



03rd October, 2017

The Secretary
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001

Listing Department
National Stock Exchange of India Ltd.
“Exchange Plaza”,
Bandra-Kurla Complex, Bandra (E)
Mumbai – 400 051

Subject: Submission of Annual Report for the Financial Year 2016-17 pursuant to Regulation 34(1) of SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015

Dear Sir/Madam,

Pursuant to Regulation 34(1) of SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015 please find enclosed Annual Report for the Financial Year 2016-17 including Audited Standalone and Consolidated Financials for the Financial Year 2016-17 which has been approved by the Shareholders of the Company at their Annual General Meeting held on 21st September, 2017 at 12.00 noon.

We request you to kindly take the same on record.

Thanking you,

Yours faithfully,

**For DEEPAK FERTILISERS AND
PETROCHEMICALS CORPORATION LIMITED**

**K. Subharaman
Executive Vice President (Legal) &
Company Secretary**

Encl.: As Above

ENHANCING VALUE THROUGH 360° TRANSFORMATION



ANNUAL REPORT 2016-17



DEEPAK FERTILISERS
AND PETROCHEMICALS
CORPORATION LIMITED

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CORPORATE INFORMATION

C. K. Mehta

Chairman Emeritus

Board of Directors

S. C. Mehta

Chairman & Managing Director

Partha Bhattacharyya

R. A. Shah

M. P. Shinde

(w.e.f. 10th February, 2017)

D. Basu

(Up to 8th June, 2017)

N. C. Singhal

(Up to 7th May, 2017)

U. P. Jhaveri

S. R. Wadhwa

Dr. S. Rama Iyer

(Up to 2nd June, 2017)

Smt. Parul S. Mehta

Anil Sachdev

Pranay Vakil

Anil Singhvi

(w.e.f. 7th July, 2017)

Mahesh Chhabria

(w.e.f. 7th July, 2017)

Ashok Kumar Purwaha

(w.e.f. 7th July, 2017)

Berjis Desai

(w.e.f. 7th July, 2017)

Company Secretary and Compliance Officer

K. Subharaman

Executive Vice President (Legal) &
Company Secretary

Management Team

Guy Goves

President - Crop Nutrition Business

Pandurang Landge

President - Projects

Naresh Kumar Piniseti

President - Human Resources

Paresh Trivedi

President - Chemicals & Business Development

Shyam Narayan Sharma

President - TAN

Vipin Agarwal

President - Finance & CFO

D. S. Ravindra Raju

President - Manufacturing

Bankers

Bank of Baroda

IDBI Bank Limited

DBS Bank Limited

ICICI Bank Limited

State Bank of India

Yes Bank Limited

Kotak Mahindra Bank Limited

Solicitors

Crawford Bayley & Co.

Agarwal Law Associates

Desai & Diwanji

Debenture Trustees

IDBI Trusteeship Services Limited

Auditors

B. K. Khare & Co.

Chartered Accountants

Secretarial Auditor

SVD & Associates

Cost Auditor

Y R Doshi & Company

Internal Auditor

Ernst & Young

V. P. Mehta & Co.

Registered Office

Opp. Golf Course, Shastri Nagar,
Yerawada, Pune - 411 006.

CIN: L24121MH1979PLC021360

E-mail: investorgrievance@dfpcl.com

Website: www.dfpcl.com

Phone: +91 - 20 - 2668 8117

Fax: +91 - 20 - 2668 3723

Corporate Office

Sai Hira, Survey No. 93, Mundhwa,
Pune - 411 036.

Phone : +91 - 20 - 6645 8000

Plants

Plot K-1, K-7 & K-8,

MIDC Industrial Area,

Taloja, A.V. - 410 208,

District Raigad, Maharashtra.

Phone: +91 - 22 - 6768 4000, 6149 5001

Fax: +91 - 22 - 2741 2413, 6149 5151



ENHANCING VALUE THROUGH 360° TRANSFORMATION

Creating long-term value for all stakeholders lies embedded in the core of our strategic growth plans. As the world in general and the competitive landscape changes at a rapid pace, how can our products and service offerings continue to remain relevant by contributing definite and decisive worth to our customers and consumers was a question that we have been asking constantly. We realised that the answer to this question would form the blueprint of our transition and a roadmap of our transformation to evolve into a value-centric, value-driven and value-led organisation.

We engaged McKinsey & Co. to undertake a comprehensive study in our quest to unravel key insights for our transformation roadmap and design a holistic approach to firm up our growth strategy. Based on their recommendations, we have re-aligned our strategy and re-looked at each aspect of our business to enhance value for all our customers, employees, vendors and distributors as well as societies and communities we live and work with.

We have charted out a clear course with a goal to achieve aspirations of growth and profitability in each business vertical and to enhance value for all its stakeholders through 360° transformation. This journey will encompass shift of focus and change of mind-sets. It will leverage the power of digital technology to create newer models of delivery and customer engagement. It will usher in a vibrant, agile and lean workplace culture and ethos that is akin to those of start-ups.

At DFPCL, the journey to tomorrow's growth and expansion has already started. We call it a journey of Value Construction.

AWARDS & ACCOLADES



Mr. S.C. Mehta, Chairman, DFPC Limited, received the Most Inspiring Leader Award at the Globe Platinum Awards, Hong Kong. The award was held to acknowledge business excellence in Asia-Pacific. The other winners included decorated companies like Microsoft, Google, Café Coffee Day, Suzlon, Indofil, Titan, Godrej Properties, Blue Dart, Prestige, HCL, TVS etc.



Received the Excellence in Agricultural Practices Award at the Global Platinum Awards function held at Hotel Grand Hyatt in Hong Kong. The award was hosted by Stimulus Research Services and nominations were evaluated by PwC and Dun & Bradstreet.



Received the prestigious The Economic Times Iconic Brands of India 2017 Award for 'Mahadhan' brand at Mumbai recently.



Received 'Certificate of Appreciation' from the National Safety Council of India under Safety Awards – 2016, for maintaining high standard of Safety Management systems at JNPT.



Received Safety Award – 2016 in recognition for developing and implementing effective Management Systems and procedures and achieving very good performance in OSH at Taloja plant.



Received the Maharashtra Safety Award from 'National Safety Council – Maharashtra Chapter' for Lowest Accident Frequency Rate and Longest Accident Free Period in the Chemicals & Fertilisers group. The award was given for the Taloja K-1 complex in September 2016.



Received the Global Human Resource Development Award 2017 from International Federation of Training and Development Organisations under its 'Overall Winner & HR Best Practices' category at their International Conference at Muscat.



Received the Global HR Excellence Award 2017 for Talent Management and Best Employee Relations Practices from World HRD Congress.



Received the Best Corporate Foundation Award for outstanding contribution to Social Causes and CSR Efforts from the World CSR Day.



Received Certificate of Recognition in the category of Corporate CSR Foundation from Sandvik India Diversity Award 2017. Out of the 169 participants, Ishanya Foundation, the CSR arm of DFPCCL reached the final round.



The Home Sukh, at Ishanya Mall received international recognition from the International Homes + Housewares Association (IHA) in USA. IHA is an established body with nearly a century of experience which hosts the highly reputed IHA Global Innovation Awards honouring overall excellence, business innovation and creative merchandising in home goods retailing. The event is held in Chicago every year.



CHAIRMAN AND MANAGING DIRECTOR'S MESSAGE

“Companies that solely focus on competition will ultimately die. Those that focus on value creation will thrive”

- Edward de Bono



Dear Shareholders,

Value creation is an unceasing journey, which is at the core of every business. With a strong belief and *raison d'être* around creating sustainable value for every stakeholder on an ongoing basis, your Company over the past three and half decades has been constantly innovating, optimising, economising and realigning business strategies.

360° Transformation : Why?

Change is a way of life ...

But change which is only in a specific sphere tends to be less impactful.

As we introspect at a macro level on what is the scenario today, it becomes evident that there are key elements that drive our industry, our business environment and ourselves:

- Enormous and varied choices available - be it chemicals, fertilisers, cars, white goods, electronic goods, restaurants... you name it
- Very minuscule differentiation amongst the choices
- Cheapest, discounts, deals being the key purchase drivers

In one word: We are in a world of Commoditisation.

Thus, began our journey along with McKinsey to re-question our need for existence and to explore a path for the next decade which will lead us from:

1. General market to segmentation
2. Customer to consumer specific
3. Product to holistic solution
4. Price to value

The outcome of a company-wide six months introspection lead to the path for an impactful change: a 360° transformation, covering all facets of our business:

- be it size
- be it backward integration
- be it process enablers
- be it product and services offering
- be it corporate entities
- be it mindset changes

We have already embarked on this transformative journey in full earnest:

- Recently commissioned a ₹ 750 crore investment in the fertiliser sector, to help triple our NPK capacities with technologies to allow unique product differentiation.
- A ₹ 550 crore investment underway to propel us to become Asia's largest Acid complex to serve the growing specialty chemicals sector.
- Another capacity hike under active consideration is to take our Technical Ammonium Nitrate capacities to be among the global top three thus making available this much-needed product for the growing coal, infra and cement sectors.

Each of these moves is to ensure that we get our size right for an impactful play in the sectors of Crop Nutrition Business, Chemicals and Mining.

In addition, under active consideration is an alliance to securitise our most critical raw material - ammonia with investment of around ₹ 2,700 crore to bring the much-required backward linkages to the existing downstreams with a capacity which will find 100% captive and cost-effective consumption besides also drawing advantage of a globally softening gas pricing scenario.

These investments are expected to unfold in the forthcoming 24 to 36 months which will provide a sustained and comfortable leverage into sectors where we have a strong and deep grip over the last 35 years that covers manufacturing, safety, logistics, customer, management and all facets of the business vertical.

Additionally, in order to effectively and efficiently manage the growing business size, we have taken up a strong initiative to bring the latest and the most powerful process improvement drive to cover IT, Sales & Operations Management, Supply-Chain Management, Customer Acquisition optimisation, as well as Human Resource Management systems.

Finally, to sharpen our focus on each vertical, as the size and scale demands, we have already begun a spin-off into sector-focussed corporate entities. Post NCLT approvals transfer of Technical Grade Ammonium Nitrate and Crop Nutrition Business to separate subsidiary is the first step in that direction.

Besides bringing sector-focussed management and consumer overview intensity, it will also open up a matching of investor profiles to specific sector interest including that of strategic global players.

While the above transformation journey will be evident in the coming six months, what will be more impactful is our 360° shift at the marketplace taking us from customer/dealer/intermediary toward the final consumer with a value proposition that comprises not just of products but digitally outreached services and networked adjacencies to make an impactful change on the lives of our consumers.

This path-breaking challenging journey, will be immensely meaningful as it will bring the required focus on value creation.



The more you engage with customers the clearer things become and the easier it is to determine what you should be doing

- John Russell

The next 36 months promise to be beyond change... they promise to bring a 360° transformation.

Warm Regards,

S. C. Mehta
Chairman & Managing Director

NOTICE

NOTICE is hereby given that the Thirty-Seventh Annual General Meeting of DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED will be held on Thursday, 21st September, 2017 at 12.00 noon at Opus Banquets, 6, Ishanya Mall, Off. Airport Road, Shastrinagar, Yerawada, Pune- 411006 to transact the following business:

■ ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements (including audited consolidated financial statements) of the Company for the financial year ended 31st March, 2017 and the Reports of the Directors and Auditors thereon.
2. To declare a dividend on equity shares for the financial year ended 31st March, 2017.
3. To appoint a Director in place of Shri Partha Sarathi Bhattacharyya (DIN: 00329479), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
4. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an ORDINARY RESOLUTION:

“RESOLVED THAT pursuant to the provisions of section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to recommendation of the Audit Committee and the Board of Directors, B S R & Associates LLP (Chartered Accountants) (Firm Registration number: 116231W/W-100024) be and are hereby appointed as Statutory Auditors of the Company in place of B. K. Khare & Co. (Firm Registration No. 105102W) who shall hold office for a period of five years, from the conclusion of this Annual General Meeting until the conclusion of the Forty Second Annual General Meeting of the Company, subject to ratification by shareholders at every Annual General Meeting to be held hereafter, on such remuneration plus taxes thereon and reimbursement of travelling and out-of-pocket expenses for the year 2017-18, as the Board may fix, as per the recommendation of the Audit Committee.

“RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof), be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

■ SPECIAL BUSINESS

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

“RESOLVED THAT, pursuant to the provisions of Section 148 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Board of Directors of the Company for payment of remuneration of ₹ 300,000/- (Rupees Three lacs only) plus taxes as applicable and reimbursement of actual travel and out-of-pocket expenses for the Financial Year ending 31st March, 2018, to M/s Y. R. Doshi & Company, Cost Accountants, for conducting Cost Audit of all applicable products and group of products, be and is hereby ratified and confirmed.

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

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a SPECIAL RESOLUTION:

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), and subject to such terms, conditions, amendments or modifications if any, as may be required or suggested by the Registrar of Companies and any other appropriate authorities, the alteration of the existing Articles of Association of the Company by substitution of the draft Articles of Association as submitted to this meeting, be and is hereby approved and adopted as the Articles of Association of the Company with effect from the date of this meeting.”

“RESOLVED FURTHER THAT the Board of Directors and/or Company Secretary of the Company be and are hereby authorized to do all acts, deeds, things and take all such steps including seeking necessary approvals as may be required to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard.”

7. To appoint Shri Madhumilan P. Shinde as a Non-Executive and Non-Independent Director to consider and if thought fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

“RESOLVED THAT Shri Madhumilan P. Shinde (DIN: 06533004), who was appointed as an Additional Director of the Company w.e.f 10th February, 2017 by the Board of Directors and who holds office upto the date of this Annual General Meeting of the Company under Section 161 of the Companies Act, 2013 (the Act) but who is

eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Non-Executive and Non-Independent Director of the Company liable to retire by rotation.”

8. To appoint Shri U. P. Jhaveri as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a SPECIAL RESOLUTION:

RESOLVED THAT Shri. U. P. Jhaveri (DIN: 00273898), Independent Director whose term of office ceases on 30th July, 2017 and whose appointment as an Additional Director with effect from 31st July, 2017 has been approved by the Board at its meeting held on 30th June, 2017 pursuant to the recommendation of the Nomination and Remuneration Committee and who holds office till the date of the Annual General Meeting in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose his candidature for the office of the Director of the Company, be and is hereby appointed as a Non Executive, Independent Director of the Company.

RESOLVED FURTHER THAT that pursuant to the provisions of Sections 149, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors), Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri. U. P. Jhaveri (DIN 00273898), Independent Director of the Company who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013, Rules made thereunder and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, be and is hereby re-appointed as an Independent Director of the Company for a second term commencing with effect from 31st July, 2017 upto 30th July, 2018 or upto the conclusion of Annual General Meeting for the Financial Year 2017-18, whichever is later and whose office shall not be liable to retire by rotation.

9. To appoint Shri S. R. Wadhwa as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a SPECIAL RESOLUTION:

RESOLVED THAT Shri. S. R. Wadhwa (DIN: 00228201), Independent Director whose term of office ceases on

30th July, 2017 and whose appointment as an Additional Director with effect from 31st July, 2017 has been approved by the Board at its meeting held on 30th June, 2017 pursuant to the recommendation of the Nomination and Remuneration Committee and who holds office till the date of the Annual General Meeting in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose his candidature for the office of the Director of the Company, be and is hereby appointed as a Non Executive, Independent Director of the Company.

RESOLVED FURTHER THAT that pursuant to the provisions of Sections 149, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors), Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri. S. R. Wadhwa (DIN: 00228201), Independent Director of the Company who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013, Rules made thereunder and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, be and is hereby re-appointed as an Independent Director of the Company for a second term commencing with effect from 31st July, 2017 upto 30th July, 2018 or upto the conclusion of Annual General Meeting for the Financial Year 2017-18, whichever is later and whose office shall not be liable to retire by rotation.

10. To appoint Shri Anil Sachdev as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a SPECIAL RESOLUTION:

RESOLVED THAT Shri. Anil Sachdev (DIN: 00301007), Independent Director whose term of office ceases on 30th July, 2017 and whose appointment as an Additional Director with effect from 31st July, 2017 has been approved by the Board at its meeting held on 30th June, 2017 pursuant to the recommendation of the Nomination and Remuneration Committee and who holds office till the date of the Annual General Meeting in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose his candidature for the office of the Director of the Company, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT that pursuant to the provisions of Sections 149, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors), Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri. Anil Sachdev (DIN: 00301007), Independent Director of the Company who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013, Rules made thereunder and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, be and is hereby re-appointed as an Independent Director of the Company for a second term commencing with effect from 31st July, 2017 upto 30th July, 2018 or upto the conclusion of Annual General Meeting for the Financial Year 2017-18, whichever is later and whose office shall not be liable to retire by rotation.

11. To appoint Shri Pranay Vakil as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a SPECIAL RESOLUTION:

RESOLVED THAT Shri. Pranay Vakil (DIN: 00433379), Independent Director whose term of office ceases on 30th July, 2017 and whose appointment as an Additional Director with effect from 31st July, 2017 has been approved by the Board at its meeting held on 30th June, 2017 pursuant to the recommendation of the Nomination and Remuneration Committee and who holds office till the date of the Annual General Meeting in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose his candidature for the office of the Director of the Company, be and is hereby appointed as a Non Executive, Independent Director of the Company.

RESOLVED FURTHER THAT, pursuant to the provisions of Sections 149, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors), Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri. Pranay Vakil (DIN: 00433379), Independent Director of the Company who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and who is eligible for

re-appointment for a second term under the provisions of the Companies Act, 2013, Rules made thereunder and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, be and is hereby re-appointed as an Independent Director of the Company for a second term commencing with effect from 31st July, 2017 upto 30th July, 2020 or upto the conclusion of Annual General Meeting for the Financial Year 2019-20, whichever is later and whose office shall not be liable to retire by rotation.

12. To appoint Shri Anil Singhvi as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

“RESOLVED THAT, pursuant to the provisions of Section 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors), 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Shri Anil Singhvi (DIN: 00239589), who was appointed as an Additional Director and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation to hold office for 5 consecutive years commencing from 07th July 2017 and ending on 06th July 2022 or upto the conclusion of Annual General Meeting for the Financial Year 2021-22 whichever date is earlier.”

13. To appoint Shri Mahesh Chhabria as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

“RESOLVED THAT, pursuant to the provisions of Section 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors), 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Shri Mahesh Chhabria (DIN: 00166049), who was appointed as an Additional Director and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from

a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation to hold office for 5 consecutive years commencing from 07th July 2017 and ending on 06th July 2022 or upto the conclusion of Annual General Meeting for the Financial Year 2021-22 whichever date is earlier.”

14. To appoint Shri Ashok Kumar Purwaha as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

“RESOLVED THAT, pursuant to the provisions of Section 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors), 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Shri Ashok Kumar Purwaha (DIN: 00165092), who was appointed as an Additional Director and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation to hold office for 5 consecutive years commencing from 07th July 2017 and ending on 06th July 2022 or upto the conclusion of Annual General Meeting for the Financial Year 2021-22 whichever date is earlier.”

15. To appoint Shri Berjis Minoo Desai as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

“RESOLVED THAT, pursuant to the provisions of Section 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors), 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Shri Berjis Minoo Desai (DIN: 00153675), who was appointed as an Additional Director and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation to hold office for 5 consecutive years commencing from

07th July 2017 and ending on 06th July 2022 or upto the conclusion of Annual General Meeting for the Financial Year 2021-22 whichever date is earlier.”

Dated 30th June, 2017 By Order of the Board of Directors,

Registered Office:

Opp. Golf Course,
Shastri Nagar,
Yerawada, Pune - 411 006

K. SUBHARAMAN
Executive Vice President
(Legal) & Company Secretary

■ NOTES

- (1) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, SHOULD BE COMPLETED, STAMPED AND SIGNED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

- (2) The Register of Members and the Share Transfer Books of the Company shall remain closed from Thursday, 14th September, 2017 to Thursday, 21st September, 2017 (both days inclusive).

The dividend, if declared, will be paid to those Members whose names appear on the Register of Members of the Company as on 21st September 2017, being the date of the Annual General Meeting of the Company.

In respect of shares held in electronic form, the dividend will be paid to those beneficial owners as per the details furnished by the Depository Participants for the purpose.

- (3) Members holding shares in physical form are requested to intimate immediately to M/s. Karvy Computershare Private Limited, UNIT: Deepak Fertilisers And Petrochemicals Corporation Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032; Email Id: einward.ris@karvy.com Phone: +91 40 6716 1571; Fax No: +91 40 2342 0814, quoting the Registered Folio Number: (a) details of Bank Account / change in Bank Account, if any, to enable the Company to print these details on the Dividend Warrants; and (b) change in address, if any, with the Pin Code Number.

Members holding shares in physical form or electronic form and who are not getting Annual Reports are requested to immediately update their address by writing to Karvy Computershare Private Limited at the above given address.

Members holding shares in electronic form shall address communication to their respective Depository Participants only.

- (4) Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to send their queries to the Company Secretary at least seven days prior to the meeting so that the required information can be made available at the meeting.
- (5) Members attending the meeting are requested to bring with them the Attendance Slip attached to the Annual Report duly filled in and handover the same at the entrance of the hall.
- (6) Members are requested to note that pursuant to the provisions of Section 124 and other applicable provisions of the Companies Act, 2013, (including any statutory modifications or re-enactments thereof) and Rules made thereunder the dividend remaining unclaimed / unpaid for a period of seven years from the date of transfer to the “Unpaid Dividend Account” shall be credited to the Investor Education and Protection Fund (Fund) set up by the Central Government.

Members who have so far not claimed the dividend are requested to make claim with the Company immediately. Please visit Company’s website: www.dfpcl.com for details.

Further, in terms of section 124(6) of the Act, in case of such shareholders whose dividends are unpaid for a continuous period of seven years, the corresponding shares shall be transferred to the IEPF Demat account.

- (7) Voting through electronic means:

In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide E-Voting facility as an alternate mode of voting, for its Equity Shareholders, to enable them to cast their votes electronically. E-Voting is optional. For this purpose, necessary arrangements have been made with **Karvy Computershare Private Limited (Karvy)** to facilitate remote e-Voting. It may be noted that the facility for voting through ballot paper will also be made available at the meeting and the Equity Shareholders attending the meeting who have not cast their votes before the meeting by way of remote e-Voting shall be able and entitled to exercise their right at the meeting through ballot paper or by way of electronic voting at the venue of the Meeting. Members who have cast their votes by remote e-voting prior to the Meeting may attend the Annual General Meeting but shall not be entitled to cast their votes again. Members can opt for only one mode of voting, i.e. either through ballot papers or e-voting at Annual General Meeting or remote e-voting. In case members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through ballot papers at Annual General Meeting shall be treated as invalid.

The instructions for e-Voting are as under:

The e-Voting period begins at 9.00 a.m. on Monday, 18th September, 2017 and ends at 5:00 p.m. on Wednesday, 20th September, 2017. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Thursday, 14th September, 2017, may cast their vote electronically through remote e-voting. The facility for voting through electronic voting system shall be made available at the meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to vote at the venue of the meeting.

The instructions for members for remote e-voting are as under:

- (i) Launch an internet browser and open <https://evoting.karvy.com>
- (ii) Enter the login credentials (i.e. User ID and password). User ID and Password are provided at the bottom of the Attendance Slip in the following format.

User ID	Password
-	-

- (iii) After entering the above details Click on ‘Login’.
- (iv) Password change menu will appear. Change the Password with a new Password of your choice. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,\$,etc.) The system will also prompt you to update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it.

It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential. After change of password, you need to login again with the new credentials.

- (v) In case you are already registered with M/s. Karvy Computershare Private Limited for remote e-voting, then you can use your existing user ID and password for casting your vote. If you have forgotten your password, you can reset your password by using “Forgot Password” option available on <https://evoting.karvy.com> or contact M/s. Karvy Computershare Private Limited at toll free No. 1800-3454-001 or email to evoting@karvy.com. In case of any other queries/grievances connected with voting by electronic means, you may contact Shri. S. V. Raju of Karvy Computershare Private Limited, at telephone no. 040-67161571.
- (vi) On successful login, the system will prompt you to select the E-Voting Event.
- (vii) Select ‘EVENT’ of Deepak Fertilisers And Petrochemicals Corporation Limited – AGM and click on ‘Submit’.
- (viii) Now you are ready for e-voting as ‘Ballot Form’ page opens.

- (ix) Cast your vote by selecting appropriate option and click on 'Submit'. Click on 'OK' when prompted.
- (x) Upon confirmation, the message 'Vote cast successfully' will be displayed.
- (xi) Once you have confirmed your vote on the resolution, you cannot modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/Authority Letter, along with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer by an e-mail at deulkarcs@gmail.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Deepak Fertilisers And Petrochemicals Corporation Limited - AGM".
- (xiii) In case of any queries, you may refer to the 'Frequently Asked Questions' (FAQs) and 'e-voting user manual' available in the 'Downloads' section of the e-voting website of M/s. Karvy Computershare Private Limited <https://evoting.karvy.com>.
- (xiv) The voting rights shall be as per the number of equity shares held by the Member(s) as on relevant date. Members are eligible to cast vote electronically only if they are holding shares as on that date.
- (xv) Members who have acquired shares after the dispatch of the Notice of Annual General Meeting and before the relevant date may obtain the User ID and Password by sending a request at evoting@karvy.com or investorgrievance@dfpcl.com
- (xvi) Shri. S. V. Deulkar, Partner SVD & Associates, Company Secretaries, (Membership No. FCS 1321, CP No. 965) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- (xvii) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" or electronic voting system at the venue of the Meeting for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- (xviii) The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- (xix) The Results declared alongwith the report of the Scrutinizer shall be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited.
- (xx) For members who wish to vote through Ballot Forms:
 - (a) The Ballot Form is provided for the benefit of shareholders, who do not have access to remote E-voting facility.
 - (b) Pursuant to Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, members who do not have access to remote E-voting facility, may exercise their right to vote on business to be transacted at the Annual General Meeting of the Company by submitting the Ballot Form enclosed to this Annual Report.
 - (c) Shareholders may fill in the Ballot Form enclosed with the Annual Report (no other form or photocopy of the form will be accepted) and send the same in a sealed envelope addressed to the Scrutinizer, viz. Shri. S.V. Deulkar, Partner, SVD & Associates, Company Secretaries C/o Deepak Fertilisers And Petrochemicals Corporation Limited, Sai Hira, Survey No. 93, Mundhwa, Pune 411 036, so as to reach by 5.00 p.m. on Wednesday, 20th September, 2017. The Ballot Form received thereafter will be strictly treated as not received.
 - (d) A shareholder can opt for only one mode of voting either through remote e-voting or by the Ballot or by Poll or e-voting at the venue. If a shareholder casts votes by all modes, then voting done through remote e-voting shall prevail and the Ballot Form shall be treated as invalid.
 - (e) Shareholders who do not have access to E-voting and intend to cast their vote through the Ballot Form should follow instructions as mentioned in Ballot Form.
- (8) All relevant documents referred to in the accompanying notice and explanatory statement requiring the approval of Members at the meeting and other statutory registers shall be available for inspection by the Members at the registered office of the Company during office hours between 11.00 a.m. and 1.00 p.m. on all working days except, Saturdays, Sundays and public holidays, from the date hereof upto the date of the Annual General Meeting.
- (9) Members are requested to note that pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, brief particulars including shareholding of the Directors proposed to be appointed / re-appointed is given at the end of the Notice and forms part of the Notice.
- (10) Members, who have registered their E-mail addresses with the Company or their Depository Participant, are being sent the AGM Notice along with the Annual Report, Attendance Slip, Proxy & Ballot Form by E-mail and others are being sent by post.

ANNEXURE TO THE NOTICE

Explanatory Statement as required by Section 102 of the Companies Act, 2013.

Item No. 4

The current auditors, viz M/s. B. K. Khare & Co. (Firm Registration No.105102W) were last re-appointed by the members at their annual general meeting held on 31st July 2014 to hold the office of auditor from the conclusion of the Thirty Fourth annual general meeting till the conclusion of Thirty Seventh annual general meeting. Accordingly, the term of the current auditors expires at the conclusion of the ensuing annual general meeting.

The Board of Directors at its meeting held on 30th June, 2017, based on the recommendation of the Audit Committee has recommended the appointment of B S R & Associates LLP (Chartered Accountants) (Firm Registration number: 116231W/W-100024, as the statutory auditors of the Company for approval by the members.

B S R & Associates LLP (Chartered Accountants), Chartered Accountants have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under section 141(3) (d) of the Act and that they are not disqualified to be appointed as statutory auditors, in terms of section 141(3) (g) of the Act.

B S R & Associates LLP (Chartered Accountants), Chartered Accountants will be appointed as the statutory auditors of the Company from the conclusion of this annual general meeting till the conclusion of the Forty Second annual general meeting, subject to ratification of their appointment by the members at every intervening annual general meeting on a remuneration, out-of-pocket expenses etc., incurred in connection with the Audit as may be decided by the Board in consultation with the auditors from year to year.

Brief profile of the Auditors is as under:

B S R & Associates LLP, Chartered Accountants, has offices across 12 cities in India and has a large client base spanning Indian businesses, multi-nationals and listed companies in India across sectors. The Firm has rich experience in Indian GAAP, IND-AS, IFRS and US GAAP and is a leader in International Reporting.

None of the directors or key managerial personnel or their relatives are concerned or interested in the said resolution.

The Board recommends the resolution for approval.

Item No. 5

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board of Directors (Board) shall appoint an Individual who is Cost Accountant in practice, or a firm of Cost Accountants in

practice, as Cost Auditor on the recommendation of the Audit Committee, which shall also recommend remuneration for such auditor. The remuneration recommended by the Audit Committee shall be considered and approved by the Board and ratified by the Members.

On recommendation of Audit Committee, the Board at their meeting held on 30th June, 2017 has considered and approved appointment of M/s Y. R. Doshi & Company, Cost Accountants, for conducting Cost Audit of all applicable products and group of products at a remuneration of ₹ 300,000/- (Rupees Three lacs only) plus taxes as applicable and reimbursement of actual travel and out-of-pocket expenses for the Financial Year ending 31st March, 2018.

The Board of Directors recommends the ordinary resolution set out at Item No. 5 of the Notice for approval of the Members of the Company.

None of the Directors or Key Managerial Personnel or their relative(s) is / are in any way concerned or interested, in passing of the above mentioned resolution.

Item No.6

The existing Articles of Association (AOA) of the Company were framed at the time of formation of the Company in the year 1979 pursuant to the provisions of the erstwhile Companies Act, 1956. The Articles have been amended from time to time depending upon the need for changes in line with the regulatory/administrative requirements.

With the enactment of the Companies Act, 2013, various provisions of the Companies Act, 1956 have been repealed and some new provisions have been added. In view of the same the existing Articles of Association of the Company need to be re-aligned as per the provisions of the Companies Act, 2013 and it is expedient to replace the existing Articles of Association of the Company.

Pursuant to the provisions of Section 14 of the Companies Act, 2013, the consent of the Members by way of Special Resolution is required for alteration of the existing Articles of Association by substitution of new set of Articles of Association of the Company.

The draft Articles of Association are available for inspection by the Members at the Registered office of the Company on all working days (except Saturdays, Sundays and Public Holidays) between 11 a.m. and 1 p.m. upto the date of this Annual General Meeting and the same is also available on the Company's website www.dfocl.com.

The Board of Directors recommends the Special Resolution as set out at Item No. 6 of the Notice for approval by the Members.

None of the Directors or Key Managerial Personnel of the Company and their respective relatives are in any way, concerned or interested, in the said resolution.

Item No. 7

The Board of Directors of the Company has, on the recommendation of Nomination and Remuneration Committee), appointed Shri Madhumilan P. Shinde as an Additional Director with effect from 10th February, 2017.

The Company has received a notice pursuant to Section 160 of the Companies Act, 2013 along with the amount of requisite deposit from one of the members signifying his intention to propose the appointment of Shri Madhumilan P. Shinde as a Non Executive Non-Independent Director who shall be liable to retire by rotation.

The Board of Directors is of the view that the services of Shri Madhumilan P. Shinde will indeed add value to the Company and therefore recommends the Resolution at Item No.7 of this Notice for your approval. Notice received under Section 160 of the Companies Act, 2013 is available for inspection by the members at the Registered Office of the Company during the business hours on any working day up to the date of the Annual General Meeting.

None of the Directors or Key Managerial Personnel or their relative(s) is/are in any way concerned or interested, in passing of the above mentioned resolution, except Shri Madhumilan P. Shinde.

Item Nos. 8 to 15

Section 149 of the Companies Act, 2013 provides that Independent Directors shall hold office for a term upto 5 (Five) consecutive years.

The Board of Directors at its meeting held on 30th June, 2017 has recommended to re-appoint Shri U. P. Jhaveri, Shri S. R. Wadhwa, Shri Anil Sachdev for a second term commencing with effect from 31st July, 2017 upto 30th July, 2018 or upto the conclusion of Annual General Meeting for the Financial Year 2017-18, whichever is later, subject to the approval of shareholders by way of special resolution.

The Board of Directors at its meeting held on 30th June, 2017 has recommended to re-appoint Shri Pranay Vakil for a second term commencing with effect from 31st July, 2017 upto 30th July, 2020 or upto the conclusion of Annual General Meeting for the Financial Year 2019-20,

whichever is later, subject to the approval of shareholders by way of special resolution.

The Board of Directors at its meeting held on 30th June, 2017 has recommended to appoint Shri Anil Singhvi, Shri Mahesh Chhabria, Shri Ashok Kumar Purwaha and Shri Berjis Minoo Desai for a first term of 5 consecutive years commencing from 07th July 2017 and ending on 06th July 2022 or upto the conclusion of Annual General Meeting for the Financial Year 2021-22 whichever date is earlier. Pursuant to provisions of the Companies Act, 2013, Independent Directors are not liable to retire by rotation, subject to the approval of shareholders by way of ordinary resolution.

Copies of the draft letters for respective appointments of Directors as Independent Directors setting out the terms and conditions are available for inspection by Members at the Registered Office of the Company between 11.00 a.m. to 1.00 p.m. on all working days of the Company upto and including the day of the meeting.

The Board and the Nomination and Remuneration Committee are of the opinion that the directors possess requisite skills, experience and knowledge relevant to the Company's business and it would be in the interest of the Company to continue to have their association with the Company as directors.

Further, in the opinion of the Board, the proposed appointment of Independent Directors, fulfills the conditions specified in the Act and rules made thereunder and the proposed appointment / re-appointment of Independent Directors is independent of the management.

None of the Directors or the Key Managerial Personnel or their relative(s) is / are in any way concerned or interested, in passing of the above mentioned resolution, except the appointee Director(s) and their relatives.

Dated 30th June, 2017

By Order of the Board of Directors,

Registered Office:
Opp. Golf Course,
Shastri Nagar,
Yerawada, Pune - 411 006

K. SUBHARAMAN
Executive Vice President
(Legal) & Company Secretary

Details of Directors seeking appointment / re-appointment at the Annual General Meeting

(Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations 2015]

Name of the Director	Shri Partha Sarathi Bhattacharyya	Shri Madhumilan P. Shinde
Age	66 Years	62 Years
Qualification	M.Sc., (Physics), FCMA, Programme on Investment Appraisal and Management, Advanced Management Programme	M.Sc., Diploma In Industrial Safety, Diploma in Ecology & Environment
Date of Appointment	31 st October, 2012	10 th February, 2017
Major Directorships	<ul style="list-style-type: none"> • Karam Chand Thapar & Bros (Coal Sales) Limited • Mcnally Bharat Engg Co Ltd. • Ramkrishna Forgings Ltd. • Haldia Petrochemicals Ltd. • Usha Martin Limited. 	<ul style="list-style-type: none"> • Smartchem Technologies Limited
Chairman / Member of the Audit Committee	Karam Chand Thapar & Bros (Coal Sales) Limited - Chairman	Nil
Chairman / Member of the Stakeholders' Relationship Committee	Nil	Nil
Chairman / Member of the Nomination and Remuneration Committee	Karam Chand Thapar & Bros (Coal Sales) Limited - Member	Nil
Shareholding in the Company	Nil	350
Relationship between the directors inter-se	Nil	Nil

Name of the Director	Shri U. P. Jhaveri	Shri S. R. Wadhwa
Age	71 Years	81 Years
Qualification	B.E. (Chemical)	M.A., L.L.M., CAIIB, Masters Diploma in Public Administration
Date of Appointment	21 st October, 2004	18 th October, 2005
Major Directorships	<ul style="list-style-type: none"> • Smartchem Technologies Limited • Promantec Consultants Private Limited • Dezigma Solar Private Limited 	<ul style="list-style-type: none"> • Smartchem Technologies Limited • Goblin Finance Private Limited
Chairman / Member of the Audit Committee	Smartchem Technologies Limited - Member	Smartchem Technologies Limited – Chairman Deepak Fertilisers And Petrochemicals Corporation Limited - Chairman
Chairman / Member of the Stakeholders' Relationship Committee	Nil	Deepak Fertilisers And Petrochemicals Corporation Limited - Member
Chairman / Member of the Nomination and Remuneration Committee	Smartchem Technologies Limited - Member	Smartchem Technologies Limited - Chairman
Shareholding in the Company	900	1000
Relationship between the directors inter-se	Nil	Nil

Name of the Director	Shri Anil Sachdev	Shri Pranay Vakil
Age	62 Years	70 Years
Qualification	B.Sc., MBA	B.Com, C.A., L.L.B., FRICS
Date of Appointment	23 rd October, 2008	25 th May, 2010
Major Directorships	<ul style="list-style-type: none"> Grow Talent Company Limited Soil Education India Private Limited Great Retail Brands Private Limited 	<ul style="list-style-type: none"> Godrej Properties Limited Onward Technologies Limited Usha Breco Ltd, Praron Consultancy (India) Private Limited
Chairman / Member of the Audit Committee	Nil	Godrej Properties Limited -Member, Onward Technologies Limited- Member Deepak Fertilisers And Petrochemicals Corporation Limited - Member
Chairman / Member of the Stakeholders' Relationship Committee	Nil	Nil
Chairman / Member of the Nomination and Remuneration Committee	Deepak Fertilisers And Petrochemicals Corporation Limited - Member	Godrej Properties Limited- Member Deepak Fertilisers And Petrochemicals Corporation Limited - Member
Shareholding in the Company	Nil	4,475
Relationship between the directors inter-se	Nil	Nil

Name of the Director	Shri Anil Singhvi	Shri Mahesh Chhabria
Age	58 Years	53 Years
Qualification	Chartered Accountant	Chartered Accountant
Date of Appointment	7 th July, 2017	7 th July, 2017
Major Directorships	<ul style="list-style-type: none"> Hindustan Construction Company Limited Greatship (India) Limited Institutional Investor Advisory Services India Limited 	<ul style="list-style-type: none"> Kirloskar Industries Limited Kirloskar Oil Engines Limited
Chairman / Member of the Audit Committee	Hindustan Construction Company Limited- Member, Subex Limited - Chairman, HCC Infrastructure Company Ltd - Chairman	-
Chairman / Member of the Stakeholders' Relationship Committee	Subex Limited – Member	-
Chairman / Member of the Nomination and Remuneration Committee	Hindustan Construction Company Limited- Chairman, HCC Infrastructure Company Ltd - Member, Subex Limited – Member	-
Shareholding in the Company	35,000	Nil
Relationship between the directors inter-se	Nil	Nil

Name of the Director	Shri Ashok Kumar Purwaha	Shri Berjis Minoo Desai
Age	62 Years	62 Years
Qualification	B.Sc., Engineer (Electrical)	B.A. (Hons.), First Class Honors in LLB, Solicitor (First Class First) and Master's Degree in Law from University of Cambridge.
Date of Appointment	7 th July, 2017	7 th July, 2017
Major Directorships	Nil	<ul style="list-style-type: none"> • Jubilant Food Works Ltd • Praj Industries Ltd • Emcure Pharmaceuticals Ltd • The Great Eastern Shipping Company Ltd • Greatship (India) Ltd. • Edelweiss Financial Services Ltd • Man Infraconstruction Ltd • Adani Enterprises Ltd • Nuvoco Vistas Corporation Ltd
Chairman / Member of the Audit Committee	Nil	Praj Industries Ltd - Chairman, The Great Eastern Shipping Company Ltd - Member, Edelweiss Financial Services Ltd - Member, Greatship (India) Ltd - Member, Emcure Pharmaceuticals Ltd - Member
Chairman / Member of the Stakeholders' Relationship Committee	Nil	Man Infraconstruction Ltd- Chairman, Edelweiss Financial Services Ltd - Member
Chairman / Member of the Nomination and Remuneration Committee	Nil	Praj Industries Ltd - Chairman, The Great Eastern Shipping Company Ltd - Member, Edelweiss Financial Services Ltd - Member, Greatship (India) Ltd - Member, Emcure Pharmaceuticals Ltd - Member, Man Infraconstruction Ltd - Member
Shareholding in the Company	Nil	Nil
Relationship between the directors inter-se	Nil	Nil

IMPORTANT COMMUNICATION TO MEMBERS

In terms of provisions of the Companies Act, 2013 and rules made thereunder, service of notice / documents including Annual Reports can be sent by e-mail to its members. This will also ensure prompt receipt of communication and avoid loss in postal transit. These documents can also be downloaded by the shareholders from the Company's website i.e. www.dfpl.com. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses so far, are requested to register their e-mail addresses on the website of the Company i.e. www.dfpl.com or by sending e-mail to einward.ris@karvy.com with subject as 'E-mail for Green Initiative' mentioning their Folio No. / Client ID. Members holding shares in electronic form may register / update their e-mail addresses with the Depository through their concerned Depository Participant(s).

DIRECTORS' REPORT



To the Members,

Your Directors have pleasure in presenting the Thirty Seventh Annual Report together with Audited Accounts of the Company for the Financial Year ended 31st March, 2017.

■ FINANCIAL RESULTS

The summarized financial results for the year are as under:

(₹ in Lacs)

Particulars	Standalone		Consolidated	
	2016-17	2015-16	2016-17	2015-16
Total Revenue (including Other Operating Revenues)	4,25,725.39	4,46,851.61	4,37,812.72	4,53,882.14
Profit Before Tax (PBT)	22,329.13	16,750.71	23,134.81	17,711.33
Less: a) Current Tax (Net)	6,513.14	4,920.00	5,549.80	6,134.76
b) Deferred Tax	(199.43)	(152.19)	(216.93)	(146.29)
Profit for the year before Minority Interest	16,015.41	11,982.80	17,570.88	11,565.80
Minority Interest	NA	NA	40.13	(61.26)
Net Profit / (Loss) for the period	16,015.41	11,982.80	17,530.75	11,627.06
Total Comprehensive Income	15,806.48	12,071.30	17,321.82	11,712.90
Add: Surplus brought forward	1,14,687.82	1,08,195.82	1,08,188.36	1,02,929.22
Amount available for Appropriations	1,30,494.30	1,20,267.12	1,25,510.18	1,14,642.12
Appropriations:				
a) Transferred to Debenture Redemption Reserve	1,250.00	(3,104.13)	1,250.00	(3,104.13)
b) Transferred to General Reserve	-	-	-	-
c) Dividend on Equity Shares (Net)	-	8,511.33	-	8,611.34
d) Tax on Proposed Dividend (Net)	-	172.09	5.23	946.30
Surplus carried to Balance Sheet	1,29,244.32	1,14,687.82	1,24,255.19	1,08,188.36

■ STATE OF AFFAIRS OF THE COMPANY

Your Company has achieved the top line of ₹ 4,257.25 Crore (including ₹ 1,726.21 Crore from trading operations) during the year under review as against previous year's level of ₹ 4,468.52 Crore (including ₹ 1,957.63 Crore from trading operations). Profit before Tax (PBT) for the year under review was ₹ 223.29 Crore as against ₹ 167.51 Crore in the previous year. Net Profit for the current year was recorded at ₹ 160.15 Crore as against ₹ 119.83 Crore in the previous year. A detailed analysis of the performance is available in the Management Discussion and Analysis (MDA), which forms part of this Report, inter-alia, deals adequately with the operations and also current and future outlook of the Company.

■ SCHEME OF ARRANGEMENT WITH SCM FERTICHEM LIMITED AND SMARTCHEM TECHNOLOGIES LIMITED (BOTH WHOLLY OWNED SUBSIDIARIES OF THE COMPANY)

Further to an update provided in the Directors' Report for the previous year, the Mumbai Bench of the National Company Law Tribunal (NCLT), vide its Order dated 30th March, 2017 (a certified copy has been received on 13th April, 2017) has approved the Scheme of Arrangement amongst the Company, SCM Fertichem Limited (SCM Fertichem) and Smartchem Technologies Limited (Smartchem) and their respective shareholders and creditors involving:

- The slump exchange of (a) the Technical Ammonium Nitrate ("TAN") undertaking of the Company together with its business and operations including its manufacturing and related facilities located at (i) Talaja & Pune, Maharashtra (ii) Jawaharlal Nehru Port, Maharashtra and (iii) Paradeep and its marketing & corporate office(s) ("TAN Undertaking"), and (b) the Fertiliser undertaking of the Company together with its business and operations including its manufacturing and related facilities located at (i) Talaja and Pune, Maharashtra (ii) Jawaharlal Nehru Port, Maharashtra and (iii) Panipat, Haryana and its marketing & corporate office(s) ("Fertiliser Undertaking") (and collectively, (a) and (b) are hereinafter referred to as the "Transferred Undertakings") of the Company to SCM Fertichem, on a going concern basis ("Slump Exchange"); and
- Thereafter, the subsequent demerger of the Transferred Undertakings and vesting of the same from SCM Fertichem in Smartchem, on a going concern basis, in accordance with Section 2(19AA) of the Income Tax Act, 1961 ("Demerger") with effect from the Appointed Date, 01st January, 2015.

A certified copy of the Order passed by the NCLT was filed with the Registrar of Companies, Pune, Maharashtra on 01st May, 2017. Thus the Scheme of Arrangement has become effective with effect from 01st May, 2017 in terms of the provision of the said Scheme of Arrangement.

In terms of the requirements of IND AS 105, the Transferred Undertakings have been disclosed as 'Discontinuing Operations' while preparing the stand-alone financial statements for the year ended 31st March, 2017. The Company continues to control the Transferred Undertakings through its Wholly Owned Subsidiary and hence there has no impact on the consolidated financial statements for the year under review.

■ SCHEME OF AMALGAMATION WITH THE WHOLLY OWNED SUBSIDIARY

Further to an update provided in the Directors' Report for the previous year, the National Company Law Tribunal, vide its Order dated 22nd June, 2017, has approved the "Scheme of Amalgamation" providing for amalgamation of SCM Soilfert Limited, a Wholly Owned Subsidiary of the Company, with the Company. The Appointed Date for the said Scheme is 01st April, 2015. A certified copy of the Scheme is yet to be received.

The detailed Scheme is available on the website of the Company, www.dfpl.com

■ DIVIDEND

Considering the performance of the Company, the Board of Directors of the Company recommends a dividend @ 60 % i.e. ₹ 6 per Equity Share (Previous year ₹ 5 per Equity Share) of ₹10 each of the Company for the year ended 31st March, 2017.

The proposed dividend (including tax on proposed dividend) will absorb ₹ 64 Crore and the same is in line with the 'Dividend Distribution Policy' adopted by the Board at its meeting held on 30th June, 2017.

■ CHANGES IN THE BOARD OF DIRECTORS

During the year under review, Shri Madhumilan Parshuram Shinde was appointed as an Additional Director in the category of Non-Executive and Non-Independent Director with effect from 10th February, 2017 based on the recommendation of Nomination and Remuneration Committee.

The Company has received a notice in writing under Section 160(1) of the Companies Act, 2013 from a member of the Company, proposing the candidature of Shri Madhumilan Parshuram Shinde for the office of Director at the ensuing Annual General Meeting of the Company.

Shri Partha Sarathi Bhattacharyya retires by rotation at the ensuing Annual General Meeting pursuant to

provisions of Section 152 of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

Shri N. C. Singhal, Dr. Rama Iyer and Shri D. Basu, Non-Executive Independent Directors of the Company and whose terms were expiring on 30th July, 2017 have since resigned from the Board in the first quarter of the Financial year 2017-18 due to family commitments and failing health. The Board places on record the significant valuable contribution made by the said Directors over the last two decades.

The current term of Shri U. P. Jhaveri, Shri S. R. Wadhwa, Shri Anil Sachdev and Shri Pranay Vakil, Independent Directors is expiring on 30th July, 2017.

Shri U.P. Jhaveri, Shri Anil Sachdev and Shri S. R. Wadhwa are proposed to be re-appointed as Independent Directors of the Company for a second term of one year commencing from 31st July, 2017 and ending on 30th July, 2018 or upto the conclusion of Annual General Meeting for the Financial Year 2017-18, whichever date is later and the term shall not be subject to retirement by rotation.

Shri Pranay Vakil is proposed to be re-appointed as an Independent Director of the Company for a second term of three years commencing from 31st July, 2017 and ending on 30th July, 2020 or upto the conclusion of Annual General Meeting for the Financial Year 2019-20, whichever date is later and the term shall not be subject to retirement by rotation.

The Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, has recommended appointment of Shri Anil Singhvi, Shri Mahesh Chhabria, Shri Ashok Kumar Purwaha and Shri Berjis Minoos Desai as Independent Directors to hold office for 5 consecutive years commencing from 07th July 2017 and ending on 06th July 2022 or upto the conclusion of Annual General Meeting for the Financial Year 2021-22 whichever date is earlier.

■ NUMBER OF MEETINGS OF BOARD OF DIRECTORS

During the year under review, five meetings of the Board of Directors were held on 26th May, 2016, 12th August, 2016, 17th November, 2016, 10th February, 2017 and 30th March, 2017.

Independent Directors have given declaration that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

■ CHANGES IN KEY MANAGERIAL PERSONNEL (KMP)

Shri Mandar Velankar, Assistant Company Secretary stepped down as 'Company Secretary', a Key Managerial Personnel of the Company with effect from 12th August,

2016 and Shri K. Subharaman, Executive Vice President – Legal & Company Secretary has been appointed as 'Company Secretary' a Key Managerial Personnel with effect from 12th August, 2016.

■ SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS / STATUTORY AUTHORITIES

1. Details about the Order dated 30th March, 2017 passed by the Mumbai Bench of National Company Law Tribunal (NCLT) sanctioning the Scheme of Arrangement amongst the Company and its wholly owned subsidiary companies viz. SCM Fertilchem Limited and Smartchem Technologies Limited are given in the earlier part of this report.
2. As disclosed in the last year's report, effective 15th May, 2014, domestic gas supply to the Company was arbitrarily stopped by the Ministry of Petroleum and Natural Gas. The Company successfully challenged the same before the Hon'ble Delhi High Court, which by its Orders dated 07th July, 2015 and 19th October, 2015 directed the Government of India (GoI) to restore the supply of gas. Review petition filed by the GoI, challenging the said Orders was rejected by the Court. Further the GoI also filed the Special Leave Petition (SLP) before the Hon'ble Supreme Court of India against the Order of Hon'ble Delhi High Court, which was disposed of during the year under review without granting any relief to the GoI. The GoI has filed an affidavit before the Hon'ble Delhi High Court stating that Inter Ministerial Committee (IMC) has decided to recommend supply of pooled gas to the Company, subject to approval of the Competent Authority.
3. The Department of Fertilisers (DoF), Ministry of Chemicals and Fertilisers, had withheld subsidy due to the Company in accordance with applicable Nutrient Based Subsidy (NBS) Scheme of the Government of India (GoI), alleging undue gain arising to the Company on account of supply of cheap domestic gas. The Company had filed a Writ Petition in the Hon'ble High Court of Judicature at Bombay, challenging the withholding of subsidy. Based on the directive of the High Court, the GoI released the subsidy amounting to ₹ 463 Crore and subsidy amounting to ₹ 310 Crore was withheld pending final decision. On the request of the Company, the DoF has agreed to release subsidy amounting to ₹ 310 Crore against a Bank Guarantee pending final decision.

■ INDIAN ACCOUNTING STANDARDS, 2015

The financial statements up to year ended 31st March 2016 were prepared in accordance with the Accounting Standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

The annexed financial statements for the Financial Year 2016-17 comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. These financial statements are the first financial statements of the Company under Ind AS.

Detailed information on the impact of the transition from previous GAAP to Ind AS is provided in the annexed financial statements.

■ CONSOLIDATED FINANCIAL STATEMENTS

The directors also present the audited consolidated financial statements incorporating the duly audited financial statements of the subsidiaries, and as prepared in compliance with the Companies Act, 2013, applicable Accounting Standards and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as prescribed by Standards and Securities and Exchange Board of India.

A separate statement containing the salient features of its subsidiaries in the prescribed form AOC-1 is annexed separately.

■ DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of sub-section (5) of Section 134 of the Companies Act, 2013, your Directors confirm that:

- i) in the preparation of annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) the accounting policies had been selected and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year on 31st March, 2017 and of the profit and loss of the Company for that period;
- iii) proper and sufficient care had been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the annual accounts had been prepared on a going concern basis;
- v) internal financial controls, to be followed by the Company are duly laid down and these controls are adequate and were operating effectively; and
- vi) systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

■ STATUTORY AUDITORS AND THEIR REPORT

The Shareholders of the Company in their Thirty Fourth Annual General Meeting held on 31st July, 2014 had accorded their approval pursuant to the provisions of Sections 139, 141 and other applicable provisions of Companies Act, 2013 and Rules made thereunder to appoint M/s. B. K. Khare & Co., Chartered Accountants, as the Statutory Auditors of the Company for the period of three years commencing from the conclusion of Thirty Fourth Annual General Meeting until the conclusion of Thirty Seventh Annual General Meeting.

Therefore, the term of M/s. B. K. Khare & Co., Chartered Accountants comes to an end at the ensuing Annual General Meeting.

The Board of Directors of the Company has, pursuant to the provisions of Section 139, recommended the appointment of M/s. B S R & Associates LLP (Chartered Accountants) (Firm Registration number: 116231W/W-100024), for the approval of the Shareholders from the conclusion of Thirty Seventh Annual General Meeting till the conclusion of Forty Second Annual General Meeting subject to ratification by shareholders at the Annual General Meeting.

The Auditors' Report to the Shareholders for the year under review does not contain any qualification, reservation or adverse remark or disclaimer.

■ SECRETARIAL AUDITORS

The Secretarial Auditors, M/s. SVD & Associates, Company Secretaries, has issued Secretarial Audit Report for the Financial Year 2016-17 pursuant to Section 204 of the Companies Act, 2013, which is annexed to Directors' Report. (Refer Annexure-1)

The Secretarial Audit Report for the year under review does not contain any qualification, reservation or adverse remark or disclaimer.

■ COST AUDITORS

Your Directors have appointed M/s Y. R. Doshi & Company, Cost Accountants, as the Cost Auditors for the Financial Year 2017-18. M/s Y. R. Doshi & Company, Cost Accountants will submit the cost audit report alongwith annexure to the Central Government (Ministry of Corporate Affairs) in the prescribed form within specified time and at the same time forward a copy of such report to your Company.

The Cost Audit Report for the Financial Year ended 31st March, 2016 was duly filed with the Central Government (Ministry of Corporate Affairs).

Pursuant to the provisions of Section 148 of Companies Act, 2013, the Board of Directors of the Company has

appointed M/s Y. R. Doshi & Company, Cost Accountants, for conducting Cost Audit of the Company for the Financial Year ending 31st March, 2018 at a remuneration, of ₹ 300,000/- (Rupees Three lacs only) plus taxes as applicable and reimbursement of travel and out-of-pocket expenses, which shall be subject to the approval of the shareholders at the ensuing Annual General Meeting.

■ PARTICULARS OF LOANS, INVESTMENTS AND GUARANTEES

Details of investments made and loans advanced and guarantees given by the Company have been given in notes to the Financial Statement.

■ RELATED PARTY TRANSACTIONS

The Company has entered into contract / arrangements with the related parties in the ordinary course of business and on arm's length basis. Thus provisions of Section 188(1) of the Act are not applicable.

■ CORPORATE GOVERNANCE

Pursuant to provisions of Standards and Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, a separate section titled 'Corporate Governance' is attached to this Annual Report.

■ SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

Report on the performance and financial position of subsidiaries, associates and joint venture companies in specified format is annexed to Directors' Report. (Refer Annexure-2).

■ AWARDS AND ACCOLADES

Please refer to section "Awards and Accolades" in this Annual Report for details of the awards received by the Company during the year under review.

■ NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors of the Company has constituted Nomination and Remuneration Committee and also has approved the Nomination and Remuneration (NRC) Policy which, inter alia, contains appointment criteria, qualifications, positive attributes and independence of Directors, removal, retirement and remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel of the Company.

Nomination and Remuneration Policy is annexed to Directors' Report. (Refer Annexure-3) and is also available on the website of the Company www.dfpl.com

■ RISK MANAGEMENT COMMITTEE

The Board of Directors of the company has constituted a Risk Management Committee to assess risks in the operations of business units of the Company, to mitigate and minimize risks assessed in the operations of business units, periodic monitoring of risks in the operations of business units and other matters delegated to the Committee by Board of Directors of the Company from time to time.

Information on the development and implementation of a Risk Management Policy for the Company including identification therein of elements of risk which in the opinion of the Board may threaten the existence of the Company is given in the Corporate Governance Report.

■ CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Board of Directors of the Company has constituted Corporate Social Responsibility (CSR) Committee having following members as on 31st March, 2017;

- | | | |
|----|-------------------|----------|
| 1. | Shri Pranay Vakil | Chairman |
| 2. | Smt. Parul Mehta | Member |
| 4. | Shri S R Wadhwa | Member |

Your Company is engaged in concerted CSR initiatives through Ishanya Foundation and Deepak Foundation and with the introduction of statutory requirements for CSR initiatives as per the Companies Act, 2013, the CSR initiatives of your Company have been reaffirmed and the entire approach has become more structured. The Board of Directors of the Company has approved a comprehensive CSR Policy which is available on the website of the Company at www.dfpl.com

The details of the initiatives taken by the Company on CSR during the year as per the Companies (Corporate Social Responsibility Policy) Rules, 2014 is given in Annexure forming part of this report. (Refer Annexure-4)

■ ANNUAL RETURN

The extract of Annual Return is annexed to Directors' Report. (Refer Annexure-5).

■ PERFORMANCE EVALUATION OF CHAIRMAN, DIRECTORS, BOARD AND COMMITTEES

Information on the manner in which formal annual evaluation has been made by the Board of its own performance and that of its Committees and individual directors is given in the Corporate Governance Report.

■ FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

The Company has practice of conducting familiarization program of the independent directors as detailed in the

Corporate Governance Report which forms part of the Annual Report.

■ WHISTLE BLOWER POLICY

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical conduct. The Company has a Whistle Blower Policy under which the employees are free to report violations of the applicable laws and regulations and the Code of Conduct.

Whistle Blower Policy is available on the website of the Company at www.dfocl.com

■ ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Your Company's internal financial control systems are commensurate with the nature, size, and complexity of the businesses and operations. These are periodically tested and certified by Statutory as well as Internal Auditors. Significant audit observations and the follow up actions are reported to the Audit Committee.

■ MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and commitments, affecting the financial position of the Company, which have occurred between the end of the financial year of the Company and the date of this Report except for the Order of the National Company Law Tribunal (NCLT) dated 30th March, 2017 sanctioning the Scheme of Arrangement involving the Company and its Wholly Owned Subsidiaries.

■ PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Pursuant to the provisions of Section 136(1) of the Act and as advised, the statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(1) and 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, will be available for inspection at the Registered Office of the Company during working hours. Members interested in obtaining a copy of the same may write to the Company Secretary and the same will be furnished on request. Hence, the Annual Report is

being sent to all the Members of the Company excluding the aforesaid information.

■ FIXED DEPOSITS

Your Company has not accepted any deposits, covered under Chapter V of the Companies Act, 2013 and hence no details pursuant to Rules 8 (v) and 8 (vi) of the Companies (Accounts) Rules, 2014 are reported.

■ DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Pursuant to Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with Rule 14, the internal committee constituted under the said act has confirmed that no complaint/case has been filed/ pending with the Company during the year.

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

As required by the Companies (Accounts) Rules, 2014 the relevant data pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgo are annexed to Directors' Report. (Refer Annexure-6).

■ ACKNOWLEDGEMENT

Your Directors wish to place on record their sincere appreciation to the Company's bankers, customers, vendors, investors and all other stakeholders for their continued support during the year. Your Directors are also pleased to record their appreciation for their dedication and committed contribution made by employees at all levels who through their competence and hard work have enabled your Company to achieve good performance amidst challenging times and look forward to their support in the future as well.

For and on behalf of the Board,

Mumbai
Dated 30th June, 2017

S. C. MEHTA
Chairman & Managing Director

ANNEXURE-1

Form No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2017

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Deepak Fertilisers And Petrochemicals Corporation Ltd
Opp. Golf Course,
Shastri Nagar, Yerawada,
Pune-411006

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Deepak Fertilisers And Petrochemicals Corporation Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2017** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder (**in so far as they are made applicable**);
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent applicable ;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**not applicable to the Company during the Audit Period**);
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (**not applicable to the Company during the Audit Period**);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (**not applicable to the Company during the Audit Period**);
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**not applicable to the Company during the Audit Period**); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**not applicable to the Company during the Audit Period**);
- (vi) The other laws, as informed and certified by the Management of the Company which are specifically applicable to the Company based on their sector/industry are:
 - a) Petroleum Act, 1944 and Rules, 2002;
 - b) Foreign Trade Development & Regulation Act, 1992;
 - c) The Competition Act, 2002;
 - d) Explosive Substance Act, 1908;
 - e) Inflammable Substance Act, 1952;
 - f) The Manufacturing, Storage and Import of Hazardous Chemicals Rules, 1989;

- g) Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008;
- h) Ammonium Nitrate Rules, 2012;
- i) Fertilizer Control Order, 1985;
- j) Petroleum and Minerals Pipelines (Acquisition of Right Users in Land) Act, 1962

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

- (i) Secretarial Standards issued by 'The Institute of Company Secretaries of India'; and
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period:-

- i) Domestic gas supply to the Company was stopped by the Ministry of Petroleum and Natural Gas w.e.f 15th May, 2014. The Company had challenged the same before the Hon'ble Delhi High Court, which by its Orders dated 07th July, 2015 and 19th October, 2015 directed the Government of India (GoI) to restore the supply of gas. Review petition was filed by the GoI, challenging the said Orders, which was rejected by the Court. Further, the GoI also filed the Special Leave Petition (SLP) before the Hon'ble Supreme Court of India against the Order of Hon'ble Delhi High Court, which was disposed off during the year under review without granting any relief to the GoI. The GoI has filed an affidavit before the Hon'ble Delhi High Court stating that Inter Ministerial Committee (IMC) has decided to recommend supply of pooled gas to the Company, subject to approval of the Competent Authority.
- ii) The Company had during the year repaid the final installment on 29th July, 2016 of External Commercial Borrowings (ECB) of ₹ 27.92 Crore taken from HSBC Bank.
- iii) The Company has passed following special resolutions under section 180 of the Companies Act, 2013 at its Annual General Meeting held on 12th August, 2016
 - a) For creation of charge over properties of the Company upto ₹ 2000 crore over and above the aggregate of paid up capital and free reserves;
 - b) To Borrow money upto ₹ 2000 Crore over and above the aggregate of paid up capital and free reserves;
- iv) The Company has filed a "Scheme of Amalgamation" for amalgamation of SCM Soilfert Limited, a Wholly Owned Subsidiary of the Company, with the Company. The Appointed Date for the said Scheme was 01st April, 2015. During the year under review, the Company had obtained approval of the Public Shareholders of the Company by way of postal ballot on 28th November, 2016 in terms of the applicable provisions of SEBI Regulations.
- v) The Mumbai Bench of the National Company Law Tribunal (NCLT), vide its Order dated 30th March, 2017 has approved the Scheme of Arrangement amongst the Company, SCM Fertichem Limited (SCM Fertichem) and Smartchem Technologies Limited (Smartchem) and their respective shareholders and creditors involving the slump exchange of (a) the Technical Ammonium Nitrate ("TAN") undertaking of the Company together with its business and operations including its manufacturing and related facilities located at (i) Talaja & Pune, Maharashtra (ii) Jawaharlal Nehru Port, Maharashtra and (iii) Paradeep and its marketing & corporate office(s) ("TAN Undertaking"), and (b) the Fertiliser undertaking of the Company together with its business and operations including its manufacturing and related facilities located at (i) Talaja and Pune, Maharashtra (ii) Jawaharlal Nehru Port, Maharashtra and (iii) Panipat, Haryana and its marketing & corporate office(s) ("Fertiliser Undertaking") (and collectively are hereinafter referred to as the "Transferred Undertakings") of the

Company to SCM Fertichem, on a going concern basis (“Slump Exchange”); and thereafter, the subsequent demerger of the Transferred Undertakings and vesting of the same from SCM Fertichem in Smartchem, on a going concern basis, in accordance with Section 2(19AA) of the Income Tax Act, 1961 (“Demerger”) with effect from the Appointed Date, 01st January, 2015.

