective of outcome of writ petition, input tax credit on services would be available for utilization in foreseeable future. The management is confident of utilization of balance input tax credit, as at March 31, 2022 the Company has carried forward an amount of INR 98.16 crores (March 31, 2021 INR 97.98 crores) as amount GST Input credit utilizable towards this matter.

9. In case of subsidiary (MCFL), during the year ended March 31, 2021 had recognised 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 [DoF] for subsidy income computation, against which MCFL had filed a writ petition against the DoF before the Hon'ble High Court of Delhi [DHC]. Pending finalization of writ petition before the DHC against this matter, the management of MCFL 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 realisation of the aforesaid subsidy income.

10. Consequent to reassessment of uncertainty over eventual realization arising due to the order of DoF against the Subsidiary (MCFL) (challenged by a writ petition which is pending before DHC), during the year ended March 31, 2021, MCFL derecognized subsidy income of INR 26.86 crores relating to higher energy norms which was recognized till December 31, 2020 of fiscal year ended March 31, 2021.

11. 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.

12. During the quarter ended March 31, 2022, NPK B plant was shut down for thirty-five days whereas NPK A plant was under shut down during the quarter due to non-availability of raw material. Subsequent to the quarter, ammonia and urea plant are under shutdown for annual maintenance from May 01, 2022 and expected to commence operation in 1<sup>st</sup> week of June 2022. Further, the NPK B Plant was also temporarily shut down





to undertake repair activities and NPK A Plant continues to be under shut down due to non-availability of raw material.

13. During the year ended March 31, 2020 due to devolvement of loans, 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.
14. 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, 2022. 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.
15. 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.
16. In respect of a subsidiary company 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.
17. The figures of the quarter ended March 31, 2022 / 2021 are the balancing figures between the audited figures in respect of the financial year up to March 31, 2022 / 2021 and the unaudited published year-to-date figures up to December 31, 2021 / 2020 being the date of the end of third quarter of the financial year which were subjected to limited review.
18. Previous period/year figures have been re-grouped/re-classified wherever necessary, to confirm to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective April 01, 2021.



For and on behalf of Board of Directors

Nitin M Kantak  
Executive Director  
DIN: 08029847



Date: May 29, 2022  
Place: Zuarinagar, Goa

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DESMOND J. REBELLO  
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**Independent Auditor's Report on the Quarterly & Year to Date Audited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligation & 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, 2022 and for the year ended March 31, 2022 (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 "Listing Regulations")

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

- is presented in accordance with the requirements of the Listing Regulations in this regard; and
- 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, 2022 and for the year ended March 31, 2022.

**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 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.



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**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, 2022, 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 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.
- b. 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.
- c. We draw attention to Note 14 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.

Our opinion is not modified in respect of this matter.



### **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 scepticism throughout the audit. We also:

- a. 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.
- b. 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.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- d. 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 disclosures are inadequate, to modify our opinion. Our opinions 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.
- e. 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, 2022 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2022 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 **K.P. Rao & Co**

Chartered Accountants

Firm's Registration No. 003135S



**Prashanth S**

Partner

Membership Number: 228407



UDIN : 22228407AJVLYD7825

Place: GOA

Date: May 29, 2022



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**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**

**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"), its joint venture for the quarter ended March 31, 2022 and for the year ended March 31, 2022 ("Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements 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:

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

1	Zuari Agro Chemicals Limited
<b>Subsidiaries</b>	
2	Mangalore Chemicals and Fertilizers Limited (MCFL)
3	Adventz Trading DMCC
4	Zuari Farmhub Limited
<b>Joint Venture</b>	
5	Zuari Maroc Phosphates Private Limited
6	Paradeep Phosphates Limited (subsidiary of Zuari Maroc Phosphates Private Limited)
<b>Associates of Joint Venture</b>	
7	Zuari Yoma Agri Solutions Limited (Associate of Paradeep Phosphates Limited)

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- b. are presented in accordance with the requirements of the Listing Regulations in this regard; and
- c. 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, 2022 and consolidated net loss and other comprehensive loss and other financial information of the Group for the year ended March 31, 2022

### **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 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, 2022, 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 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



explained in note, the Holding Company has not made any provision in this regard in the accompanying consolidated financial results.

- b. 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.

- c. We draw attention to Note 9, 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 are met.
- d. We draw attention to Note 14 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 Company.

Our opinion is not modified in respect of this matter.

### **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 is 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 scepticism throughout the audit. We also:

- a. 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.
- b. 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.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.