For **SVD & ASSOCIATES**
Company Secretaries

SRIDHAR MUDALIAR
Partner

FCS No. : 6156

C P No. : 2664

Place: Pune

Date: 30th June, 2017

Note: This report is to be read with letter of even date by the Secretarial Auditors, which is annexed as Annexure A and forms an integral part of this report.

‘ANNEXURE A’

To,
The Members,
Deepak Fertilisers and Petrochemicals Corporation Ltd
Opp. Golf Course,
Shastri Nagar, Yerawada,
Pune-411006

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

Management’s Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor’s Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company’s management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management’s representation about the compliance of laws, rules and regulations and happening of events, etc.

Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **SVD & ASSOCIATES**
Company Secretaries

SRIDHAR MUDALIAR
Partner

FCS No. : 6156

C P No. : 2664

Place: Pune

Date: 30th June, 2017

ANNEXURE-2

FORM AOC-1

[Pursuant to first proviso to sub-section (3) of section 129 read with rules 5 of the Companies (Accounts) Rules, 2014]
Statement containing salient features of the financial statement of subsidiaries/ associate companies/joint ventures

Part-"A": Subsidiaries

(₹ in Lacs)

S. No.	Particulars	Details of Subsidiaries								
		Smartchem Technologies Limited [#]	Platinum Blasting Services Pty. Limited ^{#51}	Australian Mining Explosives Pty. Limited ^{#52}	SCM Soilfert Limited [#]	SCM Fertichem Limited [#]	Deepak Mining Services Private Limited [#]	Deepak Nitrochem Pty Limited [#]	Runge Pincock Minarco India Private Limited ^{#53}	Yerrowda Investments Limited [#]
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01/04/2016 to 31/03/2017	01/04/2016 to 31/03/2017	01/04/2016 to 31/03/2017	01/04/2016 to 31/03/2017	01/04/2016 to 31/03/2017	01/04/2016 to 31/03/2017	01/04/2016 to 31/03/2017	01/04/2016 to 31/03/2017	01/04/2016 to 31/03/2017
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Indian Rupees	AUD 1 AUD = ₹ 49.44	AUD 1 AUD = ₹ 49.44	Indian Rupees	Indian Rupees	Indian Rupees	AUD 1 AUD = ₹ 49.44	Indian Rupees	Indian Rupees
4	Share Capital	100.00	4,541.00	0.00*	5.00	5.00	1.00	79.10	28.72	24.00
5	Reserves & Surplus	3,828.60	(1,055.89)	327.55	1,576.97	(2.77)	(23.25)	(51.11)	4.05	3,919.09
6	Total Assets	8,998.91	7,268.94	2,113.83	1,606.79	3.78	17.14	27.99	35.70	4,037.42
7	Total Liabilities	5,070.31	3,783.84	1,786.29	24.82	1.55	39.38	-	2.93	94.33
8	Investments	5,202.71	0.00	-	924.77	-	14.64	-	-	1.00
9	Turnover*	5,934.35	5,632.15	1,064.11	-	-	-	-	20.56	-
10	Profit / (Loss) before taxation	527.27	(64.77)	285.78	67.80	(1.48)	(2.24)	(0.00)	18.74	(60.37)
11	Provision for taxation	58.15	-	(66.30)	(1,150.28)	-	-	-	-	-
12	Profit / (Loss) after taxation	469.13	(64.77)	219.47	1,218.08	(1.48)	(2.24)	(0.00)	18.74	(60.37)
13	Proposed Dividend	-	-	-	-	-	-	-	-	-
14	% of shareholding	100.00%	79.27%	100.00%	100.00%	100.00%	100.00%	100.00%	51.00%	85.00%

Standalone Figures

⁵¹ Subsidiary of Smartchem Technologies Limited⁵² Subsidiary of Platinum Blasting Services Pty. Limited⁵³ Subsidiary of Deepak Mining Services Private Limited

* Turnover excludes other income of ₹ 61.88 Lacs of Smartchem Technologies Limited, ₹ 69.75 Lacs of SCM Soilfert Limited, ₹ 0.05 Lacs of Deepak Mining services Pvt Ltd. and ₹ 116.11 Lacs of Yerrowda Investments Ltd.

* Share capital of Australian Mining Explosives Pty. Limited consists of 1 ordinary share of \$1 which is held by Platinum Blasting Services Pty. Limited.

1. Smartchem Technologies Limited (STL)

The Company, is a wholly owned subsidiary of your Company, is in the business of manufacturing Technical Grade Ammonium Nitrate with capacity of 40,000 MT per annum and plays a critical role in meeting the needs of customers based in eastern India, at a beneficial logistic cost. During the year, the Company is facing a challenging time because of restriction on coal mining and new Ammonium Nitrate Rules. The Company achieved a turnover of ₹ 59.34 crores (excluding other income) and profit before tax of ₹ 5.27 crores.

2. Platinum Blasting Services Pty. Limited, Australia

Platinum Blasting Services Pty. Limited is a joint venture (JV) between your Company's wholly owned subsidiary Smartchem Technologies Ltd. (STL) with local Australian partners having vast experience in providing value-added blasting services and operational expertise to mining and explosives industries in Australia. This is part of your Company's forward integration initiative. Your Company has supplied Technical Ammonium Nitrate to the JV. The JV is now evaluating setting up emulsion facilities, which will significantly improve margins in future.

3. Australian Mining Explosives Pty. Limited

Australian Mining Explosives Pty. Limited (AME), an Australian company, is a wholly owned subsidiary of Platinum Blasting Services Pty. Ltd. (a subsidiary of Smartchem Technologies Limited, which is a wholly owned subsidiary of the Company) and is engaged in the business of storage and handling of Technical Ammonium Nitrate. Controlling interest in AME by Platinum Blasting Services Pty. Ltd. was acquired during the financial year 15-16 at ₹ 18.5 Crores (AUD 3.7 mn).

4. Deepak Mining Services Pvt Limited

Deepak Mining Services Pvt Limited is a wholly owned subsidiary of your Company and in the business of providing consultancy to mining companies in India. It provides consultancy in the entire value chain of the mining business. With the private coal mining segment opening up, it has great potential to mature into a high growth profitable business. The current year was challenging in view of the lull in the sector emanating out of the re-auctioning of the coal blocks.

5. Runge Pincock Minarco India Co. Ltd. (RPM)

Runge Pincock Minarco India Co. Ltd. is a joint venture between Deepak Mining Services Pvt Ltd and Runge Pincock Minarco (RPM) Co. Ltd., Australia, a global leader in mine consultancy and provider of advanced mining software. The JV will help in bringing global best practices to the Indian mining industries and has good potential to capture the emerging opportunity in mining business. The current year was challenging in view of the lull in the sector emanating out of the re-auctioning of the coal blocks.

6. Yerrowda Investments Limited

Yerrowda Investments Limited (YIL), a subsidiary of your Company, is operating in real estate sector and owns immovable property in Pune. YIL has legal title for the land and buildings located at Deepak Complex, Pune owned by your Company.

7. To capture any emerging business opportunity, the Company has following subsidiary Companies focussed at respective sectors:

- SCM Fertichem Limited – Agri sector
- Deepak Nitrochem Pty Limited – TAN, Australia

8. SCM Soilfert Limited

On 22nd June, 2017, National Company Law Tribunal (NCLT) passed an order approving amalgamation of SCM Soilfert Limited with the Company. A certified copy of the order is awaited.

FORM AOC-1

[Pursuant to first proviso to sub-section (3) of section 129 read with rules 5 of the Companies (Accounts) Rules, 2014]
Statement containing salient features of the financial statement of subsidiaries/ associate companies/joint ventures

Part-“B”: Associates and Joint Ventures

(₹ in Lacs)

S. No.	Particulars	Details of Associates & Joint Venture			
		Ishanya Brand Services Limited [#]	Ishanya Realty Corporation Limited [#]	Desai Fruits and Vegetables Private Limited [#]	Mumbai Modern Terminal Market Complex Private Limited [#]
2	Latest audited balance Sheet Date	01/04/2016 to 31/03/2017	01/04/2016 to 31/03/2017	01/04/2016 to 31/03/2017	01/04/2016 to 31/03/2017
3	No. Shares of Associate / Joint Ventures held by the Company on the year end	49,994	49,994	50,81,363	4,000
	- Amount of Investment in Associate/ Joint Venture	5.00	5.00	1,157.37	0.40
	- Extend of Holding %	49.99%	49.99%	37.09%	40%
4	Description of how there is significant influence	DFPCL is holding more than threshold limit of 20%	DFPCL is holding more than threshold limit of 20%	DFPCL is holding more than threshold limit of 20%	DFPCL is holding more than threshold limit of 20%
5	Reason why the associate/ joint venture is not consolidated	There is no transaction during the year and on basis of materiality and capital base the amount is negligible.	There is no transaction during the year and on basis of materiality and capital base the amount is negligible.		- There is no transaction during the year and on basis of materiality and capital base the amount is negligible.
6	Net-worth attributable to Shareholding as per latest audited Balance Sheet	4.14	1.43	218.93	0.22
7	Profit/ (Loss) for the year	0.03	(0.44)	(1,262.75)	(0.10)
8	Considered in Consolidation	-	-	(231.06)	-
9	Not Considered in Consolidation	0.03	(0.44)	(1,031.69)	(0.10)

[#] Standalone Figures

1. Desai Fruits and Vegetables Private Limited

This is a Joint Venture (JV) which is focussed on growing banana plantation and supplies to domestic as well as international market. During the financial year, the JV achieved a turnover of ₹ 2,549.44 Lacs and its loss is ₹ 1,262.75 Lacs (turnover excludes other income of ₹ 0.17 Lacs).

2. To capture any emerging business opportunity, the Company has following Associate Companies focussed at respective sectors:

- Ishanya Brand Services Limited – Realty sector
- Ishanya Realty Corporation Limited– Realty sector
- Mumbai Modern Terminal Market Complex Private Limited

ANNEXURE-3

Nomination and Remuneration Policy

1. Introduction

In terms of Section 178 of the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended from time to time, this policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company has been formulated by the Nomination and Remuneration Committee of the Company and approved by the Board of Directors vide circular resolution dated 29th December, 2014. This policy shall act as a guideline for determining, *inter-alia*, qualifications, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel & Senior Management.

2. Objective

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and applicable regulations under SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The Key Objectives of the Committee would be:

- a) To recommend to the Board appointment and removal of Directors, Key Managerial Personnel and Senior Management in accordance with criteria laid down.
- b) To recommend to the Board a policy including following:
 - (i) determining qualifications, positive attributes and independence of a director;
 - (ii) Remuneration for the Directors, Key Managerial Personnel and Senior Management;
 - (iii) Remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
 - (iv) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
 - (v) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;
 - (vi) Performance evaluation of Independent Directors and the Board; and
 - (vii) Board diversity.

3. Definitions

“**Act**” means Companies Act, 2013 and rules thereunder.

“**Board**” means Board of Directors of the Company

“**Committee**” means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.

“**Company**” means Deepak Fertilisers And Petrochemicals Corporation Limited (DFPCL).

“**Independent Director**” means a Director of the Company, not being in whole time employment and who is neither a promoter nor belongs to the promoter group of the Company and who satisfies the criteria for independence as prescribed under Section 149 of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

“**Key Managerial Personnel**” means Key managerial personnel as defined under the Companies Act, 2013 and includes:

- i. Managing Director or Executive Director or Chief Executive Officer or Manager;
- ii. Whole-time Director;
- iii. Company Secretary;
- iv. Chief Financial Officer; and
- v. such other officer as may be prescribed.

“**Policy**” means Nomination and Remuneration Policy.

“**Senior Management**” means personnel of the Company who are members of its core management team (Internal Board) excluding the Board of Directors.

4. Functions of Committee:

The Nomination and Remuneration Committee shall, inter-alia, perform the following functions:

- a) Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.
- b) To recommend to the Board a policy for following:
 - (i) Determining qualifications, positive attributes and independence of a director;
 - (ii) Remuneration for the Directors, Key Managerial Personnel and Senior Management;
 - (iii) Remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
 - (iv) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
 - (v) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
 - (vi) Performance evaluation of Independent Directors and the Board; and
 - (vii) Board diversity.

The Chairperson of the Nomination and Remuneration Committee or, in his absence, any other member of the committee authorised by the Chairperson in this behalf shall attend the general meetings of the Company.

Provided that Nomination and Remuneration Committee shall set up mechanism to carry out its functions and is further authorized to delegate any / all of its powers to any of the Directors and / or officers of the Company, as deemed necessary for proper and expeditious execution.

5. Membership

- i. The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent.
- ii. The quorum shall be either two members or one third of the members of the Committee whichever is higher.
- iii. Membership of the Committee shall be disclosed in the Annual Report.
- iv. Term of the Committee shall be continued unless terminated by the Board of Directors.

6. Chairperson

- i. Chairperson of the Committee shall be an Independent Director.
- ii. Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- iii. In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.

7. Frequency of Meeting

The meeting of the Committee shall be held at such regular intervals as may be required.

8. Secretary

The Company Secretary of the Company shall act as Secretary of the Committee.

9. Minutes of Committee Meeting

Proceedings of all meetings shall be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meetings.

10. Policy for appointment and removal of Director, KMP and Senior Management

(A) Appointment criteria and qualifications

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
- c) The Committee shall devise a policy on Board diversity after reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board which will facilitate the Committee to recommend on any proposed changes to the Board to complement the Company's corporate strategy.

(B) Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

(C) Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

11. Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel**(A) General**

- a) The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- b) The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the provisions of the Act.
- c) Term / Tenure of the Directors shall be as per Company's policy and subject to the provisions of the Act.

(B) Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel**a) Fixed pay**

The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/the Person authorized by the Board and approved by the shareholders and Central Government, wherever required.

b) Minimum Remuneration

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Directors in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

c) Provisions for excess remuneration

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

(C) Remuneration to Non-Executive / Independent Director**a) Remuneration / Commission**

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Act.

b) Sitting Fees

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof.

Provided that the amount of such fees shall be decided by the Board and subject to the limit as provided in the Act.

c) Commission

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

12. Amendments

This Policy may be amended by the Board at any time and is subject to (i) amendments to the Companies Act, 2013 (the Act 2013) and (ii) further guidelines and enactments by the SEBI, including SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

ANNEXURE-4

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2016-17

1. A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken as per CSR Policy and projects or programs.

For over three decades as a socially responsible Company, Deepak Fertilisers And Petrochemicals Corporation Limited (DFPCL), has engaged in community work through Ishanya Foundation at Taloja and Pune in Maharashtra and Deepak Foundation in Vadodara in Gujarat. The Ishanya Foundation has been conducting several outreach programmes, in and around Pune and also in villages around Taloja in Panvel Taluka in Raigad District. These programmes are in the areas of:

- a) Women empowerment through vocational training (skill development) and livelihood programmes
- b) Health and
- c) Education

The underlying objectives are aimed at making people self-reliant through economic and social empowerment, providing employable skills and social entrepreneurship opportunities to youth, women and marginal farmers to ensure livelihood for economic betterment and social development of themselves and their families instilling pride and confidence (in the target population) to take on future challenges.

Health initiatives, farmer support programs, culture and heritage support programs have also formed DFPCL's ancillary focus areas. Improving the quality and infrastructure in the educational institutions has also been the Company's priorities.

2. The Composition of the CSR Committee

Sr. No.	Name of Director	Chairman / Member
1.	Shri Pranay Vakil	Chairman
2.	Smt. Parul Mehta	Member
3.	Shri S R Wadhwa	Member

3. Average net profit of the Company for last three financial years: ₹ 19,841 Lacs

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): ₹ 397 Lacs

5. Details of CSR spent during the financial year:

- a) Minimum total amount to be spent for the financial year: ₹ 397 Lacs
- b) Amount unspent, if any: ₹ 165.20 Lacs
- c) Manner in which the amount spent during the financial year is detailed below:

(₹ In Lacs)

Sr. No.	CSR project or Activity Identified	Sector in which the Project is covered	Project or programs		Amount outlay (budget) project or program wise	Amount spent on the projects or programs for the FY 2014-15 2016-17		Cumulative expenditure for upto the reporting period starting from April, 2014	Amount spent: Direct or through implementing Agency
			Local Area or other	State or District where Project or Programs was undertaken		Direct Expenditure on project	Overheads		
1	Dairy Development	Animal Welfare	Taloja	Maharashtra	34.38	17.99	1.83	83.17	Implementing Agency- Ishanya Foundation
2	Establishment of Private Industrial Training Institute / Contribution for promotion of education	Employment enhancing vocational skills especially amongst women and children	Taloja	Maharashtra	688.68	54.67	3.71	65.52	Implementing Agency- Ishanya Foundation
3	Horticulture Development / Contribution for environmental protection	Ensuring Environmental sustainability, ecological balance, protection of flora and fauna	Taloja	Maharashtra	46.56	35.27	2.39	98.02	Implementing Agency- Ishanya Foundation

Sr. No.	CSR project or Activity Identified	Sector in which the Project is covered	Project or programs		Amount outlay (budget) project or program wise	Amount spent on the projects or programs for the FY 2014-15 2016-17		Cumulative expenditure for upto the reporting period starting from April, 2014	Amount spent: Direct or through implementing Agency
			Local Area or other	State or District where Project or Programs was undertaken		Direct Expenditure on project	Overheads		
4	Vocational Skill Development, Health and Education Project	Vocational Training Courses for women / men	Pune / Taloja	Maharashtra	87.60	57.35	4.08	129.05	Implementing Agency- Ishanya Foundation
5	Promotion of Art and Culture	Promotion and development of Traditional Arts and Handicrafts	Pune	Maharashtra	21.87	10.13	0.67	23.31	Implementing Agency- Ishanya Foundation
6	Livelihood Generation Activity/ Yellow Ribbon NGO Fair/ Development of Web Based Compendium	Livelihood enhancement through Entrepreneurship	Pune	Maharashtra	31.28	16.17	2.11	51.55	Implementing Agency- Ishanya Foundation
7.	Community Development				5.32	-	-	-	
8	Promotion of Road Safety	Promoting Education and Vocational Skills	Taloja	Maharashtra	-	-	-	0.20	Implementing Agency- Ishanya Foundation
9	Contribution for medical assistance and draught relief	Eradication of hunger, poverty and malnutrition, promoting healthcare	Other	Maharashtra	20.00	25.26	-	31.36	Direct by the Company
Total					935.69	216.84	14.79	482.18	

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.

During the year under review, the Company has made consistent efforts to identify the projects for its CSR initiatives and accordingly as one of its major initiative the Company has decided to set up an ITI in Taloja near its factory for imparting vocational skills and training for woman and children.

The Company has contributed ₹ 4.40 Crore to Ishanya Foundation, the implementing agency to set up the said ITI. The entire amount could not be spent by the implementing agency due to delay in getting necessary regulatory approvals.

The balance available with the implementing agency and any short fall in the spend during the year under report and of the earlier years is intended to be made good in future substantially in the aforesaid ITI and also in suitable projects within the Company's CSR policy upon identification of the same.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objective and Policy of the Company.

The CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

S. C. MEHTA

(Chairman & Managing Director)

PRANAY VAKIL

(Chairman - CSR Committee)

ANNEXURE- 5

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2017

Pursuant to section 92 of the Act and Rule 12(1) of the Companies (Management and Administration) Rules, 2014.

I. REGISTRATION DETAILS

1. CIN	L24121MH1979PLC021360
2. Registration Date	31 st May, 1979
3. Name of the Company	Deepak Fertilisers And Petrochemicals Corporation Ltd
4. Category / Sub-Category of the Company	Company Limited by Shares / Indian Non- Government Company
5. Address of the Registered office and contact details	Opp Golf Course, Shastri Nagar, Yerawada, Pune – 411006 Phone : (020) 6645 8000, 26688117 Fax : (020) 26683723 Email : investorgrievance@dfpcl.com Website: www.dfpcl.com
6. Whether listed company Yes / No	Yes
7. Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 Phone : (040) 6716 1571 Fax : (040) 2342 0814 Contact Person : Mr. S V Raju Designation : Deputy General Manager Email id : einward.ris@karvy.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Nitrophosphate (Fertilisers)	20122	18.40%
2.	Complexes (Fertilisers)	20122	20.57%
3.	Technical Ammonium Nitrate	20123	11.11%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	NIC Code of the Product/ service	CIN/GLN	Holding/ Subsidiary/ Associate	% of Share held	Applicable section
1.	Smartchem Technologies Ltd (STL)	20123	U67120PN1987PLC166034	Subsidiary	100%	2 (87)
2.	SCM Soilfert Ltd	-	U24120PN2012PLC145024	Subsidiary	100%	2 (87)
3.	SCM Fertichem Ltd (SFL)	-	U24211PN2012PLC145023	Subsidiary	100%	2 (87)
4.	Deepak Mining Services Private Ltd	09900	U14100PN2008PTC132562	Subsidiary	100%	2 (87)
5.	RungePincockMinarco India Private Ltd [#]	09900	U14200PN2012PTC145300	Subsidiary	51%	2 (87)
6.	Yerrowda Investments Limited	-	U65990MH1954PLC009228	Subsidiary	85%	2 (87)
7.	Ishanya Brand Services Ltd	-	U74900PN2008PLC131967	Associate	49.99%	2(6)
8.	Ishanya Realty Corporation Ltd	-	U70101PN2008PLC131330	Associate	49.99%	2(6)
9.	Mumbai Modern Terminal Complex private Limited	-	U45201MH2014PTC257412	Associate	40.00%	2(6)
10.	Desai Fruits and Vegetables Ltd	-	U63020GJ1999PTC035377	Joint Venture	49%	2(6)
11.	Deepak Nitrochem Pty. Ltd	-	-	Subsidiary	100%	2 (87)
12.	Platinum Blasting Services Pty Ltd ^{##}	-	-	Subsidiary	79.27	2 (87)
13.	Australian Mining Explosives Pty Ltd ^{###}	-	-	Subsidiary	79.27	2 (87)

[#] Subsidiary of Deepak Mining Services Private Limited

^{##} Subsidiary of Smartchem Technologies Limited

^{###} Subsidiary of Platinum Blasting Services Pty.Ltd.

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i. Category wise Shareholding

Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	26,394,005	-	26,394,005	29.92	1,067,005	-	1,067,005	1.21	28.71
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	18,655,372	-	18,655,372	21.15	43,982,372	-	43,982,372	49.86	28.71
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	45,049,377	-	45,049,377	51.07	45,049,377	-	45,049,377	51.07	00.00
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	45,049,377	-	45,049,377	51.07	45,049,377	-	45,049,377	51.07	00.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	1,039,637	10,225	1,049,862	1.19	1,531,795	-	1,531,795	1.74	0.55
b) Banks / FI	32,188	8,805	40,993	0.05	32,346	17,075	49,421	0.06	0.01
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	1,266	-	1,266	0.00	0.00
Insurance Companies	1,931,039	750	1,931,789	2.19	1,122,584	750	1,123,334	1.27	0.92
Foreign Institutional Investor/ Foreign Portfolio- Corp	12,753,232	-	12,753,232	14.46	11,715,278	-	11,715,278	13.28	1.18
Sub-total (B)(1):-	15,756,096	19,780	15,775,876	17.89	14,403,269	17,825	14,421,094	16.35	1.54
2. Non-Institutions									
a) Bodies Corp.	5,195,457	30,801	5,226,258	5.93	6,975,104	32,706	7,007,810	7.94	2.01
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	12,665,875	4,971,290	17,637,165	20.00	10,656,420	4,828,509	15,484,929	17.56	2.44
ii) Individual shareholders holding nominal share capital of more than ₹ 1 lakh	1,518,837	20,050	1,538,887	1.74	3,237,810	66,950	3,304,760	3.75	2.01
c) Others (Specify)									
Clearing Members	63,403	-	63,403	0.07	112,260	-	112,260	0.13	0.06
HUF	583,698	-	583,698	0.67	520,039	-	520,039	0.59	0.08
Non Resident Indian	672,080	1,464,575	2,136,655	2.42	660,281	1,450,125	2,110,406	2.39	0.03
Non Domestic Companies	-	184,750	184,750	0.21	-	184,750	184,750	0.21	0.00
Trust	8,824	50	8,874	0.01	9,518	-	9,518	0.01	0.00
Sub-total (B)(2):-	20,708,174	6,671,516	27,379,690	31.04	22,171,432	6,563,040	28,734,472	32.58	1.54
Total Public Shareholding (B)=(B)(1)+ (B)(2)	36,464,270	6,691,296	43,155,566	48.93	36,574,701	6,580,865	43,155,566	48.93	0.00
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	81,513,647	6,691,296	88,204,943	100.00	81,624,078	6,580,865	88,204,943	100.00	-

ii. Shareholding of Promoter

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year			No. of Shares held at the end of the year			% Change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Sailesh C Mehta	21,284,506	24.13	-	1,506	0.00	-	24.13*
2.	Nova Synthetic Ltd	17,267,071	19.58	-	42,594,071	48.29	-	28.71*
3.	Storewell Credits & Capital Pvt Ltd	1,262,084	1.43	-	-	-	-	1.43*
4.	Chimanlal Khimchand Mehta	1,064,273	1.21	-	1,064,273	1.21	-	0.00
5.	Parul Sailesh Mehta	4,045,226	4.58	-	1,226	0.00	-	4.58*
6.	Sofotel Infra Pvt Ltd	126,217	0.14	-	1,388,301	1.57	-	1.43*

* inter-se transfer of shares amongst promotor group.

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

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	Sailesh C Mehta				
	At the beginning of the year	21,284,506	24.13	21,284,506	24.13
	Sale of Shares on 31.03.2017 [#]	21,283,000	24.12	1,506	0.00
	At the end of the year	-	-	1,506	0.00
2.	Nova Synthetic Ltd				
	At the beginning of the year	17,267,071	19.58	17,267,071	19.58
	Purchase of Shares on 3 February, 2017 [#]	1,032,000	1.17	18,299,071	20.75
	Purchase of Shares on 31 March, 2017 [#]	24,295,000	27.54	42,594,071	48.29
	At the end of the year	-	-	42,594,071	48.29
3.	Storewell Credits & Capital Pvt Ltd				
	At the beginning of the year	1,262,084	1.43	1,262,084	1.43*
	Sale of Shares on 10 June, 2016 [#]	1,262,084	1.43	-	-
	At the end of the year	-	-	-	-
4.	Chimanlal Khimchand Mehta				
	At the beginning of the year	1,064,273	1.21	1,064,273	1.21
	At the end of the year	-	-	1,064,273	1.21
5.	Parul Sailesh Mehta				
	At the beginning of the year	4,045,226	4.59	4,045,226	4.59
	Sale of Shares on 27 January, 2017 [#]	1,032,000	1.17	3,013,226	3.42
	Sale of Shares on 31 March, 2017 [#]	3,012,000	3.41	1,226	0.0
	At the end of the year	-	-	1,226	0.00
6.	Sofotel Infra Pvt Ltd				
	At the beginning of the year	126,217	0.14	126,217	0.14
	Purchase of Shares on 6 October, 2016 [#]	1,262,084	1.43	1,388,301	1.57
	At the end of the year	-	-	1,388,301	1.57

[#] inter-se transfer of shares amongst promotor group.

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

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	Fidelity Puritan Trust-Fidelity Low-Priced Stock Fund				
	At the beginning of the year	7,569,000	8.58	7,569,000	8.58
	Sale of Shares on 4 November, 2016	48,694	0.055	7,520,306	8.53
	Sale of Shares on 11 November, 2016	31,987	0.04	7,488,319	8.49
	Sale of Shares on 18 November, 2016	31,119	0.04	7,457,200	8.45
	Sale of Shares on 25 November, 2016	57,200	0.06	7,400,000	8.38
	Sale of Shares on 10 February, 2017	113,812	0.13	7,286,188	8.26
	Sale of Shares on 17 February, 2017	86,188	0.10	7,200,000	8.16
	At the end of the year (or on the date of separation, if separated during the year)	-	-	7,200,000	8.16
2.	ICICI Lombard General Insurance Company Ltd				
	At the beginning of the year	1,850,000	2.10	1,850,000	2.10
	Purchase of Shares on 10 February, 2017	230,211	0.26	2,080,211	2.36
	At the end of the year (or on the date of separation, if separated during the year)	-	-	2,080,211	2.36
3.	ICICI Prudential Life Insurance Company Limited				
	At the beginning of the year	-	-	-	-
	Purchase of Shares on 17 February, 2017	1,362,385	1.54	1,362,385	1.54
	Purchase of Shares on 24 February, 2017	200,895	0.23	1,563,280	1.77
	Sale of Shares on 3 March, 2017	69,336	0.08	1,493,944	1.69
	Purchase of Shares on 10 March, 2017	70,171	0.08	1,564,115	1.77
	Purchase of Shares on 17 March, 2017	202	0.00	1,564,317	1.77
	Purchase of Shares on 24 March, 2017	515	0.00	1,564,832	1.77
	Purchase of Shares on 31 March, 2017	201	0.00	1,565,033	1.77
	At the end of the year (or on the date of separation, if separated during the year)	-	-	1,565,033	1.77
4.	Fidelity Northstar Fund				
	At the beginning of the year	1,250,500	1.42	1,250,500	1.42
	Sale of shares on 17 February, 2017	77,684	0.09	1,172,816	1.33
	Sale of shares on 24 February, 2017	72,816	0.08	1,100,000	1.25
	At the end of the year (or on the date of separation, if separated during the year)	-	-	1,100,000	1.25
5.	Dimensional Emerging Markets Value Fund				
	At the beginning of the year	647,021	0.73	647,021	0.73
	Purchase of Shares on 16 December, 2016	4,260	0.00	651,281	0.74
	Sale of Shares on 24 March, 2017	6,173	0.01	645,108	0.73
	Sale of Shares on 31 March, 2017	7,316	0.01	637,792	0.72
	At the end of the year (or on the date of separation, if separated during the year)	-	-	637,792	0.72
6.	BNP Paribas MID CAP FUND				
	At the beginning of the year	-	-	-	-
	Purchase of Shares on 11 November, 2016	41,630	0.05	41,630	0.05
	Purchase of Shares on 18 November, 2016	55,764	0.06	97,394	0.11
	Purchase of Shares on 25 November, 2016	237,606	0.27	335,000	0.38
	Purchase of Shares on 2 December, 2016	15,000	0.02	350,000	0.40
	Purchase of Shares on 16 December, 2016	10,700	0.01	360,700	0.41

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	Purchase of Shares on 23 December, 2016	34,009	0.04	394,709	0.45
	Purchase of Shares on 30 December, 2016	17,800	0.02	412,509	0.47
	Purchase of Shares on 6 January, 2017	585	0.00	413,094	0.47
	Purchase of Shares on 13 January, 2017	10,891	0.01	423,985	0.48
	Purchase of Shares on 20 January, 2017	23,151	0.03	447,136	0.51
	Purchase of Shares on 27 January, 2017	5,000	0.01	452,136	0.51
	Purchase of Shares on 3 February, 2017	25,000	0.03	477,136	0.54
	Purchase of Shares on 17 February, 2017	20,000	0.02	497,136	0.56
	Purchase of Shares on 24 February, 2017	10,000	0.01	507,136	0.57
	Purchase of Shares on 10 March, 2017	45,000	0.05	552,136	0.63
	Purchase of Shares on 17 March, 2017	18,000	0.02	570,136	0.65
	At the end of the year (or on the date of separation, if separated during the year)	-	-	570,136	0.65
7.	General Insurance Corporation of India				
	At the beginning of the year	500,151	0.57	500,151	0.57
	At the end of the year (or on the date of separation, if separated during the year)	-	-	500,151	0.57
8.	CD Equifinance Private Limited				
	At the beginning of the year	385,486	0.44	385,486	0.44
	Sale of Shares on 2 December, 2016	187,175	0.21	198,311	0.22
	Purchase of shares on 30 December, 2016	187,175	0.21	385,486	0.44
	Sale of Shares on 13 January, 2017	207,175	0.23	178,311	0.20
	Purchase of shares on 3 March, 2017	207,175	0.23	385,486	0.44
	At the end of the year (or on the date of separation, if separated during the year)	-	-	385,486	0.44
9.	The New India Assurance Company Limited				
	At the beginning of the year	1,111,737	1.26	1,111,737	1.26
	Sale of Shares on 13 May, 2016	4,000	0.00	1,071,737	1.22
	Sale of Shares on 20 May, 2016	103,342	0.12	968,395	1.10
	Sale of Shares on 27 May, 2016	18,317	0.02	950,078	1.08
	Sale of Shares on 3 June, 2016	32,908	0.04	917,170	1.04
	Sale of Shares on 10 June, 2016	24,430	0.03	892,740	1.01
	Sale of Shares on 17 June, 2016	64,537	0.07	828,203	0.94
	Sale of Shares on 24 June, 2016	78,125	0.09	750,078	0.85
	Sale of Shares on 8 July, 2016	11,033	0.01	739,045	0.84
	Sale of Shares on 15 July, 2016	6,612	0.01	732,433	0.83
	Sale of Shares on 5 August, 2016	30,000	0.03	702,433	0.80
	Sale of Shares on 12 August, 2016	11,349	0.01	691,084	0.78
	Sale of Shares on 19 August, 2016	1,08,156	0.12	582,928	0.66
	Sale of Shares on 26 August, 2016	495	0.00	582,433	0.66
	Sale of Shares on 2 September, 2016	10,000	0.01	572,433	0.65
	Sale of Shares on 9 September, 2016	77,560	0.09	494,873	0.56
	Sale of Shares on 16 September, 2016	12,440	0.01	482,433	0.55
	Sale of Shares on 3 February, 2017	20,000	0.02	462,433	0.52
	Sale of Shares on 10 February, 2017	47,535	0.05	414,898	0.47
	Sale of Shares on 17 February, 2017	32,465	0.04	382,433	0.43
	At the end of the year (or on the date of separation, if separated during the year)	-	-	382,433	0.43

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
10.	BNP Paribas Dividend Yield Fund				
	At the beginning of the year	122,192	0.14	122,192	0.14
	Purchase of Shares on 06 May, 2016	7,100	0.09	129,292	0.15
	Purchase of Shares on 10 June, 2016	10,000	0.01	139,292	0.16
	Purchase of Shares on 05 August, 2016	46,345	0.05	185,637	0.21
	Purchase of Shares on 19 August, 2016	54,407	0.06	240,044	0.27
	Purchase of Shares on 16 September, 2016	26,900	0.03	266,944	0.30
	Purchase of Shares on 23 November, 2016	40,000	0.05	306,944	0.35
	Purchase of Shares on 28 October, 2016	35,000	0.04	341,944	0.39
	Purchase of Shares on 11 November, 2016	30,700	0.03	372,644	0.42
	Purchase of Shares on 16 December, 2016	4,300	0.00	376,944	0.43
	At the end of the year (or on the date of separation, if separated during the year)	-	-	376,944	0.43

v. Shareholding of Directors and Key Managerial Personnel:

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	Sailesh C Mehta				
	At the beginning of the year	21,284,506	24.13	21,284,506	24.13
	Sale of Shares on 31.03.2017 [#]	21,283,000	24.12	1,506	0.00
	At the end of the year	-	-	1,506	0.00
2.	Partha Sarathi Bhattacharyya				
	At the beginning of the year	-	-	-	-
	At the end of the year	-	-	-	-
3.	R A Shah				
	At the beginning of the year	37,800	0.04	37,800	0.04
	At the end of the year	-	-	37,800	0.04
4.	D Basu				
	At the beginning of the year	-	-	-	-
	At the end of the year	-	-	-	-
5.	N C Singhal				
	At the beginning of the year	-	-	-	-
	At the end of the year	-	-	-	-
6.	U P Jhaveri				
	At the beginning of the year	900	0.00	900	0.00
	At the end of the year	-	-	900	0.00
7.	S R Wadhwa				
	At the beginning of the year	1,000	0.001	1,000	0.001
	At the end of the year	-	-	1,000	0.001
8.	Dr. S. Rama Iyer				
	At the beginning of the year	15,000	0.02	15,000	0.02
	At the end of the year	-	-	15,000	0.02

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
9.	Parul Sailesh Mehta				
	At the beginning of the year	4,045,226	4.59	4,045,226	4.59
	Sale of Shares on 27 th January, 2017 [#]	1,032,000	1.17	3,013,226	3.42
	Sale of Shares on 31 st March, 2017 [#]	3,012,000	3.41	1,226	0.00
	At the end of the year	-	-	1,226	0.00
10.	Anil Sachdev				
	At the beginning of the year	-	-	-	-
	At the end of the year	-	-	-	-
11.	Pranay Vakil				
	At the beginning of the year	4,475	0.005	4,475	0.005
	At the end of the year	-	-	4,475	0.005
12.	Madhumilan P. Shinde				
	At the beginning of the year	350	0.00	350	0.00
	At the end of the year	-	-	350	0.00
13.	Vipin Agarwal				
	At the beginning of the year	-	-	-	-
	At the end of the year	-	-	-	-
14.	K. Subharaman				
	At the beginning of the year	-	-	-	-
	Purchase of shares on 02 nd December, 2016	10	0.00	10	0.00
	Purchase of shares on 30 th December, 2016	90	0.00	100	0.00
	At the end of the year	-	-	100	0.00

[#] inter-se transfer of shares amongst promotor group.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (₹ in Lacs)

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	95,646.88	98,348.86	-	1,93,995.74
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	623.30	827.61	-	1,450.91
Total (i+ii+iii)	96,270.18	99,176.47	-	1,95,446.65
Change in Indebtedness during the financial year				
• Addition	47,038.02	-	-	47,038.02
• Reduction	(24,442.71)	(34,698.38)	-	(59,141.09)
Net Change	22,595.31	(34,698.38)	-	(12,103.07)
Indebtedness at the end of the financial year				
i) Principal Amount	1,18,291.36	63,947.44	-	1,82,238.80
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	574.13	530.65	-	1,104.78
Total (i+ii+iii)	1,18,865.49	64,478.09	-	1,83,343.58

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of Chairman & Managing Director
		Shri S. C. Mehta
1.	Gross salary	26,160,923
	(a) Salary as per provisions contained section 17(1) of the Income-tax Act, 1961	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	6,382,703
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission [#]	64,259,000
	- as % of profit	-
	- others, specify...	-
5.	Others, please specify	-
	Total (A)	96,802,626
	Ceiling as per the Act	119,832,063

[#] Commission, as per terms of appointment, relating to Financial Year 2015-16 but paid in Financial Year 2016-17.

B. Remuneration to other Director:

Sr. No.	Particulars of Remuneration	Name of Director			Total Amount
1.	Independent Directors	Shri D. Basu	Shri U. P. Jhaveri	Dr. S. Rama. Iyer	
	Sitting Fees	280,000	250,000	520,000	1,050,000
	Commission*	1,200,000	875,000	1,250,000	3,325,000
	Total (1)	1,480,000	1,125,000	1,770,000	4,375,000
	Independent Directors	Shri Pranay Vakil	Shri N. C. Singhal	Shri S. R. Wadhwa	Total Amount
	Sitting Fees	460,000	560,000	680,000	1,700,000
	Commission*	900,000	1,200,000	1,100,000	3,200,000
	Total (1)	1,360,000	1,760,000	1,780,000	4,900,000
	Independent Directors	Shri Anil Sachdev			
	Sitting Fees	320,000			320,000
	Commission*	900,000			900,000
	Total (1)	1,220,000			1,220,000
2.	Other Non-Executive Directors	Smt. Parul Mehta	Shri. Partha Sarathi Bhattacharyya	Shri R.A. Shah	Total Amount
	Sitting Fees	340,000	250,000	200,000	790,000
	Commission*	525,000	200,000	675,000	1,400,000
	Others [#]	-	2,500,000 [#]	-	2,500,000 [#]
	Total (2)	865,000	2,950,000	875,000	4,690,000
	Other Non-Executive Directors	Shri Madhumilan P. Shinde			Total Amount
	Sitting Fees	100,000			100,000
	Commission*	-			-
	Total (2)	100,000			100,000
	Total (B)=(1+2)	5,025,000	5,835,000	4,425,000	15,285,000
	Total Managerial Remuneration (A+B)[§]				112,087,626
	Overall Ceiling as per the Act				142,441,887

* Commission relates to Financial Year 2015-16 but paid in Financial Year 2016-17.

[#] Commission for Financial Year 2015-16 as an Executive Director but paid in Financial Year 2016-17.

[§] Total remuneration to Managing Director, Whole-time Director and other Directors (being the total of A and B)

C. Remuneration to key managerial personnel other than MD / Manager / WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		Chief Financial Officer	Company Secretary		
		Vipin Agarwal	Mandar Velankar (KMP upto 12 th August, 2016)	K Subharaman (KMP w.e.f. 12 th August, 2016)	
1.	Gross salary				
	(a) Salary including performance related pay as per provisions contained section 17(1) of the Income-tax Act, 1961	1,14,30,001	13,90,545	35,64,871	1,63,85,417
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,14,416	15,734	14,550	1,44,700
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	1,15,44,417	14,06,279	35,79,421	1,65,30,117

VII. Penalties / Punishment/ Compounding of Offences: NIL

ANNEXURE-6

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO PURSUANT TO SECTION 134(3) (m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 (3) OF THE COMPANIES (ACCOUNTS) RULES, 2014**A. CONSERVATION OF ENERGY****(A) Energy Conservation Measures taken:****a) At K-1 Complex:**

- (i) In WNA-3 plant, replacement of the waste heat boiler and absorber coils has resulted in improvement of final product acid concentration by 4%, in name plate capacity by 9% and steam production by 17%.
- (ii) Commissioning of UF / RO plant has resulted in recycling of 163,725 m³ of waste water during the year under review.
- (iii) Stoppage of turbine driven cooling tower pump has reduced consumption of raw water in the cooling tower due to reduced load of surface condenser cooling. It has increased the steam export of ammonia plant by 25%.
- (iv) Use of dry ice in cleaning of Reformer section Heat Exchanger has resulted in improvement of steam specific of the Ammonia plant.
- (v) Repair and revamp of Ammonia and Utility Cooling Tower has helped lowering CW outlet temperature and the productivity of the downstream plants.

b) At K7 and K8 Complex:

Reduction of 5 % in overall energy (Steam + Power) achieved by implementing following measures.

- (i) Insulation Survey of complete K7/K8 complex and corrective actions resulted in energy savings of 359 MKcal/year.
- (ii) Replacement of existing motor with high efficiency motor of Big cooling tower Pump has resulted in savings of 95 MKcal/year.
- (iii) Plant lighting replacement with LED resulted in energy savings of 17 MKcal/year.
- (iv) Provision of Energy saver devices for non-inverter split AC's and water coolers resulted in energy savings of 34 MKcal/year.
- (v) Recovery of WNA-5 Converter Steam Accumulator (CSA) has resulted in Steam saving of 313 kg/hr and equivalent energy savings of 206 MKcal/hr.
- (vi) Change in Restricted Orifice size of Boiler Feed Water to CSA has resulted in saving of power of 7 MKcal/hr.

(B) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:**a) At K-1 Complex:**

- i. Commissioning of 70 TPH coal fired boiler and steam driven turbine for reducing the steam and power production cost is expected by mid of FY 17-18.
- ii. Replacement of Rotor of DNA-1 & 2 for improving the reliability in terms of vibration issue of the air compressor.
- iii. Replacement of ÇNA-1 column for increasing the plant capacity and reducing the specific consumption of steam and power of the plant.
- iv. Replacement of DNA-1 waste heat boiler for reliability improvement and increasing the steam production

b) At K7 and K8 Complex:

- (i) Reduction in overall Specific Energy by 5% over FY 2016-17.
- (ii) Steam Trap Audit of complete K7/K8 complex.
- (iii) Installation of Perforated Vent Head to Condensate Recovery Pit to avoid the loss of vent steam.

(C) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of productions of goods.

The measures referred to under (a) and the proposals under (b) will result in reduction of energy consumption as stated above.

(D) Total energy consumption and energy consumption per unit of production as per Form A in respect of industries specified in the Schedule

FORM A

Disclosure of Particulars with respect to Conservation of Energy

I	Power & Fuel Consumption	Unit	Current Year (April 2016 to March 2017)	Previous Year (April 2015 to March 2016)
1	Electricity			
a	Purchased			
	Unit	MWH	12,652.96	6,218.40
	Total Amount	₹ (Lacs)	1,535.15	824.23
	Rate/ Unit	₹/KWH	12.13	13.25
	Own Generation			
b	(i) Through Diesel Generator			
	Unit	MWH	266.56	114.82
	Units per ltr. Of diesel oil	KWH/Ltr.	3.20	2.72
	Cost / Unit	₹/KWH	20.11	20.02
	(ii) Through Gas Turbine / generators			
	Unit	MWH	116,578.70	114,340.84
	Units per M ³ of Gas	KWH/M ³	5.21	5.36
	Cost / Unit	₹/KWH	6.21	6.47
c	(iii) Through Steam Turbine / Generators			
	Unit	MWH	3,116.76	4,305.72
	Cost / Unit	₹/KWH	5.16	4.71
2	Through Windmill Turbine / Generators			
	Units	000 KWH	16,324	15,331
	Cost / Unit	₹/KWH	2.59	2.32
3	Coal	-	Nil	Nil
4	Furnace Oil	-	Nil	Nil
5	Others / internal generation	-	Nil	Nil

II Consumption per unit of Production – Unit (KWH/MT)

Sr. No.	Product	Standard Budget Norms (2016-17)	Current Year (April, 2016 to March, 2017)	Previous Year (April, 2015 to March, 2016)
1	Fertilisers (Bensulf and NP)	107.71	174.58	60.49
2	TAN	159.86	164.50	163.39
3	Industrial Chemicals	716.45	1,060.08	646.30

B. TECHNOLOGY ABSORPTION**FORM B****Disclosure of Particulars with respect to Technology Absorption****RESEARCH & DEVELOPMENT (R & D)****(1) Specific areas in which R&D carried out by the Company****A) At K-1 Plant**

- (i) R & D work carried out at lab scale on Electronic Grade Nitric Acid. Some trials have also been carried out at plant level. Final stage of plant trial is expected to be completed in Financial Year 2017-18.

B) At K-7 and K-8 Complex:

- (i) Trials of different Additives compositions for LDAN product.
- (ii) Trials of Absortech material pouches in LDAN Jumbo bags.
- (iii) Scrap Heat Exchanger is used to cool Absorber Feed Water by 4-5 Deg C with chilled Water circulation.
- (iv) Bypass Provision to divert Tail Gas from TGH-3 to VGH for decreasing Expander inlet temperature by 3-4 Deg C.
- (v) Introduction of separate liquid Ammonia line to AHU chiller coils & Weir arrangement inside Ammonia Separator.

(2) BENEFITS DERIVED AS A RESULT OF THE ABOVE R & D**A) At K-1 Plant:**

- (i) The response of trials of Electronic grade of Nitric Acid is encouraging and the product being offered to the market is expected have premium over the normal grade of Nitric Acid.

B) At K-7 & K-8 Complex:

- (i) Reduction in LDAN product moisture in packings by 0.02% and improved Free-flow characteristics.
- (ii) Increase in 8 – 9 MTPD of WNA-5 Capacity.
- (iii) Reduction in chilled air temperature by 1 – 2 Deg C required for Process.

(3) Future plan of action**A) At K- 1 Plant**

- (i) Maximisation of the micro-nutrients in NPK products
- (ii) Commissioning and stabilization of coal fired boiler of 70 TPH capacity and steam turbine of 10 MW.
- (iii) Commissioning of new NPA effluent recovery column for reducing the COD load on ETP.

B) At K-7 and K-8 Complex:

- (i) Trial of Rental Chiller in LDAN plant for provision of desired Air Quality to the Process.
- (ii) Trial of Rental Chiller in WNA-5 plant for increasing WNA-5 plant capacity.
- (iii) Study and processing new Additive and Anticaking agent for LDAN product by Third Party.
- (iv) Revamping of AHU in LDAN plant by Introduction of Vertical chiller coils.
- (v) Introduction of VibroPrillar technology in LDAN plant for Uniform Prill Size Product.
- (vi) Installation of new design Static Mixer with CFD simulation for increasing WNA-5 plant capacity.
- (vii) Chilling of Absorber Feed Water (AFW) using WNA-5 liquid Ammonia.

(4) Expenditure on R & D (Including K-1, K-8 & JNPT)**(₹ in lacs)**

a)	Capital	4.62
b)	Recurring	189.26
c)	Total	193.88
d)	Total R & D expenditure as a percentage of total turnover	0.05

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. Efforts in brief, made towards, Technology Absorption, Adaptation and Innovation.

All the plants technologies have been fully absorbed and are being operated efficiently in K1 – complex. Commissioning of granulation based NPK Fertiliser Plant was completed during the year.

At K8 complex, LDAN plant – The designed throughput and quality parameters were achieved by carrying out major modifications based on internal knowhow without any support from process licensor.

2. Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution etc.

The qualities of products are globally accepted. Further, commissioning of granulation based NPK Fertiliser Plant has resulted in substantial rise in fertiliser production mass capacity and flexibility in producing various grades of NPK.

3. In case of imported technology (imported during the last 5 yrs reckoned from the beginning of the financial year) following information may be furnished:

Technology imported	Year of Import	Has technology been fully absorbed?	If not fully absorbed, areas where this has not taken place, reasons therefor and future plans of action
Udhe LDAN Technology at K8 Complex	2011	Yes	The designed throughput and quality parameters were achieved by carrying out major modifications based on internal knowhow without any support from process licensor.
GPN HDAN Technology at K-7 complex	2011	Yes	Not applicable
GPN AN WET Technology at K-7 complex	2011	Yes	Not applicable
INCRO Technology for NPK granulation	2016	Partially Yes	Guarantee Test Run (GTR) for both trains will be taken in FY 2017-18.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Details with respect to foreign exchange earnings and outgo are as under:

EARNING IN FOREIGN CURRENCY

₹ in Lacs

	31 st March, 2017	31 st March, 2016
Export of goods (on FOB basis)	11,688.62	9,717.59
Other Income	1,124.59	470.31
Total	12,813.21	10,187.90

EXPENDITURE IN FOREIGN CURRENCY

₹ in Lacs

	31 st March, 2017	31 st March, 2016
Interest and repayment of Loans	705.32	1,062.35
Technical fees to Foreign Vendors	1,612.23	38.96
Foreign Travels	35.21	92.91
Others (Net of Reimbursements)	4,236.00	4,657.12
Total	6,588.76	5,851.34

For and on behalf of the Board of Directors,

Mumbai

Dated 30th June, 2017

S. C. MEHTA

Chairman & Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS



ECONOMIC REVIEW

Global outlook has improved for Europe, Japan and USA based on a cyclical recovery in manufacturing and trade in the second half of FY16. In the Middle East, growth was slower due to lower growth in oil exports especially post-OPEC agreement to cut oil production. With buoyant financial markets and a long-awaited cyclical recovery, world growth is projected to rise from 3.1% in FY16 to 3.6% in FY18 as per the IMF. Economic activity is projected to pick up markedly in emerging markets and developing economies as the partial recovery in commodity prices will help improve macroeconomic strains for commodity exporters. Growth is projected to remain strong in China and many other commodity-importing countries like India. In advanced economies, the pickup is primarily driven by higher projected growth in the United States (US), assuming ease in fiscal

policy stance and an uptick in confidence, especially after the November elections.

Global Economic Growth

Year	World	Advanced economies	Emerging and Developing economies
2014	3.4	1.8	4.6
2015	3.1	1.9	4.0
2016	3.1	1.7	4.1
2017P	3.1	2.0	4.5
2018P	3.6	2.0	4.8

Source : IMF, World Economic Outlook 2017

As per the UN Economic and Social Commission for Asia and the Pacific, India is expected to clock 7.1% growth in FY17 and 7.5% in FY18, underpinned by higher private and public consumption and increased infrastructure spending. While the demonetisation temporarily impacted businesses across the country, medium-term economic development stands to benefit from reforms aimed at easing domestic supply bottlenecks, such as the implementation of GST, amendment of bankruptcy law and improving ease of doing business.

Domestic growth was aided by the robust performance of manufacturing and agricultural sectors helped by a good monsoon though in value-added terms, industrial sector growth has been moderated to 5.8% in FY17 as against 8.2% in FY16.

This is in tandem with the moderation in manufacturing, mostly on account of a steep contraction in capital goods, and consumer non-durable segments. Mining sector witnessed a sharp slowdown to 1.3% in FY17 as against 12.3% in FY16. Construction sector clocked 3.1% growth in FY17 marking a slight improvement over 2.8% seen in FY16.

The services sector was the fastest growing sector in FY17 at 7.9% growth though lower than 9.8% seen in FY16. Agriculture and allied sectors marked robust improvement in growth in FY17 to 4.4% compared to 0.8% growth witnessed in FY16.

As per IMD's forecast, monsoon in FY18 is likely to be normal and this would aid government's focus towards agriculture which will provide an additional impetus to the growth story of Deepak Fertiliser (hereinafter referred to as the Company).

(Source: <https://www.ibef.org/industry/agriculture-india.aspx>)

BUSINESS OVERVIEW

CROP NUTRITION BUSINESS (CNB)

Industry Review

Agriculture plays a vital role in India's economy, with nearly three-fifths of the nation's population being dependent on it as their principal means of livelihood. As per the second advanced estimates by the Central Statistics Office, the share of agriculture and allied sectors is expected to be 17.3% of the Gross Value Added during FY17 (at the basic price at FY12 constant prices).

As compared to global averages, crop yield in India is significantly lower. One of the primary reasons attributed to lower yields is the excessive usage of highly subsidised Urea, leading to an imbalance in the use of nutrients.

Cognizant of deteriorating soil health and to address the challenges of lower yields, the Government has introduced a soil health card scheme with an objective to promote the use of Phosphate (P), Potash (K) and Micro-nutrients in the farms besides the use of Urea which is a source of only Nitrogen (N).

Soil Health Cards have been issued through the joint efforts of the Central and State Governments to farmers to provide information on soil nutrient status of their soil and recommendation on appropriate dosage of nutrients to be applied for improving the soil health and fertility. The test provides a status update of soil across 12 different parameters. As on May 2017, close to 6.9 lakh Soil Health Cards have been distributed and the Government continues to promote this scheme.

Subsidy through a modified Direct Benefit Transfer (DBT) scheme in the fertiliser sector is planned to be rolled out during FY18. Unlike LPG or foodgrain, DBT for fertilisers is not a strictly subsidy transfer in the bank accounts of beneficiaries - in this case, farmers. Instead, it is more of an identification process to ensure actual subsidy gets credited into the Company's account for every bag of fertiliser sold. It is inclined towards checking leakages and diversions than to disburse cash. The farmer will buy fertiliser at a subsidised rate itself and not at the market rates.

To prepare the retailers and to facilitate the DBT scheme the Government has directed fertiliser companies to deploy Point of Sale (PoS) devices (which will have an Aadhaar interface) at all fertiliser retail stores. This will enable farmers to transact using their Aadhaar number and biometric authentication to make purchases for fertilisers.

The Company believes that this is a positive game-changer for the industry and welcomes the initiative and has already initiated its implementation rapidly across all States of presence. The move is expected to help address fertiliser manufacturers' problems related to delayed/unpaid subsidies. The seasonal nature of consumption may put some pressure on the working capital management of the manufacturers.

Business Overview

Deepak Fertilisers And Petrochemicals Corporation Limited (DFPCL) is one of India's most trusted and reputed manufacturers of Nitro Phosphate fertilisers. It also enjoys leadership in speciality fertilisers and water soluble fertilisers.



The Company's business operations are based on the philosophy of making a difference & value creation for all its stakeholders especially the lives of over 4 million farmers it touches. The Company attributes its success to its farmer(consumer)-centric approach, providing products and solutions for wholesome nutrition, increase in market penetration and reach by strengthening channel network, which includes dealers and retailers and continuously focus on improvising quality systems.

The Company sells all its products including bulk, speciality, water soluble fertilisers, micronutrients and secondary nutrients under its flagship brands, 'Mahadhan'. The Company has a strong brand recall in the domestic markets, especially Western and Southern India for its fertiliser products.

With a strong network of 21,200 dealers and sub-dealers, the Company effectively reaches seven states of Maharashtra, Karnataka, Gujarat, Madhya Pradesh, Punjab and Haryana, AP/Telangana.

The year opened with heavy carryover inventory of fertiliser across different distribution channels. The overhang of discounts on the channel inventory, prevailing uncertainty in the agri sector and low purchasing power of the farmers for a part of the year due to demonetisation, especially during the Rabi sowing period, impacted the performance of the segment.

The normal monsoon in FY16 contributed to agriculture growth, however, the overall performance of the sector was subdued as inventories covered the fresh sales of most fertiliser companies and also reduced imports.

As there were huge inventories available in the channel and with the expected production of new NPK facility, the Company restricted volumes of the trading business.

To tackle the prevailing challenges in the external environment, the Company undertook series of measures including the tracking and pushing of inventories through aggressive and structured marketing, advertising and promotional activities.

The Company also undertook region-specific and crop-specific initiatives on identified regions which had the maximum potential. These activities and agile on-ground activation ensured that the Company managed to restrict the overall volume fall at negligible level of 3 per cent as compared to sharp fall crossing double digits across the industry.

The Company continues to maintain its leadership position in Specialty Fertilisers, especially in the product category of Bensulf and water-soluble fertilisers. There is a growing awareness amongst farmers regarding the use of specialty fertilisers and its benefits in the likes of water conservation and crop nutrient management resulting in improved quality and yields.

The total income of the fertiliser segment was subdued at ₹ 1,179.87 crore in FY17.

Capacity Expansion

After successful trials, the Company commissioned its brownfield NPK (Nitrogen, Phosphorous and Potassium) granulation plant at Taloja (Maharashtra). The expansion will be completed by the end of FY18 which will increase the Company's capacity by almost four times from 3,00,000 tonnes per annum to 1.1 million (11 lakh) tonnes in a phased manner.

The total investment in this expansion by the end of FY18 will be ₹ 800 crore. This is the largest investment in the fertiliser sector not only in Maharashtra but across

India in the past decade. With increased manufacturing capacity, the Company will emerge as the largest manufacturer of NPK grade fertilisers in Maharashtra. This brownfield facility expansion is also the first and the only facility in India with a unique fully automated bag loading facility.

The plant has also set the stage for the launch of a variety of complex fertilisers with micro nutrients and will provide a bigger platform to the Company in providing crop-based solutions to the farmers.

In addition to the core markets in Maharashtra, Karnataka, and Gujarat, the Company will also cater to the NPK grade fertilisers' requirement in other Northern and Southern states of the country.

The Company has set up a 32,000 MT greenfield plant for Bentonite Sulphur and commissioned in Q1 FY18. Strategically located at Panipat (Haryana), this plant will serve the markets of Madhya Pradesh, Haryana, Uttar Pradesh and Punjab which are essentially Sulphur-deficient regions. Besides, it will enable the Company to save on logistics costs, boost functional efficiencies, enhance its competitiveness and cater to newer markets especially Northern India where it had marginal presence.

New Product Development

The Company is moving to a more sustainable, crop-friendly and productivity-enhancing fertiliser products. The Company's ongoing product development is also focussed on developing customised crop-specific nutrient solutions.

This initiative maps the global best-class practices and the Company is confident that these will revolutionise the way farm inputs are consumed in India. Trial runs for the same have been carried out during FY17. The Company plans to conduct further multi-location trials with Agriculture Universities and Research Centres during the forthcoming year.

Brands & Marketing Initiatives

The Company celebrates the 25th year of its flagship product "Mahadhan". The brand has received the best brand award from India's Most Trusted Brand Awards Council in its class in FY 2015-16 and has an excellent brand recall with consumers especially in Maharashtra, Karnataka, Andhra Pradesh and Gujarat.

The Company has received the 'Excellence in Agricultural Practices Award' at the Globe Platinum Awards function held at Hotel Grand Hyatt in Hong Kong. The award was hosted by

Stimulus Research Services and nominations were evaluated by PwC and Dun & Bradstreet.

The Company continues to strive for the improvement in quality of manufactured products.

Opportunities & Outlook

With an adequate currency available in the rural economy along with the expectation of normal monsoon in FY18, the growth outlook for the agricultural sector and the Company looks positive.

States of Maharashtra, Karnataka, and Gujarat, the core markets of the Company are horticulture-producing states with a clear focus on grapes, pomegranate, banana, oranges, other fruits and vegetable crops which are amenable to NPK fertilisers. The enhanced NPK capacity expansion will further boost growth in the coming years.

As a part of the geographic de-risking, the Company is focussed on expanding its footprints in North India and has designed a region-wise and product-wise marketing strategy and has conducted several training workshops for the sales staff.

The Company is also working to develop holistic solutions for crop nutrition based on best global practices which will help in improving farm productivity.

The Company's continued innovations and initiatives in the space of specialty and water-soluble fertilisers coincide with the emerging megatrend of water shortage and need for balanced fertilisation for the country and are expected to bring positive results to the farming sector and the Company in coming years.

The Company celebrates the 25th year of its flagship product "Mahadhan". The brand has received the best brand award from India's Most Trusted Brand Awards Council.

TECHNICAL AMMONIUM NITRATE (TAN)

Industry Overview

TAN is a key chemical for manufacturing of explosives used by the mining and infrastructure industries especially coal, iron ore, metals, etc.

Stable recovery has been witnessed by global mining companies associated with commodities towards the end of FY17. In addition, robust demand and steady prices of coal, iron ore, etc. is expected to provide a positive stimulus for demand in the future for countries primarily focussed on the export of commodities like Australia, Indonesia, South Africa, etc.

Coal Industry led by Coal India Limited, the world's largest producer of coal, continues to dominate the Indian Mining Industry. Positive production growths of 3% at Coal India Limited and 2% at Singareni Collieries Company Limited indicated slow but steady growth for the Explosives and TAN Industry. Infrastructure/Construction witnessed spark of growth towards the end of FY17 post sharp emphasis in successive 2 years of Union Budgets for Road/Railways Network Development. For FY18, both Public Sector Units in Coal have reset their target(s) to 8% growth in Coal production - basis increase of PLF at Thermal Power Plants, Imported Coal Substitutions and linkage agreements etc., which in turn sounds a good bell for FY18 ahead.

TAN prices weakened because of price drops in Ammonia as well as FGAN internationally at tandem (10 years lowest) and thus provided a one time window of opportunity for imported Fertiliser Grade Ammonium Nitrate (FGAN) to flood the market to the overall extent of 325 KT till end of FY17. In spite of FGAN imports, DFPCL continued to be the market leader with a share of 36% of TAN portfolio in FY17, and LDAN continuing to grow at 22% with success at a Private Coal Mining Project.

Business Overview

The Company is India's largest TAN (Solids) manufacturer and amongst the world's top five largest TAN manufacturers. In addition, the Company also manufactures Medical Grade Ammonium Nitrate which finds its application in manufacturing Nitrous Oxide (N₂O) which is widely used as an anaesthetic and analgesic.

In FY17, due to a robust 22% growth in LDAN, the Company could sustain its overall market share in the industry, but revenue declined due to rise in FGAN imports coupled with fall in Ammonia & FGAN prices resulting in lower AN realisations. The Srikakulam plant which was shut down for a short period



due to compressor repairs and maintenance, commenced operations from the second quarter of FY17. This resulted in better capacity utilisation and improved availability of the product across Eastern India.

Exports

The Company in FY17 reported a modest growth of 15% in exports mainly led by demand from African mining regions.

Outlook & Opportunities

Coal India Limited & Singareni Collieries Company Limited targets to increase coal production and waste removal to grow by 8% in FY18 driven by end of destocking cycle and substitution of coal and pet coke imports - which in turn bodes well for the domestic demand of TAN in FY18. Limestone Segment driven by Cement demand - largely driven by Pradhan Mantri (Housing for All) drive is also set for modest growth of 6-7% with capacity addition and expansion planned in South and East India. Iron Ore Segment is likely to see exports grow with Government abolishing export duty on the exports of low grade iron ore (up to 58% Fe) and likely discussion to extend this for iron ore (up to 62% Fe). With safe and reliable delivery network system in place, the Company continues to focus on building additional melt facilities, warehouse capacity & state-of-the-art compliance system to drive market leadership.

Subsidiary / Joint Ventures

Platinum Blasting Services Pty. Ltd. (PBS), a joint venture in Australia and a subsidiary of the Company's wholly-owned subsidiary STL, successfully completed its second year of



operation. During the year, through its value-added blasting service offerings to the mining industry in Australia, it bagged 3 blasting services contracts and 4 top-up services contracts. PBS continues to drive value leadership position in the Australian mining industry and is well poised to secure further blasting contracts with medium-sized mining companies in the year ahead.

INDUSTRIAL CHEMICALS

Industry Overview

The global chemical industry is estimated to grow at 3-4% annually to USD 4.7 trillion by FY18 against USD 4.33 trillion in FY16. The Indian chemical industry accounts for close to 3% of the global industry and stands at USD 144 billion and grew at 5.6%. The chemical industry in India is a key constituent of the Indian economy, accounting for about 6% of the GDP and contributing close to 10% to total exports. More than 70,000 commercial products such as petrochemicals and basic chemicals are covered under the chemical sector.

(Source: <http://chemicals.nic.in/sites/default/files/Annual%20Report%202017%20English.pdf> page 7)

Business Overview

The Company is one of the largest producers and importers of industrial chemicals in India. The Company's offerings include Iso Propyl Alcohol (IPA), Methanol, Nitric Acid (NA) of different concentrations, Propane, Liquid Carbon dioxide (CO₂) and

Hydrogen (H₂). It mainly serves in two segments, i.e. solvents and acids. The Company has a manufacturing facility at Taloja, Maharashtra from where it serves the needs of various industries such as pharmaceuticals, aromatics, paints, dyes intermediates, and pesticides, etc. It also trades and supplies various solvents to the Pharmaceutical industry with volumes during the year having grown by 48%. The Company is one of the few global players with Nitric Acid supply facility in carbuoys and drums.

The Company has a strong distribution network of over 50 channel partners across the country. It enjoys a strong and direct relationship with over 600 Industrial customers in India and globally. This unique service along with the large-scale of operations creates a moat for the Company and hinders new players from entering the segment.

Iso Propyl Alcohol (IPA)

The Indian IPA market is estimated to have reached 1,35,000 MT in FY17 up 8% over the previous year. Pharmaceuticals, cosmetics, dyes and printing inks sectors are the key consumers of IPA. Of these, pharmaceutical industry accounts for approximately 80% of IPA consumption in the country. Given the changing dynamics of the industry and increased regulatory actions, there has been a slight dip in growth rates in the Pharmaceutical sector. However, the Company is confident about the long-term growth prospects of the industry.

The Company is the sole manufacturer of IPA in India and constantly endeavours to serve its customers through a reliable and efficient distribution system.

- **Outlook**

As per the Ministry of Chemicals and Fertilisers, Department of Drugs and Pharmaceuticals, the Indian pharmaceutical industry which stands at ₹ 1,85,388 crore in FY17 is expected to outperform the global industry.

The Company is aiming to increase the share of solvents market through its trading activities for the pharmaceuticals industry and is well poised to maintain its leadership position in IPA and other solvents.

Nitric Acid

The Company enjoys leadership in Nitric Acid supplies in the country and has the largest integrated nitric acid plants not only in India but across Asia. It manufactures three grades, viz. concentrated, diluted and strong nitric acid. Two of the Company's own products, namely TAN and Ammonium Nitro Phosphate (ANP) fertiliser consume nitric acid; a large part of the production thus finds captive consumption.

During FY17, CNA sales grew by 10% leading to highest ever sales of the product. The Company deploys efficient and cost-effective technology and robust distribution system to sustain its market share.

- **Capacity Expansion**

Major players in the aromatics segment where CNA is the most important raw material have invested substantially in expansions for their existing products as well as in new products in Gujarat. The resultant demand shift and quantum growth has created an opportunity and need for the Company to set up a nitric acid plant in Dahej (production to commence by the second quarter of FY19), which will also cater to North Indian customers.

The Company has committed ₹ 550 crore capex for this nitric acid plant. This will be the first step in the development of a mega multiproducts site at Dahej in Gujarat. This manufacturing facility in Dahej will bring the Company closer to its key customers and ensure faster and better service.



Nitric acid finds its application in nitro-aromatics, pharmaceuticals, dyes, steel rolling industry, defence and explosives industries. The new facility at Dahej would cater to the demand of many intermediates and specialty chemicals manufacturers in India.

- **Outlook**

India's nitro-aromatic industry is growing at a steady pace which bodes well for the Company. Further increase in nitric acid demand stems from the proposed capacity expansion plans by large manufacturers of downstream products. With a clear emerging demand-supply gap in the market, the Dahej facility, which will have DNA capacity of 150 KT and CNA capacity of 92 KT will help serve the market. The new facility is expected to have close to 90% capacity utilisation in the very first year of its commissioning.

Liquid Carbon Dioxide (CO₂)

The Company manufactures food grade CO₂ which forms a key ingredient for soft drink as well as dry ice. The Company has the capacity to meet the current as well as future demand in the western region.

- **Outlook**

The Company's location and cost structure work

in its favour making it the preferred CO₂ supplier for the beverage and auto engine industries in Maharashtra.

Methanol

The Company has a manufacturing capacity of 1,00,000 MT of methanol. Based on the availability of competitively priced raw material and favourable market conditions, the capacity was used only for a short period during the year.

GOODS AND SERVICES TAX (GST)

Provision of GST will be beneficial for our businesses. Manufacturing will get more competitive as GST addresses cascading of tax, inter-state tax, high logistics costs and fragmented market.

The Goods and Services Tax (GST) Council has fixed a 5% GST rate on fertilisers, as against the current 4-8% rates depending on states the products are sold.

The proposed 5% GST on road transport could further escalate retail prices as transport of fertilisers has been hitherto exempt from service tax. GST could also lead to some other complications for fertiliser users. Inputs (ammonia and phosphoric acid) used by the industry are taxed at 18% under GST, but the final products are taxed at 5% and the industry is not clear yet as to how the refund provisions will work. As Natural Gas has been kept out of GST perview, the Company will not be able to take credit on its input taxes thus leading to marginal cost escalation.

However, the GST council is expected to consider inclusion of Natural Gas and other petroleum products in the GST regime as a measure to provide relief to the Industry.

- **Outlook**

As a short-term strategy, the Company commences production of methanol at the appropriate time when market conditions and raw material pricing are favourable. However, emerging applications such as DME and blending in fuel may drive the demand going forward.

Raw Material

The major raw materials for the Company's manufacturing unit at Taloja are Natural Gas, Ammonia, Phosphoric Acid and Propylene, while the manufacturing facility at Srikakulam operates on bought-out Ammonia.

Natural Gas

The Company had filed a case in the Hon'ble High Court of Delhi against the unfair, arbitrary and abrupt stoppage of domestic Natural Gas to the Company under a Government order. The Hon'ble High Court has given a verdict in favour of the Company and directed the Government to restore the supply of Natural Gas.

As per the submissions before the Hon'ble Delhi High Court, the Inter-Ministerial Committee has recommended supply of Pooled Gas to the NPK manufacturers and the proposal will require approval of competent authority. Pending restoration of domestic gas, the Company is presently sourcing RLNG to run its operations.

Ammonia

As compared to previous year, global ammonia prices in tandem with crude prices were lower and the Company expects the prices to hover around same levels for next couple of years. The Company purchases a significant volume of Ammonia from the international merchant market and the current low ammonia prices are favourable for the Company. The Company expects no shortage of availability.

Phosphoric Acid

Phosphoric Acid is a key raw material for manufacturing fertilisers. The prices of the raw material has come down in the current financial year and the major contributing factors for this include supply side pressure from additional capacity



and fall in international fertiliser prices. New NPK plant at Taloja is designed to use multiple sources of Phosphoric Acid to reduce its dependability on a single source.

Propylene

During the year, Propylene prices have remained volatile. The Company is sourcing the Propylene from an Oil PSU under a long-term contract. Going forward, propylene prices are expected to stabilise around the current price range.

VALUE-ADDED REAL ESTATE

The Company's Value-Added Real Estate business is currently represented by its retail centre, Ishanya Mall in Pune. Its occupancy income increased by 11% during FY17, despite impact of temporary slowdown in retail during the third quarter due to demonetisation.

Spread across 10 acres and with over 4,00,000 sq. ft. of retail space, Ishanya is the largest destination for Home & Interiors (H & I). It offers the largest variety of furniture viz. sofas, dining sets, beds, modular kitchen etc. at a single location.

Among the other array of H & I retail brands, Ishanya now also houses Ashley Furniture Homestore, America's largest furniture retailer and manufacturer, with a 12,000 sq. ft. showroom.

The Homesukh, one of the retail brands of the division was recently felicitated with Global Innovation Award in USA.

The strategy to build range and depth in the home furniture and furnishings category continues as a key differentiator in building destination value. The Company's strategy of crafting a food & beverage destination continued through the year with addition of new and exciting dining formats such

as Zora, Baraza, Opus Banquets with nearly 25,000 sq. ft. of space being leased out during FY17.

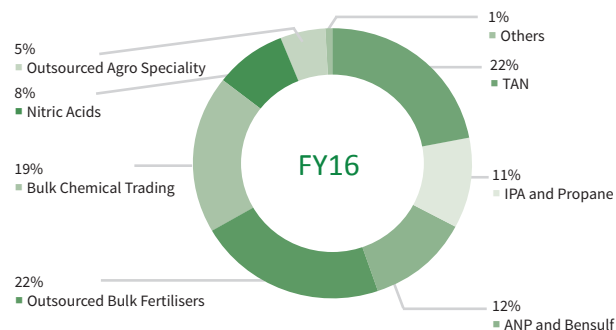
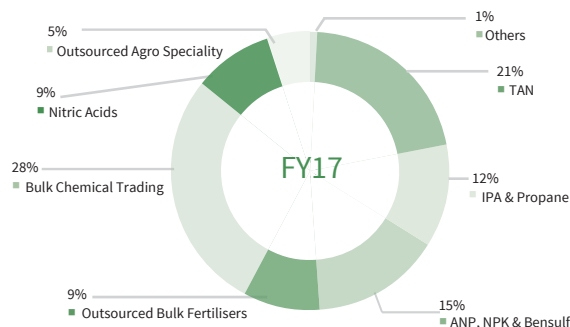
Sportainment in the form of Pune's largest indoor sports arena XLR8 opening during year, complemented the F&B initiatives.

Adjacencies were leased out in the form of design institutes like Srishti School of Design and Fashion and Design institute. With few more tenants under various stages of fitouts and active discussions with others, Ishanya in FY18 is poised to fortify its position as a differentiated destination that inspires the joy of creation in its different customer segments.

FINANCIAL OVERVIEW

During the year, the Company exhibited strong performance despite a tough macro-environment. The total Income from operation for FY17 stood at ₹ 4,257 crore as against ₹ 4,469 crore in FY16, down by 5%. The total income for the fertiliser segment stood at ₹ 1,180 crore in FY17 as against ₹ 1,658 crore in FY16, down by 29%. The overhang of discounts in the channel inventory, prevailing uncertainty in the agri sector and low purchasing power of farmers in the post demonetisation period led to a subdued performance of fertiliser segment.

Revenue Mix For Products / Sector



Production in Volume (in MT)

Products	Production	
	FY17	FY16
Ammonia	66,863	1,07,535
Methanol	7,178	-
Iso Propyl Alcohol	72,469	71,177
Propane	12,464	13,858
Dilute Nitric Acid	5,31,752	5,13,185
Concentrated Nitric Acid	1,14,696	1,05,064
Technical Ammonium Nitrate	3,32,180	3,38,483
Bulk Fertilisers Traded	NA	NA
Nitro Phosphate Fertiliser	2,17,839	1,59,573
NPK Fertiliser	35,655	-
Bentonite Sulphur	14,693	14,543
Liquid Carbon Dioxide	23,881	33,452
Water Soluble Fertiliser	942	2,109
Windmill Power ('000 KWH)	16,324	15,331

Sales in Volume (in MT)

Products	Sales	
	FY17	FY16
Ammonia	NA	NA
Methanol	3,911	-
Iso Propyl Alcohol	71,125	71,296
Propane	12,438	13,848
Dilute Nitric Acid	44,935	57,963
Concentrated Nitric Acid	1,02,752	92,946
Technical Ammonium Nitrate	3,22,570	3,49,290
Bulk Fertilisers Traded	1,97,212	3,36,684
Nitro Phosphate Fertiliser	1,98,257	1,57,977
NPK Fertiliser	23,387	-
Bentonite Sulphur	15,872	13,332
Liquid Carbon Dioxide	23,824	33,557
Water Soluble Fertiliser	1,220	829
Windmill Power ('000 KWH)	15,667	14,724

The Chemicals segment posted total income of ₹ 3,222 crore in FY17 as against ₹ 2,969 crore in FY16, up by 9%. Conducive market conditions, competitive raw material prices, and reasonably good market realisation contributed towards a better performance by the Chemical segment. Trading business in this segment displayed a steep jump and registered a revenue increase of 41% as compared to the previous year. Acids, IPA, and other traded products achieved better margins.

Volumes of TAN were impacted due to balance inventory of cheap imports, though overall the segment witnessed an improvement in the margins due to the efficiency of operations and competitive raw material prices.

The EBIDTA during the year stood at ₹ 474 crore as against ₹ 414 crore in FY16, up by 14%. The EBIDTA margin in FY17 at 11.12% as against 9.27% in FY16, witnessed a growth of 185 bps. The total EBIT for the year stood at ₹ 343 crore as against ₹ 297 crore in FY16, up by 15%. The EBIT margin at 8.12% in FY17 as against 6.68% in FY16 increased by 144 bps. Operating margin improvement is attributable to efficient sourcing of raw materials and optimum utilisation levels.

The Net Profit after Tax during the year stood at ₹ 160 crore as against ₹ 120 crore in FY16, up by 33%. The Net Profit margin in FY17 at 3.79% as against 2.70% in FY16 was up by 109 bps. The Earnings per Share stood at ₹ 18.16 in FY17 as against ₹ 13.59 in FY16. The total shareholders' fund has increased to ₹ 1,730 crore as on 31st March, 2017 as against ₹ 1,572 crore as on 31st March, 2016. The total borrowings at the end of the year decreased to ₹ 1,828 crore from ₹ 1,948 crore in the end of previous year.

HUMAN RESOURCES

During the year, the Company, in conjunction with McKinsey, has implemented an action plan to drive the transformation agenda through organisation development interventions to define the future business strategies.

As the Company is going through a transformation process, it is ensuring that its leaders and their teams are in the forefront of creating a culture that facilitates change and growth. These initiatives also resulted in drastically bringing down the employee attrition rate during the year to around 7.9% compared to 17% three years ago.

The Company was also successful in finalising long-term settlements with the trade unions in a peaceful and amicable

Conducive market conditions, competitive raw material prices, and reasonably good market realisation contributed towards a better performance by the Chemical segment.

These initiatives taken in the people management domain resulted in the Company being acknowledged for 'Best HR Practices'.

manner at both the manufacturing units in Taloja and Srikakulam during the year.

These initiatives taken in the people management domain resulted in the Company being acknowledged for 'Best HR Practices' at the following forums:

- Best HR Practice by Dun & Bradstreet
- Global Award by International Federation of Training and Development Organizations under its 'Overall Winner – HR Best Practices' category at their International Conference at Muscat
- Case studies on Talent Development and Industrial Relations practices have also received top honours and awards from World HRD Congress

The Company maintained cordial industrial relations during the year. The total employee strength as of 31st March, 2017 stood at 1,630 as against 1,501 employees as on 31st March, 2016.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

To safeguard its assets and ensure efficient productivity at all levels, the Company has adequate internal control systems in place, commensurate with the size and industry in which it operates. It has in place well-defined and adequately documented systems, policies, procedures and guidelines that are regularly reviewed. It is also committed to ensuring that its operations are carried out within the purview of a well-defined internal control framework.

The Company has an Internal Audit department and has also engaged the services of a big four firm to carry out internal audit, spanning all key production units and functions.

The internal audit function independently scrutinises critical audit areas, based on audit plans that are approved by the Audit Committee. The plans are formulated on the basis of a risk evaluation exercise, to assess relatively riskier areas. In case of any discrepancies on the plans, reports, observations,

it is reviewed by the Management, as also by the Audit Committee of the Company. The COSO system adopted by the Company enables it to have a strong grip over its internal control systems. It also has an SAP-based ERP system in place, which enables faster & informed decision-making and provides for better management control.

Restructuring scheme to demerge Fertiliser and TAN business

Post the approval of all stakeholders and subsequent receipt of National Company Law Tribunal order in April 2017, the demerger of its different businesses has been effected from 1st May, 2017.

Under the new arrangement, the Company's Crop Nutrition Business (CNB) and TAN business along with their respective assets will be demerged into Smartchem Technologies Ltd. (STL), a wholly-owned subsidiary.

The Company will retain its industrial chemicals and lifestyle and retail arm Ishanya. CNB and TAN businesses have been housed together as these businesses have inter-linkages in the form of use of common raw materials and similarity of select manufacturing processes.

The restructuring is expected to garner and enhance management focus for aspired growth and performance plans. This reorganisation will thus help to provide a clear business and corporate structure for shareholders leading to better understanding of dynamics of each unique business verticals. It will thus enable maximising stakeholder wealth by charting out growth plans in the realm of changing business environment of the country.

Post restructuring financials of both companies (DFPCL & STL) are given from page no. 194 to page no. 220.

Forward-looking Statements:

Statements made in this report, particularly those which relate to Management Discussion and Analysis, describing the Company's objectives, projections, estimates, and expectations, may constitute "forward-looking statements" within the meaning of applicable laws and regulations. Actual results might differ from those either expressed or implied.

CORPORATE SOCIAL RESPONSIBILITY

Lives impacted: 31,191

Deepak Fertilisers And Petrochemicals Corporation Limited (DFPCL) actively works in the areas of social welfare and community development through its Corporate Foundation and implementing agency Ishanya Foundation. CSR (Corporate Social Responsibility) activities forms an integral part of the Company's philosophy and overall ethos. For over three decades, it has been driving social change by creating sustainable communities across various urban and rural areas of Maharashtra and Gujarat through numerous projects undertaken.

The Company, its management and employees are deeply committed towards inclusive growth by touching people's lives and becoming change initiators. We believe that CSR is a dynamic process whereby continuous involvement and innovation is required to improve performances over the years and make meaningful contribution.

Ishanya Foundation (IsFon)

IsFon focusses on three key areas of development –

- Women Empowerment through Livelihood
- Health
- Education

During the year, it has spent a sum of ₹ 168 lacs in these areas and impacted 7,516 beneficiaries and 31,191 lives.

Urban Initiatives

Vocational Skills Development with Health & Education (VSDHE)

The programme plays a critical role in holistic development as it undertakes employable skills and soft skills development initiatives which are key skill sets for employability today. Individuals from financially challenged communities are enrolled and provided with skills to become self-dependent and improve their standards of living.

The various vocational training courses provided under this programme includes beautician, IT, pre-teacher, nursing, banking and finance, optometry and BPO courses.

During the year, 175 of the total 242 aspirants that enrolled under various courses got placements with salaries ranging from ₹ 4,000/- to ₹ 40,000/-. A total of 810 families have benefited through this programme.



Computer training in progress

Soft skills training

The programme focusses on holistic development and grooming of aspirants by providing them soft skills and personality development training by leading industry experts. Additional aspects of health care talks, business etiquettes, personal finance management and wellness & fitness are covered in this programme.



Aspirants for the Beautician course



Empowered aspirants with IsFon team

Mentoring

IsFon initiated a mentoring programme, ‘Be an Angel’, where spouses of DFPC employees and other contributing individuals spent time with aspirants, listened to their concerns and daily challenges, befriended and motivated them to provide solutions in making a real difference to their lives through continuous engagement. The mentors provided moral support and encouragement to the aspirants. In FY 2016-17, a total of 36 students have been mentored by 7 mentors.

Mahila Melawa

It is an annual gathering of all beneficiaries associated with IsFon for developing a strong bonding amongst the aspirants and providing individuals an opportunity to share their success stories and motivate other aspirants. A total of 275 aspirants participated in this year’s gathering.

Pathological LAB

Associated with Shree Hospital (Pune) offers routine investigation tests at highly subsidised rates to underprivileged patients, 309 patients benefited from the service this year.



Blood collection centre

Health camps

Organised several health camps (including diabetes camp) across Pune in association with various hospitals to provide free medical check-ups and distribute medicines. The camp was supported by doctors and support staff specialising in Gynaecology, Ophthalmology, Paediatrics, Dentistry and General Medicine.

During the year, three successful camps were conducted in collaboration with Aundh Government Hospital and KK Eye Institute covering a total of 627 patients.

Livelihood Enhancement through Entrepreneurship Development (LEED)

Muskaan – more reasons to smile

A very innovative and successful initiative that focusses on



Muskaan stall at Burma Cell, Pune

empowering financially challenged women fondly called ‘Muskaan Parees’ earn an additional income.

Through this initiative, leading ladies in Pune associated with IsFon as Brand Ambassadors, periodically collect pre-owned garments and accessories. Post quality checks, these garments are provided to the Muskaan Parees who sell them in the communities at a nominal price, thus enabling them to earn an additional income. The year witnessed 40 brand ambassadors assisting 17 such women to earn an additional income of ₹ 3,000/- to ₹ 4,000/- per month, while benefiting 2,453 customers.

Income Generation - Handcrafted for a cause

The programme facilitates financially challenged women across Pune to enhance their tailoring and cutting skills through training programmes. These women are then encouraged to make exquisite handcrafted products which



Exquisite hand-made products

are sold at exhibitions across Pune and Mumbai.

During the year, the Foundation undertook the Yerawada Prison project in which more than 10 women were trained to stitch cloth bags. Besides, a total of 62 aspirants have produced over 5,174 hand-made products enabling them to earn ₹ 7,000/- to ₹ 14,000/- on a monthly basis.

Yellow Ribbon NGO & Artisan Fair (YRNF)

The Foundation organises an annual fair, "The Yellow Ribbon NGO & Artisan Fair", which provides craftsmen a platform for recognising their individuality, taking pride in their craft while empowering them to become self-sufficient. The 9th edition of the fair promoting “Skilling India” was participated by over 115 NGOs and artisans showcasing a wide range of festive collections.

The fair was inaugurated by Ms. Rashmi Shukla (Commissioner of Police, Pune) and Dr. R.N. Kulkarni (CGM, NABARD) along with Mrs. Parul Mehta (Trustee, IsFon), while the award ceremony marked the presence of Tabu (Bollywood actress).



Chief Guest Ms. Rashmi Shukla (Commissioner of Police, Pune) along with Mrs. Parul Mehta (Trustee IsFon) at YRNF 2016

YRNF 2016 had a total of 115 stalls, 51 new participating NGOs, a footfall of 4,026 visitors and sales of over ₹ 30 lacs.

Internships

IsFon partners with leading educational institutes like Symbiosis Institute of Media & Communications and Symbiosis Institute of Management to offer internships to students of the BBA and MBA stream. These internships sensitise the youths on social issues so as to be game changers by contributing through:

- Marketing and selling hand-made products
- Undertaking communications, social media promotion and photography for various events
- Data collation
- Volunteering at the YRNF

IREACH (Ishanya Restoration and Exhibition of Art, Culture & Handicrafts)

The Foundation focusses on promoting art forms and spreading awareness through Ishanya Art & Culture Club (IACC). It showcases India's Art & Cultural Heritage by promoting various dying regional art, theatricals, performing arts and music. It also provides upcoming artists a platform to perform and get recognised.

Two events were organised during the year, "Between the Lines" (Cine Play) and Rihaee (The Musical Concert by Ustad Rashid Khan) which received great response from the audiences. Collections from the concert were donated to Sundara Charitable Trust, Mumbai.

Rural Initiatives - Taloja

Wadi, health and women development

The project focusses on improving the living standards of marginal farmers across 14 villages. It follows a holistic approach by encouraging farmers to develop 'Wadi' (integrated farming system) to generate a sustainable livelihood, while at the same time tackling their issues of poor health.

The project encourages participant families to take up intensive land development and plantation on half acre of wasteland or marginal land and convert it into a productive forestry plantation and orchard (WADI) through an inclusive programme of mobilisation within the communities, plantation of fruit and forestry trees, development of eroded wasteland through soil and water conservation, water resource development, cultivation of suitable improved intercrops (vegetables) capacity building, community health activities and women empowerment training programmes.

346 families (78 OBC and 268 ST) benefited through this project resulting in 258 farmers cultivating an area of 59 acres earning a total income of ₹ 76.30 lacs from vegetable sale.



A tribal family with the mango tree

Health camps

Conducted two general health check-up camps in association with MGM hospital in Raigad district, along with referring cases requiring further treatment. A total of 282 patients and 681 students from three schools were screened.

Three eye check-up camps were also organised in association with Lakshmi Charitable Trust where 802 patients were screened, 113 free cataract operations conducted and 409 spectacles distributed.



Spectacle distribution at Eye Camp

Dairy Development Project

The project was initiated to empower women across villages of Taloja wherein they were provided two crossbreed



Beneficiary of Dairy Project

cows for generating additional income through dairy farming. The programme provides holistic support in the form of dairy management training, vaccination, assistance in development of fodder plots, and artificial insemination (AI) along with an opportunity to earn additional income of about ₹ 8,000/- to 12,000/- per month through the sale of surplus milk and cow dung.

Highlights of the project for FY 2016-17 include:

- Total milk produced : 4,36,800 lit.
- Milk consumed at home : 58,106 lit.
- Milk consumed by the calves : 67,646 lit.
- Milk sold : 3,11,048 lit.
- Additional income through sale of milk : ₹86,27,265/-
- Cow dung produced : 851.1 MT
(used to improve soil health)
- Asset of 153 female calves towards farmers
(worth ₹ 25.80 lacs) out of 28 female calves ready for AI

Mahila Melawa

An annual gathering that brings together all women empowered through the programmes at the rural communities to share their experiences. This in turn drives, motivates and empowers other women gathered to become financially independent by taking up employability.

Vocational Training Programmes

The Foundation provides vocational training in tailoring and optometry for enhancing individual's skills, employability and financial stability. Besides, five individuals have also been provided Scholarships for the ITI Engineering Trade.

Success Stories



Ashwini Mangalkar, a homemaker, enrolled for the Beautician Course in a bid to support her family and give a good education to her child. During the course, she felt transformed and empowered, which facilitated her to secure a job with Bigstylist.com at a salary of ₹ 15,000/- per month. Ashwini is

immensely happy to send her child to school with the money she has earned, support her family and improve their living conditions.



Kusum Aatmaram Patil, a homemaker from Chindran Village (Raigad) enrolled for Dairy Development Programme in FY12 and was supported in the form of getting 2 crossbreed cows, medicine kits and dairy training. Her family has significantly benefited from the programme by getting exposure

to sustainable income in the form of milk sales enabling them to earn an average of ₹ 880/- daily. Besides, Kusum has also benefited through additional asset of 3 calves and is grateful for the socio-economic change they have experienced.

The programme provides holistic support in the form of dairy management training, vaccination, assistance in development of fodder plots, and artificial insemination.



Sharing best practices among aspirants

Awards and Recognition

- Best Corporate Foundation Award at World CSR Day 2017
- Qualified to the final round of 24 finalists out of 169 applicants in the CSR Foundation category at the Sandvik India Diversity Award 2017





Sunanda Pawar, a homemaker, wanted to improve her living conditions and support her parents financially. She is one of the first aspirants of the Income Generation Programme, and through her continued dedication earns a salary of ₹ 6,000/- per month, which has had a positive impact on the living conditions of her family.

With this socio-economic impact to her livelihood, she has encouraged other women in her community to join the Foundation and experience being empowered.



Sarita Ratan Joshi, a homemaker from Kanpoli (Raigad), was eager to support her husband whose insufficient earnings were unable to support their daily needs. She enrolled for the tailoring training Programme to enhance her skill sets in stitching blouses and fall bidding

for sarees.

Post this, Sarita started her own tailoring business from home receiving steady orders and an income of ₹ 5,000/- per month. This has empowered her to support her family, improve living conditions and provide a good education to her children.

Deepak Foundation

Deepak Foundation works towards empowering the underprivileged section of the community while ensuring holistic development. It primarily focusses on providing sustainable solutions to the developmental issues (healthcare, education, nutrition, and livelihood generation) and strengthening the public services. The Foundation has its presence in Gujarat, Maharashtra, Madhya Pradesh, Telangana, Jharkhand and New Delhi.

It has been felicitated by the Hon. Governor and Hon. Chief Minister of Gujarat for its remarkable commitment and work in the social development sector on the Gujarat Gaurav Din - 2016.

Healthcare delivery

The Foundation provided healthcare services to over 2,50,000 residents at their door-step and facilitated 37,000 patients at district hospital in Vadodara to get timely medical intervention.

In the urban slums of Hyderabad, it initiated the de-addiction project whereby awareness was spread among 23,000 people and counselling services provided to 250 identified addicts. It also initiated medical buggy services for the district hospital in Vadodara to facilitate transportation services.

The Foundation has been felicitated by the Hon. Governor and Hon. Chief Minister of Gujarat for its remarkable commitment and work in the social development sector on the Gujarat Gaurav Din - 2016.

Education initiatives

Launched the Balwadi Project in collaboration with the Education Board (Pune Municipal Corporation) to provide health check-ups and primary treatment to over 15,000 children of 501 Balwadis, while training over 350 Balwadi teachers.

Mobile library services were initiated across 25 villages of Roha block (Raigad, Maharashtra) to provide children access to wide range of books and develop their learning interest. Over 1,100 children have benefited through this, of which 35% have shown improvement in their reading proficiency driven by adoption of innovative learning approaches.

Skills enhancement opportunities

Over 275 modestly educated and unemployed youths were provided skill development training in various Government approved courses to enhance their employability. In Vadodara, 150 youths were trained in conducting digital transactions in line with the national agenda of promoting digital literacy.

Strengthening Community Systems & Services

Formulated 325 Mahila Aarogya Samitis in Pune where over 3,500 women were mobilised to facilitate healthcare services and provide platform for convergent community action. In Gujarat, 10 Model Anganwadi Centres equipped with modern facilities were developed to encourage children.

Livelihood promotion activities

Imparted training to over 6,000 tribal women farmers in sustainable agriculture, food security, marketing and sale of the agri-produce. Two Farmer Producer Companies were also registered to promote collective marketing enabling higher returns on the agri-produce.

In Roha, water harvesting structures were developed in three villages that facilitate irrigation and promote allied livelihood activities like fishery.

CORPORATE GOVERNANCE

The Company firmly believes that business is built on ethical values and principles of transparency. Good Governance is an essential ingredient of any business, a way of life rather than a mere legal compulsion. The Company's philosophy of good Corporate Governance aims at establishing a system which will assist the management to fulfill its corporate objectives as well as to serve the best interest of the stakeholders at large viz. Shareholders, Customers, Employees, Society, Suppliers, Lenders etc.

■ BOARD OF DIRECTORS

Composition and Category of Directors as on 31st March, 2017

Sr. No.	Category	Name of Director
I.	Promoter and Executive Director	Shri S. C. Mehta, Chairman & Managing Director
	Promoter and Non Executive Director	Smt. Parul S. Mehta
	Non Executive & Non Independent Directors	Shri R. A. Shah
		Shri Partha Sarathi Bhattacharyya Shri M. P. Shinde*
II.	Independent Directors	Shri D. Basu [@]
		Shri U. P. Jhaveri
		Dr. S. Rama Iyer ^{@@@}
		Shri Pranay Vakil
		Shri N. C. Singhal ^{@@} Shri S. R. Wadhwa Shri Anil Sachdev

Attendance of Directors at the Meetings of Board of Directors held during the Financial Year 2016-17 and the Annual General Meeting (AGM) held on 12th August, 2016 are as follows:

Five Board Meetings were held during the Financial Year 2016-17. These meetings were held on 26th May, 2016, 12th August, 2016, 17th November 2016, 10th February 2017 and 30th March, 2017.

At the meeting of Board of Directors held on 30th June, 2017, Shri Anil Singhvi, Shri Mahesh Chhabria, Shri Ashok Kumar Purwaha and Shri Berjis Desai were appointed as Additional Directors in the capacity of Non Executive, Independent Directors with effect from 07th July, 2017, subject to the approval of shareholders at the ensuing Annual General Meeting to be held on 21st September, 2017.

* Appointed as an Additional Director w.e.f. 10th February, 2017.

[@] resigned as a director effective 08th June, 2017.

^{@@} resigned as a director effective 07th May, 2017.

^{@@@} resigned as a director effective 02nd June, 2017.

The record of attendance of Directors and Directorships of Public Limited Companies and Membership / Chairmanship of Board Committees:

Name of Director	No. of Board Meetings Attended	Attendance at the AGM	No. of Directorships of other Companies [§]	No. of Membership of other Board Committees [#]	
				Chairmanship of other Board Committees [#]	
Meetings during Financial Year 2016-17			As on 31 st March, 2017		
Shri S. C. Mehta	5	Yes	4	-	-
Shri Partha Sarathi Bhattacharyya	5	Yes	5	-	1
Shri D. Basu [@]	2	No	1	1	-
Shri N. C. Singhal ^{@@}	5	Yes	4	2	1
Shri U. P. Jhaveri	5	Yes	1	1	-
Shri S. R. Wadhwa	5	Yes	1	-	1
Smt. Parul S. Mehta	5	Yes	2	-	-
Dr. S. Rama Iyer ^{@@@}	5	Yes	1	1	-
Shri Anil Sachdev	4	Yes	1	-	-
Shri Pranay Vakil	5	Yes	3	2	-
Shri R. A. Shah	4	No	9	4	4
Shri M. P. Shinde*	2	No	1	-	-

[§] Excludes alternate directorships / directorships of private companies, foreign companies and companies under Section 8 of the Companies Act, 2013.

[#] Includes only Audit Committee and Stakeholders' Relationship Committee.

[@] resigned as a director effective 08th June, 2017.

^{@@} resigned as a director effective 07th May, 2017.

^{@@@} resigned as a director effective 02nd June, 2017.

* Appointed as an Additional Director w.e.f. 10th February, 2017.

COMMITTEES OF BOARD OF DIRECTORS

AUDIT COMMITTEE

Brief description of Terms of Reference:

The terms of reference of Audit Committee is in accordance with Regulation 18 of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 and Section 177 of Companies Act, 2013 which, inter alia, includes to oversee the Company's financial reporting process, to review Directors' Responsibility Statement, changes, if any, in accounting policies and reasons for the same, qualifications in the draft audit report, performance and independence of statutory and internal auditors, reports of the Company's internal auditors, cost auditor and financial statements audited by the statutory auditors and also to review the information relating to Management Discussion and Analysis of financial statements and results of operations, statement of significant related party transactions and internal control systems.

- Constitution : Constituted by the Board of Directors of the Company at its meeting held on 24th January, 2000.
- Composition, Names of Members and record of attendance during the year : Comprises of Independent Directors and details as provided under:

During the year, the Committee Meetings were held on 26th May 2016, 30th June, 2016, 11th August, 2016, 16th November, 2016, 15th December, 2016, 9th February, 2017 and 30th March, 2017. The attendance of the Members was as follows:

Name of Director	No. of Meetings held	No. of Meetings attended
Shri N. C. Singhal, Chairman	7	7
Shri S. R. Wadhwa	7	7
Dr. S. Rama Iyer	7	6

Besides the above, Chairman and Managing Director, CFO are permanent invitees to Audit Committee Meeting. The representatives of Statutory Auditor, Internal Auditor and Cost Auditor attend such meeting of the Audit Committee where matters concerning them are discussed at length.

The Chairman of the Audit Committee was present at the Annual General Meeting held on 12th August, 2016.

STAKEHOLDERS RELATIONSHIP COMMITTEE

Brief description of Terms of Reference:

To specifically look into redressal of complaints related to transfer of shares, non-receipt of dividends, non-receipt of annual report, etc. received from shareholders and improve the efficiency in service to shareholders.

- Constitution : Constituted by the Board of Directors of the Company at its meeting held on 22nd January, 2001.
- Composition, Names of Members and record of attendance during the year : Comprises of Directors and details as provided under:

During the year, the Committee Meetings were held on 25th May, 2016 and 17th November, 2016. The attendance of the Members was as follows:

Name of Director	No. of Meetings held	No. of Meetings attended
Shri D. Basu, Chairman	2	2
Shri S. C. Mehta	2	2
Shri S. R. Wadhwa	2	2

Details of complaints received during the financial year 2016-17:

Nature of complaints	No. of complaints received	No. of complaints not solved to the satisfaction of shareholders	No. of pending complaints
Transfer of shares	3	Nil	Nil
Non-receipt of annual report	6	Nil	Nil
Non-receipt of dividend warrants	5	Nil	Nil
Issue of duplicate share certificate	0	Nil	Nil
Others (related to dematerialisation, non-receipt of shares allotted upon conversion, etc.)	4	1*	1*

* Pending as on 31st March, 2017 and resolved subsequently.

NOMINATION AND REMUNERATION COMMITTEE

Brief description of Terms of Reference:

The terms of reference of Nomination and Remuneration Committee is in accordance with Section 178 of Companies Act, 2013 and Regulation 19 of SEBI(Listing Obligation and Disclosure Requirement) Regulations 2015 which, inter alia, includes to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board of Directors their appointment/removal and shall carry out evaluation of every director's performance and to formulate the criteria for determining qualifications, positive attributes and independence of directors and recommend to the Board of Directors policy relating to remuneration for the directors, key managerial personnel and other senior officials.

- Constitution : Constituted by the Board of Directors of the Company at its meeting held on 31st July, 2014.
- Composition, Names of Members and record of attendance during the year : Comprises of Independent Directors and details as provided under:

During the year, the Committee Meetings were held on 25th May, 2016, 11th August, 2016, 17th November, 2016 and 30th December, 2016. The attendance of the Members was as follows:

Name of Director	No. of Meetings held	No. of Meetings attended
Shri D. Basu, Chairman	4	3
Shri Pranay Vakil	4	4
Shri Anil Sachdev	4	4
Shri S. C. Mehta	4	4

Nomination and Remuneration Policy is available on the website of the Company www.dfpl.com.

PROJECT COMMITTEE

Brief description of Terms of Reference:

The terms of reference of Project Committee, inter alia, includes, to evaluate periodically projects proposed to be taken up by the Company, to review ongoing projects and recommend to the Board of Directors for consideration and approval of new projects.

- Constitution : Constituted by the Board of Directors of the Company with effect from 15th July, 2003.
- Composition, Names of Members and record of attendance during the year : Comprises of Directors and details as provided under:

During the year, the Committee Meeting was held on 27th March, 2017. The attendance of the Members was as follows:

Name of Director	No. of Meetings held	No. of Meetings attended
Shri D. Basu, Chairman	1	1
Shri N. C. Singhal	1	1
Dr. S. Rama Iyer	1	1
Shri S. C. Mehta	1	1

MANUFACTURING OPERATIONS REVIEW COMMITTEE

Brief description of Terms of Reference:

The terms of reference of Manufacturing Operations Review Committee, inter alia, includes, to periodically review factory operations, safety, hazard and pollution / emissions, to suggest initiatives for improving efficiencies and standards, to review internal audit reports pertaining to factory operations and to suggest corrective actions to take care of observations of the Internal Auditors.

- Constitution : Constituted by the Board of Directors of the Company with effect from 10th April, 2009.
- Composition, Names of Members and record of attendance during the year : Comprises of Directors and details as provided under:

Name of the Director	Designation
Dr. S. Rama Iyer	Chairman
Shri U. P. Jhaveri	Member
Shri S. C. Mehta	Member
Shri Partha Bhattacharyya	Member

During the year under review, no meeting of the said Committee was held.

■ CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Brief description of Terms of Reference:

The terms of reference of Corporate Social Responsibility Committee (CSR), inter alia, includes, formulation and recommendation to the Board of Directors, CSR Policy which shall indicate the activities to be undertaken by the Company as per the provisions of the Companies Act, 2013, approve and recommend to the Board of Directors the CSR budget for the activities referred in CSR Policy of the Company and monitor the mechanism for CSR projects or programmes or activities undertaken by the Company and monitor the CSR Policy of the Company from time to time.

- Constitution : Constituted by the Board of Directors of the Company at its meeting held on 21st March, 2014.
- Composition, Names of Members and record of attendance during the year : Comprises of Directors and details as provided under:

During the year, the Committee Meetings were held on 25th May, 2016, 12th August, 2016 and 30th March, 2017. The attendance of the Members was as follows:

Name of Director	No. of Meetings held	No. of Meetings attended
Shri Pranay Vakil, Chairman	3	3
Smt. Parul Mehta	3	3
Shri S R Wadhwa	3	3

CSR Policy is available on the website of the Company www.dfpl.com.

■ RISK MANAGEMENT COMMITTEE:

Brief description of Terms of Reference:

The terms of reference of Risk Management Committee, inter alia, includes, to assess risks in the operations of business units of the Company, to mitigate and minimise risks assessed in the operations of business units, periodic monitoring of risks in the operations of business units and other matters delegated to the Committee by Board of Directors of the Company from time to time.

- Constitution : Constituted by the Board of Directors of the Company at its meeting held on 04th November, 2014.
- Composition, Names of Members and record of attendance during the year : Comprises of Directors and details as provided under:

Name of the Director	Designation
Shri S. R. Wadhwa	Chairman
Shri Partha Bhattacharyya	Member
Shri Vipin Agarwal	Member

During the year, no meeting of the Committee was held.

Shri K. Subharaman, Executive Vice President (Legal) & Company Secretary acts as Secretary to all the Committees of the Board of Directors.

■ SHARE AND DEBENTURE TRANSFER COMMITTEE

The composition of the Share and Debenture Transfer Committee consists of a) Shri S.C. Mehta b) Smt. Parul S. Mehta c) Shri Vipin Agarwal; and d) Shri Pranav Thakkar. The Committee has been constituted for considering the proposals of transfers, transmissions, transposition of names, issue of split, consolidated share certificates, rematerialisation of shares etc. During the year under review, 37 meetings of Share and Debenture Transfer Committee were held.

■ PERFORMANCE EVALUATION OF BOARD, COMMITTEES AND DIRECTORS

Pursuant to the provisions of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015, the Board has carried out the annual performance evaluation of the Chairman, Individual Directors, Board as well as its Committees for FY 2016-17. The Board at its Meeting held on 30th June, 2017, reviewed the reports on performance assessment of the Board, its Committees and individual directors.

The evaluation framework for assessing the performance of Chairman, Directors, Board as well as its Committees comprises, *inter-alia*, of the following criteria:

- i. Directors bring an independent judgment on the Board's discussions utilizing their knowledge and experience especially on issues related to strategy, operational performance and risk management.
- ii. Directors demonstrate awareness and concerns about norms relating to Corporate Governance, disclosure and legal compliances.
- iii. Directors contribute new ideas/insights on business issues raised by Management.
- iv. Directors anticipate and facilitate deliberations on new issues that Management and the Board should consider.
- v. The Board / Committee meetings are conducted in a manner which facilitates open discussions and robust debate on all key items of the agenda.
- vi. The Board receives adequate and timely information to enable discussions/ decision making during Board meetings.
- vii. The Board addresses interests of all stakeholders of the Company.
- viii. The Committee is delivering on the defined objectives.
- ix. The Committee has the right composition to deliver its objectives.

■ MEETING OF INDEPENDENT DIRECTORS

The Independent Directors met on 10th February, 2017 *inter alia*, to discuss:

1. The performance of Non-Independent Directors and the Board as a whole.
2. The performance of Executive Directors.
3. The quality, quantity and timeliness of flow of information between the Company Management and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

All the Independent Directors except Shri Anil Sachdev were present at the Meeting.

■ FAMILIARISATION PROGRAMME FOR DIRECTORS

The Directors (Independent and Non-Independent) interact with Senior Management Personnel and are provided with all the information sought by them for enabling a good understanding of the Company, its various operations and the industry of which it is a constituent.

The role, rights, duties and responsibilities of Independent Directors have been incorporated in the Letters of Appointment issued to them. The amendments / updates in statutory provisions are informed from time to time.

The information with respect to the nature of industry in which the Company operates and business model of the Company, is made known through various presentations on operational performance, strategy, budgets and business forecasts, etc. to the Board of Directors.

The Company has a practice of having an Annual Strategy Meeting where all Board Members and Senior Executives participate and work out short, medium and long term strategies after deliberations, discussion and consensus.

The above initiatives help the Directors understand the Company, its business and the regulatory framework in which the Company operates to effectively fulfill their role as Directors of the Company.

The familiarisation programme for directors has been posted on the website of the Company www.dfpl.com.

■ INFORMATION SUPPLIED TO THE BOARD

In advance of each meeting, the Board is presented with relevant information on various matters related to the operations of the Company, status of ongoing projects which warrant attention of the Directors. Presentations are also made to the Board by different functional heads on important matters from time to time. Directors have separate and independent access to the officers of the Company.

■ BOARD DIVERSITY

The Board of Directors ensures that a transparent Board nomination process is in place. The Company has various business sectors which serve different customer segments. Having members of the Board from different fields is therefore important for sustained commercial success of the Company. While selecting the Board members, the Company shall endeavour to

include and make good use of diversity in the skills, qualification, age and professional and industry experience, irrespective of race, caste, creed, religion, disability or gender.

■ ORDERLY SUCCESSION TO BOARD AND SENIOR MANAGEMENT

The Board of the Company has satisfied itself that plans are in place for orderly succession for appointments to the Board and to Senior Management.

■ REVIEW OF LEGAL COMPLIANCE REPORTS

During the year, the Board periodically reviewed compliance reports with respect to the various laws applicable to the Company, as prepared and placed before it by the Management.

■ DIVIDEND DISTRIBUTION POLICY

As mandated by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company being in the top 500 companies as on 31st March, 2017 by market capitalization, the Board at its meeting held on 30th June, 2017 adopted a Dividend Distribution Policy for the Company. The same is placed on the Company's website www.dfpl.com.

■ CODE OF CONDUCT

All Directors and Senior Management personnel have affirmed compliance with the Code of Conduct for FY 2016-17. A declaration to this effect signed by the Managing Director is given in this Annual Report.

■ MAXIMUM TENURE OF INDEPENDENT DIRECTORS

The maximum tenure of independent directors is in accordance with the Companies Act, 2013 and regulation 25(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Details of remuneration paid to Executive Directors for Financial Year 2016-17:

(₹ in Lacs)

Name of Director	Designation	Salary and Allowances	Perks	Commission*	Total
Shri S. C. Mehta	Chairman & Managing Director	261.62	63.83	642.59	968.04

* Commission calculated on profit of Financial Year 2015-16 but paid in Financial Year 2016-17.

Details of Sitting Fees paid during the Financial Year 2016-17 and Commission* paid for Financial Year 2015-16 to Non-Executive Directors:

Sitting Fees: The Company pays sitting fees to Non-Executive Directors @ ₹ 50,000/- for attending per Board Meeting, ₹ 40,000/- for attending per Audit Committee Meeting and ₹ 30,000/- per director for attending all other Committees constituted by the Board.

Commission: Shri D. Basu: ₹ 12,00,000; Shri N. C. Singhal: ₹ 12,00,000, Shri U. P. Jhaveri: ₹ 8,75,000, Shri S. R. Wadhwa: ₹ 11,00,000, Dr. S. Rama Iyer: ₹ 12,50,000, Smt. Parul S. Mehta: ₹ 5,25,000, Shri Anil Sachdev: ₹ 9,00,000, Shri Pranay Vakil: ₹ 9,00,000, Shri R. A. Shah: ₹ 6,75,000 and Shri Partha Sarathi Bhattacharya ₹ 2,00,000 (as a Non-Executive Director) and ₹ 25,00,000 (as an Executive Director).

(* Commission for the year 2016-17 is yet to be paid)

Shares held by Non-Executive Directors as on 31st March, 2017:

Non – Executive Director	Holding
Shri R. A. Shah	37,800 Equity Shares
Shri U. P. Jhaveri	900 Equity Shares
Shri S. R. Wadhwa	1,000 Equity Shares
Dr. S. Rama Iyer	15,000 Equity Shares
Smt. Parul S. Mehta	1,226 Equity Shares
Shri Pranay Vakil	4,475 Equity Shares
Shri M. P. Shinde	350 Equity Shares

■ ANNUAL GENERAL MEETINGS

Details of last three Annual General Meetings held:

Particulars	FY 2013-14	FY 2014-15	FY 2015-16
Day	Thursday	Wednesday	Friday
Date	31 st July, 2014	5 th August, 2015	12 th August, 2016
Time	11.30 a.m.	11.30 a.m.	11.30 a.m.
Venue	MDC Auditorium, Yashwantrao Chavan Academy of Development Administration (YASHADA) Campus, Rajbhavan Complex, Baner Road, Pune -411007	Mahatma Phule Sanskrutik Bhawan, Vitthal Rao Shivarkar Road, Next to Shivarkar Garden, Fatima Nagar, Wanawadi, Pune - 411040	MDC Auditorium, Yashwantrao Chavan Academy of Development Administration (YASHADA) Campus, Rajbhavan Complex, Baner Road, Pune -411007
Whether any special resolutions passed	Yes <ul style="list-style-type: none"> Consent to offer or invite subscriptions for secured redeemable non-convertible bonds / debentures aggregating upto ₹1,000 Crore on private placement. Consent to borrow moneys upto ₹ 1,000 Crore over and above the aggregate of the paid-up capital and free reserves. Consent to mortgage/charge/hypothecate/encumber any of the Company's movable and / or immovable properties wherever situated, both present and future or to lease or otherwise dispose of the whole or substantially the whole of the Undertaking(s) of the Company. 	Yes <ul style="list-style-type: none"> Consent to offer or invite subscriptions for secured redeemable non-convertible bonds/ debentures aggregating upto ₹ 1,000 Crore on private placement 	Yes <ul style="list-style-type: none"> Consent to borrow moneys upto ₹ 2,000 Crore over and above the aggregate of the paid-up capital and free reserves. Consent to mortgage/ charge/hypothecate/ encumber any of the Company's movable and / or immovable properties wherever situated, both present and future or to lease or otherwise dispose of the whole or substantially the whole of the Undertaking(s) of the Company.

During the year 2016-17, one resolution was passed by postal ballot for seeking approval of the public shareholders of the Company for the Scheme of Amalgamation of SCM Soilfert Limited, a Wholly Owned Subsidiary with the Company. The said resolution was passed with requisite majority.

Further, on 15th December, 2016, a meeting of the Shareholders was convened at the directions of the Hon'ble High Court of Judicature at Bombay for seeking approval of the shareholders for the Scheme of Arrangement proposed between the Company and its Wholly Owned Subsidiaries, SCM Fertichem Limited and Smartchem Technologies Limited. The resolution was passed with requisite majority.

■ DISCLOSURES:

- i. **Name & Designation of Compliance Officer:** K. Subharaman, Executive Vice President – (Legal) & Company Secretary
- ii. **Details of Directors seeking appointment / re-appointment at the Annual General Meeting**
 Details of the Directors seeking appointment / re-appointment at the Annual General Meeting have been given in the Notice convening the Thirty-Seventh Annual General Meeting, forming part of this Annual Report
- iii. **Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its Promoters, Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large:**

During the year 2016-17, the Company had transactions with related parties as defined under the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015. The basis of related party transactions is placed before the Audit Committee. All these transactions with related parties were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no material related party transactions in terms of Regulation 23 of SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015 during the financial year. Suitable disclosure as required by the Accounting Standards has been made in the notes to the Financial Statements. The Board of Directors has approved a 'Policy on Related Party Transactions' which has been uploaded on the Company's website: www.dfpl.com.

iv. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets during the last three years:

The Company has complied with the requirements of Stock Exchanges, SEBI and other authority on matters related to capital markets and no penalties / strictures have been imposed against the Company during the last three years.

v. Disclosures of compliance with mandatory requirements and adoption / non-adoption of non-mandatory requirements:

The Company has complied with all the mandatory requirements and has also adopted part of the non-mandatory requirements.

vi. Disclosures of relationships between Directors inter-se:

Smt. Parul S. Mehta is the wife of Shri S. C. Mehta.

Except as mentioned above, none of the other Directors have any relation *inter-se*.

vii. Vigil Mechanism / Whistle Blower Policy:

The Company has adopted Vigil Mechanism / Whistle Blower Policy (Policy) as approved by the Board of Directors. The Policy encourages whistle blowing against unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The Audit Committee and Board of Directors review periodically the complaints received by the competent authority under the Policy. The Vigil Mechanism/Whistle Blower Policy have been posted on the website of the Company www.dfpl.com.

viii. Regulations for Prevention of Insider Trading

In terms of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted the Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insider for its Directors, Officers and Specified Employees.

Shri K. Subharaman, Executive Vice President (Legal) & Company Secretary is the Compliance Officer under the said Policy.

ix. Material Subsidiaries

The Company does not have any material subsidiary as defined under the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However the Company has formulated the Material Subsidiary Policy and the same have been posted on the website of the Company www.dfpl.com

■ **MEANS OF COMMUNICATION**

The Company publishes its financial results every quarter in leading newspapers such as Business Standard and Sakal. The results are also displayed on the Company's website www.dfpl.com

GENERAL SHAREHOLDER INFORMATION

1.	Annual General Meeting Day, Date, Time and Venue	: Thursday, 21 st September, 2017 at 12.00 noon Opus Banquets, 6, Ishanya Mall, Off. Airport Road, Shastrinagar, Yerawada, Pune- 411006
2.	Financial year / Calendar -Results for first quarter ending June 30, 2017 -Results for second quarter ending September 30, 2017 -Results for third quarter ending December 31, 2017 -Results for financial year ending March 31, 2018	: Within 45 days from the end of the quarter : Within 45 days from the end of the quarter : Within 45 days from the end of the quarter : Within 60 days from the end of the financial year
3.	Date of Book Closure	: Thursday, 14 th September, 2017 to Thursday, 21 st September, 2017 (both days inclusive)
4.	Dividend Payment Date	: 25 th September, 2017
5.	Registered Office and CIN	: Opp. Golf Course, Shastri Nagar, Yerawada, Pune - 411 006. CIN : L24121MH1979PLC021360
6.	Corporate Office	: Sai Hira, Survey No. 93, Mundhwa, Pune – 411036
7.	Phone, Fax, E-mail	: Phone : (020) 6645 8000, 26688117 Fax : (020) 26683723 Email : investorgrievance@dfpcl.com Website : www.dfpcl.com
8.	Plant Location	: Plot K-1, K-7 & K-8, MIDC Industrial Area, Taloja A. V. 410 208, Dist. Raigad, Maharashtra Phone : (022) 6768 4000, 6149 5000 Fax : (022) 2741 2413, 6149 5151
9.	Registrar & Share Transfer Agent (RTA) and Address for investors' correspondence	: Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad-500 032
10.	Phone, Fax, E-mail of RTA	: Phone : (040) 6716 1571 Fax : (040) 2342 0814 Email : einward.ris@karvy.com
11.	Listing on Stock Exchanges	: BSE Limited (BSE) and : National Stock Exchange of India Limited (NSE) : Annual Listing fee for financial year 2016-17 has been paid to both the Exchanges.
	Stock Code	BSE Limited (BSE): 500645 National Stock Exchange of India Limited (NSE) : DEEPAKFERT
	Demat ISIN in NSDL and CDSL	INE501A01019

12. Market Price Data for 2016-17:

MONTH	SHARE PRICE ON BSE (in ₹)		BSE SENSEX	
	HIGH	LOW	HIGH	LOW
April, 2016	159.40	146.15	26100.54	24523.20
May, 2016	173.25	150.50	26837.20	25057.93
June, 2016	173.80	149.10	27105.41	25911.33
July, 2016	174.70	156.45	28240.20	27034.14
August, 2016	227.25	159.35	28532.25	27627.97
September, 2016	253.45	200.70	29077.28	27716.78
October, 2016	233.05	201.30	28477.65	27488.30
November, 2016	232.00	174.50	28029.80	25717.93
December, 2016	217.50	165.00	26803.76	25753.74
January, 2017	284.00	208.25	27980.39	26447.06
February, 2017	273.80	248.15	29065.31	27590.10
March, 2017	276.35	243.25	29824.62	28716.21

13. Distribution of shareholding as on 31st March, 2017 : 98,264 shareholders held 8,82,04,943 equity shares of ₹ 10/- each

Distribution of shares (slab-wise)	No. of Shareholders	Percentage to total no. of shareholders	No. of shares held	Percentage to total share capital
Less than 500	93,112	94.76	1,01,56,544	11.51
500- 1000	2,884	2.93	22,39,814	2.54
1001-2000	1,111	1.13	16,65,890	1.89
2001-3000	340	0.35	8,67,939	0.98
3001-4000	182	0.18	6,55,340	0.74
4001-5000	157	0.16	7,37,646	0.84
5001-10000	225	0.23	16,47,818	1.87
10001 & above	253	0.26	7,02,33,952	79.63
TOTAL	98,264	100.00	88,204,943	100.00

14. Share Transfer System:

As the members are aware, the Company has appointed Karvy Computershare Private Limited, as Registrar & Share Transfer Agent (RTA) to handle dematerialisation of shares and physical share transfers as well as other share related activities of the Company.

The members are advised to correspond with the RTA at its office at Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032. Shares sent for transfer in physical form are registered and dispatched by our RTA within a maximum period of two weeks from receipt of the documents at its office, provided the documents are found to be in order. Shares under objection are returned within two weeks from receipt of the documents.

15. Dematerialisation of Shares:

The shares of the Company are traded in dematerialised form. 8,16,24,078 Equity Shares (92.54% of paid-up capital) held by 47,851 shareholders (48.70% of total number of shareholders) have been dematerialised as on 31st March, 2017.

16. Outstanding GDRs, ADRs, Warrants or any Convertible Instruments etc.: Nil

17. Electronic Clearing System (ECS) / National Electronic Clearing Service (NECS):

The Company through its various communications in the past, had requested its members to furnish ECS / NECS mandate so as to enable the Company to credit the dividend directly to the shareholder's bank account. The Company has been remitting the dividend through ECS / NECS to those who had registered ECS / NECS mandate with the Company. However, in certain cases, although the members had furnished the ECS / NECS mandate, the remittance of dividend could not be effected through ECS / NECS at certain centers since adequate facility for crediting the amount was not available at those centers. In such cases, the dividend is being paid through dividend warrants with the bank account details printed on the warrants. The Company will remit the dividend through ECS / NECS whenever facilities are made available at those centers.

RBI vide its Circular dated 25th June, 2009 had introduced NECS which aims at increasing efficiency and simplification of the ECS process. RBI has also directed the member banks to update their systems and information pertaining to the bank account numbers of their customers. In view of the above, members holding shares in physical form desirous of receiving dividend electronically through NECS but have not updated / furnished mandate details are requested to obtain the prescribed mandate form from the Company's RTA and submit the same to the RTA duly filled in and signed for registration.

Investors holding shares under demat segment are requested to check NECS mandate registered with the respective Depository Participants and enure correctness for prompt credit of dividend amount to their accounts.

Large number of shareholders still hold their shares in physical mode. The Company has been sending regular notice to shareholders requesting them to dematerialise their shares. Further, large numbers of Annual Reports are returned by postal authorities as their addresses are incorrect or have left that place. Members desirous of getting Annual Reports are requested to update their addresses by writing to the Registrar at M/s. Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032.

18. Unclaimed / Outstanding dividend on equity shares:

To facilitate investors who have not claimed the dividend amount for earlier years on the Equity Shares from the Company, details of the unclaimed amount are being displayed on the Ministry of Corporate Affairs (MCA) website: www.iepf.gov.in

Investors are requested to browse the said site to find out the outstanding amount, if any, and claim the same from the Company, before transfer to the Investor Education and Protection Fund as per the provisions of the Companies Act, 2013.

DECLARATION

As per Regulation 26 of SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015, this is to confirm that all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the Financial year 2016-17.

Mumbai

Dated 30th June, 2017

S. C. MEHTA

Chairman & Managing Director

CERTIFICATE

To,

THE MEMBERS OF DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LTD,

We have examined the compliance of conditions of corporate governance by Deepak Fertilisers And Petrochemicals Corporation Ltd (hereinafter referred "the Company"), for the year ended on 31st March, 2017 as stipulated in relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above mentioned Listing Regulations, as applicable.

We further state that such compliance is neither an assurance as to the future viability of the Company nor efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **SVD & Associates.**
Company Secretaries

SRIDHAR MUDALIAR

Partner

F.C.S.: 6156

C.P.: 2664

Pune

Dated : 30th June, 2017

INDEPENDENT AUDITORS' REPORT

To the Members of

DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED

Report on the Standalone Ind AS Financial Statements

1. We have audited the accompanying Standalone Ind AS financial statements of **Deepak Fertilisers And Petrochemicals Corporation Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Ind AS financial statements")

Management's Responsibility for the Standalone Financial Statements

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on these Standalone Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act, the Accounting and Auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.
5. We conducted our audit of Standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the Auditors' Judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the Auditor considers Internal Financial Control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Standalone Ind AS financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs of the

Company as at 31st March, 2017, and its profit, total comprehensive income, its cash flows and changes in equity for the year ended on that date.

Emphasis of Matter

9. We draw attention to Note no. 41, 42 and 43 to the Standalone Ind AS financial statements which describe the uncertainties related to the outcome of supply of natural gas, related matters and claims by a vendor. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss, including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with Accounting Standards specified under Section 133 of the Act;
 - (e) In our opinion, in the event of materialization of contingent liability referred in paragraph 9 under the Emphasis of Matter paragraph, the functioning of the Company's business may have an adverse impact;
 - (f) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (g) With respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure II;
 - (h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014 as amended, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - i. The Company has disclosed the impact, of pending litigations as at 31st March, 2017 on its financial position in its Standalone Ind AS financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts as at 31st March, 2017 for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2017.
 - iv. The Company has provided requisite disclosures in the Standalone Ind AS financial statements as to the holding of Specified Bank Notes on 8th November, 2016 and 30th December, 2016 as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and the representation provided to us by the management, we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management.

FOR B.K.KHARE & CO.

Chartered Accountants

Firm Registration Number: 105102W

RAVI KAPOOR

Partner

Membership Number: 040404

Mumbai

Date: 30th June, 2017

Annexure I to the Independent Auditors' Report referred to in our report of even date:

The Annexure referred to in the Independent Auditor's Report to the members of the Company on Standalone Ind AS financial statements for the year ended 31st March, 2017 we report that:

1.
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. The fixed assets are physically verified by the Management according to a phased program designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed to us no material discrepancies as compared to book records were noticed on assets verified during the year.
 - c. The title deeds of immovable properties, as disclosed in Standalone Ind AS financial statements, are held in the name of the Company.
2. The physical verification of inventory has been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records been appropriately dealt with in the books of accounts. In our opinion the frequency of verification is reasonable.
3. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act. Therefore, the provisions of Clause 3 (iii) (a), (iii) b and (iii) c of the said Order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Act in respect of loans and advances given, investments made and guarantees and securities given to parties covered under the respective sections have been complied with by the Company.
5. The Company has not accepted any deposits within the meaning of Section 73 to 76 of the Companies Act, 2013 and the rules framed thereunder to the extent notified.
6. We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been prescribed under sub-section (1) of Section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
7. According to the information and explanations given to us, in respect of statutory dues:
 - a. According to the records of the Company examined by us and information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Sales tax, Service tax, Customs duty, Excise duty, Value Added Tax (VAT), Cess and other applicable statutory dues with the appropriate authorities during the year.