- d. 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 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.
- e. 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.
- f. 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. CJR/CFD/CMD I/44/2019 dated March 29, 2019 issued by the Securities Exchange Board of India wider 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:

- One subsidiary, whose financial results/statements include total assets of INR 304.51 crores as at March 31, 2022, total revenues of INR 157.86 crores and INR 692.99 crores, total net profit/(loss) after tax of INR (2.33 crores) and INR 20.22 crores, total comprehensive Income/(loss) of INR (2.30 crores) and INR 20.25 crores, for the quarter and the year ended on that date respectively, and net cash inflows of INR 58.51 crores for the year ended March 31, 2022, as considered in the Statement audited by us.
- One subsidiary, whose financial results/statements include total assets of INR 2718.90 crores as at March 31, 2022, total revenues of INR 718.88 crores and INR 2895.58 crores, total net profit after tax of INR 3.49 crores and INR 87.86 crores, total comprehensive Income of INR 3.71 crores and INR 87.66 crores, for the quarter and the year ended on that date respectively, and net cash inflows of INR 129.66 crores for the year ended March 31, 2022, as considered in the Statement which has been audited by their respective independent auditors.
- one joint venture, whose special purpose financial results/statements include Group's share of net profit of INR 14.40 crores and INR 160.29 crores and Group's share of total comprehensive income of INR 14.61 crores and INR 159.90 crores, for the quarter and for the year ended March 31, 2022 respectively, as considered in the Statement, whose special purpose financial results/ financial statements, other financial information have been audited as per SA – 800 (Audit of special considerations/audit of financial statements prepared in accordance with special purpose frameworks issued by ICAI) 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 the subsidiaries 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, 2022 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2022 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 **K.P. Rao & Co**  
Chartered Accountants  
Firm's Registration No. 003135S

  
**Prashanth S**  
Partner

Membership Number: 228407

UDIN : 22228407AJVLYW8566

Place: GOA

Date: May 29, 2022



**Annexure B**

<b>Sr. No.</b>	<b>Details of events that need to be provided</b>	<b>Information of such event(s)</b>
1	Reason for change viz. appointment, resignation, removal, death or otherwise;	Appointment of Mr. Amandeep as an Additional Director in the category of Independent Directors.
2.	Date of appointment /cessation(as applicable) Term of appointment	Based on the recommendation of the Nomination & Remuneration Committee, the Board at its meeting held today i.e. 29 <sup>th</sup> May, 2022 have approved the appointment of Mr. Amandeep as an Additional Director in the category of Independent Directors w.e.f May 29, 2022 for a period of 3 years, subject to approval of shareholders
3.	Brief Profile (in case of appointment)	<p>Mr. Amandeep is currently Founder and Sherpa-in-Chief, a company he started in May, 2020 to enable mid sized owner companies in realising their full potential. Currently the Sherpas are working with 8 clients in manufacturing industries ranging from Steel, Paper, Plywood, Sugar, Tea, Masterbath and so on.</p> <p>Mr. Amandeep is a professional with 30 years of experience, the last 17 years spent in leadership positions in HR, Corporate Affairs, managing P&amp;L as CEO, Corporate Development and as managing director. He has partnered with the promoters of a conglomerate in its transformation from a family run organization to a value based professionally driven organization. He successfully made the transition from an HR role to general management about 10 years back. His last assignment was managing director and CEO of a diversified business group of approx. 5300 Cr Turnover, after being the director and CEO of a Rs. 4000 Cr Cement business.</p> <p>He has worked for close to 14 years with Dalmia Bharat Group and has played a key role in the journey of the group from 500 Cr turnover to 12000 Cr.</p>

		<p>He has served on the Boards of 8 companies, two of them listed on the BSE. These companies range from a size of Rs. 5000 Crore revenues to a transportation start up, in sectors ranging from manufacturing to software services, to logistics, to ecommerce. He has been chairman of Audit Committee and various other committees of the board. He is a qualified Independent Director.</p> <p><b>In all these years Amandeep has demonstrated capabilities which cut across functions and business verticals. Some of those are:-</b></p> <ul style="list-style-type: none"> <li>• Sharp business acumen enabling quick understanding of risks and opportunities in a business.</li> <li>• Ability to cut through the clutter and identify key business issues and aligning stakeholders to the action plan.</li> <li>• Build high performing enabled teams.</li> <li>• Managing regulatory framework to convert that into strategic advantage.</li> <li>• Building brands.</li> <li>• Growing the business at 2X of the industry growth.</li> <li>• Enhancing profitability of the company by identifying opportunities across different lines of P &amp; L.</li> <li>• Strengthening Balance Sheet of the company through focus on basics.</li> <li>• Expansion of business through acquisitions, brown field and green field expansions across geographies in India.</li> <li>• Large network of professionals and entrepreneurs which can be leveraged as per the needs.</li> </ul>
4.	Disclosure of relationships between directors (in case of appointment of director).	N.A.