There are no arrears of outstanding undisputed statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they become payable.
 - b. According to the information and explanations given to us and records of the Company examined by us, particulars of dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value added Tax and Cess which have not been deposited as on 31st March, 2017 on account of disputes are as under:

Nature of the Statute	Amount of (₹ in Lacs)	Forum where dispute is pending	Period to which Amount relates
The Income Tax Act, 1961	2,167.33	Income Tax (Appeals), Mumbai	Assessment Year 2009-10 to 2013-14.
	33.22	Supreme Court (SC)	Assessment Year 2005-06
The Bombay Stamp Act, 1958	26.15	The Chief Revenue Authority, Pune	Financial Year 1995-96
The Maharashtra Sales Tax on Transfer of Right to User any Goods for any purpose	0.24	Dy. Commissioner of Sales Tax, Pune	Assessment Year 1990-91
The Central Excise Act, 1944	119.55	Bombay High Court	Financial Years 2002-03 to 2007-08
	628.05	Central Excise & Service Tax Appellate Tribunal Mumbai	Financial Years 2005-06 to 2010-11
	34.81	Appeals with Additional Commissioner	Financial Years 2015-16 and to 2016-17
	278.93	Supreme Court	Financial Years 2008-09 and to 2009-10
	1.92	Appeals with Assistant commissioner	Financial Years 2015-16 and to 2016-17
	29.27	Appeals with commissioner	Financial Years 2014-15 and 2015-16
Finance Act, 1994 (Service Tax)	1,906.78	Central Excise & Service Tax Appellate Tribunal Mumbai	Financial Years 2007-08 to 2011-12
	15.06	Dy. Commissioner (Service Tax), Mumbai	Financial Years 1999-00 and 2003-04
	69.20	Commissioner of Appeals (Service Tax)	Financial Years 2006-07, 2007-08 and 2009-10
	15.91	Joint Commissioner (Service Tax) Mumbai	Financial Years 2004-05 and 2005-06
The Bombay Sales Tax Act, 1959	71.55	Commissioner of Sales Tax (Appeals), Pune	Financial Year 2004-05
The Maharashtra Value Added Tax Act, 2002	306.84	Commissioner of Sales Tax (Appeals), Pune	Financial Years 2005-06 and 2011-12
The Central Sales Tax Act, 1956	2,242.76	Commissioner of Sales Tax (Appeals), Pune	Financial Year from 2007-08 To 2016-17
	741.90	Karnataka High Court	Financial Years 2005-06 to 2009-10
Entry Tax	3,272.40	Assessment order	Financial Years 2012-13 to 2015-16
Custom Tariff Act	9,347.27	Deputy Commissioner of Customs (Preventive) Alibag Division, Marine & Preventive Wing Mumbai	Financial Year 2005-06 To 2009-10

8. Based on the records examined by us and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or Government or debenture holders as at the Balance Sheet date.
9. Based on the records examined by us and according to the information and explanations given to us, during the year, term loans were applied for the purpose for which the loans were obtained. According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer.
10. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, no instance of fraud by the Company or material fraud on the Company by its officers or employees, was noticed or reported to us by the management during the year.

11. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
12. As the Company is not a Nidhi Company and hence the provisions of Clause 3(xii) of the order are not applicable to the company.
13. In our opinion and according to the information and explanation given to us the Company is in compliance with the provisions of Section 177 and section 188 of the Act, where applicable, for all the transactions with related parties and the details of related party transactions have been disclosed in the Standalone Ind AS financial statements as required by applicable Indian Accounting Standards.
14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the Clause 3 (xiv) of the Order is not applicable to the Company.
15. The Company has not entered into any non-cash transactions with its Directors or persons connected with them. Accordingly, the Clause 3 (xv) of the Order is not applicable to the Company.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3 (xvi) of the Order are not applicable to the Company.

FOR B.K.KHARE & CO.

Chartered Accountants

Firm Registration Number: 105102W

RAVI KAPOOR

Partner

Membership Number: 040404

Mumbai

Date: 30th June, 2017

Annexure-II to the Independent Auditors' Report referred to in our report of even date:

Referred to in paragraph 11 (g) of the Independent Auditors' Report of even date to the members of Deepak Fertilisers And Petrochemicals Corporation Limited on the Standalone Ind AS financial statements for the year ended 31st March, 2017.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. We have audited the Internal Financial Controls over financial reporting of Deepak Fertilisers And Petrochemicals Corporation Limited ("the Company") as of 31st March, 2017 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR B.K.KHARE & CO.

Chartered Accountants

Firm Registration Number: 105102W

RAVI KAPOOR

Partner

Membership Number: 040404

Mumbai

Date: 30th June, 2017

BALANCE SHEET

as at 31st March, 2017

(All Amounts in ₹ Lacs unless otherwise stated)

	Notes	31 st March, 2017	31 st March, 2017	31 st March, 2016	1 st April, 2015
		Discontinuing Operations	Continuing Operations		
ASSETS					
Non-current assets					
Property, plant and equipment	2	1,21,560.35	73,290.75	1,25,802.38	1,31,776.30
Capital work-in-progress	3	29,248.72	9,212.24	39,504.68	14,056.54
Investment property	4	460.76	1,663.42	2,161.72	2,198.86
Other intangible assets	5	1,614.70	91.58	469.20	607.04
Financial assets		-			
i. Investments	6(a)	-	8,893.40	8,893.40	8,844.66
ii. Other financial assets	11	151.02	2,482.36	3,396.57	3,177.09
Other non-current assets	12	10,105.07	1,231.46	8,178.69	3,929.75
Total non-current assets		1,63,140.62	96,865.21	1,88,406.64	1,64,590.24
Current assets					
Inventories	13	34,293.48	15,098.51	59,806.06	40,295.94
Financial assets					
i. Investments	6(b)	-	11,809.40	2,717.77	19,344.03
ii. Trade receivables	7	82,544.54	34,747.77	153,435.18	93,314.19
iii. Cash and cash equivalents	9	-	7,411.06	20,061.86	3,327.41
iv. Bank balances other than (iii) above	10	-	523.27	792.50	453.84
v. Loans	8	204.60	3,527.65	3,526.62	8,422.40
vi. Other financial assets	11	-	1,305.62	1,239.21	1,939.59
Current tax assets (net)			4,991.86	3,963.30	3,906.84
Other current assets	14	3,256.01	10,869.36	10,527.88	11,042.92
Assets pertaining to Discontinuing Operations			283,439.25		
Total current assets		1,20,298.63	3,73,723.75	2,56,070.38	1,82,047.16
Total assets			4,70,588.96	4,44,477.02	3,46,637.40
EQUITY AND LIABILITIES					
Equity					
Equity share capital	15	-	8,820.49	8,820.49	8,820.49
Other equity					
Reserves and surplus	16	-	1,64,392.31	1,48,376.90	1,45,077.52
Other reserves			(239.00)	(30.10)	(118.59)
Total equity		-	1,72,973.80	1,57,167.29	1,53,779.42

BALANCE SHEET

as at 31st March, 2017

(All Amounts in ₹ Lacs unless otherwise stated)

	Notes	31 st March, 2017	31 st March, 2017	31 st March, 2016	1 st April, 2015
		Discontinuing Operations	Continuing Operations		
LIABILITIES					
Non-current liabilities					
Financial Liabilities					
i. Borrowings	17(a)	44,544.86	-	46,923.70	34,686.10
ii. Other financial liabilities	18	-	154.11	213.27	233.25
Employee Benefit Obligation	22	1,912.44	620.25	3,026.71	2,609.63
Deferred tax liabilities (net)	23	10,074.72	1,645.31	12,030.03	12,135.39
Other non-current liabilities	20	-	350.35	320.19	292.91
Total non-current liabilities		56,532.02	2,770.02	62,513.90	49,957.28
Current liabilities					
Financial liabilities					
i. Borrowings	17(b)	11,855.31	91,999.49	140,435.00	78,511.00
ii. Trade payables	19	19,240.53	21,317.83	46,751.71	23,114.47
iii. Other financial liabilities	18	42,021.78	29,830.10	21,392.05	30,872.05
Employee Benefit Obligation	22	880.57	971.87	1,009.48	1,131.22
Provisions	21	3,462.06	257.52	2,875.08	2,089.06
Current tax liabilities	24	7,846.36	-	5,247.80	3,119.87
Other current liabilities	25	2,169.04	6,460.67	7,084.71	4,063.04
Liabilities pertaining to Discontinuing operations		-	1,44,007.66	-	-
Total current liabilities		87,475.65	2,94,845.14	2,24,795.83	1,42,900.70
Total liabilities			2,97,615.16	2,87,309.73	1,92,857.98
Total equity and liabilities			4,70,588.96	4,44,477.02	3,46,637.40
Summary of significant accounting policies	1				
The accompanying notes are integral part of the Financial Statements.	1-55				

As per our report of even date

For B. K. KHARE & CO.
Chartered Accountants
Firms Registration No.: 105102W

RAVI KAPOOR
Partner
Membership No.: 040404

Mumbai
Dated: 30th June, 2017

For and on behalf of the Board of Directors

S. C. MEHTA
Chairman & Managing Director
DIN : 00128204

S. R. WADHWA
Director
DIN : 00228201

PRANAY VAKIL
Director
DIN : 00433379

U. P. JHAVERI
Director
DIN : 00273898

VIPIN AGARWAL
President & CFO

K. SUBHARAMAN
EVP-Legal and Company
Secretary
FCS : 4361

STATEMENT OF PROFIT AND LOSS

for the year ended 31st March, 2017

(All Amounts in ₹ Lacs unless otherwise stated)

	Notes	Year ended 31 st March, 2017 Discontinuing	Year ended 31 st March, 2017 Continuing	Year ended 31 st March, 2016 Discontinuing	Year ended 31 st March, 2016 Continuing
Revenue from operations	26	2,13,017.60	2,12,707.79	2,70,320.44	1,76,531.17
Other income	27	259.93	1,794.79	438.57	4,898.63
Total income		2,13,277.53	2,14,502.58	2,70,759.01	1,81,429.80
Expenses					
Cost of materials consumed	28	90,909.34	51,666.44	93,748.10	57,037.57
Purchases of traded goods	29	35,646.23	99,372.94	1,12,773.32	84,122.82
Changes in inventories of work-in-progress, stock-in-trade and finished goods	30	7,629.14	4,270.10	(10,802.00)	(6,643.63)
Excise duty		12,098.56	10,030.81	13,519.58	9,022.42
Employee benefit expense	31	6,740.31	11,853.35	5,560.66	11,400.26
Finance costs	32	3,276.78	8,723.41	3,351.88	9,567.42
Depreciation and amortisation expense	33	7,233.43	5,789.86	6,775.88	4,988.42
Other expenses	34	39,739.62	10,470.69	32,981.68	8,033.70
Total expenses		2,03,273.41	2,02,177.59	2,57,909.12	1,77,528.98
Profit before tax		10,004.12	12,324.99	12,849.89	3,900.82
Income tax expense					
- Current tax		3,152.36	3,360.78	4,693.99	226.01
- Deferred tax		251.19	(450.63)	(115.79)	(36.40)
Total tax expense		3,403.56	2,910.15	4,578.21	189.61
Profit from operations		6,600.57	9,414.84	8,271.68	3,711.12
Profit for the year			16,015.41		11,982.80
Other comprehensive income					
<i>Items that will be reclassified to profit or loss</i>					
Net changes in fair value of investment other than equity shares carried at fair value through OCI			53.78		(57.52)
Income tax relating to these items			(18.61)		19.91
Net changes in fair value of cash flow hedges			-		169.48
Income tax relating to these items			-		(58.65)
			35.17		73.22
<i>Items that will not be reclassified to profit or loss</i>					
Remeasurement of defined employee benefit plans		(64.64)	(373.25)	58.06	23.36
Income tax relating to these items		22.37	129.17	(20.09)	(8.08)
			(244.08)		15.28

STATEMENT OF PROFIT AND LOSS

for the year ended 31st March, 2017

(All Amounts in ₹ Lacs unless otherwise stated)

	Notes	Year ended 31 st March, 2017 Discontinuing	Year ended 31 st March, 2017 Continuing	Year ended 31 st March, 2016 Discontinuing	Year ended 31 st March, 2016 Continuing
Total Other comprehensive income for the year, net of tax			(208.93)		88.50
Total comprehensive income for the year			15,806.48		12,071.30
Earning per Equity Share: Face value ₹ 10 each (₹ 10)					
i) Basic (in ₹)		7.48	10.67	9.38	4.21
ii) Diluted (in ₹)		7.48	10.67	9.38	4.21
Earning per Equity Share Continuing & Discontinuing Operations: Face value ₹ 10 each (₹ 10)					
i) Basic (in ₹)			18.16		13.59
ii) Diluted (in ₹)			18.16		13.59
Weighted average number of Equity Sahres: Face value ₹ 10 each (₹ 10)					
i) Basic (in ₹)			8,82,04,943		8,82,04,943
ii) Diluted (in ₹)			8,82,04,943		8,82,04,943
Summary of significant accounting policies	1				
The accompanying notes are integral part of the Financial Statements.	1-55				

As per our report of even date

For B. K. KHARE & CO.
Chartered Accountants
Firms Registration No.: 105102W

RAVI KAPOOR
Partner
Membership No.: 040404

For and on behalf of the Board of Directors

S. C. MEHTA
Chairman & Managing Director
DIN : 00128204

S. R. WADHWA
Director
DIN : 00228201

PRANAY VAKIL
Director
DIN : 00433379

U. P. JHAVERI
Director
DIN : 00273898

VIPIN AGARWAL
President & CFO

K. SUBHARAMAN
EVP-Legal and Company
Secretary
FCS : 4361

Mumbai

Dated: 30th June, 2017

EQUITY SHARE CAPITAL & OTHER EQUITY

for the year ended 31st March, 2017

(All Amounts in ₹ Lacs unless otherwise stated)

A. Equity Share Capital

	31 st March, 2017	31 st March, 2017	31 st March, 2016
Balance at the beginning of the year	8,820.49	8,820.49	8,820.49
Changes in equity shares capital during the year	-	-	-
Balance at the end of the year	8,820.49	8,820.49	8,820.49

B. Other Equity

	Reserves and surplus						Other Reserves			Total Other Equity
	Securities premium reserve	Retained earnings	Debt redemption reserve	General Reserve	Capital Redemption Reserve	Capital Reserve	Cash Flow Hedge	Fair Value through OCI	Other Items of Comprehensive Income	
Balance at 1 st April, 2015	10,798.95	1,08,314.41	8,104.13	17,709.90	150.00	0.13	(131.09)	-	12.51	1,44,958.94
Reserves & Surplus										1,45,077.52
Other Reserves										(118.59)
Profit for the year	-	11,982.80	-	-	-	-	-	-	-	11,982.80
Fair value changes on cash flow hedge, net of tax	-	-	-	-	-	-	110.83	-	-	110.83
Remeasurements of post-employment benefit obligation, net of tax	-	-	-	-	-	-	-	-	15.27	15.27
Fair Valuation of Investment, net of tax	-	-	-	-	-	-	-	(37.61)	-	(37.61)
Total comprehensive income for the year	-	11,982.80	-	-	-	-	110.83	(37.61)	15.27	12,071.30
Transactions with owners in their capacity as owners:										
Dividends paid	-	(8,683.42)	-	-	-	-	-	-	-	(8,683.42)
Transfer to debt redemption reserve	-	3,104.13	(3,104.13)	-	-	-	-	-	-	-
	-	(5,579.29)	(3,104.13)	-	-	-	-	-	-	(8,683.42)
Balance at 31 st March, 2016	10,798.95	1,14,717.91	5,000.00	17,709.90	150.00	0.13	(20.26)	(37.61)	27.78	1,48,346.80
Reserves & Surplus										1,48,376.90
Other Reserves										(30.10)
Profit for the year	-	16,015.41	-	-	-	-	-	-	-	16,015.41
Fair value changes on cash flow hedge, net of tax	-	-	-	-	-	-	-	-	-	-
Remeasurements of post-employment benefit obligation, net of tax	-	-	-	-	-	-	-	-	(244.07)	(244.07)
Fair Valuation of Investment, net of tax	-	-	-	-	-	-	-	35.17	-	35.17
Total comprehensive income for the year	-	16,015.41	-	-	-	-	-	35.17	(244.07)	15,806.48
Transactions with owners in their capacity as owners:										
Transfer to debt redemption reserve	-	(1,250.00)	1,250.00	-	-	-	-	-	-	-
	-	(1,250.00)	1,250.00	-	-	-	-	-	-	-
Balance at 31 st March, 2017	10,798.95	1,29,483.33	6,250.00	17,709.90	150.00	0.13	(20.26)	(2.45)	(216.29)	1,64,153.31
Reserves & Surplus										1,64,392.31
Other Reserves										(239.00)

As per our report of even date

For B. K. KHARE & CO.
Chartered Accountants
Firms Registration No.: 105102W

RAVI KAPOOR
Partner
Membership No.: 040404

Mumbai
Dated: 30th June, 2017

For and on behalf of the Board of Directors

S. C. MEHTA
Chairman & Managing Director
DIN : 00128204

S. R. WADHWA
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President & CFO

K. SUBHARAMAN
EVP-Legal and Company
Secretary
FCS : 4361

CASH FLOW STATEMENT

for the year ended 31st March, 2017

(All Amounts in ₹ Lacs unless otherwise stated)

	31 st March, 2017	31 st March, 2016
Cash flow from operating activities		
Profit before income tax from		
Continuing operations	12,324.99	3,900.81
Discontinuing operations	10,004.14	12,849.89
Profit before income tax including discontinuing operations	22,329.13	16,750.70
Adjustments for		
Depreciation and amortisation expense	13,023.28	11,764.30
(Gain)/Loss on disposal of property, plant and equipment	270.36	106.62
Bad debts and advances written off, allowances for doubtful trade receivable and advances (net)	267.89	251.92
Gain on sale of investments	(298.67)	(173.81)
Unwinding of discount on security deposits	(62.41)	(69.19)
Dividend income	(25.00)	(3,700.00)
Interest income	(858.91)	(773.94)
Finance costs	12,000.19	12,919.30
Net exchange differences	1,543.71	2,160.32
Change in operating assets and liabilities, net of effects from purchase of controlled entities and sale of subsidiary:		
(Increase)/Decrease in trade receivables	36,123.14	(59,115.26)
(Increase) in inventories	10,414.08	(19,510.12)
Increase in trade payables	(6,193.35)	23,637.23
(Increase) in other financial assets	1,094.82	(488.95)
Increase in other financial liabilities	10,719.63	6,453.79
(Increase)/decrease in other non-current assets	(94.37)	234.24
Increase/(decrease) in other non-current liabilities	30.16	27.28
(Increase)/decrease in other current assets	(3,597.48)	515.04
Increase/(decrease) in provisions	844.50	786.02
Increase in employee benefit obligations	104.86	310.62
Increase/(decrease) in derivatives	(473.65)	(976.02)
Increase in other current liabilities	1,296.85	1,763.92
Cash generated from operations	98,458.76	(7,125.98)
Income taxes paid	5,053.71	2,801.88
Net cash inflow from operating activities	93,405.06	(9,927.85)

CASH FLOW STATEMENT

for the year ended 31st March, 2017

(All Amounts in ₹ Lacs unless otherwise stated)

	31 st March, 2017	31 st March, 2016
Cash flows from investing activities		
Acquisition of Property, plant and equipment	(69,194.99)	(33,832.02)
Acquisition of investments	(9,056.47)	(1,460.09)
Loans to employees and related parties	(205.64)	-
Proceeds from sale of investments	298.67	18,173.81
Proceeds from sale of property, plant and equipment	153.05	1,650.76
Repayment of loans by employees and related parties	-	4,895.78
Dividends received	25.00	3,700.00
Interest received	468.80	774.71
Net cash outflow from investing activities	(77,511.57)	(6,097.07)
Cash flows from financing activities		
Proceeds from borrowings	40,748.84	78,339.16
Repayment of borrowings	(52,682.20)	(25,409.69)
Interest paid	(16,021.51)	(12,471.62)
Dividends paid to company's shareholders	-	(8,683.42)
Net cash inflow (outflow) from financing activities	(27,954.86)	31,774.44
Net increase (decrease) in cash and cash equivalents	(12,061.38)	15,749.52
Cash and cash equivalents at the beginning of the financial year	19,076.93	3,327.41
Cash and cash equivalents at end of the year	7,015.55	19,076.93
Cash and cash equivalents as per above comprise of the following	31 st March, 2017	31 st March, 2016
Cash and cash equivalents (including Bank Balances)	7,411.06	20,061.86
Bank overdrafts	(395.51)	(984.93)
Balances as per statement of cash flows	7,015.55	19,076.93

As per our report of even date

For B. K. KHARE and CO.
Chartered Accountants
Firms Registration No.: 105102W

RAVI KAPOOR
Partner
Membership No.: 040404

For and on behalf of the Board of Directors

S. C. MEHTA
Chairman & Managing Director
DIN : 00128204

S. R. WADHWA
Director
DIN : 00228201

PRANAY VAKIL
Director
DIN : 00433379

U. P. JHAVERI
Director
DIN : 00273898

VIPIN AGARWAL
President & CFO

K. SUBHARAMAN
EVP-Legal and Company
Secretary
FCS : 4361

Mumbai

Dated: 30th June, 2017

NOTES

To the financial statements for the year ended 31st March, 2017

THE COMPANY AND NATURE OF ITS OPERATIONS:

Deepak Fertilisers and Petrochemicals Corporation Limited having corporate office in Pune, Maharashtra, India carries on business in fertilisers, agri services, bulk chemicals, mining, chemical and value added real estate. The Company is a public limited company and is listed on the National Stock Exchange of India Limited and the Bombay Stock Exchange Limited.

Note 1: SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The standalone financial statements are for the Company consisting of Deepak Fertilisers & Petrochemicals Corporation Limited (the 'Company') and its subsidiaries.

(a) Basis of Preparation:

i. Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements up to year ended 31st March, 2016 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

These financial statements are the first financial statements of the Company under Ind AS. Refer note 51 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

ii. Historical cost convention

The Financial Statements have been prepared on historical cost basis, except the following:

- Certain financial assets and liabilities (including derivative instruments) and contingent consideration that is measured at fair value;
- Assets held for sale – measured at fair value less cost to sell;
- Defined benefit plans – plan assets measured at fair value; and
- Share-based payments

(b) Critical accounting estimates, assumptions and judgments

The preparation of the financial statements requires management to make estimates, assumptions and judgments that affect the reported balances of assets and liabilities and disclosures as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates considering different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Impact on account of revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below.

Deferred income tax assets and liabilities

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits. The amount of total deferred tax assets could change if estimates of projected future taxable income or if tax regulations undergo a change.

Useful lives of Property, plant and equipment ('PPE')

The Management reviews the estimated useful lives and residual value of PPE at the end of each reporting period.

The factors such as changes in the expected level of usage, number of shifts of production, technological developments and product life-cycle, could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation charge could be revised and thereby could have an impact on the profit of the future years.

Employee benefit obligations

Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Litigation

From time to time, the Company is subject to legal proceedings, the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavourable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.

(c) Segment reporting

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

(d) Foreign currency translation

The financial statements are presented in Indian rupee (INR), which is Deepak Fertilisers and Petrochemicals Corporation Limited's functional and presentation currency. On initial recognition, all foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the date of the transaction. As at the reporting date, foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and the exchange gains or losses are recognised in the Statement of Profit and Loss.

(e) Revenue recognition

- Domestic sales are recognised at the point of dispatch of goods to the customers, which is when substantial risks and rewards of ownership are passed on to the customers, and are stated net of trade discounts, rebates, sales tax, value added tax and excise duty.
- Export sales are recognised based on the shipped on board date as per bill of lading when significant risk and rewards of ownership are transferred to the customer.
- Sales include product subsidy and claims, if any, for reimbursement of cost escalation receivable from Ministry of Agriculture/Ministry of Fertilisers.
- Grants and subsidies from the Government are recognised when there is reasonable certainty of realisation thereof the receipt thereof on the fulfillment of the applicable conditions.
- Revenue in respect of Interest (other than on deposits with banks and others/investments, which are accounted on accrual basis), Insurance claims, Subsidy and reimbursement of cost escalation claimed from Ministry of Agriculture/Ministry of Fertilisers beyond the notified retention price and price concession on fertilisers pending acceptance of claims by the concerned parties is recognised to the extent the Company is reasonably certain of their ultimate realisation.
- Clean Development Mechanism (CDM) benefits known as Carbon Credit for wind energy units generated and N₂O reduction in its Nitric Acid plant are recognised as revenue on the actual realisation of the applicable credits.
- Credits on account of Duty Drawback and other benefits, which are due to be received with reasonable certainty, are accrued upon completion of exports.
- Rental income from realty business is recognised based on the contractual terms. In case of revenue sharing arrangements, the rental income is recognised on the basis of provisional information provided by the lessee where the final data is awaited on the date of revenue recognition.
- Dividend income is accounted for when the right to receive is established.

(f) Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

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

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

(g) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to April 1, 2015, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognized as an expense in the Statement of profit and loss on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

(h) Business Combinations:

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non controlling interests in the acquiree. For each business combination, the Company elects whether to measure the non controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

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

Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Company entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payment at the acquisition date.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

(i) Impairment of Assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non- financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(j) Cash and Cash Equivalents

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

(k) Trade Receivables

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

(l) Inventories

- Raw materials are valued at lower of moving weighted average cost and net realisable value. However these items are written down to realisable value if the costs of the related finished goods is not expected to recover the cost of raw materials.

- Stores, regular spares, oil, chemicals, catalysts and packing material are valued at moving weighted average cost.
- Cost of inventory of materials is ascertained net of applicable CENVAT/VAT credits.
- Finished goods including those held for captive consumption are valued at lower of factory cost (including depreciation, excise duty payable/paid wherever applicable) or and net realisable value.
- Stock-in-trade is valued at lower of cost and net realisable value.
- Value of Work-in-Process of all products is ignored for the purpose of inventory having regard to the concept of materiality and difficulty of quantifying such stocks with exactitude.

(m) Non-current assets (or disposal groups) held for sale and discontinued operations:

Discontinued operations are reported when a component of an entity is classified as held for disposal or has been disposed of, if the component represents a separate major line of business or geographical area of operations and is part of a single co-ordinated plan to dispose off a separate major line of business or geographical area of operations. In the Standalone Statements of Income, income (loss) from discontinued operations is reported separately from income and expenses from continuing operations and prior periods are presented on a comparable basis.

(n) Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- Those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely for payment of principal and interest.

Debt instruments: Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments: The Company initially records at cost all equity investments and subsequently measures them at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition:

Interest income: Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends: Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

(o) Derivatives & Hedging:

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

Cash flow hedges that qualify for hedge accounting: The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other gains/(losses).

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss (for example, when the interest expenditure is recorded).

Derivatives that are not designated as hedges:

The Company enters into certain derivative contracts to hedge foreign exchange risks which are not designated as hedges as in case of such transactions, the underlying is re-stated at closing exchange rates. Such contracts are accounted for at fair value through profit or loss and are included in other gains/(losses).

(p) Offsetting financial instruments:

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(q) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

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

Depreciation methods, estimated useful lives and residual value: Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets as prescribed in Schedule – II of the Companies Act, 2013. As per requirements of the Companies Act, 2013 the Company has also identified significant components of the assets and its useful life based on the internal technical evaluation. Depreciation charge on such components is based on its useful life. Estimated useful life adopted in respect of the following assets is different from the useful life prescribed in Schedule – II of the Companies Act, 2013.

Name of assets	Estimated useful life
Computers - Servers and Networks	4 Years or 6 Years
End User Devices such as, desktops, laptops etc.	4 Years or 6 Years
Vehicles	4 Years for employees vehicles and 6-7 Years for other vehicles
Buildings other than Factory Buildings RCC Frame Structure	61 Years
Plant and Machinery	Various estimated life upto 21 years. WNA III plant at the rate of 25.88% on WDV basis
Windmill	19 Years

- Depreciation for assets purchased/sold during a period is proportionately charged.
- Depreciation on exchange rate variances capitalised as part of the cost of Fixed Assets, has been provided prospectively over the residual useful life of the assets.
- Capitalised machinery spares are depreciated over remaining useful life of the related machinery/equipment. Costs of such spares are charged to the Statement of Profit and Loss when issued for actual use at written down value.
- Cost of Leasehold Land is amortised over the lease period.

(r) Investment properties:

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only

when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are depreciated using the straight-line method over their estimated useful lives. Investment properties generally have a useful life of 25-40 years. The useful life has been determined based on technical evaluation performed by the management's expert.

(s) Intangible assets:

- (i) Goodwill: Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

(t) Trade and other payables:

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 to 60 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost.

(u) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

(v) Borrowing costs

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

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

(w) Provisions

Provisions for legal claims, volume discounts and returns are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

(x) Employee benefits

(i) Short-term obligations

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

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

- The Company operates the following post-employment schemes: defined benefit plans such as gratuity, post retirement benefit; and
- defined contribution plans such as provident fund.

Gratuity and retirement benefit obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity and post retirement benefit is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Provident Fund:

The eligible employees of the Company are entitled to receive benefits under the Provident Fund, a defined contribution plan in which both the employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). The contributions as specified under the law are paid to the Regional Provident Fund Commissioner and the Central Provident Fund under the Pension scheme. The Company recognises such contributions as expense of the year in which the liability is incurred.

(All Amounts in ₹ Lacs unless otherwise stated)

Note 2: PROPERTY, PLANT & EQUIPMENT

	Free-hold Land	Lease-hold Land	Buildings	Plant and Equipment	Electric Installation	Furniture & Fixtures	Office Equipments	Laboratory Equipments	Vehicles	Total
Deemed cost as at April 1, 2015	9,240.68	1,411.98	33,546.36	82,127.97	2,602.50	978.53	654.01	337.84	876.42	1,31,776.30
Exchange difference				787.00						787.00
Additions	-	-	358.41	5,229.07	23.44	79.39	245.46	-	550.21	6,485.98
Disposals	-	-	(102.78)	(2,586.44)	-	(56.64)	(39.31)	-	(210.37)	(2,995.54)
Transfers										
Closing gross carrying amount as at 31 st March, 2016	9,240.68	1,411.98	33,801.99	85,557.61	2,625.94	1,001.28	860.16	337.84	1,216.26	1,36,053.74
Depreciation charge during the year	-	(20.23)	(1,600.37)	(8,475.18)	(477.96)	(157.83)	(239.80)	(101.60)	(408.11)	(11,481.08)
Disposals	-	-	23.06	969.56	-	56.57	36.90	-	143.63	1,229.72
Closing accumulated depreciation and impairment as at 31 st March, 2016	-	(20.23)	(1,577.31)	(7,505.62)	(477.96)	(101.26)	(202.90)	(101.60)	(264.48)	(10,251.36)
Net carrying amount as at 31 st March, 2016	9,240.68	1,391.75	32,224.68	78,051.99	2,147.98	900.02	657.26	236.24	951.78	1,25,802.38
Opening gross carrying amount	9,240.68	1,411.98	33,801.99	85,557.61	2,625.94	1,001.28	860.16	337.84	1,216.26	1,36,053.74
Exchange Difference				90.10						90.10
Additions #	-	12,494.66	9,849.47	57,888.65	680.28	19.58	685.10	42.13	506.72	82,166.59
Disposals @	-	-	-	(1,397.11)	-	(0.37)	(83.92)	(4.21)	(496.40)	(1,982.01)
Transfers	-	-	-	-	-	-	-	-	-	-
Closing gross carrying amount *	9,240.68	13,906.64	43,651.46	142,139.25	3,306.22	1,020.50	1,461.34	375.76	1,226.57	2,16,328.42
Opening accumulated depreciation	-	(20.23)	(1,577.31)	(7,505.62)	(477.96)	(101.26)	(202.90)	(101.60)	(264.48)	(10,251.36)
Depreciation charge during the year #	-	(153.91)	(1,214.70)	(10,011.61)	(494.16)	(147.35)	(282.48)	(67.10)	(413.27)	(12,784.56)
Disposals @	-	-	-	1,029.42	-	0.36	78.81	4.21	445.81	1,558.61
Closing accumulated depreciation	-	(174.14)	(2,792.01)	(16,487.80)	(972.12)	(248.25)	(406.57)	(164.49)	(231.95)	(21,477.32)
Net carrying amount 31 st March, 2017 *	9,240.68	13,732.50	40,859.45	1,25,651.44	2,334.10	772.25	1,054.77	211.27	994.62	1,94,851.10

*Includes Gross Carrying & Net Carrying amount at 31st March, 2017 of ₹ 1,28,700.69 Lacs & ₹ 1,21,560.35 Lacs pertaining to Discontinuing operations

#Includes Addition & Depreciation of ₹ 62,831.06 Lacs & ₹ 7,140.34 Lacs pertaining to Discontinuing operations

@Includes Gross disposal & Depreciation on disposals of ₹ 1,008.91 Lacs & ₹ 659.11 Lacs pertaining to Discontinuing operations

Cost of Freehold land includes: .

- ₹ 3,600 Lacs (₹ 3,600 Lacs) represented by 24,000 Equity Shares of ₹ 10/- each in a company, which is the legal owner of the land in respect of which the Company has acquired exclusive rights of development.

- ₹ 2,442.54 Lacs (₹ 2,442.54 Lacs) represented by 1,41,764 Equity Shares (1,41,764) of ₹ 10/- each in the said company, which is the legal owner of the land on which the Company has been granted the rights of use and occupation by virtue of the shares so held.

Buildings include a sum of ₹ 11,398.32 Lacs (₹ 11,398.32 Lacs) represented by 38,236 (38,236) Equity Shares of ₹ 10/- each in a company which is the legal owner of the buildings in respect of which the Company has an exclusive right of use and occupation by virtue of the shares so held.

The above equity shares so held do not really represent financial investment but rather the means to acquire and hold the properties for use in Company's operations, the cost of acquisition of the shares is treated as cost of fixed assets and is dealt with in accordance with Indian Accounting Standard - 16

Impairment of Assets: The Company has examined carrying cost of its identified Cash Generating Units (CGU) by comparing present value of estimated future cash flows from such CGUs, in terms of Indian Accounting Standard-36 on Impairment of Assets, according to which no provision for impairment is required.

(All Amounts in ₹ Lacs unless otherwise stated)

Note 3: CAPITAL WORK-IN-PROGRESS

	31 st March, 2017 Discontinuing Operations	31 st March, 2017 Continuing Operations	31 st March, 2016	1 st April, 2015
Projects [#]	24,400.30	8,384.29	36,081.02	13,572.96
Others	4,848.42	827.95	3,423.66	483.59
Net carrying amount	29,248.72	9,212.24	39,504.68	14,056.54

Includes borrowing cost of ₹ 4,552.14 Lacs (31st March, 2016 ₹ 1,873.63 Lacs, 1st April, 2015 ₹ 259.47 Lacs)

Note 4: INVESTMENT PROPERTIES

	31 st March, 2017 Discontinuing Operations	31 st March, 2017 Continuing Operations	31 st March, 2016	1 st April, 2015
Gross carrying amount				
Opening gross carrying amount / Deemed cost	460.76	1,738.10	2,198.86	2,198.86
Additions	-	-	-	-
Closing gross carrying amount	460.76	1,738.10	2,198.86	2,198.86
Accumulated depreciation				
Opening accumulated depreciation	-	(37.13)	-	-
Depreciation charge	-	(37.54)	(37.13)	-
Closing accumulated depreciation	-	(74.68)	(37.13)	-
Net carrying amount	460.76	1,663.42	2,161.72	2,198.86

(i) Contractual obligations: The company does not have any contractual obligations in relation to investment properties as the same are not let out

(ii) Fair value

	31 st March, 2017 Discontinuing Operations	31 st March, 2017 Continuing Operations	31 st March, 2016	1 st April, 2015
Investment properties	590.00	16,192.00	16,192.00	14,992.59

Estimation of fair value

The Company obtains independent valuations for its investment properties at least annually. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Company considers information from a variety of sources including:

- Current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences
- Discounted cash flow projections based on reliable estimates of future cash flows
- Capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence

The fair values of investment properties have been determined by an Independent Valuer. The main inputs used are the rental growth rates, expected vacancy rates, terminal yields and discount rates based on comparable transactions and industry data. All resulting fair value estimates for investment properties are included in level 3.

(All Amounts in ₹ Lacs unless otherwise stated)

Note 5: INTANGIBLE ASSETS

	Computer Software	Technical Know How/ Engineering Fees	License/ Franchise Fees	Total
Cost as on 1st April, 2015	51.97	331.57	223.50	607.04
Additions	32.84	-	75.41	108.25
Disposals/ Transfers/ Adjustments	-	-	-	-
Gross carrying amount as on 31 st March, 2016	84.81	331.57	298.91	715.29
Additions	534.79	-	903.47	1,438.26
Disposals/ Transfers/ Adjustments	-	-	-	-
Gross carrying amount as on 31st March, 2017*	619.60	331.57	1,202.38	2,153.55
Disposals/ Transfers/ Adjustments	-	-	-	-
Accumulated Amortisation				
Amortisation charge for the year [#]	23.21	31.90	190.98	246.09
Disposals	-	-	-	-
Closing accumulated amortisation as at 31st March, 2016	23.21	31.90	190.98	246.09
Amortisation charge for the year	46.93	31.90	122.35	201.18
Disposals	-	-	-	-
Closing accumulated amortisation as at 31 st March, 2017	70.14	63.80	313.33	447.27
Net Block as at 31st March, 2017	549.46	267.77	889.05	1,706.28
Net Block as at 31 st March, 2016	61.60	299.67	107.93	469.20
Net Block as at 1 st April, 2015	51.97	331.57	223.50	607.04

(*)Includes Gross Carrying & Net Carrying amount at 31st March, 2017 of ₹ 1,875.30 Lacs & 1,614.70 Lacs pertaining to Discontinuing operations

(#)#Includes Addition & Amortization of ₹ 1,401.77 Lacs & ₹ 260.60 Lacs pertaining to Discontinuing operations

Note 6(a): NON-CURRENT INVESTMENTS

	31 st March, 2017 Discontinuing Operations	31 st March, 2017 Continuing Operations	31 st March, 2016	1 st April, 2015
Investments carried at cost				
Investments in Equity Shares (Unquoted)				
Investments in Subsidiaries (Fully paid up)				
9,99,994 (31 st March, 2016 : 9,99,994, 1 st April, 2015 : 9,99,994) equity shares of Smartchem Technology Limited (Wholly owned)	-	6,428.24	6,428.24	6,379.90
1,60,000 (31 st March, 2016 : 1,60,000, 1 st April, 2015 : 1,60,000) equity shares of Deepak Nitrochem Pty. Limited	-	19.65	19.65	19.65
9,998 (31 st March, 2016 : 9,998, 1 st April, 2015 : 9,998) equity shares of Deepak Mining Services Private Limited	-	1.00	1.00	1.00
49,993 (31 st March, 2016 : 49,993, 1 st April, 2015 : 49,993) equity shares of SCM Soilfert Limited	-	5.00	5.00	5.00
43,350 (31 st March, 2016 : 43,350, 1 st April, 2015 : 43,350) equity shares of SCM Fertilchem Limited	-	4.34	4.34	4.34
Investment in Associates				
50,81,363 (31 st March, 2016 : 50,81,363, 1 st April, 2015 : 50,81,363) equity shares of Desai Fruit and Vegetables Private Limited	-	2,356.09	2,356.09	2,356.09
49,994 (31 st March, 2016 : 49,994, 1 st April, 2015 : 49,994) equity shares of Ishanya Realty Corporation Limited	-	5.00	5.00	5.00
49,994 (31 st March, 2016 : 49,994, 1 st April, 2015 : 49,994) equity shares of Ishanya Brand Service Limited	-	5.00	5.00	5.00
4000 (31 st March, 2016 : 4000) equity shares of Mumbai Modern Terminal Market Complex Private Limited	-	0.40	0.40	-
Investments in Others at Fair Value (Fully paid up)				
88,448 (31 st March, 2016 : 88,448, 1 st April, 2015 : 88,448) equity shares of of Deepak International Limited	-	68.69	68.69	68.69
Total (equity instruments)	-	8,893.40	8,893.40	8,844.66
Total non-current investments	-	8,893.40	8,893.40	8,844.66
Aggregate amount of quoted investments and market value thereof	-	-	-	-
Aggregate amount of unquoted investments	-	8,893.40	8,893.40	8,844.66
Aggregate amount of impairment in the value of investments	-	-	-	-

(All Amounts in ₹ Lacs unless otherwise stated)

Note 6 (b): CURRENT INVESTMENTS

	31 st March, 2017 Discontinuing Operations	31 st March, 2017 Continuing Operations	31 st March, 2016	1 st April, 2015
Quoted bonds/Securities				
Investment in Debt Securities (Refer Note (i) below)	-	1,646.44	1,635.06	246.93
Investment in Government Securities (Refer Note (ii) below)	-	1,125.10	1,082.70	1,097.09
Total (Investment in government securities)	-	2,771.54	2,717.77	1,344.03
Investment in debentures and bonds				
Unquoted				
1% (18,00,00,000) debentures of wholly owned Subsidiary SCM Soilfert Limited	-	-	-	18,000.00
Total (debentures and bonds)	-	-	-	18,000.00
Investment in mutual funds (Refer Note (iii) below)	-	9,037.86	-	-
Total (mutual funds)	-	9,037.86	-	-
Total current investments	-	9,037.86	-	-
Aggregate amount of quoted investments and market value thereof	-	11,809.40	2,717.77	19,344.03

Investments at fair value through profit or loss reflect investment in unquoted equity and debt securities. Refer note 36 for determination of their fair values.

Note (i) - Investment in Debt Securities

Name of Securities	31 st March, 2017			
	No. of Units	Face Value (₹ In Lacs)	Cost	Market Value
9.84% Air India NCD 27/09/2026	118	10	1,305.76	1,286.79
9.38% MTNL Bonds 05/12/2023	34	10	368.90	359.65
Total			1,674.66	1,646.44

Name of Securities	31 st March, 2016			
	No. of Units	Face Value (₹ In Lacs)	Cost	Market Value
9.84% Air India NCD 27/09/2026	118	10	1,305.76	1,277.11
9.38% MTNL Bonds 05/12/2023	34	10	368.90	357.95
Total			1,674.66	1,635.06

Name of Securities	31 st March, 2015			
	No. of Units	Face Value (₹ In Lacs)	Cost	Market Value
9.72% Tangendco Bonds 16/07/2024	4	10	40.20	40.90
11% Bank of India Perpetual Bonds (Tier I - Basel III) (Int date 08/08/)	3	10	30.76	32.57
11.50% IL&FS Transportation Networks Ltd. 21/06/2024	3	10	30.08	30.19
9.84% Air India NCD 27/09/2026	13	10	142.36	143.27
9.38% MTNL Bonds 05/12/2023				
Total			243.40	246.93

(All Amounts in ₹ Lacs unless otherwise stated)

Note (ii) - Investment in Government Securities

Name of Securities	31 st March, 2017			
	No. of Units	Face Value (₹ In Lacs)	Cost	Market Value
8.97% GOI 05/12/2030	10	10	1,081.50	1,125.10
Total			1,081.50	1,125.10

Name of Securities	31 st March, 2016			
	No. of Units	Face Value (₹ In Lacs)	Cost	Market Value
8.97% GOI 05/12/2030	10	10	1,081.50	1,082.70
Total			1,081.50	1,082.70

Name of Securities	31 st March, 2015			
	No. of Units	Face Value (₹ In Lacs)	Cost	Market Value
8.97% GOI 05/12/2030	10	10	1,081.50	1,097.09
Total			1,081.50	1,097.09

Note (iii) - Investment in Mutual Fund

Name of Mutual Fund	31 st March, 2017			
	No. of Units	Face Value (₹ In Lacs)	Cost	Market Value
Baroda Pioneer Liquid Fund - Plan A Growth	0.02	-	32.00	32.02
Axis Liquid Fund(G) - Direct Plan	0.42	-	750.00	750.50
Baroda Pioneer Liquid Fund(G) - Direct Plan	0.40	-	750.00	750.49
Canara Rob Liquid Fund(G) - Direct Plan	0.38	-	750.00	750.41
HDFC Cash Mgmt-Savings(G)-Direct Plan	0.22	-	750.00	750.55
ICICI Pru Money Market Fund(G) - Direct Plan	3.33	-	750.00	750.52
IDFC Cash Fund(G) - Direct Plan	0.38	-	750.00	750.47
L&T Liquid Fund(G) - Direct Plan	0.34	-	750.00	750.45
LIC MF Liquid(G) - Direct Plan	0.25	-	750.00	750.47
Reliance Liquidity(G) - Direct Plan	0.31	-	750.00	750.50
Invesco India Liquid Fund(G) - Direct Plan	0.34	-	750.00	750.48
Tata Money Market Fund(G) - Direct Plan	0.29	-	750.00	750.47
UTI Money Market Fund-Inst(G) - Direct Plan	0.41	-	750.00	750.53
Total			9,032.00	9,037.86

Note 7: TRADE RECEIVABLES - UNSECURED

	31 st March, 2017 Discontinuing Operations	31 st March, 2017 Continuing Operations	31 st March, 2016	1 st April, 2015
Trade receivables	83,543.41	34,860.91	1,54,144.63	93,654.68
Less: Allowance for doubtful debts	(998.86)	(113.13)	(709.44)	(340.48)
Total Receivables	82,544.54	34,747.77	1,53,435.18	93,314.19
Current Portion	82,544.54	34,747.77	1,53,435.18	93,314.19
Non-Current Portion	-	-	-	-

- (i) Trade Receivable includes ₹ 52,366.86 Lacs (31st March, 2016 ₹ 79,476.73 Lacs, 1st April, 2015 ₹ 33,498.73 Lacs) towards fertiliser subsidy receivable from the Government of India.
- (ii) The carrying amounts of the trade receivables is net of receivables de-recognised under structured finance arrangements without recourse of ₹ 36,149.92 lacs (31st March, 2016 ₹ 24,250.33 Lacs, 1st April, 2015 ₹ 17,213.03 Lacs) and bills discounted of ₹ 20,779.03 Lacs (31st March, 2016 ₹ NIL, 1st April, 2015 ₹ NIL)

(All Amounts in ₹ Lacs unless otherwise stated)

Note 8: LOANS (Asset)

	31 st March, 2017 Discontinuing Operations		31 st March, 2017 Continuing Operations		31 st March, 2016		1 st April, 2015	
	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current
Unsecured, considered good								
Loan to subsidiaries	-	-	3,310.00	-	3,305.34	-	7,971.55	-
Loan to employees	17.34	-	37.65	-	97.01	-	289.30	-
Loan to Others	187.26	-	180.00	-	124.27	-	161.55	-
Total loans	204.60	-	3,527.65	-	3,526.62	-	8,422.40	-

Note 9: CASH & CASH EQUIVALENTS

	31 st March, 2017 Discontinuing Operations	31 st March, 2017 Continuing Operations	31 st March, 2016	1 st April, 2015
Balances with banks				
- in current accounts	-	5,187.13	4,317.29	1,593.46
- in EEFC accounts	-	17.94	409.82	5.41
Deposits with maturity of less than three months	-	1,046.25	15,020.20	-
Cheques on hand	-	1,152.53	300.09	1,719.34
Cash on hand	-	7.22	14.45	9.21
Total cash and cash equivalents	-	7,411.06	20,061.86	3,327.41

Note 10: OTHER BANK BALANCES

	31 st March, 2017 Discontinuing Operations	31 st March, 2017 Continuing Operations	31 st March, 2016	1 st April, 2015
Unclaimed dividend (Earmarked balances)	-	523.27	792.50	453.84
Other Bank Balances	-	523.27	792.50	453.84

Note 11: OTHER FINANCIAL ASSETS

	31 st March, 2017 Discontinuing Operations		31 st March, 2017 Continuing Operations		31 st March, 2016		1 st April, 2015	
	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current
(i) Derivatives not designated as hedge								
Foreign-exchange forward contracts	-	-	123.43	-	38.85	-	-	-
Foreign currency options	-	-	-	-	408.27	-	1,146.73	-
(ii) Others								
Interest receivable	-	-	1,182.19	-	792.09	-	792.85	-
Balances with banks (*)	-	-	-	1,159.23	-	1,159.23	-	625.15
Security deposits	-	145.14	-	964.35	-	1,757.63	-	1,976.94
Others	-	5.88	-	358.78	-	479.71	-	575.00
Total other financial assets	-	151.02	1,305.62	2,482.36	1,239.21	3,396.57	1,939.59	3,177.09

* ₹ 1,159.23 Lacs (31st March, 2016 ₹ 1,159.23 Lacs, 1st April, 2015 ₹ 625.15 Lacs) kept as fixed deposit with Bank of Baroda, London, as a lien for ECB.

(All Amounts in ₹ Lacs unless otherwise stated)

Note 12: OTHER NON-CURRENT ASSETS

	31 st March, 2017 Discontinuing Operations	31 st March, 2017 Continuing Operations	31 st March, 2016	1 st April, 2015
Capital advances	10,069.53	731.78	7,737.84	3,254.66
Balances with Statutory / Government Authorities	35.53	319.36	378.55	590.33
Prepaid Expenses	-	180.32	62.30	84.76
Total other non-current assets	10,105.07	1,231.46	8,178.69	3,929.75

Note 13: INVENTORIES

	31 st March, 2017 Discontinuing Operations	31 st March, 2017 Continuing Operations	31 st March, 2016	1 st April, 2015
Raw materials Includes ₹ 9.48 Lacs (31 st March, 2016 ₹ 92.03 Lacs, 1 st April, 2015 ₹ 37.52 Lacs) in transit	5,898.18	682.71	9,843.20	10,508.29
Packing Materials Includes ₹ 6.76 Lacs (31 st March, 2016 ₹ 15.39 Lacs, 1 st April, 2015 ₹ 16.62 Lacs) in transit	1,855.40	12.18	1,588.98	1,063.59
Finished goods	11,703.58	2,639.03	4,945.52	5,312.56
Stock-in-trade Includes ₹ 2250.98 Lacs (31 st March, 2016 ₹ 13,532.82 Lacs, 1 st April, 2015 1,337.96 Lacs) In transit	7,160.65	6,097.34	33,400.97	15,686.39
Stores and spares Includes ₹ 79.73 Lacs (31 st March, 2016 ₹ 271.31 Lacs, 1 st April, 2015 ₹ 17.54 Lacs) in transit	7,675.67	5,667.24	10,027.40	7,725.11
Total Inventories	34,293.48	15,098.51	59,806.06	40,295.94

Note 14: OTHER CURRENT ASSETS

	31 st March, 2017 Discontinuing Operations	31 st March, 2017 Continuing Operations	31 st March, 2016	1 st April, 2015
Advances to suppliers	3,015.76	-	2,847.85	3,684.03
Balances with Statutory / Government Authorities	-	6,436.82	2,627.09	1,813.01
Prepaid Expenses	240.25	1,294.13	1,092.50	1,484.18
Other Receivables [@]	-	3,138.41	3,960.44	4,061.71
Total Other Current Assets	3,256.01	10,869.36	10,527.88	11,042.92

[@] Other Receivables include Vat/Sales Tax receivable of ₹ 2,697 Lacs (31st March, 2016 ₹ 3,514.94 Lacs, 1st April, 2015: 3,779.48 Lacs) and Duty Drawback Receivable of ₹ 55.99 Lacs (31st March, 2016: ₹ 49.81 Lacs, 1st April, 2015: ₹ 219.77 Lacs).

(All Amounts in ₹ Lacs unless otherwise stated)

Note 15: SHARE CAPITAL

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Authorised			
12,50,00,000 equity shares of ₹ 10/- each.	12,500.00	12,500.00	12,500.00
(31 st March, 2016 : 12,50,00,000 equity shares of ₹ 10/- each)			
(1 st April, 2015 : 12,50,00,000 equity shares of ₹ 10/- each)			
10,00,000 Cumulative redeemable preference shares of ₹ 100/- each.	1,000.00	1,000.00	1,000.00
(31 st March, 2016 : 10,00,000 Cumulative redeemable preference shares of ₹ 100/- each.)			
(1 st April, 2015 : 10,00,000 Cumulative redeemable preference shares of ₹ 100/- each.)			
	13,500.00	13,500.00	13,500.00
Issued, subscribed and fully paid share capital			
8,82,04,943 equity shares of ₹ 10/- each.	8,820.49	8,820.49	8,820.49
(31 st March, 2016 : 8,82,04,943 equity shares of ₹ 10/- each)			
(1 st April, 2015 : 8,82,04,943 equity shares of ₹ 10/- each)			
Increase during the year			
Fully Paid Share Capital	8,820.49	8,820.49	8,820.49

(i) Reconciliation of the number of Equity Shares

Equity Shares	31 st March, 2017		31 st March, 2016	
	No. of Shares	Amount	No. of Shares	Amount
Balance as at the beginning of the year	88,204,943	8,820.49	88,204,943	8,820.49
Add: Issued during the year	-	-	-	-
Closing Balance	88,204,943	8,820.49	88,204,943	8,820.49

Terms and rights attached to equity shares

The Company has only one class of issued Equity Shares having at par value of ₹ 10 per share. Each holder of Equity Shares is entitled to one vote per Share.

The Company declares and pays dividend in Indian Rupees except in the case of overseas Shareholders where dividend is paid in respective foreign currencies considering foreign exchange rate applied at the date of remittance. The dividend proposed by the Board of Directors is subject to the approval of Shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company the holders of Equity Share will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to their shareholding.

(ii) Details of shareholders holding more than 5% shares in the company

	31 st March, 2017		31 st March, 2016		1 st April, 2015	
	Number of shares (in lakhs)	% Holding	Number of shares (in lakhs)	% Holding	Number of shares (in lakhs)	% Holding
Mr. S C Mehta	0.02	0.00%	212.84	24.13%	212.84	24.13%
Nova Synthetic Limited	425.94	48.29%	172.67	19.58%	172.67	19.58%
Fidelity Puriton Trust-Fidelity Low Priced Stock Fund	72.00	8.16%	75.69	8.58%	75.69	8.58%

(All Amounts in ₹ Lacs unless otherwise stated)

Note 16: RESERVES & SURPLUS

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Capital Reserve	0.13	0.13	0.13
Securities premium reserve (Refer note (i) below)	10,798.95	10,798.95	10,798.95
Debenture redemption reserve (Refer note (ii) below)	6,250.00	5,000.00	8,104.13
Capital Redemption reserve (Refer note (iii) below)	150.00	150.00	150.00
General Reserve (Refer note (iv) below)	17,709.90	17,709.90	17,709.90
Retained earnings (Refer note (v) below)	1,29,244.32	1,14,687.82	1,08,195.82
Total reserves and surplus	1,64,153.31	1,48,346.80	1,44,958.93

(i) Securities Premium Reserve

	31 st March, 2017	31 st March, 2016
Opening Balance	10,798.95	10,798.95
Movement	-	-
Closing Balance	10,798.95	10,798.95

(ii) Debenture redemption reserve

	31 st March, 2017	31 st March, 2016
Opening balance	5,000.00	8,104.13
Appropriations during the year	1,250.00	(3,104.13)
Closing balance	6,250.00	5,000.00

(iii) Capital Redemption reserve

	31 st March, 2017	31 st March, 2016
Opening Balance	150.00	150.00
Movement	-	-
Closing Balance	150.00	150.00

(iv) General Reserve

	31 st March, 2017	31 st March, 2016
Opening Balance	17,709.90	17,709.90
Movement	-	-
Closing Balance	17,709.90	17,709.90

(v) Retained earnings

	31 st March, 2017	31 st March, 2016
Opening balance	1,14,687.82	1,08,195.82
Net profit for the period	16,015.42	11,982.89
Items of other comprehensive income recognised directly in retained earnings	-	-
- Remeasurements of post-employment benefit obligation, net of tax	(244.08)	15.28
- Transfer to retained earnings of FVOCI other than equity instruments, net of tax	35.17	(37.61)
- Cash Flow hedging reserve	-	110.83
Transfer to debenture redemption reserve	(1,250.00)	3,104.13
Dividends Paid*	-	(8,683.42)
Closing Balance	1,29,244.32	1,14,687.82

(*) Includes Dividend distribution tax of ₹ 172.09 Lacs (31st March, 2016)**(vi) Other Reserve**

	31 st March, 2017	31 st March, 2016
Opening balance	(30.10)	(118.59)
Movement	(208.91)	88.49
Closing Balance	(239.00)	(30.10)

(All Amounts in ₹ Lacs unless otherwise stated)

Note 17 (a): FNON-CURRENT BORROWINGS

	Maturity date	Terms of repayment	Coupon/ Interest rate	31 st March, 2017 Discontinuing Operations	31 st March, 2017 Continuing Operations	31 st March, 2016	1 st April, 2015
Secured							
External commercial borrowings (ECBs)							
Bank of Baroda, London	30 th June, 2017	Repayable in 20 quarterly installments commencing from 30 th September, 2012 and last installment is payable on 30 th June, 2017	At variable interest rate of LIBOR + 325 bps payable quarterly (average for the year 4.32% (3.80%).	1,942.95	-	6,596.31	8,677.67
HSBC Bank (Mauritius) Ltd.	29 th July, 2016	Repayable in 6 equal half yearly installments commencing from 31 st January, 2014 and last installment is payable on 29 th July, 2016	At variable interest rate of LIBOR + 300 basis points payable half yearly. The Company has taken interest rate swap from floating to fixed rate of 6.09%.	-	-	2,754.68	7,772.03
Debentures							
2500, 9.71% Redeemable Privately Placed NCDs of ₹ 10 Lacs each	18 th January, 2018	Redeemable in single installment on 18 th January, 2018	9.71% per annum payable annually.	-	24,991.82	24,980.76	24,969.34
500, 9.31% Redeemable Privately Placed Non Convertible Debentures (NCDs) of ₹ 10 Lacs each	15 th July, 2015	Redeemable in single installment on 15 th July, 2015	9.31% per annum payable annually.	-	-	-	4,998.07
500, 10.00% Redeemable Privately Placed NCDs of ₹ 10 Lacs each	25 th November, 2015	Redeemable in three equal installments from 25 th November, 2013 to 25 th November, 2015	10% per annum payable quarterly.	-	-	-	1,666.16
500, 9.75% Redeemable Privately Placed NCDs of ₹ 10 Lacs each	25 th November, 2015	Redeemable in three equal installments from 25 th November, 2013 to 25 th November, 2015	9.75% per annum payable quarterly.	-	-	-	1,664.01
1000, 9.70% Redeemable Privately Placed NCDs of ₹ 10 Lacs each	18 th January, 2016	Redeemable in single installment on 18 th January, 2016	9.70% per annum payable annually.	-	-	-	9,994.17
Term loans							
State Bank of India				42,516.01	-	10,000.00	-
Kotak Mahindra Bank				-	-	6,364.00	-
Export Import Bank of India				9,453.00	-	3,636.00	-
Total non-current borrowings				53,911.95	24,991.82	54,331.75	59,741.43
Less: Current maturities of long-term debt (included in note 18)							
Non-current borrowings				9,367.09	24,991.82	7,408.04	25,055.33
				44,544.86	-	46,923.70	34,686.10

(All Amounts in ₹ Lacs unless otherwise stated)

Note 17 (b): CURRENT BORROWINGS

	31 st March, 2017 Discontinuing Operations	31 st March, 2017 Continuing Operations	31 st March, 2016	1 st April, 2015
Loans repayable on demand				
Secured				
From banks				
-Buyer's credit	11,855.31	27,125.89	30,276.18	31,596.02
-Short term loan from bank	-	-	10,000.00	7,500.00
-Cash credit facilities (refer note below)	-	395.51	984.93	4,810.94
	11,855.31	27,521.39	41,261.11	43,906.96
Unsecured				
-Commercial Borrowings	-	64,478.09	99,173.89	34,604.04
Total current borrowings	11,855.31	91,999.49	1,40,435.00	78,511.00
Current borrowings	11,855.31	91,999.49	1,40,435.00	78,511.00

Buyer's credits are generally due within 180 days and carry variable rate of interest (Average Interest rate for the year 1.14% (31st March, 2016 :1.09 %, 1st April, 2015: 0.84%) and are secured by a first charge by way of hypothecation of stocks of raw materials, stock-in-process, consumable stores and book debts.

Short term loan from bank was repayable on 30th April, 2016 carrying interest rate of 9.45% at 31st March, 2016 (1st April, 2015 9.60%) and was secured by a first charge by way of hypothecation of stocks of raw materials, stock-in-process, consumable stores and book debts.

Cash credit is repayable on demand and carries variable interest rate (average interest rate for the year is 9.44% (31st March, 2016: 9.93%, 1st April, 2015: 10.56%). Cash credit facilities sanctioned by banks including working capital demand loans are secured by a first charge by way of hypothecation of stocks of raw materials, stock-in-process, consumable stores and book debts.

Note 18: OTHER FINANCIAL LIABILITIES

	31 st March, 2017 Discontinuing Operations	31 st March, 2017 Continuing Operations	31 st March, 2016	1 st April, 2015
Non-current				
Interest rate swap designated as hedge	-	-	-	66.16
Security deposits	-	26.00	85.27	82.00
Interest accrued	-	30.51	30.51	47.18
Retention Money	-	80.57	29.69	-
Others	-	17.02	67.81	37.91
Total other non-current financial liabilities	-	154.11	213.27	233.25
Current				
Current maturities of long-term debt	9,367.09	24,991.82	7,408.04	25,055.33
Interest accrued	191.66	540.41	715.86	1,263.96
Security deposits	2,846.68	351.37	2,711.46	2,205.60
Capital creditors	13,316.82	2,033.32	3,382.57	1,498.13
Due to directors	-	1,023.22	757.91	714.71
Foreign-exchange forward contracts	341.10	889.95	484.69	-
Interest rate swap designated as hedge	-	-	30.99	134.32
Others(*)	15,958.42	-	5,900.54	-
Total other current financial liabilities	42,021.78	29,830.10	21,392.05	30,872.05

(*) Others include due to Bank for structured finance where the Company acts as a pass through agent of ₹ 15,958.42 Lacs (31st March, 2016 ₹ 5,900.54 Lacs, 1st April, 2015 Nil)

(All Amounts in ₹ Lacs unless otherwise stated)

Note 19: TRADE PAYABLES

	31 st March, 2017 Discontinuing Operations	31 st March, 2017 Continuing Operations	31 st March, 2016	1 st April, 2015
Current				
Trade payables	19,240.53	21,262.78	46,708.35	23,114.16
Amount due to micro, small & medium enterprises	-	55.05	43.36	0.31
Total trade payables	19,240.53	21,317.83	46,751.71	23,114.47

Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

	31 st March, 2017 Continuing Operations	31 st March, 2016	1 st April, 2015
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year			
- Principal amount outstanding (whether due or not) to micro and small enterprises	55.05	43.36	0.31
- Interest due thereon	2.40	0.42	-
The amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006.	-	-	-
The amount of payment made to the supplier beyond the appointed day during the year	115.20	328.24	53.69
Amount of interest due and payable on delayed payments	-	-	-
Amount of interest accrued and remaining unpaid as at year end	2.40	0.42	-
The amount of further interest due and payable even in the succeeding year	-	-	-

Details of Micro and Small Enterprises as define munder MSMED ACT, 2006

To comply with the requirement of The Micro, Small And Medium Enterprises Development Act, 2006, the Company requested its suppliers to confirm it whether they are covered as Micro, Small or Medium enterprise as is defined in the said Act. Based on the communications received from such suppliers confirming their coverage as such enterprise, the Company has recognised them for the necessary treatment as provided under the Act, from the date of receipt of such confirmations.

Note 20: OTHER NON-CURRENT LIABILITIES

	31 st March, 2017 Discontinuing Operations	31 st March, 2017 Continuing Operations	31 st March, 2016	1 st April, 2015
Other payables(*)	-	350.35	320.19	292.91
Total other current liabilities	-	350.35	320.19	292.91

(*) Other payables includes ₹ 315.76 Lacs (31st March, 2016 ₹ 285.60 Lacs, 1st April, 2015 ₹ 258.32 Lacs) of Decommissioning liability

Note 21: PROVISIONS

	31 st March, 2017 Discontinuing Operations			31 st March, 2017 Continuing Operations			31 st March, 2016			1 st April, 2015		
	Current	Non - Current	Total	Current	Non - Current	Total	Current	Non - Current	Total	Current	Non - Current	Total
Volume discounts	3,462.06	-	3,462.06	257.52	-	257.52	2,875.08	-	2,875.08	2,089.06	-	2,089.06
Total	3,462.06	-	3,462.06	257.52	-	257.52	2,875.08	-	2,875.08	2,089.06	-	2,089.06

(All Amounts in ₹ Lacs unless otherwise stated)

(ii) **Movements in provisions**

Movements in each class of provision during the financial year, are set out below:

	Discontinuing Volume discounts and returns	Continuing Volume discounts and returns	Total
As at 1st April, 2015	2,089.06	-	2,089.06
Charged/(credited) to profit or loss	-	-	-
Additional provisions recognised	508.30	277.72	786.02
As at 1st April, 2016	2,597.36	277.72	2,875.08
Charged/(credited) to profit or loss	-	-	-
Additional provisions recognised	864.70	-	864.70
Unused amounts reversed	-	(20.20)	(20.20)
As at 31st March, 2017	3,462.06	257.52	3,719.58

Note 22: EMPLOYEE BENEFITS OBLIGATIONS

	31 st March, 2017 Discontinuing Operations			31 st March, 2017 Continuing Operations			31 st March, 2016			1 st April, 2015		
	Current	Non - Current	Total	Current	Non - Current	Total	Current	Non - Current	Total	Current	Non - Current	Total
Leave obligation	12.06	800.93	812.99	596.01	573.91	1,169.92	377.35	1,668.59	2,045.94	298.64	1,418.55	1,717.18
Post Retirement benefits	31.44	54.35	85.79	89.61	46.33	135.95	18.66	299.67	318.33	75.68	201.68	277.36
Gratuity	837.07	1,057.15	1,894.23	269.23	-	269.23	613.47	1,058.45	1,671.93	756.90	989.41	1,746.30
Others				17.02	-	17.02						-
Total employee benefit obligations	880.57	1,912.44	2,793.01	971.87	620.25	1,592.12	1,009.48	3,026.71	4,036.19	1,131.22	2,609.63	3,740.85

(i) **Leave Obligations**

The leave obligations cover the Company's liability for sick and earned leave.

The amount of the provision of Discontinuing & Continuing Operations ₹ 608.07 Lacs (31st March, 2016 – ₹ 377.35 Lacs, 1st April, 2015 – ₹ 298.64 Lacs) is presented as current, though the Company does not have an unconditional right to defer settlement for any of these obligations, as based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The amounts that reflect leave that is not expected to be taken or paid within the next 12 months is shown under current portion.

Post Retirement Benefits & Gratuity

- (i) The Company has a Post Retirement Benefit plan, which is a defined benefit retirement plan, according to which executives superannuating from the service after ten years of service are eligible for certain benefits like medical, fuel, telephone reimbursement, club membership etc. for specified number of years. The liability is provided for on the basis of an independent actuarial valuation.
- (ii) The Company has an obligation towards Gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payments to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The plan is managed by a Trust and the fund is invested with recognised Insurance Companies under their Group Gratuity scheme. The Company makes annual contributions to Gratuity fund and recognises the liability for Gratuity benefits payable in future based on an independent actuarial valuation.

(All Amounts in ₹ Lacs unless otherwise stated)

The amounts recognised in the balance sheet and the movements in the defined benefit obligation (Gratuity) over the year are as follows:

	Present value of obligation	Fair value of plan assets	Net Amount
1st April, 2015	4,029.04	(2,282.74)	1,746.30
Current service cost	367.54	-	367.54
Past service cost	-	-	-
Interest expense/(income)	313.94	(197.19)	116.76
Total amount recognised in profit or loss	681.48	(197.19)	484.29
Remeasurements	-	15.02	15.02
Total amount recognised in other comprehensive income	-	15.02	15.02
Exchange differences	-	-	-
Contributions by employer	-	(573.69)	(573.69)
31st March, 2016	4,710.52	(3,038.60)	1,671.93
1st April, 2016	4,710.52	(3,038.60)	1,671.93
Current service cost	379.80	-	379.80
Adjustment to opening fund	161.68	-	161.68
(Gains) and losses on curtailment and settlement	-	-	-
Interest expense/(income)	343.59	(237.29)	106.30
Total amount recognised in profit or loss	885.08	(237.29)	647.78
Remeasurements	-	462.04	462.04
Total amount recognised in other comprehensive income	-	462.04	462.04
Contributions by employer	-	(618.29)	(618.29)
31st March, 2017	5,595.60	(3,432.14)	2,163.46
Continuing Operations			269.23
Discontinuing Operations			1,894.23

i) Sensitivity Analysis

The key assumption and sensitivity of the defined benefit obligation to changes in the weighted principal assumption is:

Particulars	31 st March, 2017	31 st March, 2016	1 st April, 2015
Discount rate	7.50%	7.80%	8.00%
Salary growth rate	5%	5%	5%
Normal retirement age	60	60	60
Mortality table	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Employee turnover	5%	5%	5%

Assumption	Impact on defined benefit obligation	
	31 st March, 2017	31 st March, 2016
Discount rate		
1.00% increase	Decrease by 302.52	Decrease by 257.40
1.00% decrease	Increase by 334.53	Increase by 284.64
Future salary increase		
1.00% increase	Increase by 285.68	Increase by 244.95
1.00% decrease	Decrease by 263.58	Decrease by 226.04
Attrition Rate		
1.00% increase	Increase by 39.88	Increase by 38.63
1.00% decrease	Decrease by 43.21	Decrease by 41.80

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

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

(All Amounts in ₹ Lacs unless otherwise stated)

The amounts recognised in the balance sheet and the movements in the defined benefit obligation (Post Retirement Benefit) over the year are as follows:

	Present value of obligation	Fair value of plan assets	Net Amount
1st April, 2015	277.36	-	277.36
Current service cost	66.62	-	66.62
Past service cost	-	-	-
Interest expense/(income)	21.83	-	21.83
Total amount recognised in profit or loss	88.44	-	88.44
Remeasurements	(38.38)	-	(38.38)
Total amount recognised in other comprehensive income	(38.38)	-	(38.38)
Exchange differences	-	-	-
Contribution by employer	(9.10)	-	(9.10)
31st March, 2016	318.33	-	318.33
1st April, 2016	318.33	-	318.33
Current service cost	70.05	-	70.05
Adjustment to opening fund	(60.60)	-	(60.60)
(Gains) and losses on curtailment and settlement	-	-	-
Interest expense/(income)	23.99	-	23.99
Total amount recognised in profit or loss	33.44	-	33.44
Remeasurements	(108.60)	-	(108.60)
Total amount recognised in other comprehensive income	(108.60)	-	(108.60)
Contribution by employer	(21.44)	-	(21.44)
31st March, 2017	221.73	-	221.73
Continuing Operations			135.95
Discontinuing Operations			85.79

i) Key Assumption

The key assumptions of the defined benefit obligation are :

Particulars	31 st March, 2017	31 st March, 2016	1 st April, 2015
Discount rate	7.50%	7.80%	8.00%
Salary growth rate	5%	5%	5%
Normal retirement age	60	60	60
Mortality table	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Employee turnover	5%	5%	5%

(All Amounts in ₹ Lacs unless otherwise stated)

Note 23: DEFERRED TAX LIABILITIES (NET)

The balance comprises temporary differences attributable to:

	31 st March, 2017 Discontinuing Operations	31 st March, 2017 Continuing Operations	31 st March, 2016	1 st April, 2015
Property, plant and equipment and investment property	10,168.47	3,772.72	14,258.10	14,701.15
Intangible assets				
Financial assets at fair value through profit or loss	-	(411.74)	(384.80)	(314.04)
Financial assets at FVOCI (including derivatives)		(126.49)	(15.93)	(62.76)
	10,168.47	3,234.49	13,857.38	14,324.35
Other items	(93.75)	(1,589.18)	(1,827.34)	(2,188.96)
	(93.75)	(1,589.18)	(1,827.34)	(2,188.96)
Total deferred tax liabilities	10,074.72	1,645.31	12,030.03	12,135.39
Net deferred tax liabilities	10,074.72	1,645.31	12,030.03	12,135.39

Movements in deferred tax liabilities:

	Financial assets at fair value through profit or loss	Financial assets at FVOCI (including derivatives)	Property, plant and equipment and investment property	Other items	Total
At 1st April, 2015	(314.04)	(62.76)	14,701.15	(2,188.96)	12,135.39
Charged/(credited)					-
- to profit or loss	(70.76)		(443.05)	361.62	(152.19)
- to other comprehensive income		46.83			46.83
At 31st March, 2016	(384.80)	(15.93)	14,258.10	(1,827.34)	12,030.03
Charged/(credited)					
- to profit or loss	(26.94)		(316.91)	144.42	(199.43)
- to other comprehensive income		(110.56)			(110.56)
At 31st March, 2017	(411.74)	(126.49)	13,941.19	(1,682.92)	11,720.04

(All Amounts in ₹ Lacs unless otherwise stated)

Note 24: CURRENT TAX LIABILITIES

	31 st March, 2017 Discontinuing Operations	31 st March, 2017 Continuing Operations	31 st March, 2016	1 st April, 2015
Opening balance	4,693.99	553.81	3,119.87	2,834.03
Add: Current tax payable for the year	3,152.36	3,360.78	4,920.00	2,543.75
Less: Taxes paid	-	3,914.58	2,792.07	2,257.91
Closing balance	7,846.36	-	5,247.80	3,119.87

Note 25: OTHER CURRENT LIABILITIES

	31 st March, 2017 Discontinuing Operations	31 st March, 2017 Continuing Operations	31 st March, 2016	1 st April, 2015
Customer advances	719.69	2,023.35	2,494.87	1,237.22
Unclaimed dividend (#)		523.64	792.87	496.45
Statutory tax payables	-	1,493.69	1,078.76	536.63
Other payables (*)	1,449.35	2,420.00	2,718.21	1,792.75
Total other current liabilities	2,169.04	6,460.67	7,084.71	4,063.04

(#) ₹ 51.82 Lacs (31st March, 2016 ₹ 42.23 Lacs, 1st April, 2015 ₹ 34.89 Lacs) transferred to the Investor Education and Protection Fund during the year

(*) Other payables includes ₹ 2,037.98 Lacs (31st March, 2016 ₹ 1,765.60 Lacs, 1st April, 2015 ₹ 1,191.65 Lacs) related to employee dues and ₹ 1,883.07 Lacs (₹ 1,042.20 Lacs) related to sales and marketing expenses.

Note 26: REVENUE FROM OPERATIONS

	31 st March, 2017 Discontinuing Operations	31 st March, 2017 Continuing Operations	31 st March, 2016 Discontinuing Operations	31 st March, 2016 Continuing Operations
Sale of products (including excise duty)				
Finished goods	1,37,599.05	96,695.03	1,40,749.93	93,909.62
Traded goods	45,429.77	1,13,868.53	79,448.25	80,310.71
Subsidy on manufactured fertilisers	17,163.29	-	15,706.34	-
Subsidy on traded fertilisers	12,219.60	-	34,084.75	-
Revenue from realty business	-	554.90	-	521.52
Other operating revenues	605.89	1,589.33	331.17	1,789.32
Total Revenue from Operations	2,13,017.60	2,12,707.79	2,70,320.44	1,76,531.17

(All Amounts in ₹ Lacs unless otherwise stated)

	31 st March, 2017 Discontinuing Operations	31 st March, 2017 Continuing Operations	31 st March, 2016 Discontinuing Operations	31 st March, 2016 Continuing Operations
Details of Sales of goods (including subsidy)				
Finished goods				
Iso propyl alcohol		44,915.00		41,990.50
Nitrophosphate	50,305.00		47,790.29	
Bentonite sulphur	3,484.00		3,147.80	
Technical ammonium nitrate	83,153.00		92,916.76	
Nitric acid		37,130.00		36,071.84
Methanol		1,128.00		-
Propane		3,320.00		4,094.05
Liquid CO ₂		697.00		1,282.94
Hydrogen		59.00		388.96
Power generated from windmills		758.00		693.41
NPK	6,626.00			
Others	11,194.34	8,688.03	12,601.42	9,387.92
Total (A)	1,54,762.34	96,695.03	1,56,456.27	93,909.62
Sale of traded goods				
Bulk Fertilisers	25,030.47		57,949.10	
Specialty fertiliser	16,162.53		17,573.88	
Bulk Chemicals		1,13,318.51		79,803.04
Others	4,236.77	550.02	3,925.27	507.68
Total (B)	45,429.77	1,13,868.53	79,448.26	80,310.71

Note 27: OTHER INCOME

(a) Other income

	31 st March, 2017 Discontinuing Operations	31 st March, 2017 Continuing Operations	31 st March, 2016 Discontinuing Operations	31 st March, 2016 Continuing Operations
Rental income	-	13.39	-	24.43
Dividend income from investments mandatorily measured at fair value through profit or loss	-	25.00	-	3,700.00
Interest income from financial assets mandatorily measured at fair value through profit or loss	195.97	579.89	116.69	595.18
Interest income from financial assets at amortised cost	-	83.04	-	62.08
Unwinding of discount on security deposits	-	62.41	-	69.19
Other non-operating income	63.96	726.53	321.88	273.94
Net gain on financial assets mandatorily measured at fair value through profit or loss	-	5.86	-	-
Net gain on sale of investments	-	298.67	-	173.81
Total other income	259.93	1,794.79	438.57	4,898.63

Note 28: COST OF MATERIALS CONSUMED

	31 st March, 2017 Discontinuing Operations	31 st March, 2017 Continuing Operations	31 st March, 2016 Discontinuing Operations	31 st March, 2016 Continuing Operations
Raw materials and Packing material at the beginning of the year	9,631.26	211.94	-	10,508.29
Add: Purchases	87,176.26	52,137.21	1,03,379.36	46,741.22
Less: Raw material and Packing material at the end of the year	5,898.18	682.71	9,631.26	211.94
Total cost of materials consumed	90,909.34	51,666.44	93,748.10	57,037.57

(All Amounts in ₹ Lacs unless otherwise stated)

Note 29: PURCHASE OF TRADED GOODS

	31 st March, 2017 Discontinuing Operations	31 st March, 2017 Continuing Operations	31 st March, 2016 Discontinuing Operations	31 st March, 2016 Continuing Operations
Bulk Fertilisers	21,080.81	-	95,644.16	-
Speciality Fertilisers	12,017.22	-	12,569.34	-
Bulk Chemicals	-	98,801.40	-	83,700.97
Others	2,548.22	571.54	4,559.82	421.85
Total Purchase of Traded goods	35,646.23	99,372.94	1,12,773.32	84,122.82

Note 30: CHANGES IN INVENTORIES OF WORK-IN-PROGRESS, STOCK-IN-TRADE AND FINISHED GOODS

	31 st March, 2017 Discontinuing Operations	31 st March, 2017 Continuing Operations	31 st March, 2016 Discontinuing Operations	31 st March, 2016 Continuing Operations
Opening balance				
Work-in progress				
Finished goods		338.31		5,312.56
Traded goods	25,398.32	12,609.86	15,034.55	651.84
Total opening balance	25,398.32	12,948.17	15,034.55	5,964.40
Closing balance				
Work-in progress	11,703.58	2,639.03	4,607.21	338.31
Finished goods	6,049.83	6,097.34	21,169.11	12,231.86
Traded goods				
Total closing balance	17,753.42	8,736.37	25,776.32	12,570.17
(Increase)/ decrease in excise duty on stock of finished goods	(15.77)	58.30	(60.23)	(37.86)
Total changes in inventories of work-in-progress, stock-in-trade and finished goods	7,629.14	4,270.10	(10,802.00)	(6,643.63)

Note 31: EMPLOYEE BENEFIT EXPENSE

	31 st March, 2017 Discontinuing Operations	31 st March, 2017 Continuing Operations	31 st March, 2016 Discontinuing Operations	31 st March, 2016 Continuing Operations
Salaries, wages and bonus	5,804.95	9,909.83	4,858.44	9,583.09
Contribution to provident fund and other funds	706.50	1,246.42	499.77	1,153.71
Staff welfare expenses	228.85	697.11	202.45	663.46
Total employee benefit expense	6,740.31	11,853.35	5,560.66	11,400.26

Note 32: FINANCE COSTS

	31 st March, 2017 Discontinuing Operations	31 st March, 2017 Continuing Operations	31 st March, 2016 Discontinuing Operations	31 st March, 2016 Continuing Operations
Interest and finance charges on financial liabilities not at fair value through profit or loss#	5,864.82	10,687.51	3,351.88	11,155.06
	5,864.82	10,687.51	3,351.88	11,155.06
Less: Amount capitalised	2,588.04	1,964.10	-	1,587.64
Finance costs expensed in profit or loss	3,276.78	8,723.41	3,351.88	9,567.42

(#) Exchange difference to the extent considered as an adjustment to borrowing cost ₹ 514.60 Lacs (₹ 2,600.10 Lacs).

(All Amounts in ₹ Lacs unless otherwise stated)

Note 33: DEPRECIATION AND AMORTISATION EXPENSE

	31 st March, 2017 Discontinuing Operations	31 st March, 2017 Continuing Operations	31 st March, 2016 Discontinuing Operations	31 st March, 2016 Continuing Operations
Depreciation of property, plant and equipment	7,140.34	5,644.22	6,682.30	4,798.78
Depreciation on investment properties	-	37.54	-	37.13
Amortisation of intangible assets	93.08	108.09	93.57	152.51
Total depreciation and amortisation expense	7,233.43	5,789.86	6,775.88	4,988.42

Note 34: OTHER EXPENSES

	31 st March, 2017 Discontinuing Operations	31 st March, 2017 Continuing Operations	31 st March, 2016 Discontinuing Operations	31 st March, 2016 Continuing Operations
Power, Fuel and Water [@]	790.75	3,461.15	(554.20)	4,099.86
Stores, spares, oils, chemicals and catalysts consumed	3,272.01	1,505.32	3,183.81	769.73
Repairs to :	-	-	-	-
- Building	160.97	755.53	115.55	302.28
- Plant and Machinery	2,472.31	1,428.48	2,060.81	1,191.95
- Others	-	867.16	40.73	735.26
Insurance	339.31	573.20	513.92	839.30
Rent	1,321.10	662.89	1,054.06	673.33
Rates, Taxes and Duties	181.86	2,243.94	176.87	1,045.46
Directors' Sitting Fees	-	55.68	-	28.61
Carriage Outward (Net)	12,005.62	3,563.04	10,513.63	3,795.66
Foreign Exchange Fluctuations (Net)	718.17	825.54	1,744.27	416.06
Loss on Sales of Fixed Assets	258.39	11.97	99.53	7.09
Commission on Sales	689.72	42.52	494.09	36.59
Legal and Professional Fees	129.99	2,947.32	147.00	1,900.81
Sales and Promotions Expenses	1,460.61	251.36	750.70	256.09
Travelling and Conveyance	461.88	428.95	451.16	313.02
Utility Services	304.06	659.34	265.70	561.12
Communication expenses	96.91	265.75	90.41	202.83
Corporate social responsibility expenditure (refer note 34(b) below)	-	613.60	-	167.89
Payments to auditors (refer note 34(a) below)	4.02	70.36	1.14	51.67
Miscellaneous expenses	2,600.20	1,709.30	1,252.29	1,219.29
Interdivisional Overheads*	12,471.72	(12,471.72)	10,580.21	(10,580.21)
Total other expenses	39,739.62	10,470.69	32,981.68	8,033.70

([@]) Includes ₹ 505.44 Lacs (₹ 1,646.98 Lacs) relating to cost of steam allocated to continuing operations.

(*) Represents common overheads allocated to Discontinuing Operations by Continuing Operations

Note 34(a): DETAILS OF PAYMENTS TO AUDITORS

	31 st March, 2017 Discontinuing Operations	31 st March, 2017 Continuing Operations	31 st March, 2016 Discontinuing Operations	31 st March, 2016 Continuing Operations
Payment to auditors				
As auditor:				
Audit fee	4.00	39.43	1.00	36.19
Tax audit fee	-	5.00	-	5.08
In other capacities				
Taxation matters	-	7.27	-	0.50
Certification fees	0.02	15.81	0.14	7.04
Re-imbusement of expenses	-	2.85	-	2.86
Total payments to auditors	4.02	70.36	1.14	51.67

(All Amounts in ₹ Lacs unless otherwise stated)

Note 34(b): CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

	31 st March, 2017	31 st March, 2016
Ishanya Foundation	588.00	149.03
Others	25.60	18.86
Total	613.60	167.89
Amount required to be spent as per Section 135 of the Act	397.00	392.00
Amount spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above	613.60	167.89

NOTE 35: DISCLOSURE OF SBNS IN FINANCIAL STATEMENTS (AMENDMENT TO SCHEDULE III)

The MCA has amended division I and division II of the Schedule III. As per the amendment, each company needs to disclose the details of Specified Bank Notes held and transacted during the period from 8th November, 2016 to 30th December, 2016 in the prescribed format.

	Specified Bank Notes	Other Denomination Notes	Total
	Amount	Amount	
Closing Cash in Hand as on 08.11.2016	278,500	91,401	369,901
Add: Permitted Receipts	43,000	1,185,437	1,228,437
Less: Permitted Payments	1,000	1,211,126	1,212,126
Less: Amount deposited in Banks	320,500	810	321,310
Closing Cash in Hand as on 31.12.2016	-	64,902	64,902

Note 36: FAIR VALUE MEASUREMENTS (CONTINUING AND DISCONTINUING OPERATIONS)

Financial instruments by category

	31 st March, 2017			31 st March, 2016			1 st April, 2015		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets									
Investments									
- Equity instruments, investments in subsidiaries, joint ventures	-	-	8,824.71	-	-	8,824.71	-	-	8,775.97
- Equity instruments at fair value	68.69	-	-	68.69	-	-	68.69	-	-
- Bonds and debentures	-	-	-	-	-	-	18,000.00	-	-
- Mutual funds	9,037.86	-	-	-	-	-	-	-	-
- Government securities	-	2,771.54	-	-	2,717.77	-	-	1,344.03	-
Trade receivables	-	-	1,17,292.32	-	-	1,53,435.18	-	-	93,314.19
Loans	-	-	3,732.26	-	-	3,526.62	-	-	8,422.40
Cash and cash equivalents	-	-	7,411.06	-	-	20,061.86	-	-	3,327.41
Derivative financial assets	123.43	-	-	447.12	-	-	1,146.73	-	-
Security deposits	-	-	1,109.50	-	-	1,757.63	-	-	1,976.94
Other financial assets	-	-	2,706.08	-	-	2,431.03	-	-	1,993.00
Total financial assets	9,229.97	2,771.54	1,41,075.92	515.81	2,717.77	1,90,037.03	19,215.42	1,344.03	1,17,809.92
Financial liabilities									
Borrowings	-	-	148,399.66	-	-	1,87,358.70	-	-	1,13,197.10
Derivative financial liabilities, not designated as hedges	1,231.06	-	-	484.69	-	-	-	-	-
Trade payables	-	-	40,558.36	-	-	46,751.71	-	-	23,114.47
Capital creditors	-	-	15,350.14	-	-	3,382.57	-	-	1,498.13
Derivative financial liabilities, designated as hedges	-	-	55,424.78	-	30.99	17,707.08	-	134.32	29,472.86
Total financial liabilities	1,231.06	-	2,59,732.94	484.69	30.99	2,55,200.06	-	134.32	1,67,282.56

(All Amounts in ₹ Lacs unless otherwise stated)

(i) Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following table provides the fair value measurement hierarchy of the Company's financial assets and liabilities that are measured at fair value or where fair value disclosure is required:

Financial assets and liabilities measured at fair value	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
At 31st March, 2017												
Financial Investments at FVPL												
Equity shares			68.69	68.69			68.69	68.69			68.69	68.69
Mutual funds - Growth plan	9,037.86			9,037.86	-			-	-			-
Mutual funds - Dividend plan				-				-				-
Financial Investments at FVOCI				-				-				-
Bonds & Government Securities	2,771.54			2,771.54	2,717.77			2,717.77	19,344.03			19,344.03
Derivatives not designated as hedges				-				-				-
Foreign exchange forward contracts/ options		123.43		123.43		447.12		447.12		1,146.73		1,146.73
Derivatives designated as hedges				-				-				-
Interest rate swaps				-				-				-
Total financial assets	11,809.40	123.43	68.69	12,001.51	1,082.70	447.12	68.69	3,233.57	19,344.03	1,146.73	68.69	20,559.45
Financial liabilities												
Derivatives												
Foreign exchange forward contracts/ option contracts		1,231.06		1,231.06		484.69		484.69	-	-		-
Derivatives designated as hedges				-				-				-
Interest rate swaps				-		30.99		30.99		134.32		134.32
Total financial liabilities	-	1,231.06	-	1,231.06	-	515.68	-	515.68	-	134.32	-	134.32
Assets and liabilities which are measured at amortised cost for which fair values are disclosed												
At 31st March, 2017												
Financial Liabilities												
Non Convertible Debentures		25,763.25		25,763.25		25,661.82		25,661.82		25,754.27		25,754.27
Total financial liabilities	-	25,763.25	-	25,763.25	-	25,661.82	-	25,661.82	-	25,754.27	-	25,754.27

(ii) Valuation process to determine fair value

The following methods and assumptions were used to estimate the fair values of financial instruments:

- i) The carrying amounts of cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature.
- ii) The fair values of the equity investment which are quoted, are derived from quoted market prices in active markets. In the case of the investment measured at fair value and falling under fair value hierarchy Level 3, cost has been considered as an appropriate estimate of fair value. The carrying value of those investments are individually immaterial.
- iii) The Company enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. The fair value of derivative financial instruments is based on observable market inputs including currency spot and forward rate, yield curves, currency volatility, interest rate curves and use of appropriate valuation models.
- iv) The fair value of the long-term borrowings carrying floating-rate of interest is not impacted due to interest rate changes and will not be significantly different from their carrying amounts as there is no significant change in the underlying credit risk of the Company (since the date of inception of the loans).
- v) The fair values of the unsecured redeemable non-convertible debenture (included in long term borrowings) are derived from quoted market prices/discounting using current market interest rates. The Company has no other long-term borrowings with fixed-rate of interest.

(All Amounts in ₹ Lacs unless otherwise stated)

Note 37: FINANCIAL RISK MANAGEMENT**Year ended 31st March, 2017:****(A) Expected Credit Loss**

(a) Expected credit loss for trade receivables under simplified approach

Ageing	> 6 months past due Discontinuing	Others	Total	> 6 months past due Continuing	Others	Total
Gross carrying amount	4,480.56	79,062.84	83,543.40	507.46	34,353.44	34,860.90
Expected loss rate	upto 11%			upto 11%		
Expected credit losses (Loss allowance provision)	998.86	-	998.86	113.13	-	113.13
Carrying amount of trade receivables (net of impairment)	3,481.70	79,062.84	82,544.54	394.33	34,353.44	34,747.77

Year ended 31st March, 2016:

(a) Expected credit loss for trade receivables under simplified approach

Ageing	> 6 months past due Discontinuing	Others	Total
Gross carrying amount	6,207.85	1,47,936.77	1,54,144.63
Expected loss rate	upto 11%		
Expected credit losses (Loss allowance provision)	709.44		709.44
Carrying amount of trade receivables (net of impairment)	5,498.41	1,47,936.77	1,53,435.18

Year ended 1st April, 2015:

(a) Expected credit loss for trade receivables under simplified approach

Ageing	> 6 months past due	Others	Total
Gross carrying amount	2,828.06	90,826.62	93,654.68
Expected loss rate	upto 11%		
Expected credit losses (Loss allowance provision)	340.48	-	340.48
Carrying amount of trade receivables (net of impairment)	2,487.57	90,826.62	93,314.19

(i) Reconciliation of loss allowance provision – Trade receivables

Loss allowance on 1st April, 2015	340.48
Changes in loss allowance	368.96
Loss allowance on 31st March, 2016	709.44
Changes in loss allowance	289.42
Loss allowance on 31st March, 2017	998.86

(B) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, the treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

(All Amounts in ₹ Lacs unless otherwise stated)

(i) Financing Arrangements

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

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Floating rate			
- Expiring within one year (bank overdraft and other facilities)			
- Cash Credit Facilities	47,500.00	37,500.00	26,065.00
- LC and Bank Guarantee Facilities	67,500.00	43,500.00	57,800.08
- Expiring beyond one year (bank loans)			
- Long Term Loans	3,000.00	35,000.00	-

The bank overdraft facilities may be drawn at any time and are repayable on demand. The bank loan facilities may be drawn at any time in ₹ and have an average maturity of 1 year (2016 – 1 year, 2015 1 year).

(ii) Maturities of Financial Liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- all non-derivative financial liabilities, and
- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities 31 st March, 2017	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Non-derivatives							
Borrowings	96,712.65	12,800.00	28,712.00	7,857.16	23,571.48	13,104.71	182,758.00
Trade payables	40,558.36						40,558.36
Total non-derivative liabilities	1,37,271.01	12,800.00	28,712.00	7,857.16	23,571.48	13,104.71	2,23,316.36
Derivatives (net settled)							
Foreign exchange forward contracts	1,023.39	84.24					1,107.63
Principal swap	-	-	-	-	-	-	-
Total derivative liabilities	1,023.39	84.24	-	-	-	-	1,107.63

Contractual maturities of financial liabilities 31 st March, 2016	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Non-derivatives							
Borrowings	1,27,444.54	18,069.82	2,318.84	26,933.54	-	20,000.00	1,94,766.74
Trade payables	46,751.71	-	-	-	-	-	46,751.71
Total non-derivative liabilities	1,74,196.24	18,069.82	2,318.84	26,987.58	-	20,000.00	2,41,518.44
Derivatives (net settled)							
Foreign exchange forwards and options	337.75	146.94	-	-	-	-	484.69
Interest rate swap	-	30.99	-	-	-	-	30.99
Total derivative liabilities	337.75	177.93	-	-	-	-	515.68

(All Amounts in ₹ Lacs unless otherwise stated)

Contractual maturities of financial liabilities 1 st April, 2015	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Non-derivatives							
Borrowings	79,135.99	8,229.17	17,187.17	6,979.17	1,665.60	-	1,13,197.10
Trade payables	23,114.47	-	-	-	-	-	23,114.47
Total non-derivative liabilities	1,02,250.46	8,229.17	17,187.17	6,979.17	26,720.93	-	1,36,311.57
Derivatives (net settled)							
Foreign exchange Option Contracts	-	-	-	-	-	-	-
Interest rate swap	-	200.47	-	-	-	-	7,812.00
Total derivative liabilities	-	200.47	-	-	-	-	200.47

(C) Foreign Currency Risk Exposure

- (i) The Company's exposure to foreign currency risk at the end of the reporting period is presented in Note no 48
- (ii) Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and hedges thereof. There is no impact on other components of equity as the company has not designated foreign forward exchange contracts, foreign exchange option contracts as cash flow hedges.

	Impact on profit after tax		Impact on other components of equity	
	31 st March, 2017	31 st March, 2016	31 st March, 2017	31 st March, 2016
USD sensitivity				
INR/USD - appreciated by 6% (31 st March, 2016 - 11%)	34,770.73	70,745.18	-	-
INR/USD - depreciated by 6% (31 st March, 2016 - 11%)	(34,770.73)	(70,745.18)	-	-
EUR sensitivity				
INR/EUR - appreciated by 11% (31 st March, 2016 - 19%)	1,626.97	647.65	-	-
INR/EUR - depreciated by 11% (31 st March, 2016 - 19%)	(1,626.97)	(647.65)	-	-

(D) Cash flow and fair value interest rate risk

The Company's main interest rate risk arises from long-term borrowings with variable rates, which exposes the Company to cash flow interest rate risk. During 31st March, 2016 and 31st March, 2017, the Company's borrowings at variable rate were mainly denominated in INR, USD

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps in case of ECBs. Under these swaps, the Company agrees with other parties to exchange, at specified intervals (mainly half yearly), the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts.

(i) Interest Rate Exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Variable rate borrowings	1,70,885.29	1,57,060.26	79,760.99
Fixed rate borrowings	11,873.28	37,706.49	33,436.11
Total borrowings	1,82,758.57	1,94,766.75	1,13,197.10

(All Amounts in ₹ Lacs unless otherwise stated)

As at the end of the reporting period, the Company had the following variable rate borrowings and interest rate swap contracts outstanding:

	31 st March, 2017			31 st March, 2016			1 st April, 2015		
	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans
Buyers Credit	1.14%	38,981.00	21.33%	0.94%	30,276.18	15.54%	0.84%	31,596.02	22.83%
Commercial Papers	7.77%	64,478.00	35.28%	8.51%	99,173.89	50.91%	8.89%	34,604.03	25.00%
Cash Credit	9.44%	396.00	0.22%	9.93%	984.93	0.51%	10.56%	4,810.94	3.48%
ECB Loan	4.32%	1,945.65	1.06%	3.80%	6,625.26	3.40%	3.59%	8,750.00	6.32%
NPK Term Loan	9.58%	65,084.64	35.61%	9.95%	20,000.00	10.27%	-	-	-
Interest rate swaps (notional principal amount)	-	-	-	6.09%	2,760.52	1.42%	6.09%	7,812.00	5.64%
Net exposure to cash flow interest rate risk		1,70,885.29			1,59,820.78			87,572.99	

An analysis by maturities is provided in note 37(b)(ii) above. The percentage of total loans shows the proportion of loans that are currently at variable rates in relation to the total amount of borrowings.

(ii) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. Other components of equity change as a result of an increase/decrease in the fair value of the cash flow hedges related to borrowings.

	Impact on Profit / (Loss) after tax		Impact on other components of equity	
	31 st March, 2017	31 st March, 2016	31 st March, 2017	31 st March, 2016
Interest rates – increase by 50 basis points (60 bps)	(854.43)	(942.36)		3.90
Interest rates – decrease by 50 basis points (60 bps)	854.43	942.36		(3.90)

Note 38: NAMES OF THE RELATED PARTIES AND RELATIONSHIP

A. ASSOCIATES	D. ENTITIES OVER WHICH KEY MANAGERIAL PERSONNEL ARE ABLE TO EXERCISE SIGNIFICANT INFLUENCE:
1 Ishanya Brand Services Ltd.	1 Blue Shell Investments Pvt. Ltd.
2 Ishanya Realty Corporation Ltd.	2 Nova Synthetic Ltd.
3 Mumbai Modern Terminal Complex Pvt. Ltd.	3 The Lakaki Works Pvt. Ltd.
4 Desai Fruits and Vegetables Pvt. Ltd.	4 Superpose Credits And Capital Pvt. Ltd.
	5 Storewell Credits And Capital Pvt. Ltd.
	6 High Tide Investments Pvt. Ltd.
B. SUBSIDIARIES	7 Deepak Asset Reconstruction Pvt. Ltd.
1 Smartchem Technologies Ltd. (STL)	8 Mahadhan Investment and Finance Pvt. Ltd.
2 Platinum Blasting Services Pty Ltd. [PBS] (Subsidiary of STL)	9 Ishanya Foundation
3 Australian Mining Explosives Pty Ltd (Subsidiary of PBS)	10 Deepak Foundation
4 SCM Soilfert Ltd.	11 Mahadhan Farm Technologies Pvt. Ltd.
5 RungePincockMinarco India Pvt. Ltd.	12 Robust Marketing Services Pvt. Ltd.
6 Yerrowda Investments Ltd.	13 Performance Chemiserve Private Limited (w.e.f. 30/03/2017)
7 Deepak Mining Services Pvt.Ltd.	
8 Deepak Nitrochem Pty.Ltd.	
9 SCM Fertichem Ltd.	E. RELATIVES OF KEY MANAGEMENT PERSONNEL
	1 Shri Yeshil Mehta
C. KEY MANAGEMENT PERSONNEL	F. ENTERPRISES OVER WHICH RELATIVES ARE ABLE TO EXERCISE SIGNIFICANT INFLUENCE
1 Shri S.C. Mehta	1 Deepak Nitrite Ltd.
2 Shri Vipin Agarwal	
3 Shri K. Subharaman (effective 12/08/2016)	
4 Shri Mandar Velankar (till 12/08/2016)	

(All Amounts in ₹ Lacs unless otherwise stated)
Note 38 (a): RELATED PARTY TRANSACTIONS

Sr. No.	Nature of Transactions	Year ended 31 st March, 2017						Year ended 31 st March, 2016					
		Subsidiaries	Associates	Key Management Personnel	Entities over which Key Management Personnel are able to exercise significant influence (*)	Relatives of Key Management Personnel	Total	Subsidiaries	Associates	Key Management Personnel	Entities over which Key Management Personnel are able to exercise significant influence (*)	Relatives of Key Management Personnel	Total
1	Sale of Goods	543.28	-	-	6,896.78	-	7,440.07	5.84	-	-	6,623.59	-	6,629.43
2	Purchase of Goods	-	-	-	(1,807.37)	-	(1,807.37)	-	-	-	-	-	-
3	Donation Given	-	-	-	(588.00)	-	(588.00)	-	-	-	(149.00)	-	(149.00)
4	Rendering of Services/ Reim- bursement of Expenses	371.06	11.82	-	5.61	-	388.50	286.05	0.80	-	7.21	-	294.06
5	Receiving of Services / Reim-	(10.46)	-	(1,339.64)	(80.35)	(27.03)	(1,457.48)	(92.39)	-	(1,453.86)	-	(4.42)	(1,550.67)
6	Leasing or Hire Purchase arrangements	-	-	(24.00)	8.28	-	(15.72)	-	-	(24.00)	9.19	-	(14.81)
7	Purchase of Equity Shares	-	-	-	-	-	-	-	-	-	-	-	0.00
8	Interest on Investment in Debentures	-	-	-	-	-	-	20.47	-	-	-	-	20.47
8	Redemption Red- Debentures Investment	-	-	-	-	-	-	18,000.00	-	-	-	-	18,000.00
9	Purchase of DEPB licenses	-	(43.40)	-	-	-	(43.40)	-	(105.93)	-	-	-	(105.93)
10	Dividend Received	25.00	-	-	-	-	25.00	3,700.00	-	-	-	-	3,700.00
11	Dividend Paid	-	-	-	-	-	-	-	(1,915.61)	(1,667.62)	-	-	(3,583.23)
12	Interest on Loan/ Advances	234.48	12.30	-	-	-	246.78	277.83	-	-	-	-	277.83
13	Loans & Advances Given	(150.00)	(247.00)	-	-	-	(397.00)	(930.00)	-	-	-	-	(930.00)
	Loans & Advances Re- Paid	150.00	247.00	-	-	-	397.00	5,006.89	-	-	-	-	5,006.89
14	Balance Receivable/ (Payable)	-	-	-	-	-	-	-	-	-	-	-	-
	Loans & Advances	3,310.00	-	-	-	-	3,310.00	3,310.00	-	-	-	-	3,310.00
	Other receivable/ (payable)	1,093.29	(10.59)	(672.90)	1,481.21	-	1,891.00	300.73	(0.17)	(467.59)	1,067.18	-	900.15

Note : Figures in bracket are outflows.

(*) Includes transaction with enterprises over which relatives are able to exercise significant influence.

(All Amounts in ₹ Lacs unless otherwise stated)

Note 38(b): DETAILS OF TRANSACTIONS OF THE RELATED PARTIES EXCEEDING 10% OF THE TRANSACTION VALUE (₹ in Lacs)

Sr. No.	Nature of Transactions	Year ended 31 st March, 2017					Year ended 31 st March, 2016						
		Subsidiaries	Associates	Key Management Personnel	Entities over which Key Management Personnel are able to exercise significant Influence	Relatives of Key Management Personnel	Total	Subsidiaries	Associates	Key Management Personnel	Entities over which Key Management Personnel are able to exercise significant Influence	Relatives of Key Management Personnel	Total
1	Sale of Goods												
	Smartchem Technologies Limited	543.28	-	-	-	-	543.28	-	-	-	-	-	-
	Platinum Blasting Serv. Pvt. Ltd.	-	-	-	-	-	-	5.84	-	-	-	-	5.84
	Deepak Nitrite Limited	-	-	-	6,091.65	-	6,091.65	-	-	-	6,623.59	-	6,623.59
	Mahadhan Farm Technologies Limited	-	-	-	805.13	-	805.13	-	-	-	-	-	-
2	Purchase of Goods												
	Ishanya Foundation	-	-	-	(0.25)	-	(0.25)	-	-	-	-	-	-
	SCM Soilfert Limited	-	-	-	-	-	-	-	-	-	-	-	-
	Mahadhan Farm Technologies Limited	-	-	-	(1,807.12)	-	(1,807.12)	-	-	-	-	-	-
3	Interest income on Investment in Debentures												
	SCM Soilfert Limited	-	-	-	-	-	-	20.47	-	-	-	-	20.47
4	Interest on Loan												
	SCM Soilfert Ltd.	-	-	-	-	-	-	26.74	-	-	-	-	26.74
	Smartchem Technologies Limited	232.79	-	-	-	-	232.79	249.36	-	-	-	-	249.36
	Deepak Mining Services	1.70	-	-	-	-	1.70	-	-	-	-	-	-
	Desai Fruits & Vegetables	-	12.30	-	-	-	12.30	-	-	-	-	-	-
5	Redemption of Redeemable Debenture												
	SCM Soilfert Ltd.	-	-	-	-	-	-	18,000.00	-	-	-	-	18,000.00
6	Rendering of Services/ Reimbursement of Expenses												
	Smartchem Technologies Limited	363.51	-	-	-	-	363.51	229.12	-	-	-	-	229.12
	SCM Soilfert Limited	0.21	-	-	-	-	0.21	12.20	-	-	-	-	12.20
	SCM Fertichem Limited	0.06	-	-	-	-	0.06	-	-	-	-	-	-
	Desai Fruits and Vegetables Private Limited	-	11.82	-	-	-	11.82	-	0.80	-	-	-	0.80
	Ishanya Foundation	-	-	-	5.61	-	5.61	-	-	-	7.21	-	7.21
	Rung Pincok Minarco (I) Private Limited	1.66	-	-	-	-	1.66	-	-	-	-	-	-
	Platinum Blasting Serv. Private Limited	5.63	-	-	-	-	5.63	-	-	-	-	-	-

(All Amounts in ₹ Lacs unless otherwise stated)

Sr. No.	Nature of Transactions	Year ended 31 st March, 2017					Year ended 31 st March, 2016						
		Subsidiaries	Associates	Key Management Personnel	Entities over which Key Management Personnel are able to exercise significant influence	Relatives of Key Management Personnel	Total	Subsidiaries	Associates	Key Management Personnel	Entities over which Key Management Personnel are able to exercise significant influence	Relatives of Key Management Personnel	Total
7	Receiving of Services/ Reimbursement of Expenses												
	Yerowda Investments Limited	(10.46)	-	-	-	-	(10.46)	-	-	-	-	-	(91.36)
	Shri S.C. Mehta (Commission)	-	-	(1,174.34)	-	-	(1,174.34)	-	-	(933.84)	-	-	(933.84)
	Shri Partha Bhattacharyya (Remuneration/Commission)	-	-	-	-	-	-	-	-	(315.92)	-	-	(315.92)
	Shri Somnath Patil (Remuneration)	-	-	-	-	-	-	-	-	(145.50)	-	-	(145.50)
	Shri Vipin Agarwal (Remuneration + Perks)	-	-	(115.44)	-	-	(115.44)	-	-	(22.30)	-	-	(22.30)
	Shri Tushar Dey (Remuneration)	-	-	-	-	-	-	-	-	(35.19)	-	-	(35.19)
	Shri Mandar Velankar (Remuneration + Perks)	-	-	(14.06)	-	-	(14.06)	-	-	(1.11)	-	-	(1.11)
	Shri Yeshil Mehta (Remuneration + Perks)	-	-	-	-	(27.03)	(27.03)	-	-	-	(4.42)	-	(4.42)
	Shri K Subharaman (Remuneration + Perks)	-	-	(35.79)	-	-	(35.79)	-	-	-	-	-	-
	Robust Marketing Services Private Limited	-	-	-	(67.03)	-	(67.03)	-	-	-	-	-	-
	Performance Chemiserve Private Limited (w.e.f. 30/03/2017)	-	-	-	(13.32)	-	(13.32)	-	-	-	-	-	-
8	Leasing or Hire Purchase arrangements												
	Deepak Nitrite Ltd.	-	-	-	8.28	-	8.28	-	-	-	9.19	-	9.19
	Shri S.C..Mehta	-	-	(24.00)	-	-	(24.00)	-	-	(24.00)	-	-	(24.00)
9	Purchase of DEPB License												
	Desai Fruits and Vegetables Pvt. Ltd.	-	(43.40)	-	-	-	(43.40)	-	-	(105.93)	-	-	(105.93)
10	Loans and Advances												
	Smartchem Technologies Limited (Loan given to STL)	(150.00)	-	-	-	-	(150.00)	(930.00)	-	-	-	-	(930.00)
	Smartchem Technologies Limited (Loan repayment from STL)	150.00	-	-	-	-	150.00	5002.89	-	-	-	-	5,002.89

(All Amounts in ₹ Lacs unless otherwise stated)

Sr. No.	Nature of Transactions	Year ended 31 st March, 2017					Year ended 31 st March, 2016					Total		
		Subsidiaries	Associates	Key Management Personnel	Entries over which Key Management Personnel are able to exercise significant Influence	Relatives of Key Management Personnel	Total	Subsidiaries	Associates	Key Management Personnel	Entries over which Key Management Personnel are able to exercise significant Influence		Relatives of Key Management Personnel	
	Desai Fruits & Vegetables (Loan given to Desai Fruits & Vegetables)	-	(247.00)	-	-	-	(247.00)	-	-	-	-	-	-	-
	Desai Fruits & Vegetables (Loan repayment from Desai Fruits & Vegetables))	-	247.00	-	-	-	247.00	-	-	-	-	-	-	-
11	Donation Given	-	-	-	(588.00)	-	(588.00)	-	-	-	(149.00)	-	-	(149.00)
12	Dividend Received	25.00	-	-	-	-	25.00	100.00	-	-	-	-	-	100.00
	SCM Soilfert Ltd.	-	-	-	-	-	-	3,600.00	-	-	-	-	-	3,600.00
13	Dividend Paid	-	-	-	-	-	-	-	-	-	-	-	-	-
	Shri S.C.Mehta	-	-	-	-	-	-	-	(1,915.60)	-	-	-	-	(1,915.60)
	Nova Synthetics Ltd.	-	-	-	-	-	-	-	-	-	(1,554.04)	-	-	(1,554.04)
14	Balance Receivable / (Payable)	4,408.14	-	-	-	-	4,408.14	3,644.33	-	-	-	-	-	3,644.33
	Smartchem Technologies Limited	1.74	-	-	-	-	1.74	0.08	-	-	-	-	-	0.08
	RungePincocKMinarco India Private Limited	0.21	-	-	-	-	0.21	-	-	-	-	-	-	-
	SCM Soilfert Limited	(56.01)	-	-	-	-	(56.01)	(75.64)	-	-	-	-	-	(75.64)
	Yerowda Investments Limited	38.67	-	-	-	-	38.67	37.31	-	-	-	-	-	37.31
	Deepak Mining Services Pvt. Ltd.	10.28	-	-	-	-	10.28	4.65	-	-	-	-	-	4.65
	Platinum Blasting Serv P Ltd	-	(10.59)	-	-	-	(10.59)	-	(0.17)	-	-	-	-	(0.17)
	Desai Fruits and Vegetables Pvt. Ltd.	-	-	879.11	-	-	879.11	-	-	-	1,066.08	-	-	1,066.08
	Deepak Nitrite Ltd.	-	-	0.10	-	-	0.10	-	-	-	1.10	-	-	1.10
	Ishanya Foudation	-	-	-	-	-	-	-	-	-	-	-	-	-
	SCM Fertichem Limited	0.06	-	-	-	-	0.06	-	-	-	-	-	-	-
	SCM Soilfert Ltd.	0.21	-	-	-	-	0.21	-	-	-	-	-	-	-
	Performance Chemiserve Private Limited	-	-	(17.66)	-	-	(17.66)	-	-	-	-	-	-	-
	Robust Marketing Services Private Limited	-	-	653.09	-	-	653.09	-	-	-	-	-	-	-
	Mahadhan Farm Technologies Limited	-	-	(33.43)	-	-	(33.43)	-	-	-	-	-	-	-
	Shri S.C.Mehta	-	(672.90)	-	-	-	(672.90)	-	-	(442.59)	-	-	-	(442.59)
	Shri Partha Bhattacharya	-	-	-	-	-	-	-	-	(25.00)	-	-	-	(25.00)

Note : Figures in bracket are outflows

(*) Includes transaction with enterprises over which relatives are able to exercise significant influence

(All Amounts in ₹ Lacs unless otherwise stated)

Note 39: CAPITAL COMMITMENTS

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Related to Projects*	2,492.02	28,106.21	17,841.14
Related to Realty	34.77	103.74	396.20
Total	2,526.79	28,209.95	18,237.34

* Includes ₹ 731.38 Lacs relating to Discontinuing Operations as at 31st March, 2017**Note 40: CONTINGENT LIABILITIES**

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Claims by Suppliers [#]	39,857.16	3,573.36	4,356.18
Income Tax Demands	3,958.75	3,888.98	3,888.98
Excise/Service Tax/Custom Demands*	12,449.20	12,406.93	2,862.87
Sales Tax/ VAT Demands	4,818.94	3,964.22	3,405.27
Entry Tax	3,272.40	-	-
Bank Guarantees	13,340.79	11,407.17	7,868.27
Penalty Levied by Competition commission of India and contested by Company	200.00	200.00	200.00
Letter of Credit issued in favour of suppliers [@]	16,024.14	3,665.91	22,335.00
Total	93,921.37	39,106.57	44,916.57

Includes ₹ 3,457.22 Lacs relating to Discontinuing Operations as at 31st March, 2017

*Includes Customs duty amounting to ₹ 9,347.27 Lacs on duty free import of fertiliser during the period 2005-06 to 2009-10. Under the applicable policy of Government on subsidy, any customs duty needs to be reimbursed by Government.

@ Includes ₹ 5,108.40 Lacs relating to Discontinuing Operations as at 31st March, 2017

- Note 41:** Effective 15th May, 2014, domestic gas supply to the Company was arbitrarily stopped pursuant to an order passed by the Ministry of Petroleum and Natural Gas. The Company successfully challenged the same before the Hon'ble Delhi High Court, which by its orders dated 7th July, 2015 and 19th October, 2015 directed the Government of India (GOI) to restore the gas supply. Review petition filed by the GOI, challenging the said order, has been rejected by the Court by an order dated 2nd February, 2016. Subsequently, the GOI filed an affidavit before Delhi High Court stating that Inter Ministerial Committee (IMC) has decided to recommend supply of pooled gas to the Company, subject to approval of competent authority. In the meantime, during the quarter, SLP filed by GOI against above orders of Delhi High Court is disposed off by Hon'ble Supreme Court without granting any relief to the petitioner (GOI).
- Note 42:** The Department of Fertilisers (DoF), Ministry of Chemicals and Fertilisers, had withheld subsidy, due to the Company in accordance with applicable Nutrient Based Subsidy (NBS) scheme of GOI, alleging undue gain arising to Company on account of supply of cheap domestic gas since challenged by the Company before the Hon'ble High Court of Bombay. Based on the directive of the Hon'ble Court, DoF agreed to release subsidy withheld except a sum of ₹ 310 Crores pending final decision. Recently DoF has advised release of the aforesaid sum against a Bank Guarantee taking a favourable view on the request made by the company.
- Note 43:** GAIL has claimed a sum of ₹ 357 crores in respect of supply of domestic natural gas for the period July 2006 to May 2014, alleging usage for manufacture of products other than Urea. As per contracts entered into between Company and GAIL, the purchase of gas was clearly intended, supplied and utilised for industrial applications. It has been in the full knowledge of the Department of Fertilisers, Government of India that the Company; as per the Industrial License, since its inception was never engaged in the manufacture of Urea. The Company has strongly challenged the claim currently being raised by GAIL as untenable, unsustainable, contractually unfounded, invalid and barred by limitation of time. Arbitration proceedings have since commenced. The Company has obtained legal advice and accordingly no provisioning is considered necessary.
- Note 44:** The Company has made significant capital investments in Ishanya Mall. The said Mall has been incurring losses due to larger break-even period associated with the operations of the Mall which is extended due to continuing adverse economic environment since the launch of the Mall in 2007-08. The management of the Company continues to be hopeful of turnaround in performance of the Mall in the coming years due to expected improvements in the economic environment and strategic initiatives being planned in this regard. The Company has, however, in accordance with the requirements of Indian Accounting Standard 36-"Impairment of Assets", carried out impairment review of carrying value of the assets of the Mall, which has not indicated any impairment in its value.

(All Amounts in ₹ Lacs unless otherwise stated)

Note 45: SCHEME OF ARRANGEMENT

In an endeavour to sharpen the strategic future of each of its business verticals and focus on shareholders' wealth enhancement, the Company had proposed a Scheme of Arrangement for demerger of fertilisers and technical ammonium nitrate business into a wholly owned subsidiary Company, M/s. Smartchem Technologies Limited. The National Company Law Tribunal (NCLT) on 30th March, 2017 granted approval to the Scheme and the Order of NCLT was received by the Company on 13th April, 2017. Post compliance of further requirements of the Order, the Company filed the same with Registrar of Companies on 1st May, 2017, being the date from which the Order became operational. The Scheme as approved by NCLT, provides that the demerger will be effective retrospectively from 1st January, 2015.

The businesses that are being de-merged have been disclosed as 'Discontinuing Operations' in the standalone financial statements for the year ended 31st March 2017, as per the requirements of Ind AS 105.

Note 46: LEASES

The Company has taken premises on operating lease for a period of one to ten years. The future lease payment of such operating lease is as follows:

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Minimum Lease rental payable			
Not later than 1 year	558.43	536.58	278.99
Later than 1 year and not later than 5 years	153.54	1,065.84	923.48
Later than 5 years	-	-	-
Total	711.97	1,602.42	1,202.47

Note 47: DISCLOSURE REQUIRED UNDER SECTION 186(4) OF COMPANIES ACT, 2013

Loans and advance to related parties includes loan given to a subsidiary. The particulars of which are disclosed below as required by Section 186(4) of Companies Act, 2013.

Name of the party	Rate of interest	Due date and amount payable	Purpose	31 st March, 2017	31 st March, 2016	1 st April, 2015
SmartChem Technologies Limited	7.13% - 8.32%	Repayable within period of 1 year, upto 31 st March, 2018	The loan has been granted to the subsidiary for working capital requirements. The loan is repayable on demand.	3,310.00	3,310.00	2,380.00

The Company has issued corporate guarantees on behalf of subsidiaries / associates to banks. Details as below

Name of the party	31 st March, 2017		31 st March, 2016		1 st April, 2015	
	Foreign currency (million)	Amount	Foreign currency (million)	Amount	Foreign currency (million)	Amount
Platinum blasting Services Pty. Ltd (subsidiary of wholly owned subsidiary, Smartchem Technologies Limited)	3.70	1,835.00	37.00	1,850.00	-	-
Desai Fruits and Vegetables Private Limited	-	7.00		7.00	-	7.00

(All Amounts in ₹ Lacs unless otherwise stated)

Note 48: FOREIGN CURRENCY TRANSACTIONS OUTSTANDING AS AT 31ST MARCH, 2017

	31 st March, 2017		31 st March, 2016	
	Amount in Foreign Currency	Equivalent Amount (₹ Lacs)	Amount in Foreign Currency	Equivalent Amount (₹ Lacs)
Hedged Position (*)				
Foreign Currency Loans (in USD)	3,035,413	1,968.62	7,666,667	5,079.36
Creditors (in USD)	23,481,408	14,587.67	30,139,800	19,968.37
Creditors (in EURO)	649,450	450.31	-	-
Exports (in USD)	-	-	2,010,000	1,331.47
Exports (in EURO)	-	-	86,875	65.51
Buyers Credit (in EURO)	942,900	653.77	840,000	633.54
Buyers Credit (in USD)	57,069,082	37,012.15	43,161,474	28,595.56
Un-hedged Position				
Foreign Currency Loans (in USD)	-	-	6,545,562	4,336.60
Creditors (in USD)	4,470,698	2,642.19	14,781,462	9,793.09
Creditors (in EURO)	468,799	320.87	166,453.44	125.54
Creditors (in GBP)	-	-	435	0.42
Buyers Credit (in USD)	2,327,193	1,509.30	1,657,090	1,097.86
Exports (in USD)	1,665,975	1,080.30	896,519	593.88
Bank Balance (in EURO)	-	-	475,341	358.42
Bank Balance (in USD)	3,148,270	2,043.39	1,909,848	1,265.13

*The above transactions are hedged by following derivative contracts.

Particulars	31 st March, 2017		31 st March, 2016	
	Amount in Foreign Currency	Equivalent Amount at the year end	Amount in Foreign Currency	Equivalent Amount at the year end
Forward Contracts - USD	1,06,944,354	71,251	43,376,218	28,738
Forward Contracts - EURO - Import contract	1,280,700	903	926,875	699
Forward Contracts - EURO - Export Contract	2,546,411	1,918		
Interest Rate Swaps	-	-		2,761
Options Contracts	-	-	39,601,688	26,237

The Company has chosen to not designate the forward contracts and options contracts as hedges under Ind AS 109.

Unhedged Foreign Currency exposure is as under:

	31 st March, 2017	31 st March, 2016
Payables	4,733.82	15,354.00
Receivables	3,121.80	2,217.00

Note 49: INCOME TAXESThe major components of income tax expense for the year ended 31st March, 2017 and 31st March, 2016 are:

	As at 31 st March, 2017	As at 31 st March, 2016
Tax related to items recognised in OCI during the year		
Net (gain) or loss on fair valuation of investment through OCI	18.61	(19.91)
Net (gain) or loss on revaluation of Cash flow hedge	-	58.65
Net (gain) or loss on remeasurements of defined benefit plans	(129.17)	8.08
Income tax charged to OCI/(Expense)	(110.56)	46.83

(All Amounts in ₹ Lacs unless otherwise stated)

Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate for 31st March, 2017 and 31st March, 2016 (Continuing & Discontinuing Operations).

	As at 31 st March, 2017	As at 31 st March, 2016
Accounting profit before tax	22,329.13	16,750.70
At India's statutory income tax rate of 34.608% (31st March, 2016: 34.608%) (A)	7,727.66	5,797.08
Effects of income not subject to tax		
- Dividend income	(8.65)	(1,041.36)
- Power Generation	(219.07)	(181.69)
Weighted deduction on capital expenditure	(834.17)	(253.19)
Effects of non-deductible business expenses	114.81	30.58
Taxes from prior periods	-	429.00
Others	(466.88)	(12.62)
Total (B)	(1,413.96)	(1,029.27)
Income tax expense reported in the statement of profit or loss (A+B)	6,313.71	4,767.82

Note 50: FIRST-TIME ADOPTION OF IND AS

Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31st March, 2017, the comparative information presented in these financial statements for the year ended 31st March, 2016 and in the preparation of an opening Ind AS balance sheet at 1st April, 2015 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

Ind AS optional exemptions

1. Business combinations

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

The Company elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated. The Company has applied same exemption for investment in associates and joint ventures.

2. Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties.

Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value.

3. Designation of previously recognised financial instruments

Financial assets and financial liabilities are classified as fair value through profit and loss or fair value through other comprehensive come based on facts and circumstances as at the date of transition to Ind AS i.e. 1st April, 2015. Financial assets and liabilities are recognised at fair value as at the date of transition to Ind AS i.e. 1st April, 2015 and not from the date of initial recognition.

4. Leases

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material.

The Company has elected to apply this exemption for such contracts/arrangements.

5. Investments in subsidiaries and associates

The Company has elected to apply previous GAAP carrying amount for its investment in subsidiaries and associates and at deemed cost at the date of transition to Ind AS, except for investment in Desai Fruits and Vegetables Pvt. Ltd. (an associate) where the Company has elected to use fair value as deemed cost on the date of transition to Ind AS.

Ind AS mandatory exceptions

1. Hedge accounting

Hedge accounting can only be applied prospectively from the transition date to transactions that satisfy the hedge accounting criteria in Ind AS 109, at that date. Hedging relationships cannot be designated retrospectively, and the supporting documentation cannot be created retrospectively. As a result, only hedging relationships that satisfied the hedge accounting criteria as of 1st April, 2015 are reflected as hedges in the Company's results under Ind AS, primarily being interest rate swap. Under Ind AS, the Company has chosen to not follow hedge accounting for such hedging relationships relating to foreign exchange forward & option contracts.

2. Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in financial instruments carried at FVPL or FVOCI;
- Investment in debt instruments carried at FVPL; and
- Impairment of financial assets based on expected credit loss model.

3. Derecognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the derecognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

4. Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

(All Amounts in ₹ in Lacs unless otherwise stated)

Note 51: RECONCILIATION OF TOTAL EQUITY AS AT 31ST MARCH, 2016 AND 1ST APRIL, 2015

	Notes to first-time adoption	31 st March, 2016	1 st April, 2015
Total equity (shareholder's funds) as per previous GAAP		160,017.14	152,486.22
Adjustments:			
Fair valuation of investments	b	(2,033.00)	(2,013.88)
Fair valuation of Guarantee Contract	c	39.72	21.28
Fair valuation of derivatives	f	(78.24)	(134.67)
Provision for expected credit losses on trade receivables	d	(328.12)	(211.08)
Fair valuation of security deposits	h	6.46	0.16
Proposed dividend	a	-	4,101.08
Borrowings – transaction cost adjustment	e	(722.99)	(583.10)
Cash Flow Hedge	f	(30.99)	(200.47)
Decommissioning of PPE	h	(28.70)	-
Tax effects of adjustments	j	326.01	313.88
Total adjustments		(2,849.85)	1,293.20
Total equity as per Ind AS		157,167.29	153,779.42

Reconciliation of total comprehensive income for the year ended 31st March, 2016

	Notes to first-time adoption	31 st March, 2016
Profit after tax as per previous GAAP		12,113.39
Adjustments:		
Fair valuation of investments	b	19.27
Fair valuation of Guarantee Contract	c	18.44
Fair valuation of derivatives	f	56.43
Provision for expected credit losses on trade receivables	d	(117.04)
Fair valuation of security deposits	h	6.30
Borrowings – transaction cost adjustment	e	(139.89)
Remeasurements of post-employment benefit obligations	g	(23.36)
Decommissioning of PPE	h	(28.70)
Tax effects of adjustments	j	77.96
Total adjustments		(130.59)
Profit after tax as per Ind AS		11,982.80
Other comprehensive income	i	88.50
Total comprehensive income as per Ind AS		12,071.30

Impact of Ind AS adoption on the financial statements of cash flows for the year ended 31st March, 2016

	Notes	Previous GAAP	Adjustments	Ind AS
Net cash flow from operating activities		(6,688.16)	(3,239.80)	(9,927.96)
Net cash flow from investing activities		(8,397.13)	2,300.17	(6,096.96)
Net cash flow from financing activities		31,924.46	(150.02)	31,774.44
Net increase/(decrease) in cash and cash equivalents		16,839.17	(1,089.65)	15,749.52
Cash and cash equivalents as at 1 st April, 2015		3,339.72	(12.31)	3,327.41
Effects of exchange rate changes on cash and cash equivalents		-	-	-
Cash and cash equivalents as at 31st March, 2016		20,178.89	(1,101.96)	19,076.93

(All Amounts in ₹ Lacs unless otherwise stated)

Notes to first-time adoption

a Proposed dividend

Under Previous GAAP, proposed dividends including Dividend Distribution Tax (DDT) are recognised as a liability in the period to which they relate, irrespective of when they are declared. Under Ind AS, proposed dividend is recognised as a liability in the period in which it is declared by the company (usually when approved by shareholders in a general meeting) or paid.

In the case of the Company, the declaration of dividend for March 2015 had occurred after period end. Therefore, the liability of ₹ 4,101.08 lacs for the year ended on 31st March, 2015 recorded for dividend has been reversed with corresponding adjustment to retained earnings. Correspondingly, total equity increased by this amount.

b Fair value adjustments on investments

Current investments: Under Previous GAAP, current investments in equity instruments such as mutual funds and government securities are recognized at cost or net realizable value, whichever is lower. Long-term investments in equity instruments are recorded at cost unless there is an other than temporary decline in the value of investments.

Ind-AS 101 allows considering fair value as deemed cost for the Company's investment in subsidiaries, associates. This choice is available for each investment individually. The deemed cost for all investment in equity instruments has been considered as the cost under the Previous GAAP except for Desai Fruits and Vegetables Private Limited (an associate) wherein the Company has their fair value as deemed cost. Consequently, fair value adjustment amounting to ₹ 2,033 lacs has been considered as on the transition date thereby leading to a decrease in retained earnings as on that date.

The Company holds investment in government securities with the objective of both collecting contractual cash flows which give rise on specified dates to cash flows that are solely payments of interest on principal amount outstanding and selling financial asset. The resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition and subsequently in Other Comprehensive Income for the year ended 31st March, 2016 (₹ 57.52 lacs). This resulted an increase in retained earnings as at 31st March, 2016 by ₹ Nil (1st April, 2015: ₹ 19.12 lacs).

c Financial guarantees: The Company has issued certain financial guarantees to banks in relation to loans availed by a step down subsidiary from these banks. Ind AS requires liability from such financial guarantees to be recorded initially at fair value. The amortisation of financial guarantee has resulted in a gain amounting to ₹ 39.72 lacs as at 31st March, 2016 (1st April, 2015: ₹ 21.27 lacs).

d Provision for expected credit loss under Ind AS 109

Under Previous GAAP, the Company has created provision for impairment of receivables which comprises only in respect of specific amount for incurred losses. Under Ind AS, impairment allowance has been determined based on Expected Credit Loss (ECL) model. The total ECL provision amounting to ₹ 211.08 lacs considered as on the transition date has been adjusted against the retained earnings. Impact of ₹ 117.04 lacs for the year ended 31st March, 2016 has been charged of to the Statement of profit and loss.

e Adjustment relating to loan processing fees

Under previous GAAP, loan processing fees have been expensed out to Statement of Profit and Loss Account but under Ind AS, such loan processing fees have to be amortised on effective interest rate basis over the loan period. The Company under previous GAAP had capitalised such fees to fixed assets as per AS 16. Under IND AS, amortisation of such fees has resulted in a decrease in retained earnings at 31st March, 2016 and 1st April, 2015.

f Fair Valuation of derivative contracts

The Company hedges its foreign currency risk by entering into forward and option contracts which are fair valued through profit and loss under Ind AS as the same are not designated as hedges for the purposes of financial reporting. This has resulted into a decrease in retained earnings by ₹ 78.24 lacs as at 31st March, 2016 (1st April, 2015: ₹ 134.67 lacs)

The Company has entered into interest rate swap which is fair valued through other comprehensive income under Ind AS as the same is designated as a cash flow hedge. This has resulted in decrease in retained earnings by ₹ 30.99 lacs as at 31st March, 2016 (1st April, 2015: ₹ 200.47 lacs).

g Actuarial loss transferred to Other Comprehensive Income

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of

(All Amounts in ₹ Lacs unless otherwise stated)

statement of profit and loss. As a result of this change, the profit for the year ended 31st March, 2016 has increased by ₹ 23.35 lacs. There is no impact on total equity.

h Others

These adjustments pertain to fair valuation of security deposits which has resulted into an increase in retained earnings by ₹ 6.45 lacs as at 31st March, 2016 (1st April, 2015: ₹ 0.16 lacs).

The adjustment also includes provision for decommissioning liabilities on lease hold land as required under Ind AS 16 added to the cost of property, plant and equipment amounting to ₹ 28.70 lacs which was adjusted against the retained earnings.

i Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit and loss but are shown in the Statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans and net gain on cash flow hedge.

j Deferred tax

The various transitional adjustments have led to temporary differences and accordingly, the Company has accounted for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

Note 52: SEGMENT REPORTING

								(₹ in Lacs)
Sr No	Particulars	Chemicals	Fertilisers	Realty	Others	Eliminations	Common	Total
1	Revenue							
	a) External Sales							
	i) Manufactured	1,90,452.60	60,359.49	-	761.27	-	-	2,51,573.36
	<i>Previous Year</i>	1,97,561.56	51,465.61	-	693.41	-	-	2,49,720.58
	ii) Traded	1,13,436.80	57,531.64	433.49		-	-	1,71,401.93
	<i>Previous Year</i>	79,886.54	1,14,175.38	427.10		-	-	1,94,489.02
	b) Inter-segment sales	16,235.98	-	-	-	(16,235.98)	-	-
	<i>Previous Year</i>	17,551.16	-	-	-	(17,551.16)	-	-
	c) Other operating income	2,099.22	95.99	554.90	-	-	-	2,750.11
	<i>Previous Year</i>	1,919.71	200.78	521.52	-	-	-	2,642.01
	d) Unallocated Corporate other income	-	-	-	-	-	2,054.72	2,054.72
	<i>Previous Year</i>	-	-	-	-	-	5,337.20	5,337.20
	Total Revenue	3,22,224.60	1,17,987.12	988.39	761.27	(16,235.98)	2,054.72	4,27,780.12
	Discontinuing Operations							2,13,277.54
	Continuing Operations							2,14,502.58
	<i>Previous Year</i>	2,96,918.97	1,65,841.77	948.62	693.41	(17,551.16)	5,337.20	4,52,188.81
	Discontinuing Operations							2,70,759.01
	Continuing Operations							1,81,429.80
2	Segment Result	49,743.13	(860.91)	(1,834.61)	380.88	-	2,054.72	49,483.21
	<i>Previous Year</i>	34,406.14	3,532.75	(1,913.73)	338.67	-	5,337.20	41,701.03
3	Unallocated Corporate expenses	-	-	-	-	-	33,467.78	33,467.78
	<i>Previous Year</i>	-	-	-	-	-	29,718.14	29,718.14
4	Net profit	-	-	-	-	-	-	16,015.41
	<i>Previous Year</i>	-	-	-	-	-	-	11,982.80
5	Other Information							
	a) Segment Assets	2,00,341.37	1,69,712.06	24,106.16	2,378.77	-	74,050.60	4,70,588.96
	<i>Previous Year</i>	1,67,130.18	1,73,183.51	24,304.47	2,881.66	-	76,977.20	4,44,477.02
	b) Segment Liabilities	35,800.95	59,925.78	901.24	58.03	-	2,00,929.16	2,97,614.72
	<i>Previous Year</i>	32,391.05	52,566.66	702.94	9.47	-	2,01,639.61	2,87,309.73
	c) Capital Expenditure incurred during the year	37,338.60	32,984.25	585.88	-	-	11,790.87	82,699.60
	<i>Previous Year</i>	16,477.71	13,881.14	662.29	-	-	1,799.67	32,820.81
	d) Depreciation/ Amortisation	9,415.74	1,167.54	1,210.67	225.26	-	1,004.06	13,023.28
	<i>Previous Year</i>	8,956.78	492.82	1,202.31	225.26	-	887.13	11,764.30

(All Amounts in ₹ Lacs unless otherwise stated)

Segment information

1. Primary segment reporting (by business segments)

Composition of business segment

Segment	Products covered
a) Chemicals	Ammonia, Methanol, DNA, C NA, CO ₂ , TAN, IPA, Propane, Bulk and Speciality Chemicals
b) Bulk Fertilisers	NP, MOP, DAP, Ammonium Sulphate, Mixtures, SSP, Sulphur, Micronutrients, SSF, Bio Fertilisers, Fruits, Vegetables, Pesticides
c) Realty	Real Estate Business
d) Others	Windmill Power

2. Inter-segment Sales Pricing: Inter-segment revenue has been recognised as estimated under Excise Regulations.

3. Secondary Segment Information: There are no reportable geographical segments since the Company caters mainly to needs of Indian Markets.

Note 53 In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7 – Statement of cash flows and Ind AS 102 - Share-based payment. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to Ind AS 7 - Statement of cash flows and Ind AS 102 – Share based payment, respectively. The amendments are applicable from 1 April, 2017 and will be given effect to from the financial year subsequent to evaluation by the Company.

Note 54 Previous year's figure have been re-grouped wherever necessary to conform to current year's grouping.

Note 55 Previous year figures are given in bracket/Italics.

INDEPENDENT AUDITORS' REPORT

To the Members of

DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED

Report on the Consolidated Ind AS Financial Statements

1. We have audited the accompanying Consolidated Ind AS financial statements of **Deepak Fertilisers And Petrochemicals Corporation Limited** (hereinafter referred to as "the Company") and its investment in subsidiaries and associates (collectively referred to as "the Group"), comprising the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the Consolidated financial position, Consolidated financial performance (including other comprehensive income) and Consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets and for preventing and detecting frauds and other irregularities; the 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind AS financial statements by the directors of the Holding Company, as aforesaid.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these Consolidated Ind AS financial statements based on our audit.
4. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Ind AS financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the Consolidated Ind AS financial statements.
7. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2017 and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

9. We draw attention to Note no.42, 43 and 44 to the Consolidated audited Ind AS financial statements which describe the uncertainties related to the outcome of supply of natural gas, related matters and claims by a vendor. Our opinion is not qualified in respect of these matters.

Other Matters

10. We did not audit the financial statements of five subsidiaries and one associate company whose financial statements reflect total assets of ₹ 10,235 Lacs as at 31st March, 2017 as well as total revenues of ₹ 9,324 Lacs for the year ended on that date, as considered in the Consolidated Ind AS financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the Consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the Consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

11. As required by Section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Consolidated balance sheet, the Consolidated statement of profit and loss (including other comprehensive income), and the Consolidated cash flow statement dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS financial statements.
 - d) In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).
 - e) In our opinion, in the event of materialization of contingent liability referred in paragraph 9 under the Emphasis of Matter paragraph, the functioning of the Company's business may have an adverse impact.
 - f) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - g) With respect to the adequacy of the Internal Financial Controls over financial reporting and the operating effectiveness of such controls, refer our separate report in Annexure I.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary companies incorporated in India
 - iv. The Group has provided requisite disclosures in the Consolidated Ind AS financial statements as to the holding of Specified Bank Notes on 8th November, 2016 and 30th December, 2016 as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and the representation provided to us by the management, we report that the disclosures are in accordance with books of account maintained by the Group and as produced to us by the management.

FOR B.K. KHARE & CO.

Chartered Accountants

Firm Registration Number: 105102W

RAVI KAPOOR

Partner

Membership Number: 040404

Mumbai

Date: 30th June, 2017

Annexure I to the Independent Auditors' Report

Annexure I to our report of even date on the Consolidated Ind AS financial statements of Deepak Fertilisers And Petrochemicals Corporation Limited
Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the Consolidated Ind AS financial statements of Deepak Fertilisers and Petrochemicals Corporation Limited as of 31st March, 2017 and for the period from 1st April, 2016 to 31st March, 2017 we have audited the internal financial controls over financial reporting of Deepak Fertilisers And Petrochemicals Corporation Limited (hereinafter referred to as "the Holding Company"), its five subsidiary companies incorporated in India ("Indian Subsidiary Companies") and one associate company ("Associate Company") incorporated in India as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the of the Holding Company and its Indian subsidiary companies and associate company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate Internal Financial Controls that operate effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable Ind AS financial information, as required under the Companies Act, 2013 ("the Act").

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

8. In our opinion, the Holding Company, its subsidiary companies and associate company in India have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal control over financial reporting criteria established by the Holding Company, subsidiary companies and associate company in India considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

Other Matters

9. Over aforesaid reports under Section 143(3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to three Indian subsidiary companies and associate company, is based on the corresponding reports of the auditors of such companies.

FOR B.K. KHARE & CO.

Chartered Accountants

Firm Registration Number: 105102W

RAVI KAPOOR

Partner

Membership Number: 040404

Mumbai

Date: 30th June, 2017

CONSOLIDATED BALANCE SHEET

as at 31st March, 2017

(All Amounts in ₹ Lacs unless otherwise stated)

	Notes	As at	As at	As at
		31 st March, 2017	31 st March, 2016	1 st April, 2015
ASSETS				
Non-current assets				
Property, plant and equipment	2	19,91,42.58	1,29,736.80	1,33,628.96
Capital work-in-progress	3	38,527.24	39,619.51	15,158.36
Investment property	4	2,124.19	2,161.72	2,198.86
Goodwill		1,455.15	1,492.55	-
Other intangible assets	5	1,745.93	513.32	611.80
Financial assets				
i. Investments	6(a)	1,243.52	1,471.50	1,630.98
ii. Other financial assets	11	2,788.98	3,552.11	3,325.22
Other non-current assets	12	11,699.57	8,230.88	3,981.96
Total non-current assets		258,727.16	186,780.10	160,536.14
Current assets				
Inventories	13	50,453.21	60,592.28	40,866.15
Financial assets				
i. Investments	6(b)	14,160.83	3,584.70	25,263.64
ii. Trade receivables	7	1,18,337.21	1,54,805.28	94,909.47
iii. Cash and cash equivalents	9	9,240.83	22,463.53	5,499.01
iv. Bank balances other than (iii) above	10	523.27	792.50	453.84
v. Loans	8	425.93	219.26	424.46
vi. Other financial assets	11	850.06	990.98	1,876.49
Current tax assets (net)		4,578.82	4,496.67	4,189.89
Other current assets	14	14,404.31	10,666.70	11,645.87
		2,12,974.47	2,58,611.90	1,85,128.82
Total current assets		2,12,974.47	2,58,611.90	1,85,128.82
Total assets		4,71,701.63	4,45,392.00	3,45,664.96
Equity and Liabilities				
Equity				
Equity share capital	15	8,820.49	8,820.49	8,820.49
Other equity				
Equity component of compound financial instruments				
Reserves and surplus	16	1,61,459.87	1,43,979.96	1,41,767.72
Other reserves		790.27	774.31	552.75
Non Controlling Interest		(245.91)	(32.76)	(118.59)
Total equity		1,70,824.73	1,53,542.00	1,51,022.37

CONSOLIDATED BALANCE SHEET

as at 31st March, 2017

(All Amounts in ₹ Lacs unless otherwise stated)

	Notes	As at	As at	As at
		31 st March, 2017	31 st March, 2016	1 st April, 2015
Liabilities				
Non-current liabilities				
Financial Liabilities				
i. Borrowings	17(a)	47,160.18	48,843.11	34,686.43
ii. Other financial liabilities	18	154.11	213.27	233.25
Employee Benefits Obligations	22	3,021.93	3,098.91	2,683.68
Deferred tax liabilities (Net)	23	11,894.79	12,235.92	12,336.57
Other non-current liabilities	20	350.35	320.19	292.91
Total non-current liabilities		62,581.26	64,711.40	50,232.84
Current liabilities				
Financial liabilities				
i. Borrowings	17(b)	1,03,875.80	1,40,712.35	78,511.00
ii. Trade payables	19	41,518.10	47,014.95	24,124.24
iii. Other Financial liabilities	18	71,860.48	21,682.86	30,938.46
Employee Benefits Obligations	22	1,545.21	1,082.87	1,166.04
Provisions	21	3,719.58	2,894.63	2,089.73
Current tax liabilities	24	6,980.18	6,468.29	3,148.88
Other current liabilities	25	8,796.20	7,282.65	4,431.41
Total current liabilities		238,295.55	227,138.60	144,409.75
Total liabilities		300,876.90	291,850.00	194,642.59
Total equity and liabilities		471,701.63	445,392.00	345,664.96
Summary of significant accounting policies	1			
The accompanying notes are integral parts of the Financial Statements.	1-55			

As per our report of even date

For B. K. KHARE & CO.
Chartered Accountants
Firms Registration No.: 105102W

RAVI KAPOOR
Partner
Membership No.: 040404

Mumbai
Dated: 30th June, 2017

For and on behalf of the Board of Directors

S. C. MEHTA
Chairman & Managing Director
DIN : 00128204

S. R. WADHWA
Director
DIN : 00228201

PRANAY VAKIL
Director
DIN : 00433379

U. P. JHAVERI
Director
DIN : 00273898

VIPIN AGARWAL
President & CFO

K. SUBHARAMAN
EVP-Legal and Company
Secretary
FCS : 4361

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended 31st March, 2017

(All Amounts in ₹ Lacs unless otherwise stated)

	Notes	Year ended	Year ended
		31 st March, 2017	31 st March, 2016
Income			
Revenue from operations	26	4,37,812.72	4,53,882.14
Other income	27	1,586.45	7,242.42
Total income		4,39,399.17	4,61,124.56
Expenses			
Cost of materials consumed	28	1,47,400.79	1,54,852.18
Purchases of stock-in-trade	29	1,35,019.17	1,96,896.14
Changes in inventories of work-in-progress, stock-in-trade and finished goods	30	11,899.17	(17,429.28)
Excise duty		22,800.81	22,960.57
Employee benefit expense	31	21,016.57	18,300.54
Finance costs	32	12,147.39	13,001.36
Depreciation and amortisation expense	33	13,644.14	12,179.68
Other expenses	34	52,336.31	42,652.04
Total expenses		4,16,264.36	4,43,413.23
Profit before exceptional items, non-controlling interest, share of loss of Associate and tax		23,134.81	17,711.33
Income tax expense			
- Current tax		5,549.80	6,134.76
- Deferred tax		(216.93)	(146.29)
Total tax expense		5,332.87	5,988.47
Net Profit for the period		17,801.94	11,722.86
Share of (loss) of associate		(231.06)	(157.06)
Net profit after tax, non controlling interest and share in (loss) of associates		17,570.88	11,565.80
Other comprehensive income			
<i>Items that may be reclassified to profit or loss</i>			
Net changes in fair value of investment other than equity shares carried at fair value through OCI		53.78	(60.33)
Income tax relating to these items		(18.61)	20.78
Net changes in fair value of cash flow hedges		-	169.48
Income tax relating to these items		-	(58.65)
		35.17	71.28
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurement of defined employee benefit plans		(373.25)	22.32
Income tax relating to these items		129.17	(7.76)
		(244.08)	14.56
Other comprehensive income for the year, net of tax		(208.93)	85.84
Total comprehensive income for the period (including non-controlling interest)		17,361.95	11,651.64

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended 31st March, 2017

(All Amounts in ₹ Lacs unless otherwise stated)

	Notes	Year ended	Year ended
		31 st March, 2017	31 st March, 2016
Net Profit/(Loss) attributable to:			
-Equity holders		17,530.75	11,627.06
-non-controlling interest		40.13	(61.26)
Other comprehensive income, net of tax attributable to			
-Equity holders		(208.93)	85.84
-non-controlling interest		-	-
Total comprehensive income attributable to:			
-Equity holders		17,321.82	11,712.90
-non controlling interest		40.13	(61.26)
		17,361.95	11,651.64
Earning per Equity Share: Face value ₹ 10 each (₹ 10)			
i) Basic (in ₹)		19.64	13.28
ii) Diluted (in ₹)		19.64	13.28
Weighted average number of Equity Shares: Face value ₹ 10 each (₹ 10)			
i) Basic (in ₹)		88,204,943	88,204,943
ii) Diluted (in ₹)		88,204,943	88,204,943
Summary of significant accounting policies	1		
The accompanying notes are integral parts of the Financial Statements.	1-55		

As per our report of even date

For B. K. KHARE & CO.
Chartered Accountants
Firms Registration No.: 105102W

RAVI KAPOOR
Partner
Membership No.: 040404

Mumbai
Dated: 30th June, 2017

For and on behalf of the Board of Directors

S. C. MEHTA
Chairman & Managing Director
DIN : 00128204

S. R. WADHWA
Director
DIN : 00228201

PRANAY VAKIL
Director
DIN : 00433379

U. P. JHAVERI
Director
DIN : 00273898

VIPIN AGARWAL
President & CFO

K. SUBHARAMAN
EVP-Legal and Company
Secretary
FCS : 4361

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31st March, 2017

(All Amounts in ₹ Lacs unless otherwise stated)

A. Equity Share Capital

	31 st March, 2017	31 st March, 2017	31 st March, 2016
Balance at the beginning of the year	8,820.49	8,820.49	8,820.49
Changes in equity shares capital during the year	-	-	-
Balance at the end of the year	8,820.49	8,820.49	8,820.49

B. Other Equity

	Reserves and surplus							Other Reserves				Total Other Equity
	Securities premium reserve	Retained earnings	Debenture redemption reserve	General Reserve	Capital Redemption Reserve	Capital Reserve	Foreign Currency Translation Reserve	Cash Flow Hedge	Fair Value through OCI	Other Items of Comprehensive Income	Non Controlling Interest	
Balance at 1 st April, 2015	10,798.95	103,047.67	8,104.13	17,866.83	1,950.00	0.13	-	(131.09)		12.51	552.75	142,201.88
Reserves & Surplus												141,767.72
Other Reserves												(118.59)
Non controlling interest												552.75
Profit for the year	-	11,627.06	-	-	-	-	-	-	-	-	(61.26)	11,565.80
Fair value changes on cash flow hedge, net of tax	-	-	-	-	-	-	-	110.83	-	-	-	110.83
Remeasurements of post-employment benefit obligation, net of tax	-	-	-	-	-	-	-	-	-	14.56	-	14.56
Fair Valuation of Investment, net of tax	-	-	-	-	-	-	-	-	(39.56)	-	-	(39.56)
Issue of shares during the year	-	-	-	-	-	-	-	-	-	-	244.09	244.09
Total comprehensive income for the year	-	11,627.06	-	-	-	-	-	110.83	(39.56)	14.56	182.83	11,895.72
Transactions with owners in their capacity as owners:												-
Exchange difference	-	-	-	-	-	-	143.06	-	-	-	38.72	181.79
Dividends paid	-	(9,557.64)	-	-	-	-	-	-	-	-	-	(9,557.64)
Transfer to/(from) debenture redemption reserve	-	3,104.13	(3,104.13)	-	-	-	-	-	-	-	-	-
	-	(6,453.51)	(3,104.13)	-	-	-	143.06	-	-	-	38.72	(9,375.85)
Balance at 31 st March, 2016	10,798.95	108,221.22	5,000.00	17,866.83	1,950.00	0.13	143.06	(20.26)	(39.56)	27.06	774.31	144,721.74
Reserves & Surplus												143,979.96
Other Reserves												(32.76)
Non controlling interest												774.31
Profit for the year	-	17,530.75	-	-	-	-	-	-	-	-	40.13	17,570.88
Fair value changes on cash flow hedge, net of tax	-	-	-	-	-	-	-	-	-	-	-	-
Remeasurements of post-employment benefit obligation, net of tax	-	-	-	-	-	-	-	-	-	(244.07)	-	(244.07)
Fair Valuation of Investment, net of tax	-	-	-	-	-	-	-	-	35.17	-	-	35.17
Issue of shares during the year	-	-	-	-	-	-	-	-	-	-	0.03	0.03
Total comprehensive income for the year	-	17,530.75	-	-	-	-	-	-	35.17	(244.07)	40.16	17,362.01
Transactions with owners in their capacity as owners:												-
Exchange difference	-	-	-	-	-	-	(50.07)	-	-	-	(24.20)	(74.27)
Dividends paid	-	(5.23)	-	-	-	-	-	-	-	-	-	(5.23)
Transfer to/(from) debenture redemption reserve	-	(1,250.00)	1,250.00	-	-	-	-	-	-	-	-	-
	-	(1,255.23)	1,250.00	-	-	-	(50.07)	-	-	-	(24.20)	(79.50)
Balance at 31 st March, 2017	10,798.95	124,496.74	6,250.00	17,866.83	1,950.00	0.13	93.00	(20.26)	(4.39)	(217.01)	790.27	162,004.25
Reserves & Surplus												161,459.87
Other Reserves												(245.90)
Non controlling interest												790.27

As per our report of even date

For and on behalf of the Board of Directors

For B. K. KHARE & CO.
Chartered Accountants
Firms Registration No.: 105102W

S. C. MEHTA
Chairman & Managing Director
DIN : 00128204

PRANAY VAKIL
Director
DIN : 00433379

VIPIN AGARWAL
President & CFO

RAVI KAPOOR
Partner
Membership No.: 040404

S. R. WADHWA
Director
DIN : 00228201

U. P. JHAVERI
Director
DIN : 00273898

K. SUBHARAMAN
EVP-Legal and Company
Secretary
FCS : 4361

Mumbai

Dated: 30th June, 2017

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31st March, 2017

(All Amounts in ₹ Lacs unless otherwise stated)

	Year ended	Year ended
	31 st March, 2017	31 st March, 2016
Cash flow from operating activities		
Profit before income tax	23,134.81	17,711.33
Profit before income tax	23,134.81	17,711.33
Adjustments for		
Depreciation and amortisation expense	13,644.14	12,179.68
(Gain)/Loss on disposal of property, plant and equipment	270.36	107.00
Bad debts and advances written off, allowances for doubtful trade receivable and advances (net)	402.55	368.96
Gain on sale of investments	(326.36)	(5,839.77)
Share of loss of associates	(231.06)	(157.06)
Unwinding of discount on security deposits	(62.41)	(69.19)
Interest income	(657.81)	(700.40)
Finance costs	12,147.39	13,001.36
Net exchange differences	1,543.71	2,160.32
Change in operating assets and liabilities, net of effects from purchase and sale of subsidiary:		
(Increase)/Decrease in trade receivables	36,065.52	(60,264.77)
(Increase)/Decrease in inventories	10,139.07	(19,726.13)
(Increase)/Decrease in trade payables	(5,496.85)	22,890.72
(Increase)/Decrease in other financial assets	695.77	(342.85)
Increase/(decrease) in other financial liabilities	10,756.95	6,555.54
(Increase)/decrease in other non-current assets	(405.21)	234.25
Increase/(decrease) in other non-current liabilities	30.16	27.28
Increase/(decrease) in other current assets	(3,737.61)	979.17
Increase/(decrease) in provisions	824.95	804.89
Increase in employee benefit obligations	141.29	346.62
Increase/(decrease) in derivatives not designated as hedges	(504.64)	(1,079.35)
Increase in other current liabilities	1,513.55	2,851.23
Cash generated from operations	99,888.27	(7,961.15)
Income taxes paid	(5,244.33)	(3,076.42)
Net cash inflow from operating activities	94,643.94	(11,037.57)

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31st March, 2017

(All Amounts in ₹ Lacs unless otherwise stated)

	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Cash flows from investing activities		
Acquisition of property, plant and equipment	(70,155.11)	(36,457.15)
Acquisition of purchase of investments	(10,316.97)	(2,120.75)
Loans to employees and related parties	(206.67)	-
Proceeds from sale of investments	330.35	29,759.38
Proceeds from sale of property, plant and equipment	153.05	1,657.65
Repayment of loans by employees and related parties	-	205.20
Interest received	874.29	732.80
Net cash outflow from investing activities	(79,321.06)	(6,222.86)
Cash flows from financing activities		
Proceeds from borrowings	48,103.29	85,168.19
Repayment of borrowings	(59,350.21)	(30,299.17)
Interest paid	(16,447.66)	(12,327.70)
Dividends paid to company's shareholders	(5.23)	(9,557.64)
Net cash inflow (outflow) from financing activities	(27,699.81)	32,983.68
Net increase (decrease) in cash and cash equivalents	(12,376.93)	15,723.24
Cash and cash equivalents at the beginning of the financial year	21,222.25	5,499.01
Cash and cash equivalents at end of the year	8,845.32	21,222.25

Cash and cash equivalents as per above comprise of the following	Year ended	Year ended
	31 st March, 2017	31 st March, 2016
Cash and cash equivalents	9,240.83	22,463.53
Bank overdrafts	(395.51)	(1,241.29)
Balances per statement of cash flows	8,845.32	21,222.25

As per our report of even date

For B. K. KHARE & CO.
Chartered Accountants
Firms Registration No.: 105102W

RAVI KAPOOR
Partner
Membership No.: 040404

For and on behalf of the Board of Directors

S. C. MEHTA
Chairman & Managing Director
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VIPIN AGARWAL
President & CFO

K. SUBHARAMAN
EVP-Legal and Company
Secretary
FCS : 4361

Mumbai

Dated: 30th June, 2017

NOTES

To the consolidated financial statements for the year ended 31st March, 2017

THE COMPANY AND NATURE OF ITS OPERATIONS:

Deepak Fertilisers And Petrochemicals Corporation Limited having corporate office in Pune, Maharashtra, India carries on business in fertilisers, agri services, bulk chemicals, mining chemical and value added real estate. The Company is a public limited company and is listed on the National Stock Exchange of India Limited and the BSE Limited.

Note 1: SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The consolidated financial statements are for the Group consisting of Deepak Fertilisers & Petrochemicals Corporation Limited (the 'Company') and its subsidiaries and associates.

(a) Basis of Preparation:

i. Compliance with Ind AS

The consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements up to year ended 31st March, 2016 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

These financial statements are the first financial statements of the Group under Ind AS. Refer note 49 for an explanation of how the transition from previous GAAP to Ind AS has affected the Group's financial position, financial performance and cash flows.

ii. Historical cost convention

The Financial Statements have been prepared on historical cost basis, except the following:

- Certain financial assets and liabilities (including derivative instruments) and contingent consideration that is measured at fair value;
- Assets held for sale – measured at fair value less cost to sell;
- Defined benefit plans – plan assets measured at fair value; and

(b) Critical accounting estimates, assumptions and judgments

The preparation of the financial statements requires management to make estimates, assumptions and judgments that affect the reported balances of assets and liabilities and disclosures as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates considering different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Impact on account of revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below.

Deferred income tax assets and liabilities

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits. The amount of total deferred tax assets could change if estimates of projected future taxable income or if tax regulations undergo a change.

Useful lives of Property, Plant and Equipment ('PPE')

The Management reviews the estimated useful lives and residual value of PPE at the end of each reporting period.

The factors such as changes in the expected level of usage, number of shifts of production, technological developments and product life-cycle, could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation charge could be revised and thereby could have an impact on the profit of the future years.

Employee benefit obligations

Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Litigation

From time to time, the Company is subject to legal proceedings, the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavourable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.

(c) Principles of consolidation and equity accounting

i. Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the Group. The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

ii. Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (iv) below), after initially being recognised at cost.

iii. Joint Arrangements

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

iv. Equity Method

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

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

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

v. Changes in ownership interests:

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity .

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

(d) Segment reporting

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

(e) Foreign currency translation

i. Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Indian rupee (₹), which is Deepak Fertilisers and Petrochemicals Corporation Limited's functional and presentation currency.

ii. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

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

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

iii. Group companies

The results and financial position of foreign operations (none of which has the currency of a hyper inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the date of that balance sheet
- Income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

(f) Revenue recognition

- Domestic sales are recognised at the point of dispatch of goods to the customers, which is when substantial risks and rewards of ownership are passed on to the customers, and are stated net of trade discounts, rebates, sales tax, value added tax and excise duty.
- Export sales are recognised based on the shipped on the board date as per bill of lading when significant risk and rewards of ownership are transferred to the customer.
- Sales include product subsidy and claims, if any, for reimbursement of cost escalation receivable from Ministry of Agriculture/Ministry of Fertilisers.
- Grants and subsidies from the Government are recognised when there is reasonable certainty of realisation thereof the receipt thereof on the fulfillment of the applicable conditions.
- Revenue in respect of Interest (other than on deposits with banks and others/investments, which are accounted on accrual basis), Insurance claims, Subsidy and reimbursement of cost escalation claimed from Ministry of Agriculture/Ministry of Fertilisers beyond the notified retention price and price concession on fertilisers pending acceptance of claims by the concerned parties is recognised to the extent the Company is reasonably certain of their ultimate realisation.
- Clean Development Mechanism (CDM) benefits known as Carbon Credit for wind energy units generated and N₂O reduction in its Nitric Acid plant are recognised as revenue on the actual realisation of the applicable credits.
- Credits on account of Duty Drawback and other benefits, which are due to be received with reasonable certainty, are accrued upon completion of exports.
- Rental income from realty business is recognised based on the contractual terms. In case of revenue sharing arrangements, the rental income is recognised on the basis of provisional information provided by the lessees where the final data is awaited on the date of revenue recognition.
- Dividend income is accounted for when the right to receive is established.

(g) Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

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

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

(h) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to 1st April, 2015, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognized as an expense in the Statement of profit and loss on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

(i) Business Combinations:

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non controlling

interests in the acquiree. For each business combination, the Group elects whether to measure the non controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

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

Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

(j) Impairment of Assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(k) Cash and Cash Equivalents

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

(l) Trade Receivables

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

(m) Inventories

- Raw materials are valued at lower of moving weighted average cost and net realisable value. However these items are written down to realisable value if the costs of the related finished goods is not expected to recover the cost of raw materials.
- Stores, regular spares, oil, chemicals, catalysts and packing material are valued at moving weighted average cost.
- Cost of inventory of materials is ascertained net of applicable CENVAT/VAT credits.
- Finished goods including those held for captive consumption are valued at lower of factory cost (including depreciation, excise duty payable/paid wherever applicable) or and net realisable value.

- Stock-in-trade is valued at lower of cost and net realisable value.
- Value of Work-in-Process of all products is ignored for the purpose of inventory having regard to the concept of materiality and difficulty of quantifying such stocks with exactitude.

(n) Non-current assets (or disposal groups) held for sale and discontinued operations:

Discontinued operations are reported when a component of an entity is classified as held for disposal or has been disposed of, if the component represents a separate major line of business or geographical area of operations and is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations. In the Consolidated Statements of Income, income (loss) from discontinued operations is reported separately from income and expenses from continuing operations and prior periods are presented on a comparable basis.

Investments and other financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- Those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments: Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments: The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) Impairment of financial assets

The group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- The group has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition:

Interest income: Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends: Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

(o) Derivative & Hedging:

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

Cash flow hedges that qualify for hedge accounting: The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other gains/(losses).

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss (for example, when the interest expenditure is recorded).

Derivatives that are not designated as hedges:

The group enters into certain derivative contracts to hedge foreign exchange risks which are not designated as hedges as in case of such transactions, the underlying is re-stated at closing exchange rates. Such contracts are accounted for at fair value through profit or loss and are included in other gains/(losses).

(p) Offsetting financial instruments:

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

(q) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

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

Depreciation methods, estimated useful lives and residual value: Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets as prescribed in Schedule – II of the Companies Act, 2013. As per requirements of the Companies Act, 2013 the Company has also identified significant components of the assets and its useful life based on the internal technical evaluation. Depreciation charge on such components is based on its useful life. Estimated useful life adopted in respect of the following assets is different from the useful life prescribed in Schedule – II of the Companies Act, 2013.

Name of assets	Estimated useful life
Computers - Servers and Networks	4 Years or 6 Years
End User Devices such as, desktops, laptops etc.	4 Years or 6 Years
Vehicles	4 Years for employees vehicles and 6-7 Years for other vehicles
Buildings other than Factory Buildings RCC Frame Structure	61 Years
Plant and Machinery	Various estimated life upto 21 years. WNA III plant at the rate of 25.88% on WDV basis
Windmill	19 Years

- Depreciation for assets purchased/sold during a period is proportionately charged.
- Depreciation on exchange rate variances capitalised as part of the cost of Fixed Assets, has been provided prospectively over the residual useful life of the assets.
- Capitalised machinery Spares are depreciated over remaining useful life of the related machinery/equipment. Costs of such spares are charged to the Statement of Profit and Loss when issued for actual use at written down value.
- Cost of Leasehold Land is amortised over the lease period.

(r) Investment properties:

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are depreciated using the straight-line method over their estimated useful lives. Investment properties generally have a useful life of 25-40 years. The useful life has been determined based on technical evaluation performed by the management's expert.

(s) Intangible assets:

- (i) **Goodwill:** Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

(t) Trade and other payables:

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 to 60 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost.

(u) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

(v) Borrowing costs

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

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

(w) Provisions

Provisions for legal claims, volume discounts and returns are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

(x) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months

after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

- The Group operates the following post-employment schemes: defined benefit plans such as gratuity, pension, post-employment medical plans; and
- Defined contribution plans such as provident fund.

Gratuity and retirement benefit obligations :

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity and retirement benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Provident Fund:

The eligible employees of the Company are entitled to receive benefits under the Provident Fund, a defined contribution plan in which both the employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). The contributions as specified under the law are paid to the Regional Provident Fund Commissioner and the Central Provident Fund under the Pension scheme. The Company recognises such contributions as expense of the year in which the liability is incurred.

(All Amounts in ₹ Lacs unless otherwise stated)

Note 2: PROPERTY, PLANT & EQUIPMENT

	Freehold Land	Leasehold Land	Buildings	Plant and Equipment#	Electric Installation	Furniture & Fixtures	Office Equipments	Laboratory Equipments	Vehicles	Total
Year ended 31st March, 2016										
Deemed cost as at 1 st April, 2015	9,327.55	1,415.13	33,757.53	83,661.93	2,602.50	978.66	665.73	337.84	882.10	133,628.96
Exchange difference	-	-	-	787.00	-	-	-	-	-	787.00
Additions	-	-	452.88	7,397.98	23.44	79.55	268.93	-	760.04	8,982.82
Disposals	-	-	(102.78)	(2,586.44)	-	(56.64)	(39.76)	-	(210.37)	(2,995.99)
Transfers	-	-	-	-	-	-	-	-	-	-
Closing gross carrying amount as at 31st March, 2016	9,327.55	1,415.13	34,107.63	89,260.47	2,625.94	1,001.57	894.90	337.84	1,431.77	140,402.80
Year ended 31st March, 2016										
Depreciation charge during the year	-	(20.23)	(1,615.30)	(8,844.39)	(477.96)	(158.02)	(248.39)	(101.60)	(427.29)	(11,893.18)
Disposals	-	-	24.61	969.56	-	56.57	36.97	-	143.63	1,231.34
Exchange fluctuation	-	-	-	(5.26)	-	-	2.08	-	(0.97)	(4.16)
Closing accumulated depreciation and impairment as at 31st March, 2016	-	(20.23)	(1,590.69)	(7,880.09)	(477.96)	(101.45)	(209.34)	(101.60)	(284.63)	(10,666.00)
Net carrying amount as at 31st March, 2016	9,327.55	1,394.90	32,516.93	81,380.37	2,147.98	900.12	685.56	236.24	1,147.13	129,736.80
Year ended 31st March, 2017										
Opening gross carrying amount	9,327.55	1,415.13	34,107.63	89,260.79	2,625.94	1,001.57	894.90	337.84	1,431.77	140,403.12
Exchange difference	-	-	-	90.10	-	-	-	-	-	90.10
Additions	-	12,494.66	9,848.64	58,825.99	680.28	19.58	710.22	42.13	561.12	83,182.62
Disposals	-	-	-	(1,397.11)	-	(0.37)	(83.92)	(4.21)	(496.40)	(1,982.01)
Transfers	-	-	-	-	-	-	-	-	-	-
Closing gross carrying amount	9,327.55	13,909.79	43,956.27	146,779.76	3,306.22	1,020.79	1,521.21	375.76	1,496.48	221,693.83
Year ended 31st March, 2017										
Opening accumulated depreciation	-	(20.23)	(1,590.69)	(7,880.09)	(477.96)	(101.45)	(209.34)	(101.60)	(284.63)	(10,666.00)
Depreciation charge during the year	-	(153.91)	(1,234.41)	(10,547.55)	(494.16)	(147.37)	(294.11)	(67.10)	(453.63)	(13,392.24)
Disposals	-	-	-	1,029.42	-	0.36	78.81	4.21	445.81	1,558.61
Exchange fluctuation	-	-	(2.01)	(45.07)	-	-	(0.50)	-	(4.02)	(51.61)
Closing accumulated depreciation	-	(174.14)	(2,827.12)	(17,443.30)	(972.12)	(248.46)	(425.14)	(164.49)	(296.48)	(22,551.24)
Net carrying amount 31st March, 2017	9,327.55	13,735.65	41,129.15	129,336.47	2,334.10	772.32	1,096.07	211.27	1,200.00	199,142.58

Cost of 'Freehold land' includes:..

- ₹ 3,600 Lacs (₹ 3,600 Lacs) represented by 24,000 Equity Shares of ₹ 10/- each in a company, which is the legal owner of the land in respect of which the Group has acquired exclusive rights of development.

- ₹ 2,442.54 Lacs (₹ 2,442.54 Lacs) represented by 1,41,764 Equity Shares (1,41,764) of ₹ 10/- each in the said company, which is the legal owner of the land on which the Group has been granted the rights of use and occupation by virtue of the shares so held.

Buildings include a sum of ₹ 11,398.32 Lacs (₹ 11,398.32 Lacs) represented by 38,236 (38,236) Equity Shares of ₹ 10/- each in a company which is the legal owner of the buildings in respect of which the Group has an exclusive right of use and occupation by virtue of the shares so held.

The above equity shares so held do not really represent financial investment but rather the means to acquire and hold the properties for use in Company's operations, the cost of acquisition of the shares is treated as cost of fixed assets and is dealt with in accordance with Indian Accounting Standard - 16

Impairment of Assets: The Company has examined carrying cost of its identified Cash Generating Units (CGU) by comparing present value of estimated future cash flows from such CGUs, in terms of Indian Accounting Standard-36 on Impairment of Assets, according to which no provision for impairment is required.

(All Amounts in ₹ Lacs unless otherwise stated)

Note 3: CAPITAL WORK-IN-PROGRESS

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Projects [#]	32,784.59	36,081.02	13,572.96
Others	5,742.65	3,538.49	1,585.41
Net carrying amount	38,527.24	39,619.51	15,158.36

Includes borrowing cost of ₹ 4,552.14 Lacs (31st March, 2016 ₹ 1,873.63 Lacs, 1st April, 2015: ₹ 259.47 Lacs)

Note 4: INVESTMENT PROPERTIES

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Gross carrying amount			
Opening gross carrying amount / Deemed cost	2,198.86	2,198.86	2,198.86
Additions	-	-	-
Closing gross carrying amount	2,198.86	2,198.86	2,198.86
Accumulated depreciation			
Opening accumulated depreciation	(37.13)	-	-
Depreciation charge	(37.54)	(37.13)	-
Closing accumulated depreciation	(74.68)	(37.13)	-
Net carrying amount	2,124.19	2,161.72	2,198.86

(i) Contractual obligations: the Group does not have any contractual obligations in relation to investment properties as the same is not let out

(ii) Fair value

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Investment properties	16,782.00	16,782.00	15,538.89

Estimation of fair value

The Company obtains independent valuations for its investment properties at least annually. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Group considers information from a variety of sources including:

- Current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences
- Discounted cash flow projections based on reliable estimates of future cash flows
- Capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence

The fair values of investment properties have been determined by an Independent Valuer. The main inputs used are the rental growth rates, expected vacancy rates, terminal yields and discount rates based on comparable transactions and industry data. All resulting fair value estimates for investment properties are included in level 3.

(All Amounts in ₹ Lacs unless otherwise stated)

Note 5: INTANGIBLE ASSETS

	Computer Software	Technical Know-how/ Engineering Fees	License/ Franchise Fees	Total
Cost as on 1st April, 2015 *	56.73	331.57	223.50	611.80
Additions	77.20	-	75.41	152.61
Disposals/Transfers/Adjustments	-	-	-	-
Gross carrying amount as on 31st March, 2016	133.93	331.57	298.91	764.41
Additions	543.48	-	901.77	1,445.25
Disposals/Transfers/Adjustments	-	-	-	-
Gross carrying amount as on 31st March, 2017	677.41	331.57	1,200.68	2,209.66
Disposals/Transfers/Adjustments	-	-	-	-
Accumulated Amortisation *				
Amortisation charge for the year	28.20	31.90	189.27	249.37
Disposals	-	-	-	-
Closing accumulated amortisation as at 31st March, 2016	28.20	31.90	189.27	249.37
Amortisation charge for the year	60.10	31.90	122.36	214.36
Disposals	-	-	-	-
Closing accumulated amortisation as at 31st March, 2017	88.30	63.80	311.63	463.73
Net Block as at 31st March, 2017	589.10	267.77	889.05	1,745.93
Net Block as at 31st March, 2016	105.72	299.67	109.64	515.03
Net Block as at 1st April, 2015	56.73	331.57	223.50	611.80

Note 6(a): NON - CURRENT ASSETS

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Investment in Associates:			
50,81,363 (31 st March, 2016 : 50,81,363, 1 st April, 2015 : 50,81,363) equity shares of Desai Fruit and Vegetables Private Limited	1,157.37	1,388.43	1,545.49
49,994 (31 st March, 2016 : 49,994, 1 st April, 2015 : 49,994) equity shares of Ishanya Realty Corporation Limited	5.00	5.00	5.00
49,994 (31 st March, 2016 : 49,994, 1 st April, 2015 : 49,994) equity shares of Ishanya Brand Service Limited	5.00	5.00	5.00
4,000 (31 st March, 2016 : 4,000) equity shares of Mumbai Modern Terminal Market Complex Private Limited	0.40	0.40	-
Investments in Others at Fair Value			
88,448 (31 st March, 2016 : 88,448, 1 st April, 2015 : 88,448) equity shares of Sterling Pound 1 each of Deepak International Limited	68.69	68.69	68.69
4,715 Equity shares of Punjab National Bank Limited of ₹ 2/- each fully paid up (P.Y. 943 Equity shares of ₹ 10/- each fully paid up)	7.07	3.99	6.81
Total (equity instruments)	1,243.52	1,471.50	1,630.98
Total non-current investments	1,243.52	1,471.50	1,630.98
Aggregate amount of quoted investments and market value thereof	7.07	3.99	6.81
Aggregate amount of unquoted investments	1,243.52	1,471.50	1,630.98
Aggregate amount of impairment in the value of investments	-	-	-

(All Amounts in ₹ Lacs unless otherwise stated)

Note 6 (b): CURRENT INVESTMENTS

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Investments in Equity Shares at Fair Value (Quoted - Fully Paid up)			
Nil (31 st March, 2016 : Nil, 1 st April, 2015 : 3,37,49,623) Equity Shares of Mangalore Chemicals & Fertilizers Limited	-	-	23,919.61
Total (equity instruments)	-	-	23,919.61
Quoted bonds/Securities			
Investment in Debt Securities - (Refer Note (i) below)	1,646.44	1,635.06	246.93
Investment in Government Securities - (Refer Note (ii) below)	1,125.10	1,082.70	1,097.09
Investment in Tax Free bonds - (Refer Note (iii) below)	924.77	866.93	-
Total (Investment in securities)	3,696.31	3,584.70	1,344.03
Investment in Mutual funds - (Refer Note (iv) below)	10,464.52	-	-
Total (mutual funds)	10,464.52	-	-
Aggregate amount of quoted and unquoted investments and market value thereof	14,160.83	3,584.70	25,263.64

Note (i): Investment in Debt Securities

Name of Securities	No. of Units	31 st March, 2017		
		Face Value (₹ In Lacs)	Cost	Market Value
9.84% Air India NCD 27/09/2026	118	10	1,305.76	1,286.79
9.38% MTNL Bonds 05/12/2023	34	10	368.90	359.65
Total			1,674.66	1,646.44

Name of Securities	No. of Units	31 st March, 2016		
		Face Value (₹ In Lacs)	Cost	Market Value
9.84% Air India NCD 27/09/2026	118	10	1,305.76	1,277.11
9.38% MTNL Bonds 05/12/2023	34	10	368.90	357.95
Total			1,674.66	1,635.06

Name of Securities	No. of Units	1 st April, 2015		
		Face Value (₹ In Lacs)	Cost	Market Value
9.72% Tangenco Bonds 16/07/2024	4	10	40.20	40.90
11% Bank of India Perpetual Bonds (TIER I - BASEL III) (Int date 08/08/)	3	10	30.76	32.57
11.50% IL&FS Transportation Networks Ltd. 21/06/2024	3	10	30.08	30.19
9.84% Air India NCD 27/09/2026	13	10	142.36	143.27
Total			243.40	246.93

Note (ii): Investment in Government Securities

Name of Securities	No. of Units	31 st March, 2017		
		Face Value (₹ In Lacs)	Cost	Market Value
8.97% GOI 05/12/2030	10	10	1,081.50	1,125.10
Total			1,081.50	1,125.10

Name of Securities	No. of Units	31 st March, 2016		
		Face Value (₹ In Lacs)	Cost	Market Value
8.97% GOI 05/12/2030	10	10	1,081.50	1,082.70
Total			1,081.50	1,082.70

Name of Securities	No. of Units	1 st April, 2015		
		Face Value (₹ In Lacs)	Cost	Market Value
8.97% GOI 05/12/2030	10	10	1,081.50	1,097.10
Total			1,081.50	1,097.10

(All Amounts in ₹ Lacs unless otherwise stated)

Note (iii): Investment in Tax Free Bonds

Name of Securities	31 st March, 2017			
	No. of Units	Face Value (₹ In Lacs)	Cost	Market Value
Axis Liquid Fund - Direct Growth	4,778.67	1,000.00	73.43	494.82
Birla Sun Life Cash Plus - Growth	1,34,638.80	100.00	305.80	351.82
Taurus Liquid Fund - Growth	27,440.89	1,000.00	430.78	78.12
			810.01	924.77

Name of Securities	31 st March, 2016			
	No. of Units	Face Value (₹ In Lacs)	Cost	Market Value
Axis Liquid Fund - Direct Growth	4,778.67	1,000.00	73.43	78.49
Birla Sun Life Cash Plus - Growth	1,34,638.80	100.00	305.80	327.60
Taurus Liquid Fund - Growth	27,440.89	1,000.00	430.78	460.85
			810.01	866.94

Note (iv): Investment in Mutual Fund

Name of Securities	31 st March, 2017		
	No. of Units	Cost	Market Value
Baroda Pioneer Liquid Fund - Plan A Growth	1,718.84	32.00	32.02
Axis Liquid Fund(G) - Direct Plan	41,603.58	750.00	750.50
Baroda Pioneer Liquid Fund(G) - Direct Plan	40,118.64	750.00	750.49
Canara Rob Liquid Fund(G) - Direct Plan	38,074.48	750.00	750.41
HDFC Cash Mgmt-Savings(G) - Direct Plan	22,092.09	750.00	750.55
ICICI Pru Money Market Fund(G) - Direct Plan	3,33,393.94	750.00	750.52
IDFC Cash Fund(G) - Direct Plan	37,970.38	750.00	750.47
L&T Liquid Fund(G) - Direct Plan	33,640.30	750.00	750.45
LIC MF Liquid(G) - Direct Plan	25,438.89	750.00	750.47
Reliance Liquidity(G) - Direct Plan	30,606.77	750.00	750.50
Invesco India Liquid Fund(G) - Direct Plan	33,510.54	750.00	750.48
Tata Money Market Fund(G) - Direct Plan	29,269.83	750.00	750.47
UTI Money Market Fund-Inst(G) - Direct Plan	41,126.11	750.00	750.53
Birla Sun Life Floating Rate Fund	47,628.76	102.93	103.28
Tata Money Market Fund Plan	4,534.07	115.01	116.21
Birla Sun Life Cash Plus	2,162.68	5.59	5.65
HDFC Liquid Fund	3,936.79	125.27	126.33
Axis Liquid Fund	9,297.25	167.00	167.65
SBI Magnum Insta Cash Fund	3,594.81	129.00	129.32
Kotak Floater Short Term	4,734.83	125.39	126.39
UTI Money Market Fund	5,540.90	100.00	101.08
UTI Liquid Cash Plan	4,051.14	107.37	107.89
ICICI Liquid Fund	41,977.70	100.00	101.05
ICICI Pru Money Market Fund	51,594.91	115.00	116.10
LIC MF Liquid Fund	3,906.34	115.00	115.20
Reliance Liquid Fund-Treasury Plan	2,785.00	110.00	110.51
		10,449.57	10,464.52

(All Amounts in ₹ Lacs unless otherwise stated)

Note 7: TRADE RECEIVABLES - UNSECURED

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Trade receivables	1,19,450.16	1,55,514.92	95,250.16
Less: Allowance for doubtful debts	(1,112.95)	(709.65)	(340.69)
Total Receivables	1,18,337.21	1,54,805.28	94,909.47
Current Portion	1,18,337.21	1,54,805.28	94,909.47
Non-Current Portion	-	-	-

Trade Receivable includes ₹ 52,366.86 Lacs (31st March, 2016 ₹ 79,476.73 Lacs, 1st April, 2015 ₹ 33,498.73 Lacs) towards fertiliser subsidy receivables from the Government of India.

The carrying amounts of the trade receivables is net of receivables de-recognised under structured finance arrangements without recourse of ₹ 36,149.92 Lacs (31st March 2016 ₹ 24,250.33 Lacs, 1st April 2015 ₹ 17,213.03 Lacs) and bills discounted of ₹ 20,779.03 Lacs (31st March, 2016 ₹ NIL, 1st April, 2015 ₹ NIL)

Note 8: LOANS (ASSET)

	31 st March, 2017		31 st March, 2016		31 st March, 2015	
	Current	Non-Current	Current	Non-Current	Current	Non-Current
Unsecured, considered good						
Loan to employees	58.67	-	94.99	-	262.92	-
Loan to Others	367.26	-	124.27	-	161.55	-
Total loans	425.93	-	219.26	-	424.46	-

Note 9: CASH & CASH EQUIVALENTS

	31 st March 2017	31 st March, 2016	1 st April, 2015
Balances with banks		-	-
- in current accounts	6,923.23	5,437.58	3,444.08
- in EEFC accounts	17.94	409.82	5.41
Deposits with maturity of less than three months	1,096.04	15,888.60	320.28
Cheques on hand	1,195.09	701.31	1,719.34
Cash on hand	8.53	26.23	9.91
Total cash and cash equivalents	9,240.83	22,463.53	5,499.01

NOTE 10: OTHER BANK BALANCES

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Unclaimed dividend (Earmarked balances)	523.27	792.50	453.84
Total other bank balances	523.27	792.50	453.84

Note 11: OTHER FINANCIAL ASSETS

	31 st March, 2017		31 st March, 2016		1 st April, 2015	
(i) Derivatives not designated as hedges						
Foreign-exchange forward contracts	123.43	-	38.85	-	-	-
Foreign currency options	-	-	408.27	-	1,146.73	-
(ii) Others						
Interest receivable	696.74	-	480.26	-	447.86	-
Balances with banks (*)	0.76	1,167.29	0.31	1,167.29	0.04	625.23
Security deposits	20.00	1,256.99	53.85	1,905.11	99.14	2,124.43
Others	9.14	364.71	9.43	479.71	182.72	575.57
Total other financial assets	850.06	2,788.98	990.98	3,552.11	1,876.49	3,325.22

* ₹ 1,159.23 Lacs (31st March, 2016 ₹ 1,159.23 Lacs, 1st April, 2015. ₹ 625.15 Lacs) kept as fixed deposit with Bank of Baroda, London, as a lien for ECB.

(All Amounts in ₹ Lacs unless otherwise stated)

Note 12: OTHER NON - CURRENT ASSETS

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Capital advances	10,801.31	7,737.84	3,254.66
Balances with Statutory / Government Authorities	717.94	430.74	642.53
Prepaid Expenses	180.32	62.30	84.76
Total other non-current assets	11,699.57	8,230.88	3,981.96

Note 13: INVENTORIES

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Raw materials Includes ₹ 9.48 Lacs (31 st March, 2016 ₹ 92.03 Lacs, 1 st April, 2015 ₹ 37.52 Lacs) in transit	7,162.33	10,169.89	10,608.48
Packing Materials Includes ₹ 6.76 Lacs (31 st March, 2016 ₹ 15.39 Lacs, 1 st April, 2015 ₹ 16.62 Lacs) in transit	1,867.57	1,628.58	1,083.37
Work in progress	-	-	12.38
Finished goods	14,344.43	4,947.25	5,332.68
Stock-in-trade Includes ₹ 2,250.98 Lacs (31 st March, 2016 ₹ 13,532.82 Lacs, 1 st April, 2015 1,337.96 Lacs) in transit	13,257.99	33,400.97	15,686.39
Stores and spares Includes ₹ 79.73 Lacs (31 st March, 2016 ₹ 271.31 Lacs, 1 st April, 2015 ₹ 17.54 Lacs) in transit	13,820.89	10,445.58	8,142.84
Total Inventories	50,453.21	60,592.28	40,866.15

Note 14: OTHER CURRENT ASSETS

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Advances to suppliers	1,827.44	2,896.22	3,933.55
Balances with Statutory / Government Authorities	6,548.34	2,652.24	1,930.37
Prepaid Expenses	1,668.24	1,147.12	1,508.24
Other Receivable ^(*)	4,360.29	3,971.09	4,273.71
Interest income accrued on deposits and others	-	0.03	-
Total Other Current Assets	14,404.31	10,666.70	11,645.87

(*) Other Receivables include Vat/Sales Tax receivable of ₹ 2,697 Lacs (31st March, 2016: ₹ 3,514.94 Lacs, 1st April, 2015: 3,779.48 Lacs) and Duty Drawback Receivable of ₹ 55.99 Lacs (31st March, 2016: ₹ 49.81 Lacs, 1st April, 2015: ₹ 219.77 Lacs).

(All Amounts in ₹ Lacs unless otherwise stated)

Note 15: SHARE CAPITAL

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Authorised			
12,50,00,000 equity shares of ₹ 10/- each.	12,500.00	12,500.00	12,500.00
(31 st March, 2016 : 12,50,00,000 equity shares of ₹ 10/- each)			
(1 st April, 2015 : 12,50,00,000 equity shares of ₹ 10/- each)			
10,00,000 Cumulative redeemable preference shares of ₹ 100/- each.	1,000.00	1,000.00	1,000.00
(31 st March, 2016 : 10,00,000 Cumulative redeemable preference shares of ₹ 100/- each.)			
(1 st April, 2015 : 10,00,000 Cumulative redeemable preference shares of ₹ 100/- each)			
	13,500.00	13,500.00	13,500.00
Issued, subscribed and fully paid share capital			
8,82,04,943 equity shares of ₹ 10/- each.	8,820.49	8,820.49	8,820.49
((31 st March, 2016 : 8,82,04,943 equity shares of ₹ 10/- each)			
(1 st April, 2015 : 8,82,04,943 equity shares of ₹ 10/- each)			
Increase during the year			
Fully Paid Share Capital	8,820.49	8,820.49	8,820.49

(i) Reconciliation of the number of Equity Shares

Equity Shares	31 st March, 2017		31 st March, 2016	
	No. of Shares	Amount	No. of Shares	Amount
Balance as at the beginning of the year	88,204,943	8,820.49	88,204,943	8,820.49
Add: Issued during the year	-	-	-	-
Closing Balance	88,204,943	8,820.49	88,204,943	8,820.49

Terms and rights attached to equity shares

The Company has only one class of issued Equity Shares having at par value of ₹ 10 per Share. Each holder of Equity Shares is entitled to one vote per Share.

The Company declares and pays dividend in Indian Rupee except in the case of overseas Shareholders where dividend is paid in respective foreign currencies considering foreign exchange rate applied at the date of remittance. The dividend proposed by the Board of Directors is subject to the approval of Shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to their shareholding.

(ii) Details of shareholders holding more than 5% shares in the Group

	31 st March, 2017		31 st March, 2016		1 st April, 2015	
	Number of shares (in lakhs)	% Holding	Number of shares (in lakhs)	% Holding	Number of shares (in lakhs)	% Holding
Mr. S. C. Mehta	0.02	0.00%	212.84	24.13%	212.84	24.13%
Nova Synthetic Limited	425.94	48.29%	172.67	19.58%	172.67	19.58%
Fidelity Puriton Trust-Fidelity Low Priced Stock Fund	72.00	8.16%	75.69	8.58%	75.69	8.58%

(All Amounts in ₹ Lacs unless otherwise stated)

Note 16: RESERVES & SURPLUS

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Capital Reserve	0.13	0.13	0.13
Securities premium reserve	10,798.95	10,798.95	10,798.95
Debenture redemption reserve	6,250.00	5,000.00	8,104.13
Capital Redemption reserve	1,950.00	1,950.00	1,950.00
General Reserve	17,866.83	17,866.83	17,866.83
Retained earnings	1,24,255.19	1,08,188.36	1,02,929.09
Foreign currency translation reserve	92.87	142.93	-
Total reserves and surplus	1,61,213.97	1,43,947.20	1,41,649.13

(i) Securities Premium Reserve

	31 st March, 2017	31 st March, 2016
Opening Balance	10,798.95	10,798.95
Movement	-	-
Closing Balance	10,798.95	10,798.95

(ii) Debenture redemption reserve

	31 st March, 2017	31 st March, 2016
Opening balance	5,000.00	8,104.13
Appropriations during the year	1,250.00	(3,104.13)
Closing balance	6,250.00	5,000.00

(iii) Capital redemption reserve

	31 st March, 2017	31 st March, 2016
Opening balance	1,950.00	1,950.00
Movement	-	-
Closing balance	1,950.00	1,950.00

(iv) General Reserve

	31 st March, 2017	31 st March, 2016
Opening balance	17,866.83	17,866.83
Movement	-	-
Closing balance	17,866.83	17,866.83

(v) Retained earnings

	31 st March, 2017	31 st March, 2016
Opening balance	1,08,188.36	1,02,929.22
Net profit for the period	17,535.21	11,626.82
Exchange Fluctuation for the year	-	-
Items of other comprehensive income recognised directly in retained earnings	-	-
- Remeasurements of post-employment benefit obligation, net of tax	(250.44)	14.56
- Transfer to retained earnings of FVOCI equity investments, net of tax	37.29	(39.56)
- Cash Flow hedging reserve	-	110.83
- Transfer to debenture redemption reserve	(1,250.00)	3,104.13
Dividends *	(5.23)	(9,557.64)
Closing Balance	1,24,255.19	1,08,188.36

(*) Includes Dividend distribution tax of ₹ 5.23 Lacs (31st March, 2016 ₹ 925.38 Lacs)**(vi) Other Reserve**

	31 st March, 2017	31 st March, 2016
Opening Balance	(32.76)	(118.59)
Movement	(213.15)	85.83
Closing Balance	(245.91)	(32.76)

(All Amounts in ₹ Lacs unless otherwise stated)

Note 17 (a): NON - CURRENT BORROWINGS

Secured	Maturity date	Terms of repayment	Coupon/ Interest rate	31 st March, 2017	31 st March, 2016	1 st April, 2015
External commercial borrowings (ECBs)						
Bank of Baroda, London	30 th June, 2017	Repayable in 20 quarterly installments commencing from 30 th September, 2012 and last installment is payable on 30 th June, 2017	At variable interest rate of LIBOR + 325 bps payable quarterly (average for the year 4.32% (3.80%).)	1,942.95	6,596.31	8,677.67
HSBC Bank (Mauritius) Ltd.	29 th July, 2016	Repayable in 6 equal half yearly installments commencing from 31 st January, 2014 and last installment is payable on 29 th July, 2016	At variable interest rate of LIBOR + 300 basis points payable half yearly. The Group has taken interest rate swap from floating to fixed rate of 6.09%.	-	2,754.68	7,772.03
Debentures						
2,500, 9.71% Redeemable Privately Placed NCDs of ₹ 10 Lacs each	18 th Jan., 2018	Redeemable in single installment on 18 th January, 2018	9.71% per annum payable annually.	24,991.91	24,981.06	24,969.34
500, 9.31% Redeemable Privately Placed Non-Convertible Debentures (NCDs) of ₹ 10 Lacs each	15 th Jul., 2015	Redeemable in single installment on 15 th July, 2015	9.31% per annum payable annually.	-	-	4,998.07
500, 10.00% Redeemable Privately Placed NCDs of ₹ 10 Lacs each	25 th Nov., 2015	Redeemable in three equal installments from 25 th November, 2013 to 25 th November, 2015	10% per annum payable quarterly.	-	-	1,666.16
500, 9.75% Redeemable Privately Placed NCDs of ₹ 10 Lacs each	25 th Nov., 2015	Redeemable in three equal installments from 25 th November, 2013 to 25 th November, 2015	9.75% per annum payable quarterly.	-	-	1,664.01
1,000, 9.70% Redeemable Privately Placed NCDs of ₹ 10 Lacs each	18 th Jan., 2016	Redeemable in single installment on 18 th January, 2016	9.70% per annum payable annually.	-	-	9,994.17
Term loans						
State Bank of India				42,516.01	10,000.00	-
Kotak Mahindra Bank		Repayable in 28 quarterly installments starting from Jun 2017 onwards.	At variable average interest rate: 4.55% (Previous Year: 4.76%)	-	6,364.00	-
Export Import Bank of India				9,453.00	3,636.00	-
Term Loan - Westpac		Repayable in 2 years from date of drawdown.	At variable average interest rate payable monthly	1,829.44	1,876.47	-
Term Loan - State Bank of India, Sydney		Repayable from calendar year 2018 to 2022	At variable average interest rate: 4.55% (Previous Year: 4.76%)	776.20	42.60	-
Total non-current borrowings				81,509.50	56,251.11	59,741.43
Less: Current maturities of long-term debt (included in note 18)				34,349.32	7,408.00	25,055.00
Non-current borrowings				47,160.18	48,843.11	34,686.43

(All Amounts in ₹ Lacs unless otherwise stated)

Note 17 (b): CURRENT BORROWINGS

	31 st March 2017	31 st March 2016	1 st April, 2015
From banks			
-Buyer's credit	38,981.20	30,276.18	31,596.02
-Short term loan from bank	-	10,000.00	7,500.00
-Cash credit facilities	395.51	1,241.29	4,810.94
Total Secured	39,376.70	41,517.47	43,906.96
Unsecured			
-Commercial Borrowings	64,499.09	99,194.89	34,604.04
Total current borrowings	1,03,875.80	1,40,712.35	78,511.00

Note:

Buyer's credits are generally due within 180 days and carry variable rate of interest (average Interest rate for the year 1.14% (31st March, 2016: 0.94 %, 1st April, 2015: 0.84%) and are secured by a first charge by way of hypothecation of stocks of raw materials, stock-in-process, consumable stores and book debts.

Short term loan from bank is repayable on 30th April, 2016 carries interest rate of Nil (31st March, 2016: 9.45%, 1st April, 2015: 9.60%)and is secured by a first charge by way of hypothecation of stocks of raw materials, stock-in-process, consumable stores and book debts.

Cash credit is repayable on demand and carries variable interest rate (average interest rate for the year is 9.57 % (31st March, 2016: 9.93%, 1st April, 2015: 10.56%). Cash credit facilities sanctioned by banks including working capital demand loans are secured by a first charge by way of hypothecation of stocks of raw materials, stock-in-process, consumable stores and book debts.

Note 18: OTHER FINANCIAL LIABILITIES

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Non-current			
Interest rate swap designated as hedge	-	-	66.16
Security deposits	26.00	85.27	82.00
Interest accrued	30.51	30.51	47.18
Retention Money	80.57	29.69	-
Others	17.02	67.81	37.91
Total other non-current financial liabilities	154.11	213.27	233.25
Current			
Current maturities of long-term debt	34,349.32	7,408.04	25,055.33
Interest accrued but not due on borrowings	735.47	998.20	1,320.32
Security deposits	3,212.79	2,719.92	2,215.65
Capital creditors	15,350.14	3,382.57	1,498.13
Due to directors	1,023.22	757.91	714.71
Foreign-exchange forward contracts not designated as hedge	1,231.06	484.69	-
Interest rate swap designated as hedge	-	30.99	134.32
Others(*)	15,958.48	5,900.54	-
Total other current financial liabilities	71,860.48	21,682.86	30,938.46

(*) Others include due to Bank for structured finance where the Group acts as a pass through agent of ₹ 15,958.42 Lacs (31st March, 2016 ₹ 5,900.54 Lacs, 1st April, 2015 Nil)

Note 19: TRADE PAYABLES

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Trade payables	41,473.79	46,971.59	24,123.93
Amount due to micro, small & medium enterprises	55.05	43.36	0.31
Total trade payables	41,518.10	47,014.95	24,124.24

(All Amounts in ₹ Lacs unless otherwise stated)

	31 st March, 2017	31 st March, 2016	1 st April, 2015
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year			
- Principal amount outstanding (whether due or not) to micro and small enterprises	55.05	43.36	0.31
- Interest due thereon	2.40	0.42	-
The amount of interest paid by the Group in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-
The amount of payment made to the supplier beyond the appointed day during the year	115.20	328.24	53.69
Amount of interest due and payable on delayed payments	-	-	-
Amount of interest accrued and remaining unpaid as at year end	2.40	0.42	-
The amount of further interest due and payable even in the succeeding year	-	-	-

Details of Micro and Small Enterprises as define under MSMED ACT, 2006

To comply with the requirement of the Micro, Small And Medium Enterprises Development Act, 2006, the Group requested its suppliers to confirm it whether they are covered as Micro, Small or Medium enterprise as is defined in the said Act. Based on the communications received from such suppliers confirming their coverage as such enterprise, the Group has recognised them for the necessary treatment as provided under the Act, from the date of receipt of such confirmations.

Note 20: OTHER NON CURRENT LIABILITIES

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Other payables (*)	350.35	320.19	292.91
Total other non current liabilities	350.35	320.19	292.91

(*) Other payables includes ₹ 315.76 Lacs (31st March, 2016 ₹ 285.60 Lacs, 1st April, 2015 ₹ 258.32 Lacs) of Decommissioning liability

Note 21: PROVISIONS

	31 st March, 2017			31 st March, 2016			1 st April, 2015		
	Current	Non - Current	Total	Current	Non - Current	Total	Current	Non - Current	Total
Volume discounts	3,719.58	-	3,719.58	2,894.63	-	2,894.63	2,089.73	-	2,089.73
Total	3,719.58	-	3,719.58	2,894.63	-	2,894.63	2,089.73	-	2,089.73

(i) Movements in provisions

Movements in each class of provision during the financial year, are set out below:

	Volume discounts and returns	Total
As at 1st April, 2015	2,089.73	2,089.73
Charged/(credited) to profit or loss	-	-
Additional provisions recognised	804.89	804.89
As at 1st April, 2016	2,894.63	2,894.63
Charged/(credited) to profit or loss	-	-
Additional provisions recognised	824.95	824.95
As at 31st March, 2017	3,719.58	3,719.58

(All Amounts in ₹ Lacs unless otherwise stated)

Note 22: EMPLOYEE BENEFITS OBLIGATIONS

	31 st March, 2017			31 st March, 2016			1 st April, 2015		
	Current	Non - Current	Total	Current	Non - Current	Total	Current	Non - Current	Total
Leave obligations	693.93	1,394.91	2,088.84	437.57	1,685.13	2,122.70	326.74	1,435.59	1,762.33
Defined pension benefits	121.05	100.68	221.73	18.66	299.67	318.33	75.68	201.68	277.36
Gratuity	713.21	1,526.34	2,239.55	626.64	1,114.11	1,740.76	763.62	1,046.41	1,810.03
Others	17.02	-	17.02	-	-	-	-	-	-
Total employee benefit obligations	1,545.21	3,021.93	4,567.15	1,082.87	3,098.91	4,181.78	1,166.04	2,683.68	3,849.72

Leave Obligations

The leave obligations cover the Group's liability for sick and earned leave.

The amount of the provision of ₹ 693.93 Lacs (31st March, 2016 – ₹ 437.57 Lacs, 1st April, 2015 – ₹ 326.74 Lacs) is presented as current, though the Group does not have an unconditional right to defer settlement for any of these obligations, as based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The amounts that reflect leave that is not expected to be taken or paid within the next 12 months is shown under current portion.

Post Retirement Benefits & Gratuity

- the Group has a Post Retirement Benefit plan, which is a defined benefit retirement plan, according to which executives superannuating from the service after ten years of service are eligible for certain benefits like medical, fuel, telephone reimbursement, club membership etc. for specified number of years. The liability is provided for on the basis of an independent actuarial valuation.
- the Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payments to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The plan is managed by a Trust and the fund is invested with recognised Insurance Companies under their Group gratuity scheme. the Group makes annual contributions to gratuity fund and recognises the liability for gratuity benefits payable in future based on an independent actuarial valuation.

The amounts recognised in the balance sheet and the movements in the defined benefit obligation (Gratuity) over the year are as follows:

	Present value of obligation	Fair value of plan assets	Net Amount
1st April, 2015	4,092.77	(2,282.74)	1,810.03
Current service cost	372.13	-	372.13
Past service cost	-	-	-
Interest expense/(income)	318.82	(197.19)	121.64
Total amount recognised in profit or loss	690.95	(197.19)	493.77
Remeasurements	16.06	-	16.06
Total amount recognised in other comprehensive income	16.06	-	16.06
Exchange differences	-	-	-
Contributions by employer	(579.10)	-	(579.10)
31st March, 2016	4,220.69	(2,479.93)	1,740.76
1st April, 2016	4,220.69	(2,479.93)	1,740.76
Current service cost	373.90	-	373.90
Adjustment to opening fund	161.68	-	161.68
(Gains) and losses on curtailment and settlement	-	-	-
Interest expense/(income)	348.51	(237.29)	111.22
Total amount recognised in profit or loss	884.09	(237.29)	646.79
Remeasurements	481.85	-	481.85
Total amount recognised in other comprehensive income	481.85	-	481.85
Contributions by employer	(629.84)	-	(629.84)
31st March, 2017	4,956.78	(2,717.22)	2,239.56

(All Amounts in ₹ Lacs unless otherwise stated)

i) Sensitivity Analysis

The key assumption and sensitivity of the defined benefit obligation are:

Particulars	31 st March, 2017	31 st March, 2016	1 st April, 2015
Discount rate	7.50%	7.80%	8.00%
Salary growth rate	5%	5%	5%
Normal retirement age	60	60	60
Mortality table	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Employee turnover	5%	5%	5%

Assumption	Impact on defined benefit obligation	
	31 st March, 2017	31 st March, 2016
Discount rate		
1.00% increase	Decrease by 305.18	Decrease by 261.32
1.00% decrease	Increase by 346.90	Increase by 288.98
Future salary increase		
1.00% increase	Increase by 297.38	Increase by 248.74
1.00% decrease	Decrease by 266.75	Decrease by 222.55
Attrition Rate		
1.00% increase	Increase by 46.48	Increase by 39.24
1.00% decrease	Decrease by 51.10	Decrease by 41.15

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

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

The amounts recognised in the balance sheet and the movements in the defined benefit obligation (Post Retirement Benefit) over the year are as follows:

	Present value of obligation	Fair value of plan assets	Net Amount
1st April, 2015	277.36	-	277.36
Current service cost	66.62	-	66.62
Past service cost	-	-	-
Interest expense/(income)	21.83	-	21.83
Total amount recognised in profit or loss	88.44	-	88.44
Remeasurements	(38.38)	-	(38.38)
Total amount recognised in other comprehensive income	(38.38)	-	(38.38)
Exchange differences	-	-	-
Contribution by employer	(9.10)	-	(9.10)
31st March, 2016	318.33	-	318.33
1st April, 2016	318.33	-	318.33
Current service cost	70.05	-	70.05
Adjustment to opening fund	(60.60)	-	(60.60)
(Gains) and losses on curtailment and settlement	-	-	-
Interest expense/(income)	23.99	-	23.99
Total amount recognised in profit or loss	33.44	-	33.44
Remeasurements	(108.60)	-	(108.60)
Total amount recognised in other comprehensive income	(108.60)	-	(108.60)
Contribution by employer	(21.44)	-	(21.44)
31st March, 2017	221.73	-	221.73

i) Key Assumption

The key assumptions of the defined benefit obligation are:

Particulars	31 st March, 2017	31 st March, 2016	1 st April, 2015
Discount rate	7.50%	7.80%	8.00%
Salary growth rate	5%	5%	5%
Normal retirement age	60	60	60
Mortality table	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Employee turnover	5%	5%	5%

(All Amounts in ₹ Lacs unless otherwise stated)

Note 23: DEFERRED TAX LIABILITIES NET

The balance comprises temporary differences attributable to:

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Property, plant and equipment and investment property	14,120.43	14,473.38	14,940.14
Financial assets at fair value through profit or loss	(376.28)	(365.10)	(314.04)
Financial assets at FVOCI (including derivatives)	(127.68)	(17.12)	(62.76)
	13,616.46	14,091.17	14,563.34
Others	(1,721.68)	(1,855.25)	(2,226.77)
	11,894.79	12,235.92	12,336.57
Total deferred tax liabilities	11,894.79	12,235.92	12,336.57

Movements in deferred tax liabilities:

	Intangible assets	Financial assets at fair value through profit or loss	Financial assets at FVOCI (including derivatives)	Property, plant and equipment and investment property	Other items	Total
At 1st April, 2015		(314.04)	(62.76)	14,940.14	(2,226.77)	12,336.57
Charged/(credited)						-
- to profit or loss		(51.06)		(466.75)	371.52	(146.29)
- to other comprehensive income			45.64			45.64
At 31st March, 2016	-	(365.10)	(17.12)	14,473.38	(1,855.25)	12,235.92
Charged/(credited)						
- to profit or loss		(11.18)		(352.96)	147.21	(230.57)
- to other comprehensive income			(110.56)			(110.56)
At 31st March, 2017	-	(376.28)	(127.68)	14,120.43	(1,721.68)	11,894.79

Note 24: CURRENT TAX LIABILITIES

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Opening balance	6,468.29	3,148.88	2,878.47
Add: Current tax payable for the year	4,577.89	6,134.76	2,874.45
Less: Taxes paid	4,066.00	2,815.35	2,604.04
Closing balance	6,980.18	6,468.29	3,148.88

Note 25: OTHER CURRENT LIABILITIES

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Customer advances	2,769.49	2,509.30	1,260.47
Unclaimed dividend ^(#)	523.64	792.87	496.45
Statutory tax payables	1,577.93	1,170.84	676.34
Other payables ^(*)	3,925.01	2,807.80	1,998.17
Total other current liabilities	8,796.07	7,280.82	4,431.42

(#) ₹ 51.82 Lacs (31st March 2016 ₹ 42.23 Lacs, 1st April 2015 ₹ 34.89 Lacs) transferred to the Investor Education and Protection Fund during the year

(*) Other payables includes ₹ 2,037.98 Lacs (31st March, 2016 ₹ 1,765.60 Lacs, 1st April, 2015 ₹ 1,191.65 Lacs) related to employee dues and ₹ 1,883.07 Lacs (₹ 1,042.20 Lacs) related to sales and marketing expenses.

(All Amounts in ₹ Lacs unless otherwise stated)

Note 26: REVENUE FROM OPERATIONS

	31 st March, 2017	31 st March, 2016
Sale of products (including excise duty)		
Finished goods	2,46,381.40	2,41,884.63
Revenue from mining consultancy	-	34.57
Stock-in-trade	1,59,298.30	1,59,758.96
Subsidy on manufactured fertilisers	17,163.29	15,706.34
Subsidy on traded fertilisers	12,219.60	34,084.75
Revenue from reality business	554.90	521.52
Other operating revenues	2,195.22	1,891.37
Total Revenue from Operations	4,37,812.72	4,53,882.14

Details of Sales of goods (including subsidy)	Year ended	Year ended
	31 st March, 2017	31 st March, 2016
Finished goods		
Iso propyl alcohol	44,915.00	41,990.50
Nitrophosphate	50,305.00	47,790.29
Bentonite sulphur	3,484.00	3,147.80
Technical ammonium nitrate	83,153.00	92,916.76
Nitric acid	37,130.00	36,071.84
Methanol	1,128.00	-
Propane	3,320.00	4,094.05
Liquid CO ₂	697.00	1,282.94
Hydrogen	59.00	388.96
Power generated from windmill	758.00	693.41
NPK	6,626.00	-
Ammonium Nitrate	11,776.53	6,817.14
Weak Nitric Acid	854.08	407.94
Others	19,339.09	21,989.34
Total (A)	2,63,544.70	2,57,590.97

Details of sale of traded goods		
Bulk Fertilisers	25,030.47	57,949.10
Specialty fertiliser	16,162.53	17,573.88
Bulk Chemicals	113,318.51	79,803.04
Others	4,786.79	4,432.95
Total (B)	159,298.30	159,758.96

(All Amounts in ₹ Lacs unless otherwise stated)

Note 27: OTHER INCOME

	31 st March, 2017	31 st March, 2016
Rental income	13.39	24.43
Dividend income from investments mandatorily measured at fair value through profit or loss	-	0.16
Interest income from financial assets mandatorily measured at fair value through profit or loss	553.07	470.48
Interest on Bank Deposits	9.78	16.09
Interest income from financial assets at amortised cost	94.96	213.83
Unwinding of discount on security deposits	62.41	69.19
Other non-operating income	453.50	608.18
Net gain on financial assets mandatorily measured at fair value through profit or loss	72.78	-
Net gain on sale of investments	326.36	5,839.77
Net foreign exchange losses	0.21	0.30
Total other income	1,586.45	7,242.42

Note 28: COST OF MATERIALS CONSUMED

	31 st March, 2017	31 st March, 2016
Raw materials and Packing Materials	9,978.89	119.97
Add: Purchases	1,44,584.23	1,55,098.50
Less: Raw material and Packing Materials	7,162.33	366.30
Total cost of materials consumed	1,47,400.79	1,54,852.18

Note 29: PURCHASE OF TRADED GOODS

	31 st March, 2017	31 st March, 2016
Bulk Fertilisers	21,080.81	95,644.16
Speciality Fertilisers	12,017.22	12,569.34
Bulk Chemicals	98,801.40	83,700.97
Others	3,119.76	4,981.67
Total cost of materials consumed	135,019.18	196,896.14

Note 30: CHANGES IN INVENTORIES OF WORK-IN-PROGRESS, STOCK-IN-TRADE AND FINISHED GOODS

	31 st March, 2017	31 st March, 2016
Opening balance		
Work-in progress	-	-
Finished goods	4,947.25	5,328.90
Traded goods	33,400.97	15,686.39
Total opening balance	38,348.23	21,015.29
Closing balance		
Work-in progress	14,342.62	4,945.52
Finished goods	12,148.99	33,400.97
Total closing balance	26,491.60	38,346.49
(Increase)/ decrease in excise duty on stock of finished goods	42.55	(98.09)
Total changes in inventories of work-in-progress, stock-in-trade and finished goods	11,899.17	(17,429.28)

Note 31: EMPLOYEE BENEFIT EXPENSE

	31 st March, 2017	31 st March, 2016
Salaries, wages and bonus	18,074.63	15,725.99
Contribution to provident & other funds	1,980.63	1,678.95
Staff welfare expenses	961.31	895.60
Total employee benefit expense	21,016.57	18,300.54

(All Amounts in ₹ Lacs unless otherwise stated)

Note 32: FINANCE COSTS

	31 st March, 2017	31 st March, 2016
Interest and finance charges on financial liabilities not at fair value through profit or loss#	16,699.53	14,589.00
Less: Amount capitalised	4,552.14	1,587.64
Finance costs expensed in profit or loss	12,147.39	13,001.36

(#) Exchange difference to the extent considered as an adjustment to borrowing cost ₹ 514.60 Lacs (₹ 2,600.10 Lacs).

Note 33: DEPRECIATION AND AMORTISATION EXPENSE

	31 st March, 2017	31 st March, 2016
Depreciation of property, plant and equipment	13,392.24	11,893.18
Depreciation on investment properties	37.54	37.13
Amortisation of intangible assets	214.36	249.37
Total depreciation and amortisation expense	13,644.14	12,179.68

Note 34: OTHER EXPENSES

	31 st March, 2017	31 st March, 2016
Power, Fuel and Water	4,737.03	3,923.63
Stores, spares, oils, chemicals and catalysts consumed	5,078.25	4,179.33
Repairs to :		
- Building	928.75	429.93
- Plant and Machinery	4,086.53	3,422.37
- Others	902.47	808.10
Insurance	1,040.15	1,451.60
Rent	2,243.92	1,846.42
Rates, Taxes and Duties	2,439.12	1,228.49
Directors' Sitting Fees	55.68	28.61
Carriage Outward (Net)	15,697.48	14,355.90
Foreign exchange Fluctuations (Net)	1,543.71	2,160.32
Loss on Sales of Fixed Assets	270.36	107.00
Commission on Sales	732.24	530.68
Legal and Professional Fees	3,292.10	2,183.67
Sales and Promotions Expenses	1,712.44	1,006.78
Travelling and Conveyance	1,003.29	848.36
Utility Services	963.41	826.82
Communication Expenses	381.56	310.38
Corporate social responsibility expenditure	613.60	167.89
Payments to auditors (refer note 34(a) below)	92.36	81.56
Miscellaneous expenses	4,521.86	2,754.21
Total other expenses	52,336.31	42,652.04

(All Amounts in ₹ Lacs unless otherwise stated)

Note 34(a): DETAILS OF PAYMENTS TO AUDITORS

	31 st March, 2017	31 st March, 2016
Payment to auditors		
As auditor:		
Audit fee	52.41	49.08
Tax audit fee	6.50	6.58
In other capacities		
Taxation matters	12.27	12.50
Certification fees	18.33	10.45
Re-imburement of expenses	2.85	2.94
Total payments to auditors	92.36	81.56

NOTE 35: DISCLOSURE OF SBNS IN FINANCIAL STATEMENTS (AMENDMENT TO SCHEDULE III)

The MCA has amended division I and division II of the Schedule III. As per the amendment, each company needs to disclose the details of Specified Bank Notes held and transacted during the period from 8th November, 2016 to 30th December, 2016 in the prescribed format.

	Specified Bank Notes	Other Denomination Notes	Total
	Amount	Amount	
Closing Cash in Hand as on 08.11.2016	2,78,500	1,46,601	4,25,101
Add: Permitted Receipts	43,000	1,472,758	1,515,758
Less: Permitted Payments	1,000	1,477,257	1,478,257
Less: Amount deposited in Banks	320,500	10,810	331,310
Closing Cash in Hand as on 31.12.2016	-	131,292	131,292

Note 36: INTEREST IN ASSOCIATE

The investment in Desai Fruit & Vegetables Private Limited was accounted using consolidation method under earlier GAAP. Amount as at 1st April, 2015 have been deconsolidated consequent to adoption of Ind AS. The summarised financial information of the associate, based on its Ind AS financial statements, and reconciliation with the carrying amount of investment in consolidated financial statements are set out below:

Summarised balance sheet	31 st March, 2017	31 st March, 2016	1 st April, 2015
Current assets			
Cash and cash equivalents	0.41	0.32	2.31
Other Current assets	735.51	1,328.57	824.04
Total current assets	735.92	1,328.89	826.36
Total Non-current assets	627.54	746.39	734.04
Non-current liabilities			
Other Non-current liabilities	34.17	21.15	17.93
Total Non-current liabilities	34.17	21.15	17.93
Current liabilities			
Finacial liabilities (excluding trade payables and provisions)	191.90	690.28	125.51
Other Current liabilities	547.13	892.30	624.88
Total Current liabilities	739.03	1,582.58	750.39
Net assets	590.27	471.54	792.08
Group's share in %	37.09%	49.00%	49.00%
Carrying amount	218.93	231.06	388.12

Note: The information disclosed reflects the amounts presented in the financial statements of the relevent associate and not Deepak Fertilisers and Petrochemicals Corporation Limited share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method.

(All Amounts in ₹ Lacs unless otherwise stated)

Summarised statement of profit and loss	31 st March, 2017	31 st March, 2016
Revenue	2,549.62	5,685.18
Cost of raw materials and components consumed	1435.78	2844.98
Depreciation and amortisation expense	138.18	159.93
Finance costs	92.79	51.50
Employee benefits expense	390.64	468.73
Other expenses	1743.92	2504.74
Profit before tax	(1,251.70)	(344.72)
Tax Expense	11.05	(24.18)
Profit for the year	(1,262.75)	(320.54)
Total comprehensive income for the year	(1,262.75)	(320.54)
Group's share of profit/(loss)	(231.06)	(157.06)

Information on Ishanya Realty Corporation Limited, Ishanya Brand Service Limited and Mumbai Modern Terminal Market Complex Private Limited is not presented above as the same are non-operational, immaterial and accordingly not consolidated in the financial statements.

Note 37: FAIR VALUE MEASUREMENTS

Financial instruments by category

	31 st March, 2017			31 st March, 2016			1 st April, 2015		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets									
Investments									
- Equity instruments, investments in subsidiaries, associates	-	-	1,174.84	-	-	1,402.82	-	-	25,481.91
- Equity instruments at fair value	68.69	-	-	68.69	-	-	68.69	-	-
- Bonds and debentures	924.77	-	-	866.93	-	-	-	-	-
- Mutual funds	10,464.52	-	-	-	-	-	-	-	-
- Government securities	-	2,771.54	-	-	2,717.77	-	-	1,344.03	-
Trade receivables	-	-	1,18,337.21	-	-	154,805.28	-	-	94,909.47
Loans	-	-	425.93	-	-	219.26	-	-	424.46
Cash and cash equivalents	-	-	9,240.83	-	-	22,463.53	-	-	5,499.01
Derivative financial assets	123.43	-	-	447.12	-	-	1,146.73	-	-
Security deposits	-	-	1,276.99	-	-	1,905.11	-	-	2,124.43
Other financial assets	-	-	2,238.63	-	-	2,190.85	-	-	1,930.56
Total financial assets	11,581.39	2,771.54	1,32,694.43	1,382.74	2,717.77	1,82,986.85	1,215.42	1,344.03	1,30,369.83
Financial liabilities									
Borrowings	-	-	1,51,035.98	-	-	1,89,555.47	-	-	1,13,197.43
Derivative financial liabilities	1,231.06	-	-	484.69	-	-	-	-	-
Trade payables	-	-	41,518.10	-	-	47,014.95	-	-	24,124.24
Capital creditors	-	-	15,350.14	-	-	3,382.57	-	-	1,498.13
Derivative financial liabilities, designated as hedges	-	-	55,433.39	-	30.99	17,997.89	-	134.32	29,539.27
Total financial liabilities	1,231.06	-	2,63,337.61	484.69	30.99	2,57,950.88	-	134.32	1,68,359.06

(All Amounts in ₹ Lacs unless otherwise stated)

(i) Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following table provides the fair value measurement hierarchy of the Company's financial assets and liabilities that are measured at fair value or where fair value disclosure is required:

Financial assets and liabilities measured at fair value	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
At 31st March, 2017												
Financial Investments at FVPL												
Equity shares	-	-	68.69	68.69	-	-	68.69	68.69	-	-	68.69	68.69
Mutual funds - Growth plan	10,464.52	-	-	10,464.52	-	-	-	-	-	-	-	-
Mutual funds - Dividend plan	-	-	-	-	-	-	-	-	-	-	-	-
Financial Investments at FVOCI												
Bonds & Government Securities	2,771.54	-	-	2,771.54	2,717.77	-	-	2,717.77	1,344.03	-	-	1,344.03
Derivatives not designated as hedges												
Foreign exchange forward contracts/ options	-	123.43	-	123.43	-	447.12	-	447.12	-	1,146.73	-	1,146.73
Derivatives designated as hedges												
Interest rate swaps	-	-	-	-	-	-	-	-	-	-	-	-
Total financial assets	13,236.06	123.43	68.69	13,428.17	2,717.77	447.12	68.69	3,233.57	1,344.03	1,146.73	68.69	2,559.45
Financial liabilities												
Derivatives												
Foreign exchange forward contracts/ option contracts	-	1,231.06	-	1,231.06	-	484.69	-	484.69	-	-	-	-
Derivatives designated as hedges												
Interest rate swaps	-	-	-	-	-	30.99	-	30.99	-	134.32	-	134.32
Total financial liabilities	-	1,231.06	-	1,231.06	-	515.68	-	515.68	-	134.32	-	134.32
Assets and liabilities which are measured at amortised cost for which fair values are disclosed												
At 31st March, 2017												
Financial Liabilities												
Borrowings	-	25,763.25	-	25,763.25	-	25,661.82	-	25,661.82	-	25,754.27	-	25,754.27
Total financial liabilities	-	25,763.25	-	25,763.25	-	25,661.82	-	25,661.82	-	25,754.27	-	25,754.27

(ii) Valuation process to determine fair value

The following methods and assumptions were used to estimate the fair values of financial instruments:

- The carrying amounts of cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature
- The fair values of the equity investment which are quoted, are derived from quoted market prices in active markets. In the case of the investment measured at fair value and falling under fair value hierarchy Level 3, cost has been considered as an appropriate estimate of fair value. The carrying value of those investments are individually immaterial.
- the Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. The fair value of derivative financial instruments is based on observable market inputs including currency spot and forward rate, yield curves, currency volatility, interest rate curves and use of appropriate valuation models.
- The fair value of the long-term borrowings carrying floating-rate of interest is not impacted due to interest rate changes and will not be significantly different from their carrying amounts as there is no significant change in the underlying credit risk of the Group (since the date of inception of the loans).
- The fair values of the unsecured redeemable non-convertible debenture (included in long term borrowings) are derived from quoted market prices/discounting using current market interest rates. the Group has no other long-term borrowings with fixed-rate of interest.

(All Amounts in ₹ Lacs unless otherwise stated)

Note 38: FINANCIAL RISK MANAGEMENT**Year ended 31st March, 2017:****(A) Expected Credit Loss**

(a) Expected credit loss for trade receivables under simplified approach

Ageing	> 6 months past due	Others	Total
Gross carrying amount	4,988.03	1,14,461.92	1,19,449.95
Expected loss rate	upto 11%		
Expected credit losses (Loss allowance provision)	1,112.74	-	1,112.74
Carrying amount of trade receivables (net of impairment)	3,875.29	1,14,461.92	1,18,337.21

Year ended 31st March, 2016:

(a) Expected credit loss for trade receivables under simplified approach

Ageing	> 6 months past due	Others	Total
Gross carrying amount	6,207.85	1,49,306.87	1,55,514.72
Expected loss rate	upto 11%		
Expected credit losses (Loss allowance provision)	709.44	-	709.44
Carrying amount of trade receivables (net of impairment)	5,498.41	1,49,306.87	1,54,805.72

Year ended 1st April, 2015:

(a) Expected credit loss for trade receivables under simplified approach

Ageing	> 6 months past due	Others	Total
Gross carrying amount	2,828.06	92,421.89	95,249.95
Expected loss rate	upto 11%		
Expected credit losses (Loss allowance provision)	340.48	-	340.48
Carrying amount of trade receivables (net of impairment)	2,487.57	92,421.89	94,909.47

(i) Reconciliation of loss allowance provision – Trade receivables

Loss allowance on 1st April, 2015	340.48
Changes in loss allowance	368.96
Loss allowance on 31st March, 2016	709.44
Changes in loss allowance	403.30
Loss allowance on 31st March, 2017	1,112.74

(All Amounts in ₹ Lacs unless otherwise stated)

(B) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Group's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the Group in accordance with practice and limits set by the Group. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

(i) Financing Arrangements

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Floating rate			
- Expiring within one year (bank overdraft and other facilities)			
- Cash Credit Facilities	47,500.00	37,500.00	26,065.00
- LC and Bank Guarantee Facilities	67,500.00	43,500.00	57,800.08
- Expiring beyond one year (bank loans)			
- Long Term Loans	9,580.00	39,732.00	-

The bank overdraft facilities may be drawn at any time and are repayable on demand. The bank loan facilities may be drawn at any time in INR and have an average maturity of 1 year (2016 – 1 years, 2015 1 year).

(ii) Maturities of Financial Liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for: all non-derivative financial liabilities, and net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities 31 st March, 2017	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Non-derivatives							
Borrowings	96,712.65	12,800.00	28,712.00	9,841.84	24,037.20	13,259.95	1,85,363.64
Trade payables	41,518.10						41,518.10
Total non-derivative liabilities	1,38,230.75	12,800.00	28,712.00	9,841.84	24,037.20	13,259.95	2,26,881.74
Derivatives (net settled)							
Foreign exchange forward contracts	1,023.39	84.24	-	-	-	-	1,107.63
Total derivative liabilities	1,023.39	84.24	-	-	-	-	1,107.63

Contractual maturities of financial liabilities 31 st March, 2016	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Non-derivatives							
Borrowings	1,27,444.54	18,069.82	2,575.20	28,810.01	25.56	20,017.04	1,96,942.17
Trade payables	47,014.95	-	-	-	-	-	47,014.95
Total non-derivative liabilities	1,74,459.49	18,069.82	2,575.20	28,810.01	25.56	20,017.04	2,43,957.12
Derivatives (net settled)							
Foreign exchange forwards and options	337.75	146.94	-	-	-	-	484.69
Interest rate swap	-	30.99	-	-	-	-	30.99
Total derivative liabilities	337.75	177.93	-	-	-	-	515.68

(All Amounts in ₹ Lacs unless otherwise stated)

Contractual maturities of financial liabilities 1 st April, 2015	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Non-derivatives							
Borrowings	79,135.99	8,229.17	17,187.17	6,979.17	1,665.60	-	1,13,197.10
Trade payables	24,124.24	-	-	-	-	-	24,124.24
Total non-derivative liabilities	1,03,260.23	8,229.17	17,187.17	6,979.17	1,665.60	-	1,37,321.33
Derivatives (net settled)							
Foreign exchange Option Contracts	-	-	-	-	-	-	-
Interest rate swap	-	200.47	-	-	-	-	200.47
Total derivative liabilities	-	200.47	-	-	-	-	200.47

(C) Foreign Currency Risk Exposure**(i) The Group's exposure to foreign currency risk at the end of the reporting period**

	31 st March 2017		31 st March 2016	
	Amount in Foreign Currency	Equivalent Amount (in Lacs)	Amount in Foreign Currency	Equivalent Amount (in Lacs)
Hedged Position				
Foreign Currency Loans (in USD)	30,35,413	1,968.62	76,66,667	5,079.36
Creditors (in USD)	2,34,81,409	14,587.67	3,01,39,800	19,968.37
Creditors (in EURO)	6,49,450	450.31	-	-
Exports (in USD)	-	-	20,10,000	1,331.47
Exports (in EURO)	-	-	86,875	65.51
Buyers Credit (in EURO)	9,42,900	653.77	8,40,000	633.54
Buyers Credit (in USD)	5,70,69,083	37,012.15	4,31,61,474	28,595.56
Un-hedged Position				
Foreign Currency Loans (in USD)	-	-	65,45,562	4,336.60
Creditors (in USD)	44,70,699	2,642.19	1,47,81,462	9,793.09
Creditors (in EURO)	4,68,800	320.87	1,66,453.44	125.54
Creditors (in GBP)	-	-	435	0.42
Buyers Credit (in USD)	23,27,194	1,509.30	16,57,090	1,097.86
Exports (in USD)	16,65,975	1,080.30	8,96,519	593.88
Bank Balance (in EURO)	-	-	4,75,341	358.42
Bank Balance (in USD)	31,48,270	2,043.39	19,09,848	1,265.13

(ii) Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and hedges thereof. There is no impact on other components of equity as the Group has not designated foreign forward exchange contracts, foreign exchange option contracts as cash flow hedges.

	Impact on profit after tax		Impact on other components of equity	
	31 st March, 2017	31 st March, 2016	31 st March, 2017	31 st March, 2016
USD sensitivity				
INR/USD -appreciated by 6% (31 st March, 2016-11%)	34,770.73	70,745.18	-	-
INR/USD -depreciated by 6% (31 st March, 2016-11%)	(34,770.73)	(70,745.18)	-	-
EUR sensitivity				
INR/EUR-appreciated by 11% (31 st March, 2016-19%)	1,626.97	647.65	-	-
INR/EUR-depreciated by 11% (31 st March, 2016-19%)	(1,626.97)	(647.65)	-	-

(All Amounts in ₹ Lacs unless otherwise stated)

(iii) Cash flow and fair value interest rate risk

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. During 31st March, 2017 and 31st March, 2016, the Group's borrowings at variable rate were mainly denominated in INR, USD

The Group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Group manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. Under these swaps, the Group agrees with other parties to exchange, at specified intervals (mainly half yearly), the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts.

(a) Interest Rate Exposure

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Variable rate borrowings	1,73,490.92	1,59,235.69	79,760.99
Fixed rate borrowings	11,873.28	37,706.49	33,436.11
Total borrowings	1,85,364.20	1,96,942.18	1,13,197.10

As at the end of the reporting period, the Group had the following variable rate borrowings and interest rate swap contracts outstanding:

	31 st March, 2017			31 st March, 2016			1 st April, 2015		
	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans
Buyers Credit	1.14%	38,981.00	21.03%	0.94%	30,276.18	15.37%	0.84%	31,596.02	27.91%
Commercial Papers	7.77%	64,478.00	34.78%	8.51%	99,173.89	50.36%	8.89%	34,604.03	30.57%
Cash Credit	9.44%	396.00	0.21%	9.93%	984.93	0.50%	10.56%	4,810.94	4.25%
ECB Loan	4.32%	1,945.65	1.05%	3.80%	6,625.26	3.36%	3.59%	8,750.00	7.73%
NPK Term Loan	9.58%	65,084.64	35.11%	9.95%	20,000.00	10.16%	-	-	-
Westpac	3.34%	1,829.44	0.99%	3.34%	2,132.82	1.08%	-	-	-
SBI, Sydney	4.55%	776.20	0.42%	4.76%	42.60	0.02%	-	-	-
Interest rate swaps (notional principal amount)	-	-	-	6.09%	2,760.52	1.40%	6.09%	7,812.00	6.90%
Net exposure to cash flow interest rate risk		1,73,490.92			1,61,996.20			87,572.99	

An analysis by maturities is provided in note 38(B)(ii) above. The percentage of total loans shows the proportion of loans that are currently at variable rates in relation to the total amount of borrowings.

(b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. Other components of equity change as a result of an increase/decrease in the fair value of the cash flow hedges related to borrowings.

	Impact on profit after tax		Impact on other components of equity	
	31 st March, 2017	31 st March, 2016	31 st March, 2017	31 st March, 2016
Interest rates – increase by 50 basis points (60 bps) *	(867.45)	(955.41)	-	3.90
Interest rates – decrease by 50 basis points (60 bps)	867.45	955.41	-	(3.90)

As the Group has not designated hedges, there is no impact on other component of equity.

(All Amounts in ₹ Lacs unless otherwise stated)

Note 39(A): CONSOLIDATED RELATED PARTY TRANSACTIONS - 01-04-2016 TO 31-03-2017

Sr. No.	Nature of Transactions	31 st March, 2017					31 st March, 2016				
		Associate	Key Management Personnel	Entities over which Key Management Personnel are able to exercise significant influence (*)	Relatives of Key Management Personnel	Total	Associate	Key Management Personnel	Entities over which Key Management Personnel are able to exercise significant influence (*)	Relatives of Key Management Personnel	Total
1	Sale of Goods	-	-	6,896.78	-	6,896.78	-	-	6,623.59	-	6,623.59
2	Purchase of Goods	-	-	(1,807.37)	-	(1,807.37)	-	-	-	-	-
3	Donation Given	-	-	(588.00)	-	(588.00)	-	-	(149.00)	-	(149.00)
4	Rendering of Services / Reimbursement of Expenses	11.82	-	5.61	-	17.43	0.80	-	7.21	-	8.01
5	Receiving of Services / Reimbursement of Expenses	-	(1,339.64)	(80.35)	(27.03)	(1,447.02)	-	(1453.86)	-	(4.42)	(1458.28)
6	Leasing or Hire Purchase arrangements	-	(24.00)	8.28	-	(15.72)	-	(24.00)	9.19	-	(14.81)
7	Purchase of DEPB licenses	(43.40)	-	-	-	(43.40)	(105.93)	-	-	-	(105.93)
8	Dividend Received	-	-	-	-	-	-	-	-	-	-
9	Dividend Paid	-	-	-	-	-	-	(1,915.61)	(1,667.62)	-	(3583.23)
10	Interest on Loan/Advances	12.30	-	-	-	12.30	-	-	-	-	-
11	Loans & Advances Given	(247.00)	-	-	-	(247.00)	-	-	-	-	-
	Loans & Advances Re-Paid	247.00	-	-	-	247.00	-	-	-	-	-
12	Balance Receivable/(Payable)	-	-	-	-	-	-	-	-	-	-
	Other receivable/(payable)	(10.59)	(672.90)	1,481.21	-	797.71	(0.17)	(467.59)	1,067.18	-	599.42

Note : Figures in bracket are outflows.

(*) Includes transaction with enterprises over which relatives are able to exercise significant influence.

Sr. No.		Nature of Transactions	Year ended 31 st March, 2017					Year ended 31 st March, 2016				
			Associate	Key Management Personnel	Entities over which Management Personnel are able to exercise significant Influence (*)	Relatives of Key Management Personnel	Total	Associate	Key Management Personnel	Entities over which Management Personnel are able to exercise significant Influence (*)	Relatives of Key Management Personnel	Total
1		Sale of Goods	-	-	6,091.65	-	6,091.65	-	-	6,623.59	-	6,623.59
		Deepak Nitrite Limited	-	-	805.13	-	805.13	-	-	-	-	-
		Mahadhan Farm Technologies Limited	-	-	(0.25)	-	(0.25)	-	-	-	-	-
2		Purchase of Goods	-	-	(1,807.12)	-	(1,807.12)	-	-	-	-	-
		Ishanya Foundation	-	-	12.30	-	12.30	-	-	-	-	-
		Mahadhan Farm Technologies Limited	-	-	-	-	-	-	-	-	-	-
3		Interest on Loan	12.30	-	-	-	12.30	-	-	-	-	-
		Desai Fruits & Vegetables	-	-	-	-	-	-	-	-	-	-
4		Rendering of Services/ Reimbursement of Expenses	11.82	-	-	-	11.82	0.80	-	-	-	0.80
		Desai Fruits and Vegetables Private Limited	-	-	5.61	-	5.61	-	-	7.21	-	7.21
5		Receiving of Services/ Reimbursement of Expenses	-	-	-	-	-	-	-	-	-	-
		Shri S.C. Mehta (Remuneration)/(Commission)	-	(1,174.34)	-	-	(1,174.34)	-	(933.84)	-	-	(933.84)
		Shri Partha Bhattacharyya (Remuneration/commission)	-	-	-	-	-	-	(315.92)	-	-	(315.92)
		Shri Somnath Patil (Remuneration)	-	-	-	-	-	-	(145.50)	-	-	(145.50)
		Shri Vipin Agarwal (Remuneration+Perks)	-	(115.44)	-	-	(115.44)	-	(22.30)	-	-	(22.30)
		Shri Tushar Dey (Remuneration)	-	-	-	-	-	-	(35.19)	-	-	(35.19)
		Shri Mandar Velankar (Remuneration + Perks)	-	(14.06)	-	-	(14.06)	-	(1.11)	-	-	(1.11)
		Shri Yeshil Mehta (Remuneration+Perks)	-	-	-	(27.03)	(27.03)	-	-	-	(4.42)	(4.42)
		Shri K Subharaman (Remuneration+Perks)	-	(35.79)	-	-	(35.79)	-	-	-	-	-
		Robust Marketing Services Private Limited	-	-	(67.03)	-	(67.03)	-	-	-	-	-
		Performance Chemiserve Private Limited (w.e.f. 30-3-2017)	-	-	(13.32)	-	(13.32)	-	-	-	-	(13.32)

(All Amounts in ₹ Lacs unless otherwise stated)

Note 39(B): DETAILS OF TRANSACTIONS OF THE RELATED PARTIES

Sr. No.	Nature of Transactions	Year ended 31 st March, 2017				Year ended 31 st March, 2016					
		Associate	Key Management Personnel	Entities over which Management Personnel are able to exercise significant Influence (*)	Relatives of Key Management Personnel	Total	Associate	Key Management Personnel	Entities over which Management Personnel are able to exercise significant Influence (*)	Relatives of Key Management Personnel	Total
6	Leasing or Hire Purchase arrangements	-	-	8.28	-	8.28	-	-	9.19	-	9.19
	Deepak Nitrite Ltd.	-	(24.00)	-	-	(24.00)	-	(24.00)	-	(24.00)	
	Shri S.C. Mehta	-	-	-	-	-	-	-	-	-	
7	Purchase of DEPB License	(43.40)	-	-	-	(43.40)	(105.93)	-	-	(105.93)	
	Desai Fruits and Vegetables Pvt. Ltd.	-	-	-	-	-	-	-	-	-	
8	Loans and Advances	(247.00)	-	-	-	(247.00)	-	-	-	-	
	Desai Fruits & Vegetables (Loan given to Desai Fruits & Vegetables)	-	-	-	-	-	-	-	-	-	
	Desai Fruits & Vegetables (Loan repayment from Desai Fruits & Vegetables)	247.00	-	-	-	247.00	-	-	-	-	
9	Donation Given	-	-	-	-	-	-	-	-	-	
	Ishanya Foudation	-	-	(588.00)	-	(588.00)	-	(149.00)	-	(149.00)	
10	Dividend Paid	-	-	-	-	-	-	-	-	-	
	Shri S.C.Mehta	-	-	-	-	-	(1,915.60)	-	-	(1,915.60)	
	Nova Synthetics Ltd.	-	-	-	-	-	-	(1,554.04)	-	(1,554.04)	
11	Balance Receivable / (Payable)	(10.59)	-	-	-	(10.59)	(0.17)	-	-	(0.17)	
	Desai Fruits and Vegetables Pvt. Ltd.	-	-	-	-	-	-	-	-	-	
	Deepak Nitrite Ltd.	-	-	879.11	-	879.11	-	1,066.08	-	1066.08	
	Ishanya Foudation	-	-	0.10	-	0.10	-	1.10	-	1.10	
	Robust Marketing Services Private Limited	-	-	653.09	-	653.09	-	-	-	-	
	Mahadhan Farm Technologies Limited	-	-	(33.43)	-	(33.43)	-	-	-	-	
	Performance Chemiserve Private Limited (w.e.f. 30-3-2017)	-	-	(17.66)	-	(17.66)	-	-	-	(17.66)	
	Shri S.C. Mehta	-	(672.90)	-	-	(672.90)	-	(442.59)	-	(442.59)	
	Shri Partha Bhattacharyya	-	-	-	-	-	-	(25.00)	-	(25.00)	

Note : Figures in bracket are outflows.

(*) Includes transaction with enterprises over which relatives are able to exercise significant influence.

(All Amounts in ₹ Lacs unless otherwise stated)

Note 40: CAPITAL COMMITMENTS

	31 st March, 2017	31 st March, 2016
Related to Projects	2,526.29	28,106.21
Related to Realty	34.77	103.74
Other Commitments	-	811.04
	2,561.06	29,020.99

Note 41: CONTINGENT LIABILITIES

	31 st March, 2017	31 st March, 2016
Claims by Suppliers	39,857.56	3,573.36
Income Tax Demands	3,972.53	3,937.00
Excise/Service Tax/Custom Demands*	12,449.20	12,406.93
Sales Tax/ VAT Demands	6,232.02	5,369.06
Entry Tax	3,272.40	-
Bank Guarantees	13,340.79	11,407.17
Penalty Levied by Competition commission of India and contested by Company before CPAT	200.00	200.00
Letter of Credit issued in favour of suppliers	16,024.14	3,665.91
Total	95,348.63	40,559.43

*Includes customs duty amounting to ₹ 9,347.27 Lacs on duty free import of fertiliser during the period 2005-06 to 2009-10. Under the applicable policy of Government on subsidy, any customs duty needs to be reimbursed by Government.

- Note 42:** Effective 15th May, 2014, domestic gas supply to the Group was arbitrarily stopped pursuant to an order passed by the Ministry of Petroleum and Natural Gas. The Group successfully challenged the same before the Hon'ble Delhi High Court, which by its orders dated 7th July, 2015 and 19th October, 2015 directed the Government of India (GOI) to restore the gas supply. Review petition filed by the GOI, challenging the said order, has been rejected by the Court by an order dated 2nd February, 2016. Subsequently, the GOI filed affidavit before Delhi High Court stating that Inter Ministerial Committee (IMC) has decided to recommend supply of pooled gas to the Group, subject to approval of competent authority. In the meantime, during the quarter, SLP filed by GOI against above orders of Delhi High Court is disposed off by Hon'ble Supreme Court without granting any relief to the petitioner (GOI).
- Note 43:** The Department of Fertilisers (DoF), Ministry of Chemicals and Fertilisers, had withheld subsidy, due to the Group in accordance with applicable Nutrient Based Subsidy (NBS) scheme of GOI, alleging undue gain arising to Group on account of supply of cheap domestic gas since challenged by the Group before the Hon'ble High Court of Bombay. Based on the directive of the Hon'ble Court, DoF agreed to release subsidy withheld except a sum of ₹ 310 Crores pending final decision. Recently DoF has advised release of the aforesaid sum against a Bank Guarantee taking a favourable view on the request made by the Group.
- Note 44:** GAIL has claimed a sum of ₹ 357 crores in respect of supply of domestic natural gas for the period July 2006 to May 2014, alleging usage for manufacture of products other than Urea. As per contracts entered into between Group and GAIL, the purchase of gas was clearly intended, supplied and utilised for industrial applications. It has been in the full knowledge of the Department of Fertilisers, Government of India that the Group; as per the Industrial License, since its inception was never engaged in the manufacture of Urea. The Group has strongly challenged the claim currently being raised by GAIL as untenable, unsustainable, contractually unfounded, invalid and barred by limitation of time. Arbitration proceedings have since commenced. The Group has obtained legal advice and accordingly no provisioning is considered necessary.
- Note 45:** The Group has made significant capital investments in Ishanya Mall. The said Mall has been incurring losses due to larger break-even period associated with the operations of the Mall which is extended due to continuing adverse economic environment since the launch of the Mall in 2007-08. The management of the Group continues to be hopeful of turnaround in performance of the Mall in the coming years due to expected improvements in the economic environment and strategic initiatives being planned in this regard. The Group has, however, in accordance with the requirements of Accounting Standard 36-"Impairment of Assets", carried out impairment review of carrying value of the assets of the Mall, which has not indicated any impairment in its value.

(All Amounts in ₹ Lacs unless otherwise stated)

Note 46: SCHEME OF ARRANGEMENT

In an endeavour to sharpen the strategic future of each of its business verticals and focus on shareholders' wealth enhancement, the Group had proposed a Scheme of Arrangement for demerger of fertilisers and technical ammonium nitrate business into a wholly owned subsidiary Company, M/s. Smartchem Technologies Limited. The National Company Law Tribunal (NCLT) on 30th March, 2017 granted approval to the Scheme and the Order of NCLT was received by the Group on 13th April, 2017. Post compliance of further requirements of the Order, the Group filed the same with Registrar of Companies on 1st May, 2017, being the date from which the Order became operational. The Scheme as approved by NCLT, provides that the demerger will be effective retrospectively from 1st January, 2015.

Note 47: LEASES

The Group has taken premises on operating lease for a period of one to ten years. The future lease payment of such operating lease is as follows:

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Minimum Lease rental payable			
Not later than 1 year	558.43	536.58	278.99
Later than 1 year and not later than 5 years	153.54	1,065.84	923.48
Later than 5 years	-	-	-
Total	711.97	1,602.42	1,202.47

Note 48: INCOME TAXES

The major components of income tax expense for the year ended 31st March, 2017 and 31st March, 2016 are:

	31 st March, 2017	31 st March, 2016
Tax related to items recognised in OCI during the year		
Net (gain) or loss on fair valuation of investment through OCI	(18.61)	20.78
Net (gain) or loss on revaluation of Cash flow hedge	-	(58.65)
Net (gain) or loss on remeasurements of defined benefit plans	129.17	(7.76)
Income tax charged to OCI/(Credit)	110.56	(45.64)

Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate for 31st March, 2017 and 31st March, 2016.

	31 st March, 2017	31 st March, 2016
Accounting profit before tax from continuing operations	23,134.81	17,711.33
At India's statutory income tax rate of 34.608% (31 st March, 2016: 34.608%) (A)	8,006.50	6,129.54
Effects of income not subject to tax		
- Dividend income	(8.65)	(1,041.36)
- Power Generation	(219.07)	(181.69)
Weighted deduction on capital expenditure	(834.17)	(253.19)
Effects of non-deductible business expenses	151.46	30.58
Taxes from prior periods	-	429.00
Others*	(1,763.20)	875.59
Total (B)	(2,673.63)	(141.06)
Income tax expense reported in the statement of profit or loss (A+B)	5,332.87	5,988.47

(*) Includes ₹ 1,150 Lacs of tax reversal of Subsidiary SCM Soilfert Limited and ₹ 131 lacs of brought forward loss of Smartchem Technologies Limited as on 31st March 2017.

(All Amounts in ₹ Lacs unless otherwise stated)

Note 49: FIRST-TIME ADOPTION OF IND AS

Transition to Ind AS

These are the Group's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31st March, 2017, the comparative information presented in these financial statements for the year ended 31st March, 2016 and in the preparation of an opening Ind AS balance sheet at 1st April, 2015 (the Group's date of transition). In preparing its opening Ind AS balance sheet, the Group has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Group's financial position, financial performance and cash flows is set out in the following tables and notes.

Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

Ind AS optional exemptions

1 Business combinations

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

The Group elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated. The Group has applied same exemption for investment in associates.

2 Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and Investment Property covered by Ind AS 40 Investment Properties.

Accordingly, the Group has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value.

3 Designation of previously recognised financial instruments

Financial assets and financial liabilities are classified as fair value through profit and loss or fair value through other comprehensive income based on facts and circumstances as at the date of transition to Ind AS i.e. 1st April, 2015. Financial assets and liabilities are recognised at fair value as at the date of transition to Ind AS i.e. 1st April, 2015 and not from the date of initial recognition.

4 Leases

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material.

The Group has elected to apply this exemption for such contracts/arrangements.

(All Amounts in ₹ Lacs unless otherwise stated)

Ind AS mandatory exceptions

1 Hedge accounting

Hedge accounting can only be applied prospectively from the transition date to transactions that satisfy the hedge accounting criteria in Ind AS 109, at that date. Hedging relationships cannot be designated retrospectively, and the supporting documentation cannot be created retrospectively. As a result, only hedging relationships that satisfied the hedge accounting criteria as of 1st April, 2015 are reflected as hedges in the Group's results under Ind AS, primarily being interest rate swap. Under Ind AS, the Group has chosen to not follow hedge accounting for hedging relationships relating to foreign exchange forward & option contracts.

2 Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1st April, 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Group has made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in financial instruments carried at FVPL or FVOCI;
- Investment in debt instruments carried at FVPL; and
- Impairment of financial assets based on expected credit loss model.

3 De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Group has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

4 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

Note 50:

Reconciliation of total equity as at 31st March, 2016 and 1st April, 2015

	Notes to first-time adoption	31 st March, 2016	1 st April, 2015
Total equity (shareholder's funds) as per previous GAAP		153,413.59	147,208.70
Adjustments:			
Cash Flow Hedge	e	(30.99)	(200.47)
Effect of accounting of Expected credit loss	c	(328.12)	(211.08)
Interest recognition using effective interest rate method on borrowings	d	(722.99)	(583.10)
Impact of measuring investments at fair value through statement of profit and loss	b	96.72	(146.00)
Effect of change in fair value of derivatives contracts	e	(78.24)	(134.67)
Impact of interest and depreciation on de-commissioning liability	g	(28.70)	-
Reversal of Proposed Dividend	a	30.23	4,222.00
Reversal of Goodwill amortization		470.00	-
Others		(341.22)	0.19
Impact of deferred taxes on above	i	287.40	314.04
Total adjustments		(645.90)	3,260.92
Total equity as per Ind AS		152,767.69	150,469.62

(All Amounts in ₹ Lacs unless otherwise stated)

Reconciliation of total comprehensive income for the year ended 31st March, 2016

	Notes to first-time adoption	31 st March, 2016
Profit after tax as per previous GAAP		11,532.02
Adjustments:		
Actuarial loss on employee defined benefit plan in Other Comprehensive Income as per Ind AS 19	f	(15.27)
Effect of accounting of Expected credit loss	c	(117.04)
Interest recognition using effective interest rate method on borrowings	d	(139.89)
Impact of measuring investments at fair value through statement of profit and loss	b	95.54
Reversal of Proposed Dividend	a	-
Others		(217.50)
Impact of deferred taxes on above	i	49.20
Total adjustments		33.77
Profit after tax as per Ind AS		11,565.80
Other comprehensive income	h	85.84
Total comprehensive income as per Ind AS		11,651.64

Impact of Ind AS adoption on the financial statements of cash flows for the year ended 31st March, 2016

	Previous GAAP	Adjustments	Ind AS
Net cash flow from operating activities	(12,678.22)	1,640.65	(11,037.57)
Net cash flow from investing activities	(4,468.03)	(1,754.83)	(6,222.86)
Net cash flow from financing activities	33,503.16	(519.48)	32,983.68
Net increase/(decrease) in cash and cash equivalents	16,356.91	(633.67)	15,723.24
Cash and cash equivalents as at 1 st April, 2015	5,218.65	280.36	5,499.01
Effects of exchange rate changes on cash and cash equivalents			
Cash and cash equivalents as at 31st March, 2016	21,575.56	(353.31)	21,222.25

NOTES TO FIRST-TIME ADOPTION**a Proposed dividend**

Under Previous GAAP, proposed dividends including Dividend Distribution Tax (DDT) are recognised as a liability in the period to which they relate, irrespective of when they are declared. Under Ind AS, proposed dividend is recognised as a liability in the period in which it is declared by the Group (usually when approved by shareholders in a general meeting) or paid. In the case of the Group, the declaration of dividend for March 2015 had occurred after period end. Therefore, the liability of ₹ 4,101.08 Lacs for the year ended on 31st March, 2015 recorded for dividend has been reversed with corresponding adjustment to retained earnings. Correspondingly, total equity increased by this amount.

b Fair value adjustments on investments

Current investments: Under Previous GAAP, current investments in equity instruments such as mutual funds and Government securities are recognized at cost or net realizable value, whichever is lower. Long-term investments in equity instruments are recorded at cost unless there is an other than temporary decline in the value of investments.

The Group holds investment in Government securities and bonds with the objective of both collecting contractual cash flows which give rise on specified dates to cash flows that are solely payments of interest on principal amount outstanding and selling financial asset. The resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition and subsequently in Other Comprehensive Income for the year ended 31st March, 2016 (₹ 57.52 Lacs). This resulted an increase in retained earnings as at 31st March, 2016 by ₹ Nil (1st April, 2015: ₹ 19.12 Lacs).

c Provision for expected credit loss under Ind AS 109

Under Previous GAAP, the Group has created provision for impairment of receivables which comprises only in respect of specific amount for incurred losses. Under Ind AS, impairment allowance has been determined based on Expected Credit Loss (ECL) model. The total ECL provision amounting to ₹ 211.08 Lacs considered as on the transition date has been adjusted against the retained earnings. Impact of ₹ 117.04 Lacs for the year ended 31st March, 2016 has been charged to the Statement of Profit and Loss.

d Adjustment relating to loan processing fees

Under previous GAAP, loan processing fees have been expensed out to Statement of Profit and Loss Account but under Ind AS, such loan processing fees have to be amortised on effective interest rate basis over the loan period. The Group under previous GAAP had capitalised such fees to fixed assets as per AS 16. Under Ind AS, amortisation of such fees has resulted in a decrease in retained earnings at 31st March, 2016 and 1st April, 2015.

e Fair Valuation of derivative contracts

The Group hedges its foreign currency risk by entering into forward and option contracts which are fair valued through profit and loss under Ind AS as the same are not designated as hedges for the purposes of financial reporting. This has resulted into a decrease in retained earnings by ₹ 78.24 Lacs as at 31st March, 2016 (1st April, 2015: ₹ 134.67 Lacs).

The Group has entered into interest rate swap which is fair valued through other comprehensive income under Ind AS as the same is designated as a cashflow hedges. This has resulted in decrease in retained earnings by ₹ 30.99 Lacs as at 31st March, 2016 (1st April, 2015: ₹ 200.47 Lacs).

f Actuarial loss transferred to Other Comprehensive Income

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of statement of profit and loss. As a result of this change, the profit for the year ended 31st March, 2016 has increased by ₹ 23.35 Lacs. There is no impact on total equity.

g Others

The adjustment also includes provision for decommissioning liabilities on lease hold land as required under Ind AS 16 added to the cost of property, plant and equipment amounting to ₹ 28.70 lacs which was adjusted against the retained earnings.

h Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit and loss but are shown in the Statement of Profit and Loss as 'other comprehensive income' includes remeasurements of defined benefit plans and net gain on cash flow hedge.

The concept of other comprehensive income did not exist under the Previous GAAP.

i Deferred tax

The various transitional adjustments have led to temporary differences and accordingly, the Group has accounted for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

(All Amounts in ₹ Lacs unless otherwise stated)

Note 51: SEGMENT REPORTING

Sr No	Particulars	Chemicals	Fertilisers	Realty	Others	Eliminations	Common	Total
1	Revenue							
	a) External Sales							
	i) Manufactured	203,048.28	60,359.49	-	761.27	-	-	264,169.04
	<i>Previous Year</i>	204,825.65	52,111.12	-	693.41	-	-	257,630.18
	ii) Traded	113,347.43	57,531.64	433.49	-	-	-	171,312.56
	<i>Previous Year</i>	79,886.73	113,363.56	427.10	-	-	-	193,677.39
	b) Inter-segment sales	16,235.98	-	-	-	(16,235.98)	-	-
	<i>Previous Year</i>	17,551.16	-	-	-	(17,551.16)	-	-
	c) Other operating income	1,680.23	95.99	554.90	-	-	-	2,331.12
	<i>Previous Year</i>	1,685.96	367.10	521.52	-	-	-	2,574.58
	d) Unallocated Corporate other income	-	-	-	-	-	1,586.46	1,586.46
	<i>Previous Year</i>	-	-	-	-	-	7,242.42	7,242.42
	Total Revenue	334,311.91	117,987.12	988.39	761.27	(16,235.98)	1,586.46	439,399.17
	<i>Previous Year</i>	303,949.50	165,841.78	948.62	693.41	(17,551.16)	7,242.42	461,124.57
2	Segment Result	50,629.39	(792.49)	(1,834.61)	380.88	-	1,586.46	49,969.63
	<i>Previous Year</i>	33,838.13	3,656.27	(1,944.73)	338.67	-	7,242.42	43,130.76
3	Unallocated Corporate expenses	-	-	-	-	-	32,167.67	32,167.67
	<i>Previous Year</i>	-	-	-	-	-	31,407.90	31,407.90
4	Net profit	-	-	-	-	-	-	17,801.94
	<i>Previous Year</i>	-	-	-	-	-	-	11,722.86
5	Other Information							
	a) Segment Assets	208,440.25	170,136.54	24,106.16	2,378.77	-	66,639.92	471,701.63
	<i>Previous Year</i>	173,748.49	168,521.49	24,303.51	2,882.00	-	75,936.51	445,392.00
	b) Segment Liabilities	39,915.18	59,965.03	901.24	58.03	-	200,037.42	300,876.90
	<i>Previous Year</i>	35,502.25	46,667.18	702.94	9.47	-	208,968.17	291,850.00
	c) Capital Expenditure incurred during the year	38,069.63	32,984.25	585.88	-	-	11,790.87	83,430.63
	<i>Previous Year</i>	19,524.79	13,956.98	662.29	-	-	1,799.67	35,943.73
	d) Depreciation/ Amortisation	10,036.60	1,167.54	1,210.67	225.26	-	1,004.07	13,644.14
	<i>Previous Year</i>	9,372.16	492.82	1,202.31	225.26	-	887.13	12,179.68

Segment information

1. Primary segment reporting (by business segments)

Composition of business segment

Segment	Products covered
a) Chemicals	Ammonia, Methanol, DNA, CNA, CO ₂ , TAN, IPA, Propane, Bulk and Speciality Chemicals
b) Bulk Fertilisers	NP, MOP, DAP, Ammonium Sulphate, Mixtures, SSP, Sulphur, Micronutrients, SSF, Bio Fertilisers, Fruits, Vegetables, Pesticides
c) Realty	Real Estate Business
d) Others	Windmill Power

2. Inter-segment Sales Pricing: Inter-segment revenue has been recognised as estimated under Excise Regulations.

3. Secondary Segment Information: There are no reportable geographical segments since the Group caters mainly to needs of Indian Markets.

Note 52 In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7 – Statement of cash flows and Ind AS 102 – Share-based payment. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to Ind AS 7 - Statement of cash flows and Ind AS 102 – Share based payment, respectively. The amendments are applicable from 1st April, 2017 and will be given effect to from the financial year subsequent to evaluation by the Group.

Note 53 Previous year's figure have been re-grouped wherever necessary to conform to current year's grouping.

Note 54 Previous year figures are given in bracket/italics.

(All Amounts in ₹ Lacs unless otherwise stated)

Note 55: STATEMENT OF NET ASSETS AND PROFIT OR LOSS ATTRIBUTABLE TO OWNERS AND MINORITY INTEREST

Name of the Entity	Net Assets, i.e, Total Assets minus Total Liabilities		Share in Profit or Loss	
	As % of consolidated net assets	Amount (₹ in Lacs)	As % of consolidated profit or loss	Amount (₹ in Lacs)
Parent - Deepak Fertilisers And Petrochemicals Corporation Limited (DFPCL)	101.26%	1,72,973.90	91.15%	16,015.42
Subsidiaries				
Indian				
1. Smartchem Technologies Limited (including Platinum Blasting Services Pty. Limited)	2.22%	3,797.28	3.29%	578.83
2. SCM Soilfert Limited	0.92%	1,576.97	6.93%	1,218.08
3. Deepak Mining Services Private Limited (including Runge PincockMinarco India Private Limited)	0.00%	3.04	0.09%	16.10
4. SCM Fertichem Limited	0.00%	(2.77)	(0.01%)	(1.48)
Foreign				
1. Deepak Nitrochem Pty. Limited	(0.02%)	(27.32)	0.00%	(0.00)
Non Controlling				
Associate				
Indian				
1. Desai Fruits And Vegetables Private Limited	(0.70%)	(1,197.75)	(1.32%)	(231.06)
Intercompany eliminations	(3.69%)	(6,298.60)	(0.14%)	(25.00)
Total Net Asset/Net Profit of DFPCL Group	100%	1,70,824.74	100%	17,570.88

BALANCE SHEET

as at 31st March, 2017

Special Purpose Balance Sheet as at 31st March 2017

(All Amounts in ₹ Lacs unless otherwise stated)

	Notes	31 st March, 2017	31 st March, 2016	1 st April, 2015
ASSETS				
Non-current assets				
Property, plant and equipment	1	73,290.52	59,549.24	61,399.33
Capital work-in-progress	2	9,212.24	17,107.05	8,521.90
Investment property	3	1,663.42	1,700.96	1,738.10
Intangible assets	4	91.59	148.18	153.89
Financial assets				
i. Investments	5(a)	83,189.40	83,189.40	83,140.66
ii. Other financial assets	10	2,473.88	3,165.40	2,906.97
Other non-current assets	11	1,231.46	2,654.47	1,438.68
Total non-current assets		1,71,152.51	1,67,514.70	1,59,299.53
Current assets				
Inventories	12	15,098.51	17,704.88	10,320.49
Financial assets				
i. Investments	5(b)	11,809.40	2,717.77	19,344.03
ii. Trade receivables	6	34,747.77	29,987.99	34,974.92
iii. Cash and cash equivalents	8	7,411.06	20,061.86	3,327.41
iv. Bank balances other than (iii) above	9	523.27	792.50	453.84
v. Loans	7	54,823.46	81,154.22	31,306.24
vi. Other financial assets	10	1,190.68	792.09	1,564.16
Current tax assets (net)		4,966.44	4,328.24	1,982.71
Other current assets	13	12,083.54	8,933.72	10,276.15
Total current assets		1,42,654.13	1,66,473.27	1,13,549.95
Total assets		3,13,806.64	3,33,987.97	2,72,849.49

BALANCE SHEET

as at 31st March, 2017

Special Purpose Balance Sheet as at 31st March 2017

(All Amounts in ₹ Lacs unless otherwise stated)

	Notes	31 st March, 2017	31 st March, 2016	1 st April, 2015
EQUITY AND LIABILITIES				
Equity				
Equity share capital	14	8,820.49	8,820.49	8,820.49
Other equity				
Reserves and surplus	15	1,48,755.49	1,39,477.74	1,43,274.94
Other reserves		(116.93)	49.71	110.01
Total equity		1,57,459.05	1,48,347.94	1,52,205.45
LIABILITIES				
Non-current liabilities				
Financial Liabilities				
i. Borrowings	16(a)	-	24,980.76	24,969.34
ii. Other financial liabilities	17	154.11	213.27	165.40
Employee Benefit Obligation	21	620.25	1,070.13	925.25
Deferred tax liabilities (Net)		3,179.57	3,481.61	3,758.54
Other non-current liabilities	19	350.35	320.19	292.91
Total non-current liabilities		4,304.28	30,065.97	30,111.44
Current liabilities				
Financial liabilities				
i. Borrowings	16(b)	91,999.49	1,24,458.36	63,256.17
ii. Trade payables	18	22,532.90	22,614.38	10,962.40
ii. Other financial liabilities	17	29,824.92	2,728.71	8,569.60
Employee Benefit Obligation	21	971.87	555.82	790.67
Provisions	20	257.52	277.71	-
Other current liabilities	22	6,456.60	4,939.09	6,953.77
Total current liabilities		1,52,043.30	1,55,574.07	90,532.61
Total liabilities		1,56,347.58	1,85,640.03	1,20,644.04
Total equity and liabilities		3,13,806.64	3,33,987.97	2,72,849.49

As per our report of even date

For and on behalf of the Board of Directors

S. C. MEHTA

Chairman & Managing Director

DIN : 00128204

PRANAY VAKIL

Director

DIN : 00433379

VIPIN AGARWAL

President & CFO

S. R. WADHWA

Director

DIN : 00228201

U. P. JHAVERI

Director

DIN : 00273898

K. SUBHARAMAN

EVP-Legal and Company Secretary

FCS : 4361

Mumbai

Dated: 30th June, 2017

STATEMENT OF PROFIT AND LOSS

as at 31st March, 2017

Special Purpose Balance Sheet as at 31st March 2017

(All Amounts in ₹ Lacs unless otherwise stated)

	Notes	Year ended 31 st March 2017	Year ended 31 st March 2016
Revenue from operations	23	2,21,621.67	1,80,032.86
Other income	24	1,434.41	9,022.52
Total income		2,23,056.08	1,89,055.38
Expenses			
Cost of materials consumed	25	59,276.40	63,258.47
Purchases of traded goods	26	99,372.94	84,122.82
Changes in inventories of work-in-progress, stock-in-trade and finished goods	27	4,247.78	(6,662.02)
Excise duty		10,030.81	9,022.42
Employee benefit expense	28	11,971.60	11,400.26
Finance costs		8,355.34	9,428.06
Depreciation and amortisation expense	29	5,789.86	4,988.42
Other expenses	30	10,642.49	8,352.73
Total expenses		2,09,687.22	1,83,911.16
Profit before tax		13,368.86	5,144.22
Income tax expense			
- Current tax		4,304.95	503.00
- Deferred tax		(213.84)	(245.01)
Total tax expense		4,091.11	257.99
Profit for the year		9,277.75	4,886.23
Other comprehensive income			
Items that may be reclassified to profit or loss			
Net changes in fair value of investment other than equity shares carried at fair value through OCI		53.78	(57.52)
Income tax relating to these items		(18.61)	19.91
		35.17	(37.61)
Items that will not be reclassified to profit or loss			
Remeasurement of defined employee benefit plans		(308.61)	(34.71)
Income tax relating to these items		106.80	12.01
		(201.81)	(22.70)
Other comprehensive income for the year, net of tax		(166.64)	(60.31)
Total comprehensive income for the year		9,111.11	4,825.92

As per our report of even date

For and on behalf of the Board of Directors

S. C. MEHTA

Chairman & Managing Director

DIN : 00128204

PRANAY VAKIL

Director

DIN : 00433379

VIPIN AGARWAL

President & CFO

S. R. WADHWA

Director

DIN : 00228201

U. P. JHAVERI

Director

DIN : 00273898

K. SUBHARAMAN

EVP-Legal and Company Secretary

FCS : 4361

Mumbai

Dated: 30th June, 2017

(All Amounts in ₹ Lacs unless otherwise stated)

Note 1: PROPERTY, PLANT & EQUIPMENT

	Free-hold Land	Lease-hold Land	Buildings	Plant and Equipment #	Electric Installation	Furniture & Fixtures	Office Equipments	Laboratory Equipments	Vehicles	Total
Year ended 31 st March, 2016										
Gross carrying amount										
Deemed cost as at 1 st April, 2015	6,742.10	1,170.99	26,711.27	22,968.87	1,624.64	769.63	516.34	253.49	642.00	61,399.33
Exchange differences	-	-	-	-	-	-	-	-	-	-
Additions	-	-	358.41	3,535.28	19.23	61.20	160.76	-	455.72	4,590.60
Disposals	-	-	(3.01)	(2,386.09)	-	(0.72)	(17.52)	-	(148.47)	(2,555.81)
Closing gross carrying amount	6,742.10	1,170.99	27,066.68	24,118.05	1,643.87	830.11	659.58	253.49	949.25	63,434.12
Accumulated depreciation	-	-	-	-	-	-	-	-	-	-
Depreciation charge during the year	-	(17.48)	(939.56)	(2,919.80)	(327.91)	(106.53)	(166.40)	(86.71)	(293.33)	(4,857.72)
Disposals	-	-	2.86	854.11	-	0.70	16.21	-	98.97	972.85
Exchange differences	-	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation	-	(17.48)	(936.70)	(2,065.69)	(327.91)	(105.84)	(150.19)	(86.71)	(194.36)	(3,884.87)
Net carrying amount	6,742.10	1,153.51	26,129.97	22,052.37	1,315.97	724.27	509.39	166.77	754.89	59,549.24
Year ended 31 st March, 2017										
Gross carrying amount										
Opening gross carrying amount	6,742.10	1,170.99	27,066.68	24,118.05	1,643.87	830.11	659.58	253.49	949.25	63,434.12
Exchange differences	-	-	-	-	-	-	-	-	-	-
Additions	-	12,489.43	721.02	5,093.21	222.43	11.53	550.31	9.44	376.75	19,474.11
Disposals	-	-	-	(479.29)	-	(0.37)	(60.45)	(4.21)	(428.78)	(973.10)
Closing gross carrying amount	6,742.10	13,660.41	27,787.69	28,731.97	1,866.30	841.27	1,149.43	258.72	897.22	81,935.12
Accumulated depreciation and impairment										
Opening accumulated depreciation	-	(17.48)	(936.70)	(2,065.69)	(327.91)	(105.84)	(150.19)	(86.71)	(194.36)	(3,884.87)
Depreciation charge during the year	-	(110.48)	(960.21)	(3,554.08)	(338.38)	(113.59)	(215.32)	(50.84)	(316.32)	(5,659.22)
Disposals	-	-	-	456.97	-	0.36	59.55	4.21	378.41	899.50
Exchange differences	-	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation and impairment	-	(127.96)	(1,896.92)	(5,162.79)	(666.28)	(219.07)	(305.96)	(133.34)	(132.28)	(8,644.60)
Net carrying amount	6,742.10	13,532.45	25,890.78	23,569.18	1,200.02	622.20	843.47	125.38	764.94	73,290.52

Note 2: CAPITAL WORK-IN-PROGRESS

	31 st March, 2017	31 st March 2016	1 st April, 2015
Projects	8,384.48	14,538.42	8,276.11
Others	827.76	2,568.63	245.79
Net carrying amount	9,212.24	17,107.05	8,521.90

Note 3: INVESTMENT PROPERTIES

	31 st March, 2017	31 st March 2016	1 st April, 2015
Gross carrying amount			
Opening gross carrying amount / Deemed cost	1,738.10	1,738.10	1,738.10
Additions	-	-	-
Closing gross carrying amount	1,738.10	1,738.10	1,738.10
Accumulated depreciation			
Opening accumulated depreciation	(37.13)	-	-
Depreciation charge	(37.54)	(37.13)	-
Closing accumulated depreciation	(74.68)	(37.13)	-
Net carrying amount	1,663.42	1,700.96	1,738.10

(All Amounts in ₹ Lacs unless otherwise stated)

Note 4: INTANGIBLE ASSETS

	Computer Software	License/ Franchise Fees	Total
Cost as on 1st April, 2015	13.42	140.47	153.89
Additions	27.53	60.33	87.86
Disposals/ Transfers/ Adjustments	-	-	-
Gross carrying amount as on 31st March, 2016	40.95	200.80	241.76
Additions	36.49	-	36.49
Disposals/ Transfers/ Adjustments	-	-	-
Gross carrying amount as on 31st March, 2017	77.44	200.80	278.25
Accumulated Amortisation	-	-	-
Amortisation charge for the year	18.46	75.12	93.57
Disposals	-	-	-
Closing accumulated amortisation as at 31st March, 2016	18.46	75.12	93.57
Amortisation charge for the year	20.52	72.57	93.09
Disposals	-	-	-
Closing accumulated amortisation as at 31st March, 2017	20.52	72.57	93.09
Net Block as at 31st March, 2017	38.47	53.12	91.59
Net Block as at 31st March, 2016	22.49	125.69	148.18
Net Block as at 1st April, 2015	13.42	140.47	153.89

Note 5 (a): NON - CURRENT ASSETS

	31 st March, 2017	31 st March 2016	1 st April, 2015
Investments carried at cost			
Investment in Equity Shares (Unquoted)			
Investments in Subsidiaries (Fully paid up)			
1,60,00,000 (31 st March, 2016 : 1,60,00,000, 1 st April, 2015 : 1,60,00,000) equity shares of Smartchem Technology Limited (Wholly owned)*	80,724.24	80,724.24	80,675.90
1,60,000 (31 st March, 2016 : 1,60,000, 1 st April, 2015 : 1,60,000) equity shares of Deepak Nitrochem Pty. Limited	19.65	19.65	19.65
9,998 (31 st March, 2016 : 9,998, 1 st April, 2015 : 9,998) equity shares of Deepak Mining Services Private Limited	1.00	1.00	1.00
49,993 (31 st March, 2016 : 49,993, 1 st April, 2015 : 49,993) equity shares of SCM Soilfert Limited	5.00	5.00	5.00
43,350 (31 st March, 2016 : 43,350, 1 st April, 2015 : 43,350) equity shares of SCM Fertichem Limited	4.34	4.34	4.34
Investments in Associates			
50,81,363 (31 st March, 2016 : 50,81,363, 1 st April, 2015 : 50,81,363) equity shares of Desai Fruit and Vegetables Private Limited	2,356.09	2,356.09	2,356.09
49,994 (31 st March, 2016 : 49,994, 1 st April, 2015 : 49,994) equity shares of Ishanya Realty Corporation Limited	5.00	5.00	5.00
49,994 (31 st March, 2016 : 49,994, 1 st April, 2015 : 49,994) equity shares of Ishanya Brand Service Limited	5.00	5.00	5.00
4,000 (31 st March, 2016 : 4,000) equity shares of Mumbai Modern Terminal Market Complex Private Limited	0.40	0.40	-
Investments in Others at fair value (Fully paid up)			
88,448 (31 st March, 2016 : 88,448, 1 st April, 2015 : 88,448) equity shares of of Deepak International Limited	68.69	68.69	68.69
Total (equity instruments)	83,189.40	83,189.40	83,140.66
Total non-current investments	83,189.40	83,189.40	83,140.66
Aggregate amount of quoted investments and market value thereof	-	-	-
Aggregate amount of unquoted investments	83,189.40	83,189.40	83,140.66
Aggregate amount of impairment in the value of investments	-	-	-

(*) Includes shares to be issued by Smartchem Technologies pursuant to scheme of arrangement becoming effective.

(All Amounts in ₹ Lacs unless otherwise stated)

Note 5 (b): CURRENT INVESTMENTS

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Quoted bonds/Securities			
Investment in Debt Securities (Refer note (i) below)	1,646.44	1,635.06	246.93
Investment in Government Securities (Refer note (ii) below)	1,125.10	1,082.70	1,097.09
Total (Investment in government securities)	2,771.54	2,717.71	1,344.03
Investment in debentures and bonds			
1% (18,00,00,000) debentures of wholly owned Subsidiary SCM Soilfert Limited	-	-	18,000.00
Total (debentures and bonds)	-	-	18,000.00
Investment in mutual funds (Refer note (i) below)			
Total (mutual funds)	9,037.86	-	-
Total current investments	9,037.86	-	18,000.00
Aggregate amount of quoted investments and market value thereof	11,809.40	2,717.77	19,344.03

Note (i): Investment in Debt Securities

Name of Securities	31 st March, 2017			
	No of Units	Face Value (₹ In Lacs)	Cost	Market Value
9.84% Air India NCD 27/09/2026	118	10	1,305.76	1,286.79
9.38% MTNL Bonds 05/12/2023	34	10	368.90	359.65
Total			1,674.66	1,646.44

Name of Securities	31 st March, 2016			
	No of Units	Face Value (₹ In Lacs)	Cost	Market Value
9.84% Air India NCD 27/09/2026	118	10	1,305.76	1,277.11
9.38% MTNL Bonds 05/12/2023	34	10	368.90	357.95
Total			1,674.66	1,635.06

Name of Securities	31 st March, 2015			
	No of Units	Face Value (₹ In Lacs)	Cost	Market Value
9.72% Tangendco Bonds 16/07/2024	4	10	40.20	40.90
11% Bank of India Perpetual Bonds (TIER I - BASEL III) (Int date 08/08/)	3	10	30.76	32.57
11.50% IL&FS Transportation Networks Ltd. 21/06/2024	3	10	30.08	30.19
9.84% Air India NCD 27/09/2026	13	10	142.36	143.27
9.38% MTNL Bonds 05/12/2023				
Total			243.40	246.93

Note (ii): Investment in Government Securities

Name of Securities	31 st March, 2017			
	No of Units	Face Value (₹ In Lacs)	Cost	Market Value
8.97% GOI 05/12/2030	10	10	1,081.50	1,125.10
Total			1,081.50	1,125.10

Name of Securities	31 st March, 2016			
	No of Units	Face Value (₹ In Lacs)	Cost	Market Value
8.97% GOI 05/12/2030	10	10	1,081.50	1,082.70
Total			1,081.50	1,082.70

(All Amounts in ₹ Lacs unless otherwise stated)

Name of Securities	31 st March, 2015			
	No of Units	Face Value (₹ in Lacs)	Cost	Market Value
8.97% GOI 05/12/2030	10	10	1,081.50	1,097.10
Total			1,081.50	1,097.10

Note (i): Investment in Mutual Fund

Name of Mutual Fund	31 st March, 2017			
	No of Units	Face Value (₹ in Lacs)	Cost	Market Value
Baroda Pioneer Liquid Fund - Plan A Growth	0.02	-	32.00	32.02
Axis Liquid Fund(G)-Direct Plan	0.42	-	750.00	750.50
Baroda Pioneer Liquid Fund(G)-Direct Plan	0.40	-	750.00	750.49
Canara Rob Liquid Fund(G)-Direct Plan	0.38	-	750.00	750.41
HDFC Cash Mgmt-Savings(G)-Direct Plan	0.22	-	750.00	750.55
ICICI Pru Money Market Fund(G)-Direct Plan	3.33	-	750.00	750.52
IDFC Cash Fund(G)-Direct Plan	0.38	-	750.00	750.47
L&T Liquid Fund(G)-Direct Plan	0.34	-	750.00	750.45
LIC MF Liquid(G)-Direct Plan	0.25	-	750.00	750.47
Reliance Liquidity(G)-Direct Plan	0.31	-	750.00	750.50
Invesco India Liquid Fund(G)-Direct Plan	0.34	-	750.00	750.48
Tata Money Market Fund(G)-Direct Plan	0.29	-	750.00	750.47
UTI Money Market Fund-Inst(G)-Direct Plan	0.41	-	750.00	750.53
Total			9,032.00	9,037.86

Note 6: TRADE RECEIVABLES

	31 st March, 2017	31 st March 2016	1 st April, 2015
Trade receivables	34,860.91	30,088.93	35,046.73
Receivables from related parties	-	-	-
Less: Allowance for doubtful debts	(113.13)	(100.93)	(71.81)
Total Receivables	34,747.77	29,987.99	34,974.92
Current Portion	34,747.77	29,987.99	34,974.92
Non - Current Portion	-	-	-

Note 7: LOANS (Assets)

	31 st March, 2017		31 st March, 2016		1 st April, 2015	
	Current	Non Current	Current	Non Current	Current	Non Current
Unsecured, considered good						
Loan to subsidiaries	54,605.81	-	81,076.27	-	31,023.87	-
Loan to employees	37.65	-	77.95	-	282.37	-
Loan to others	180.00	-	-	-	-	-
Total loans	54,823.46	-	81,154.22	-	31,306.24	-

(All Amounts in ₹ Lacs unless otherwise stated)

Note 8: CASH & CASH EQUIVALENTS

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Balances with banks			
- in current accounts	5,187.13	4,317.29	1,593.46
- in EEFC accounts	17.94	409.82	5.41
Deposits with maturity of less than three months	1,046.25	15,020.20	-
Cheques on hand	1,152.53	300.09	1,719.33
Cash on hand	7.21	14.46	9.21
Total cash and cash equivalents	7,411.06	20,061.86	3,327.41

Note 9: OTHE BANK BALANCES

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Unclaimed dividend (Earmarked balances)	523.27	792.50	453.84
Total other bank balance	523.27	792.50	453.84

Note 10: OTHER FINANCIAL ASSETS

	31 st March, 2017		31 st March, 2016		1 st April, 2015	
	Current	Non Current	Current	Non Current	Current	Non Current
(i) Derivatives						
Foreign currency options	-	-	-	-	777.10	-
(ii) Others						
Interest receiveable	1,190.68	-	792.09	-	787.06	-
Balances with banks (*)	-	1,159.23	-	1,159.23	-	625.15
Security deposits	-	955.87	-	1,541.74	-	1,750.92
Others	-	358.78	-	464.43	-	530.90
Total other financial assets	1,190.68	2,473.88	792.09	3,165.40	1,564.16	2,906.97

* ₹ 1159.23 Lacs (₹ 1159.23 Lacs) kept as fixed deposit with Bank of Baroda, London, as a lien for ECB.

Note 11: OTHER NON - CURRENT ASSETS

	31 st March, 2017	31 st March 2016	1 st April, 2015
Capital advances	731.78	2,249.15	763.59
Balances with Statutory / Government Authorities	319.36	343.02	590.33
Prepaid Expenses	180.32	62.30	84.76
Total other non-current assets	1,231.46	2,654.47	1,438.68

Note 12: INVENTORIES

	31 st March, 2017	31 st March 2016	1 st April, 2015
Raw materials	682.72	211.95	340.91
Packing Materials	12.18	27.39	36.05
Finished goods	2,639.03	338.31	1,164.50
Stock-in-trade	6,097.34	12,231.86	4,876.50
Stores and spares	5,667.24	4,895.37	3,902.53
Total Inventories	15,098.51	17,704.88	10,320.49

(All Amounts in ₹ Lacs unless otherwise stated)

Note 13: OTHER CURRENT ASSETS

	31 st March, 2017	31 st March 2016	1 st April, 2015
Advances to suppliers	-	2,044.95	3,215.33
Balances with Statutory / Government Authorities	6,436.82	2,627.09	1,813.01
Prepaid Expenses	1,292.31	446.86	1,253.10
Other Receivable	4,354.41	3,814.83	3,994.72
Total Other Current Assets	12,083.54	8,933.72	10,276.15

Note 14: SHARE CAPITAL

Equity Shares	31 st March, 2017		31 st March, 2016	
	No. of Shares	Amount	No. of Shares	Amount
Balance as at the beginning of the year	88,204,943	8,820.49	88,204,943	8,820.49
Add: Issued during the year	-	-	-	-
Closing Balance	88,204,943	8,820.49	88,204,943	8,820.49

Terms and rights attached to equity shares

The Company has only one class of issued Equity Shares having at par value of ₹ 10 per share. Each holder of Equity Shares is entitled to one vote per Share.

The Company declares and pays dividend in Indian Rupees except in the case of overseas Shareholders where dividend is paid in respective foreign currencies considering foreign exchange rate applied at the date of remittance. The dividend proposed by the Board of Directors is subject to the approval of Shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company the holders of Equity Share will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to their shareholding.

(All Amounts in ₹ Lacs unless otherwise stated)

Note 15: RESERVES & SURPLUS

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Capital Reserve	0.13	0.13	0.13
Securities premium reserve	10,798.95	10,798.95	10,798.95
Debenture redemption reserve	6,250.00	5,000.00	8,104.13
Capital Redemption reserve	150.00	150.00	150.00
General Reserve	17,709.90	17,709.91	17,709.91
Retained earnings (Refer Note (i) below)	1,13,729.57	1,05,868.46	1,06,621.83
Total reserves and surplus	1,48,638.56	1,39,527.45	1,43,384.95

Note (i): Retained earnings

	31 st March, 2017	31 st March 2016
Opening balance	1,05,868.46	1,06,621.83
Net profit for the period	9,277.75	4,886.23
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligation, net of tax	(201.81)	(22.70)
- Transfer to retained earnings of FVOCI equity investments, net of tax	35.17	(37.61)
- Cash Flow hedging reserve	-	-
Transfer to debenture redemption reserve	(1,250.00)	3,104.13
Dividends		(8,683.42)
Closing Balance	1,13,729.57	1,05,868.46

Note 16 (a): NON - CURRENT BORROWINGS

	Maturity date	Terms of repayment	Coupon/ Interest rate	31 st March, 2017	31 st March, 2016	1 st April, 2015
Secured						
Debentures						
2500, 9.71% Redeemable Privately Placed NCDs of ₹ 10 Lacs each	18 th January, 2018	Redeemable in single installment on 18 th January, 2018	9.71% per annum payable annually.	24,991.82	24,980.76	24,969.34
1000, 9.70% Redeemable Privately Placed NCDs of ₹ 10 Lacs each	18 th January, 2016	Redeemable in single installment on 18 th January, 2016	9.70% per annum payable annually.	-	-	5,275.92
Total non-current borrowings				24,991.82	24,980.76	30,245.26
Less: Current maturities of long-term debt (included in note 17)				24,991.82		5,275.92
Non-current borrowings				-	24,980.76	24,969.34

(All Amounts in ₹ Lacs unless otherwise stated)

Note 16 (b): CURRENT BORROWINGS

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Loans repayable on demand			
Secured			
From banks			
-Buyer's credit	27,125.90	15,048.23	16,673.80
-Short term loan from bank	-	9,251.33	11,978.33
-Cash credit facilities	395.51	984.93	-
	27,521.39	25,284.48	28,652.13
Unsecured			
-Commercial Borrowings	64,478.09	99,173.89	34,604.04
Total current borrowings	91,999.49	124,458.36	63,256.17

Buyer's credits are generally due within 180 days and carry variable rate of interest (Average Interest rate for the year 1.14 % (31st March, 2016 0.94 %, 1st April, 2015 0.84%) and are secured by a first charge by way of hypothecation of stocks of raw materials, stock-in-process, consumable stores and book debts.

Short term loan from bank was repaid on 30th April, 2016 carrying interest rate of 9.45% at 31st March, 2016 (1st April, 2015 9.60%) and was secured by a first charge by way of hypothecation of stocks of raw materials, stock-in-process, consumable stores and book debts.

Cash credit is repayable on demand and carries variable interest rate (average interest rate for the year is 9.44% (31st March, 2016 9.93%, 1st April, 2015 10.56%). Cash credit facilities sanctioned by banks including working capital demand loans are secured by a first charge by way of hypothecation of stocks of raw materials, stock-in-process, consumable stores and book debts.

Note 17: OTHER FINANCIAL LIABILITIES

	31 st March, 2017	31 st March 2016	1 st April, 2015
Non-current			
Security deposits	26.00	85.27	80.30
Interest accrued	30.51	30.51	47.18
Retention Money	80.57	29.69	-
Others	17.02	67.81	37.91
Total other non-current financial liabilities	154.11	213.27	165.40
Current			
Current maturities of long-term debt	24,991.82	-	5,275.92
Interest accrued	540.41	509.91	752.65
Security deposits	351.37	400.24	587.21
Capital creditors	2,033.32	565.57	1,239.11
Due to directors	1,141.47	757.91	714.71
Foreign-exchange forward contracts	766.53	320.05	-
Foreign Currency Options	-	175.04	-
Total other current financial liabilities	29,824.92	2,728.71	8,569.60

Note 18: TRADE PAYABLES

	31 st March, 2017	31 st March 2016	1 st April, 2015
Current			
Trade payables	22,532.91	22,614.38	10,962.40
Total trade payables	22,532.91	22,614.38	10,962.40

Note 19: OTHER NON CURRENT LIABILITIES

	31 st March, 2017	31 st March 2016	1 st April, 2015
Other payables	350.35	320.19	292.91
Total other non current liabilities	350.35	320.19	292.91

(All Amounts in ₹ Lacs unless otherwise stated)

Note 20: PROVISIONS

	31 st March, 2017			31 st March, 2016			1 st April, 2015		
	Current	Non - Current	Total	Current	Non - Current	Total	Current	Non - Current	Total
Volume discounts and returns	257.52	-	257.52	277.71	-	277.71	-	-	-
Total	257.52	-	257.52	277.71	-	277.71	-	-	-

Note 21: EMPLOYEE BENEFITS OBLIGATIONS

	31 st March, 2017			31 st March, 2016			1 st April, 2015		
	Current	Non - Current	Total	Current	Non - Current	Total	Current	Non - Current	Total
Leave obligations	812.14	357.78	1,169.92	377.35	904.54	1,281.89	298.64	832.27	1,130.91
Post Retirement benefits	49.82	86.13	135.95	18.66	165.59	184.25	75.68	92.98	168.67
Gratuity	109.91	176.34	286.25	159.81	-	159.81	416.35	-	416.35
Total employee benefit obligations	971.87	620.25	1,592.12	555.82	1,070.13	1,625.96	790.67	925.25	1,715.92

Note 22: OTHER CURRENT LIABILITIES

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Customer advances	2,023.35	975.61	841.42
Unclaimed dividend	523.64	792.87	496.45
Statutory tax payables	1,494.96	1,080.10	536.86
Other payables	2,414.64	2,090.51	5,079.04
Total other current liabilities	6,456.60	4,939.09	6,953.77

Note 23: REVENUE FROM OPERATIONS

	31 st March, 2017	31 st March, 2016
Sale of products (including excise duty)		
Finished goods	44,905.99	97,413.03
Traded goods	1,71,517.90	80,309.00
Revenue from realty business	554.90	521.52
Other operating revenues	4,642.88	1,789.32
Total Revenue from Operations	2,21,621.67	1,80,032.86

Note 24: OTHER INCOME

	31 st March, 2017	31 st March, 2016
Rental income	13.39	24.43
Dividend income from investments mandatorily measured at fair value through profit or loss	25.00	3,700.00
Interest income from financial assets mandatorily measured at fair value through profit or loss	579.89	595.18
Interest income from financial assets at amortised cost	83.04	62.08
Unwinding of discount on security deposits	62.41	69.19
Other non-operating income	366.16	4,397.83
Net gain on financial assets mandatorily measured at fair value through profit or loss	5.86	-
Net gain on sale of investments	298.67	173.81
Total other income	1,434.41	9,022.52

(All Amounts in ₹ Lacs unless otherwise stated)

Note 25: COST OF MATERIALS CONSUMED

	31 st March, 2017	31 st March, 2016
Raw materials and Packing material at the beginning of the year	211.94	340.91
Add: Purchases	59,747.17	63,129.50
Less: Raw material and Packing material at the end of the year	682.71	211.94
Total cost of materials consumed	59,276.40	63,258.47

Note 26: PURCHASE OF TRADED GOODS

	31 st March, 2017	31 st March, 2016
Bulk Chemicals	98,801.40	83,700.97
Others	571.54	421.85
Total Purchase of Traded goods	99,372.94	84,122.82

Note 27: CHANGES IN INVENTORIES OF WORK-IN-PROGRESS, STOCK-IN-TRADE AND FINISHED GOODS

	31 st March, 2017	31 st March, 2016
Opening balance		
Work-in progress	-	-
Finished goods	338.31	1,164.50
Traded goods	12,231.86	4,876.50
Total opening balance	12,570.17	6,041.01
Closing balance		
Work-in progress	-	-
Finished goods	2,639.03	338.31
Traded goods	5,741.66	12,326.86
Total closing balance	8,380.69	12,665.17
(Increase)/ decrease in excise duty on stock of finished goods	58.30	(37.86)
Total changes in inventories of work-in-progress, stock-in-trade and finished goods	4,247.78	(6,662.02)

Note 28: EMPLOYEE BENEFIT EXPENSE

	31 st March, 2017	31 st March, 2016
Salaries, wages and bonus	10,028.07	9,583.09
Contribution to provident fund and other funds	1,246.42	1,153.71
Staff welfare expenses	697.11	663.46
Total employee benefit expense	11,971.60	11,400.26

Note 29: DEPRECIATION AND AMORTISATION EXPENSE

	31 st March, 2017	31 st March, 2016
Depreciation of property, plant and equipment	5,659.23	4,857.71
Depreciation on investment properties	37.54	37.13
Amortisation of intangible assets	93.09	93.57
Total depreciation and amortisation expense	5,789.86	4,988.42

(All Amounts in ₹ Lacs unless otherwise stated)

Note 30: OTHER EXPENSES

	31 st March, 2017	31 st March, 2016
Power, Fuel and Water	3,636.34	4,774.22
Stores, spares, oils, chemicals and catalysts consumed	1,505.32	769.64
Repairs to :		
- Building	755.53	302.28
- Plant and Machinery	1,412.90	1,191.95
- Others	882.74	735.26
Insurance	573.20	839.30
Rent	662.89	673.33
Rates, taxes and Duties	2,243.94	1,045.46
Directors' Sitting Fees	55.68	28.61
Carriage Outward (Net)	3,563.04	3,044.00
Foreign exchange Fluctuations (Net)	822.16	670.82
Loss on Sales of Fixed Assets	11.97	7.09
Commission on Sales	42.52	36.59
Legal and Professional Fees	2,947.32	1,900.81
Sales and Promotions Expenses	251.36	256.09
Travelling and Conveyance	428.95	313.02
Utility Services	659.34	561.12
Communiation Expenses	265.75	202.83
Corporate social responsibility expenditure	613.60	167.89
Payments to auditors	70.36	51.67
Miscellaneous expenses	1,709.30	1,360.94
Interdivisional Overheads*	(12,471.72)	(10,580.21)
Total other expenses	10,642.49	8,352.73

(*) Represents common overheads allocated to Smartchem Technologies Limited by Deepak Fertilisers and Petrochemicals Corporation Limited

Basis of Preparation:

- i The special purpose financial information of Deepak Fertilisers And Petrochemicals Corporation Limited ('the Company') include the Company's special purpose balance sheet as at 31st March, 2017 (i.e. the date prior to filing of "Scheme of Arrangement" with ROC), special purpose statement of profit and loss for the periods then ended and are prepared in accordance with accounting policies followed consistently over the years.
- ii In an endeavor to sharpen the strategic future of each of its business verticals and focus on shareholders' wealth enhancement, the Company had proposed a Scheme of Arrangement for demerger of fertilisers and technical ammonium nitrate business ('demerged undertaking') into a wholly owned subsidiary Company, M/s. Smartchem Technologies Limited. The National Company Law Tribunal (NCLT) on 30th March, 2017 granted approval to the Scheme and the Order of NCLT was received by the Company on 13th April, 2017. Post compliance of further requirements of the Order, the Company filed the same with Registrar of Companies on 1st May, 2017, being the date from which the Order became operational. The Scheme as approved by NCLT, provides that the demerger will be effective retrospectively from 1st January, 2015.
- iii The special purpose financial information has been prepared by the management of Deepak Fertilisers And Petrochemicals Corporation Limited to present the impact of the Scheme of Arrangement on the financial statements of Deepak Fertilisers and Petrochemicals Corporation Limited including the impact of transactions between the demerged undertaking and the Company at arms length prices.
- iv These special purpose financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India and Indian accounting standards (Ind AS) issued by the Institute of Chartered Accountants of India (ICAI). These special purpose financial statements have been prepared under the historical cost conventions and on accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in previous year.
- v These special purpose financial statements are presented in Indian Rupees (₹) Lacs and all amounts are rounded to the nearest decimal, except as stated otherwise.

BALANCE SHEET

as at 31st March, 2017

Special Purpose Balance Sheet as at 31st March, 2017

(All Amounts in ₹ Lacs unless otherwise stated)

	Notes	31 st March, 2017	31 st March, 2016	1 st April, 2015
ASSETS				
Non-current assets				
Property, plant and equipment	1	1,22,736.50	67,765.31	72,229.20
Capital work-in-progress	2	29,249.52	22,403.11	5,589.14
Investment property	3	460.76	460.76	460.76
Other intangible assets	4	1,64,911.70	1,69,438.02	1,75,390.15
Financial assets				
i. Investments	5(a)	3,776.05	3,772.98	2,860.34
ii. Other financial assets	9	332.97	425.42	473.38
Other non - current assets	10	10,105.07	5,524.22	2,491.07
Total non-current assets		3,31,572.57	2,69,789.82	2,59,494.04
Current assets				
Inventories	11	34,942.36	42,649.51	30,536.65
Financial assets				
i. Investments	5(b)	1,426.66	-	-
ii. Trade receivables	6	83,079.20	123,495.38	59,814.65
iii. Cash and cash equivalents	8	109.30	882.46	331.77
iv. Loans	7	208.28	145.96	170.42
v. Other financial assets	6	-	622.16	369.64
Current tax assets (net)		654.23	478.94	398.38
Other current assets	12	3,730.37	1,721.67	4,498.98
Total current assets		1,24,150.40	1,69,996.08	96,120.49
Total assets		4,55,722.97	4,39,785.90	3,55,614.53

BALANCE SHEET

as at 31st March, 2017

Special Purpose Statment of Profit and Loss for the year ended 31st March, 2017

(All Amounts in ₹ Lacs unless otherwise stated)

	Notes	31 st March, 2017	31 st March, 2016	1 st April, 2015
EQUITY AND LIABILITIES				
Equity				
Equity share capital	13	1,700.00	1,700.00	1,700.00
Other equity				
Equity component of compound financial instruments				
Reserves and surplus	14	2,59,313.24	2,55,680.96	2,52,038.80
Other reserves		(42.27)	148.80	(26.66)
Total equity		2,60,970.97	2,57,529.76	2,53,712.14
LIABILITIES				
Non-current liabilities				
Financial Liabilities				
i. Borrowings	15(a)	44,544.86	21,942.95	9,716.76
Employee Benefit Obligation	18	2,844.57	72.20	74.05
Deferred tax liabilities		12,454.09	12,532.00	11,108.38
Total non-current liabilities		59,843.52	34,547.15	20,899.19
Current liabilities				
Financial liabilities				
i. Borrowings	15(b)	66,461.12	97,057.56	40,687.15
ii. Trade payables	17	20,650.16	24,582.70	13,071.81
iii. Other financial liabilities	16	42,036.10	18,846.75	22,380.25
Employee Benefit Obligation	19	47.69	2,426.50	2,033.77
Provisions	18	3,462.06	2,597.36	2,090.13
Other current liabilities	20	2,251.35	2,198.12	740.09
Total current liabilities		1,34,908.46	1,47,708.99	81,003.18
Total liabilities		1,94,751.98	1,82,256.14	1,01,902.37
Total equity and liabilities		4,55,722.97	4,39,785.90	3,55,614.53

As per our report of even date

For and on behalf of the Board of Directors

S. C. MEHTA

Chairman & Managing Director

DIN : 00128204

DR. T. K. CHATTERJEE

Director

DIN : 00118123

NANDAN SHAH

Company Secretary

M. No: A 24703

Mumbai

Dated: 30th June, 2017

STATEMENT OF PROFIT AND LOSS

for the year ended 31st March, 2017

Special Purpose Statment of Profit and Loss for the year ended 31st March, 2017

(All Amounts in ₹ Lacs unless otherwise stated)

	Notes	Year ended 31 st March, 2017	Year ended 31 st March, 2016
CONTINUING OPERATIONS			
Revenue from operations	21	2,35,820.67	2,95,403.84
Other income	22	321.82	525.70
Total income		2,36,142.49	2,95,929.54
Expenses			
Cost of materials consumed	23	1,08,580.11	1,13,292.56
Purchases of traded goods	24	35,646.23	1,12,773.32
Changes in inventories of work-in-progress, stock-in-trade and finished goods	25	7,627.79	(10,785.88)
Excise duty		12,098.56	13,519.58
Employee benefit expense	26	7,106.11	5,921.18
Finance costs		6,563.99	7,860.47
Depreciation and amortisation expense	27	13,340.82	12,884.58
Other expenses	28	41,635.40	35,299.58
Total expenses		2,32,599.01	2,90,765.39
Profit before tax		3,543.48	5,164.15
Income tax expense			
- Current tax		774.41	1,176.23
Mat credit		(774.41)	(1,176.23)
- Deferred tax		(56.49)	1,344.55
Total tax expense		(56.49)	1,344.55
Profit for the year		3,599.99	3,819.60
Other comprehensive income			
Items that may be reclassified to profit or loss			
Net changes in fair value of investment other than equity shares carried at fair value through OCI		3.07	(2.81)
Income tax relating to these items		(0.95)	0.87
Net changes in fair value of cash flow hedges		-	169.48
Income tax relating to these items		-	(58.65)
		2.12	108.89
Items that will not be reclassified to profit or loss			
Remeasurement of defined employee benefit plans		(64.64)	58.06
Income tax relating to these items		22.37	(20.09)
		(42.27)	37.97
Other comprehensive income for the year, net of tax		(40.15)	146.86
Total comprehensive income for the year		3,559.84	3,966.46

As per our report of even date

For and on behalf of the Board of Directors

S. C. MEHTA

Chairman & Managing Director

DIN : 00128204

DR. T. K. CHATTERJEE

Director

DIN : 00118123

NANDAN SHAH

Company Secretary

M. No: A 24703

Mumbai

Dated: 30th June, 2017

(All Amounts in ₹ Lacs unless otherwise stated)

Note 1: PROPERTY, PLANT & EQUIPMENT

	Freehold land	Lease-hold Land	Buildings	Plant and Equipment*	Electric Installation	Furniture & Fixtures	Office Equipments	Laboratory Equipments	Vehicles	Total
Year ended 31st March, 2016										
Gross carrying amount										
Deemed cost as at 1 st April, 2015	2,074.03	244.14	5,609.16	62,631.72	977.89	209.05	157.51	85.35	240.36	72,229.20
Exchange differences										-
Additions	-	-	5.65	2,412.64	4.20	18.35	85.37	-	110.49	2,636.72
Disposals	-	-	(99.77)	(200.35)	-	(55.91)	(22.23)	-	(78.49)	(456.76)
Closing gross carrying amount	2,074.03	244.14	5,515.04	64,844.01	982.09	171.49	220.65	85.35	272.36	74,409.16
Accumulated depreciation										
Depreciation charge during the year	-	(2.75)	(664.65)	(5,826.35)	(150.06)	(51.49)	(83.28)	(14.89)	(118.89)	(6,912.35)
Disposals			28.63	115.45	-	55.87	20.76	-	47.79	268.50
Exchange differences										
Closing accumulated depreciation	-	(2.75)	(636.01)	(5,710.90)	(150.06)	4.38	(62.52)	(14.89)	(71.10)	(6,643.85)
Net carrying amount	2,074.03	241.39	4,879.03	59,133.11	832.03	175.87	158.13	70.47	201.26	67,765.31
Year ended 31st March, 2017										
Gross carrying amount										
Opening gross carrying amount	2,074.03	244.14	5,515.04	64,844.01	982.09	171.49	220.65	85.35	272.36	74,409.16
Exchange differences										
Additions	-	5.24	9,176.93	52,770.33	457.84	8.05	152.67	32.69	129.97	62,733.72
Disposals	-	-	-	(917.82)	-	-	(23.46)	-	(67.63)	(1,008.91)
Transfers										
Closing gross carrying amount	2,074.03	249.38	14,691.97	1,16,696.51	1,439.93	179.54	349.86	118.04	334.71	1,36,133.97
Accumulated depreciation and impairment										
Opening accumulated depreciation	-	(2.75)	(636.01)	(5,710.90)	(150.06)	4.38	(62.52)	(14.89)	(71.10)	(6,643.85)
Depreciation charge during the year	-	(2.79)	(314.82)	(6,722.11)	(155.78)	(33.78)	(69.34)	(16.26)	(97.85)	(7,412.73)
Disposals	-	-	-	572.45	-	-	19.26	-	67.40	659.11
Exchange differences										
Closing accumulated depreciation and impairment	-	(5.54)	(950.83)	(11,860.56)	(305.83)	(29.40)	(112.60)	(31.15)	(101.55)	(13,397.47)
Net carrying amount	2,074.03	243.84	13,741.14	1,04,835.95	1,134.10	150.14	237.26	86.89	233.15	1,22,736.50

Note 2: CAPITAL WORK-IN-PROGRESS

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Projects	24,400.30	21,542.78	5,296.85
Others	4,849.22	860.33	292.29
Net carrying amount	29,249.52	22,403.11	5,589.14

Note 3: INVESTMENT PROPERTIES

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Gross carrying amount			
Opening gross carrying amount / Deemed cost	460.76	460.76	460.76
Additions			-
Closing gross carrying amount	460.76	460.76	460.76
Accumulated depreciation			
Opening accumulated depreciation	-	-	-
Depreciation charge	-	-	-
Closing accumulated depreciation	-	-	-
Net carrying amount	460.76	460.76	460.76

(All Amounts in ₹ Lacs unless otherwise stated)

Note 4: INTANGIBLE ASSETS

	Computer Software	Technical Know How/ Engineering Fees	License/ Franchise Fees	Brand	Other Intangible Asset & Goodwill	Total
Cost as on 1st April, 2015	38.55	331.57	83.03	93,714.00	81,223.00	1,75,390.15
Additions	5.31	-	15.08	-	-	20.39
Disposals/ Transfers/ Adjustments	-	-	-	-	-	-
Gross carrying amount as on 31st March, 2016	43.86	331.57	98.11	93,714.00	81,223.00	1,75,410.53
Additions	498.29	-	903.47	-	-	1,401.77
Disposals/ Transfers/ Adjustments	-	-	-	-	-	-
Gross carrying amount as on 31st March, 2017	542.15	331.57	1,001.58	93,714.00	81,223.00	1,76,812.30
Accumulated Amortisation	-	-	-	-	-	-
Amortisation charge for the year	4.75	31.90	115.86	4,745.00	1,075.00	5,972.52
Disposals	-	-	-	-	-	-
Closing accumulated amortisation as at 31st March, 2016	4.75	31.90	115.86	4,745.00	1,075.00	5,972.52
Amortisation charge for the year	26.41	31.90	49.78	4,745.00	1,075.00	5,928.09
Disposals	-	-	-	-	-	-
Closing accumulated amortisation as at 31st March, 2017	49.62	63.80	240.76	9,490.00	2,150.00	11,994.18
Net Block as at 31st March, 2017	510.99	267.77	835.94	84,224.00	79,073.00	1,64,911.70
Net Block as at 31st March, 2016	39.11	299.67	(17.76)	88,969.00	80,148.00	1,69,438.02
Net Block as at 1st April, 2015	38.55	331.57	83.03	93,714.00	81,223.00	1,75,390.15

Note 5 (a): NON - CURRENT INVESTMENTS

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Investment in Equity Shares (Fully paid up)			
Quoted			
4,715 (31 st March, 2016 : 4,715, 1 st April, 2015 : 4,715) equity shares of Punjab National Bank	7.06	3.99	6.81
Investments in Subsidiaries (Fully paid up)			
Equity shares of of Platinum Blasting Services Pty Ltd of AUD 100 each fully paid up	3,768.98	3,768.98	2,853.53
Total (equity instruments)	3,776.05	3,772.98	2,860.34
Total non-current investments	3,776.05	3,772.98	2,860.34
Aggregate amount of quoted investments and market value thereof	7.06	3.99	6.81
Aggregate amount of unquoted investments	3,768.98	3,768.98	2,853.53
Aggregate amount of impairment in the value of investments	-	-	-

Note 5 (b): CURRENT INVESTMENTS

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Investment in mutual funds (Refer Note (i))	1,426.66	-	-
Total (mutual funds)	1,426.66	-	-
Total current investments	1,426.66	-	-
Aggregate amount of quoted investments and market value thereof	1,426.66	-	-
Aggregate amount of unquoted investments	-	-	-
Aggregate amount of impairment in the value of investments	-	-	-

(All Amounts in ₹ Lacs unless otherwise stated)

Note (i): Investment in Mutual Fund

Name of Securities	31 st March, 2017		
	No. of Units	COST	Market Value
Birla Sun Life Floating Rate Fund	47,628.76	102.93	103.28
Tata Money Market Fund Plan	4,534.07	115.01	116.21
Birla Sun Life Cash Plus	2,162.68	5.59	5.65
HDFC Liquid Fund	3,936.79	125.27	126.33
Axis Liquid Fund	9,297.25	167.00	167.65
SBI Magnum Insta Cash Fund	3,594.81	129.00	129.32
Kotak Floater Short Term	4,734.83	125.39	126.39
UTI Money Market Fund	5,540.90	100.00	101.08
UTI Liquid Cash Plan	4,051.14	107.37	107.89
ICICI Liquid Fund	41,977.70	100.00	101.05
ICICI Pru Money Market Fund	51,594.91	115.00	116.10
LIC MF Liquid Fund	3,906.34	115.00	115.20
Reliance Liquid Fund-Treasury Plan	2,785.00	110.00	110.51
		1,417.57	1,426.66

Note 6: TRADE RECEIVABLES

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Trade receivables	84,078.06	1,24,104.09	60,083.53
Less: Allowance for doubtful debts	(998.86)	(608.71)	(268.88)
Total Receivables	83,079.20	1,23,495.38	59,814.65
Current Portion	83,079.20	1,23,495.38	59,814.65
Non - Current Portion	-	-	-

- (i) Trade Receivable includes ₹ 52,366.86 Lacs (31st March, 2016 ₹ 79,476.73 Lacs, 1st April, 2015 ₹ 33,498.73 Lacs) towards fertiliser subsidy receivable from the Government of India.
- (ii) The carrying amounts of the trade receivables is net of receivables de-recognised under structured finance arrangements without recourse of ₹ 36,149.92 Lacs (31st March, 2016 ₹ 24,250.33 Lacs, 1st April, 2015 ₹ 17,213.03 Lacs)

Note 7: LOANS (Assets)

	31 st March, 2017		31 st March, 2016		1 st April, 2015	
	Current	Non-Current	Current	Non-Current	Current	Non-Current
Unsecured, considered good						
Loan to employees	21.02	-	21.70	-	8.42	-
Loan to Others	187.26	-	124.27	-	162.00	-
Total loans	208.28	-	145.96	-	170.42	-

Note 8: CASH & CASH EQUIVALENTS

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Balances with banks			
- in current accounts	85.56	173.95	171.13
- in EEFC accounts	-	-	-
Deposits with maturity of less than three months	8.06	708.06	160.06
Cheques on hand	14.50	-	-
Cash on hand	1.18	0.44	0.58
Total cash and cash equivalents	109.30	882.46	331.77

Note 9: OTHER FINANCIAL ASSETS

	31 st March, 2017		31 st March, 2016		1 st April, 2015	
	Current	Non-Current	Current	Non-Current	Current	Non-Current
(i) Derivatives						
Foreign-exchange forward contracts	-	-	38.85	-	-	-
Foreign currency options	-	-	583.31	-	369.64	-
Interest rate swaps	-	-	-	-	-	-
(ii) Others						
Interest receivable	-	1.46	-	9.86	-	17.44
Security deposits	-	325.63	-	400.29	-	411.84
Others	-	5.88	-	15.27	-	44.10
Total other financial assets	-	332.97	622.16	425.42	369.64	473.38

(All Amounts in ₹ Lacs unless otherwise stated)

Note 10: OTHER NON - CURRENT ASSETS

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Capital advances	10,069.53	5,488.69	2,491.07
Balances with Statutory / Government Authorities	35.53	35.53	-
Total other non-current assets	10,105.07	5,524.22	2,491.07

Note 11: INVENTORIES

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Raw materials	6,073.79	9,727.41	10,267.58
Packing Materials	1,874.71	1,601.12	1,047.32
Work-in-progress	-	-	-
Finished goods	11,705.40	4,608.94	4,171.55
Stock-in-trade	7,160.65	21,169.11	10,809.89
Traded goods	-	-	-
Stores and spares	8,127.81	5,542.92	4,240.32
Total Inventories	34,942.36	42,649.51	30,536.65

Note 12: OTHER CURRENT ASSETS

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Advances to suppliers	3,042.53	851.26	718.23
Balances with Statutory / Government Authorities	82.44	24.11	39.00
Prepaid Expenses	248.03	653.49	237.95
Other Receivable	357.37	192.81	3,503.80
Total Other Current Assets	3,730.37	1,721.67	4,498.98

Note 13: EQUITY SHARE CAPITAL

	31 st March, 2017	31 st March, 2017	31 st March, 2016
Balance at the beginning of the year	1,700.00	1,700.00	1,700.00
Changes in equity shares capital during the year	-	-	-
Balance at the end of the year	1,700.00	1,700.00	1,700.00

Note 14: RESERVES & SURPLUS

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Securities premium reserve	2,50,064.00	2,50,064.00	2,50,064.00
Capital Redemption reserve	1,800.00	1,800.00	1,800.00
General Reserve	156.93	156.93	156.93
Retained earnings (Refer Note (i) below)	7,250.05	3,808.83	(8.79)
Total reserves and surplus	2,59,270.97	2,55,829.76	2,52,012.14

(i) Retained earnings

	31 st March, 2017	31 st March, 2016
Opening balance	3,808.83	(8.79)
Net profit for the period	3,599.97	3,819.61
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligation, net of tax	(42.27)	37.97
- Transfer to retained earnings of FVOCI equity investments, net of tax	2.12	(1.94)
- Cash Flow hedging reserve	-	110.83
Transfer from revaluation reserve	(118.61)	(118.61)
Dividends	-	(30.23)
Closing Balance	7,250.05	3,808.83

(All Amounts in ₹ in Lacs unless otherwise stated)
Note 15 (a): NON - CURRENT BORROWINGS

Secured	Maturity date	Terms of repayment	Coupon/ Interest rate	31 st March, 2017/31 st March, 2016	1 st April, 2015
External commercial borrowings (ECBs)					
Bank of Baroda, London	30 th June, 2017	Repayable in 20 quarterly installments commencing from 30 th September, 2012 and last installment is payable on 30 th June, 2017	At variable interest rate of LIBOR + 325 bps payable quarterly (average for the year (3.80%).	1,942.95	6,596.31
HSBC Bank (Mauritius) Ltd.	29 th July, 2016	Repaid in 6 equal half yearly installments commencing from 31 st January, 2014 and last installment is payable on 29 th July, 2016	At variable interest rate of LIBOR + 300 basis points payable half yearly. The Company has taken interest rate swap from floating to fixed rate of 6.09%.	-	2,754.68
					7,772.03
Debentures					
500, 9.31% Redeemable Privately Placed Debentures (NCDs) of ₹ 10 Lacs each	15 th July, 2015	Redeemed in single installment on 15 th July, 2015	9.31% per annum payable annually.	-	4,998.07
500, 10.00% Redeemable Privately Placed NCDs of ₹ 10 Lacs each	25 th Nov., 2015	Redeemed in three equal installments from 25 th November, 2013 to 25 th November, 2015	10% per annum payable quarterly.	-	1,666.16
500, 9.75 % Redeemable Privately Placed NCDs of ₹ 10 Lacs each	25 th Nov., 2015	Redeemed in three equal installments from 25 th November, 2013 to 25 th November, 2015	9.75% per annum payable quarterly.	-	1,664.01
1000, 9.70% Redeemable Privately Placed NCDs of ₹ 10 Lacs each	18 th Jan., 2016	Redeemed in single installment on 18 th January, 2016	9.70% per annum payable annually.	-	4,718.25
Term loans					
State Bank of India				42,516.01	10,000.00
Kotak Mahindra Bank				-	6,364.00
Export Import Bank Of India				9,453.00	3,636.00
Total non-current borrowings				53,911.95	29,350.99
Less: Current maturities of long-term debt (included in note 16)				9,367.09	7,408.04
Non-current borrowings				44,544.86	21,942.95
					9,716.76
15(B) CURRENT BORROWINGS					
Loans repayable on demand					
Secured					
From banks					
-Buyer's credit				11,855.31	15,227.96
-Short term loan from bank				-	748.67
Loan from related party				54,605.81	81,080.93
Total current borrowings				66,461.12	97,057.56
Current borrowings (as per balance sheet)				66,461.12	97,057.56

Buyer's credits are generally due within 180 days and carry variable rate of interest (Average interest rate for the year 0.94 % (0.84 %) and are secured by a first charge by way of hypothecation of stocks of raw materials, stock-in-process, consumable stores and book debts. Short term loan from bank is repaid on 30th April, 2016 carries interest rate of 9.45% (9.60%) and is secured by a first charge by way of hypothecation of stocks of raw materials, stock-in-process, consumable stores and book debts.

(All Amounts in ₹ Lacs unless otherwise stated)

Note 16: OTHER FINANCIAL LIABILITIES

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Current			
Current maturities of long-term debt	9,367.09	7,408.04	19,779.41
Interest accrued	191.66	205.95	511.31
Security deposits	2,861.00	2,319.58	1,630.04
Capital creditors	13,316.82	2,817.00	259.02
Foreign-exchange forward contracts	341.10	164.65	-
Interest rate swap	-	30.99	200.47
Others*	15,958.42	5,900.54	-
Total other current financial liabilities	42,036.10	18,846.75	22,380.25

(*) Others include due to Bank for structured finance where the Company acts as a pass through agent of ₹ 15,958.42 Lacs (31st March, 2016 ₹ 5,900.54 Lacs, 1st April, 2015 Nil)

Note 17: TRADE PAYABLES

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Current			
Trade payables	20,650.16	24,582.70	13,071.81
Total trade payables	20,650.16	24,582.70	13,071.81

Note 18: PROVISIONS

	31 st March, 2017			31 st March, 2016			1 st April 2015		
	Current	Non - Current	Total	Current	Non - Current	Total	Current	Non - Current	Total
Volume discounts and returns	3,462.06	-	3,462.06	2,597.36	-	2,597.36	2,090.13	-	2,090.13
Total	3,462.06	-	3,462.06	2,597.36	-	2,597.36	2,090.13	-	2,090.13

Note 19: EMPLOYEE BENEFITS OBLIGATIONS

	31 st March, 2017			31 st March, 2016			1 st April, 2015		
	Current	Non - Current	Total	Current	Non - Current	Total	Current	Non - Current	Total
Leave obligations	3.09	833.06	833.06	767.13	16.54	783.67	588.41	17.04	605.45
Post Retirement benefits	31.44	54.35	54.35	134.08	-	134.08	108.70	-	108.70
Gratuity (ii)	13.17	1,957.15	1,957.15	1,525.28	55.66	1,580.94	1,336.67	57.01	1,393.68
Total employee benefit obligations	47.69	2,844.57	2,844.57	2,426.50	72.20	2,498.70	2,033.77	74.05	2,107.82

Note 20: OTHER CURRENT LIABILITIES

	31 st March, 2017	31 st March, 2016	1 st April, 2015
Customer advances	746.14	1,533.69	419.05
Statutory tax payables	34.63	10.27	99.79
Other payables	1,470.56	654.16	221.23
Total other current liabilities	2,251.33	2,198.12	740.07

(All Amounts in ₹ Lacs unless otherwise stated)

Note 21: REVENUE FROM OPERATIONS

	Notes	31 st March, 2017	31 st March, 2016
Sale of products (including excise duty)			
Finished goods		46,534.48	1,09,588.11
Traded goods		1,59,297.40	1,35,693.47
Subsidy on manufactured fertilisers		17,163.29	15,706.34
Subsidy on traded fertilisers		12,219.60	34,084.75
Other operating revenues		605.89	331.17
Total Revenue from Operations		2,35,820.67	2,95,403.84

Note 22: OTHER INCOME

	31 st March, 2017	31 st March, 2016
Interest income from financial assets mandatorily measured at fair value through profit or loss	215.01	127.24
Interest income from financial assets at amortised cost	1.71	1.11
Other non-operating income	77.41	334.22
Net gain on sale of investments	27.69	62.98
Total other income	321.82	525.70

Note 23: COST OF MATERIALS CONSUMED

	31 st March, 2017	31 st March, 2016
Raw materials and Packing material at the beginning of the year	9,727.41	10,267.58
Add: Purchases	1,04,926.50	1,12,752.39
Less: Raw material and Packing material at the end of the year	6,073.79	9,727.41
Total cost of materials consumed	1,08,580.11	1,13,292.56

Note 24: PURCHASE OF TRADED GOODS

	31 st March, 2017	31 st March, 2016
Bulk Fertilisers	21,080.81	95,644.16
Speciality Fertilisers	12,017.22	12,569.34
Bulk Chemicals	-	-
Others	2,548.22	4,559.82
Total Purchase of Traded goods	35,646.23	1,12,773.32

Note 25: CHANGES IN INVENTORIES OF WORK-IN-PROGRESS, STOCK-IN-TRADE AND FINISHED GOODS

	31 st March, 2017	31 st March, 2016
Opening balance		
Work-in-progress		
Finished goods	4,608.94	4,171.55
Traded goods	21,169.11	10,809.89
Total opening balance	25,778.05	14,981.44
Closing balance		
Work-in-progress		
Finished goods	10,973.86	4,608.94
Traded goods	7,160.65	21,169.11
Total closing balance	18,866.05	25,778.05
(Increase)/decrease in excise duty on stock of finished goods	(15.76)	10.73
Total changes in inventories of work-in-progress, stock-in-trade and finished goods	7,627.79	(10,785.88)

(All Amounts in ₹ Lacs unless otherwise stated)

Note 26: EMPLOYEE BENEFIT EXPENSE

	31 st March, 2017	31 st March, 2016
Salaries, wages and bonus	6,111.36	5,172.13
Contribution to provident fund and other funds	743.42	526.28
Staff welfare expenses	251.33	222.77
Total employee benefit expense	7,106.11	5,921.18

Note 27: DEPRECIATION AND AMORTISATION EXPENSE

	31 st March, 2017	31 st March, 2016
Depreciation of property, plant and equipment	7,412.73	6,912.06
Depreciation on investment properties	-	-
Amortisation of intangible assets	5,928.09	5,972.52
Total depreciation and amortisation expense	13,340.82	12,884.58

Note 28: OTHER EXPENSES

	31 st March, 2017	31 st March, 2016
Power, Fuel and Water	1,775.25	1,465.27
Stores, spares, oils, chemicals and catalysts consumed	3,492.52	3,331.78
Repairs to :		-
- Building	175.03	130.43
- Plant and Machinery	2,510.38	2,130.61
- Others	-	41.64
Insurance	350.60	534.31
Rent	1,322.15	1,055.03
Rates, taxes and Duties	189.19	183.67
Directors' Sitting Fees	2.95	3.00
Carriage Outward (Net)	12,101.48	10,560.25
Foreign exchange Fluctuations (Net)	721.55	1,489.50
Loss on Sales of Fixed Assets	258.39	99.91
Commission on Sales	689.72	494.09
Legal and Professional Fees	516.67	402.41
Sales and Promotions Expenses	1,461.07	750.88
Travelling and Conveyance	474.07	470.00
Utility Services	327.64	289.06
Communication Expenses	102.62	95.51
Corporate social responsibility expenditure	3.99	-
Payments to auditors	4.02	1.17
Miscellaneous expenses	15,156.10	11,771.08
Total other expenses	41,635.40	35,299.58

Basis of Preparation:

- i The special purpose financial information of Smartchem Technologies Limited ('the Company') include the Company's special purpose balance sheet as at 31st March, 2017 (i.e. the date prior to filing of "Scheme of Arrangement" with ROC), special purpose statement of profit and loss for the periods then ended and are prepared in accordance with accounting policies followed consistently over the years.
- ii In an endeavor to sharpen the strategic future of each of its business verticals and focus on shareholders' wealth enhancement, the Deepak Fertilisers and Petrochemicals Corporation Limited had proposed a Scheme of Arrangement for demerger of fertilisers and technical ammonium nitrate business ('demerged undertaking') into the Company, which is a wholly owned subsidiary of Deepak Fertilisers and Petrochemicals Corporation Limited. The National Company Law Tribunal (NCLT) on 30th March, 2017 granted approval to the Scheme and the Order of NCLT was received by the Company on 13th April, 2017. Post compliance of further requirements of the Order, the Company filed the same with Registrar of Companies on 1st May, 2017, being the date from which the Order became operational. The Scheme as approved by NCLT, provides that the demerger will be effective retrospectively from 1st January, 2015. The businesses that are being demerged have been disclosed as 'Discontinuing Operations' in the standalone financial statements of Deepak Fertilisers and Petrochemicals Corporation Limited for the year ended 31st March, 2017, as per the requirements of Ind AS 105.
- iii The special purpose financial information has been prepared by the management of Smartchem Technologies Limited to present the impact of the Scheme of Arrangement on the financial statements of Smartchem Technologies Limited including the impact of transactions between the undertakings demerged into the Company and Deepak Fertiliser and Petrochemicals Corporation Limited at arms length prices.
- iv These special purpose financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India and Indian accounting standards (Ind AS) issued by the Institute of Chartered Accountants of India (ICAI). These special purpose financial statements have been prepared under the historical cost conventions and on accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in previous year.
- v These special purpose financial statements are presented in Indian Rupees (₹) Lacs and all amounts are rounded to the nearest decimal, except as stated otherwise.



**DEEPAK FERTILISERS
AND PETROCHEMICALS
CORPORATION LIMITED**

Registered Office : Opp. Golf Course, Shastri Nagar, Yerawada, Pune - 411 006.

Corporate Office : Sai Hira, Survey No. 93, Mundhwa, Pune - 411 036.

CIN: L24121MH1979PLC021360

BALLOT FORM

Thirty Seventh Annual General Meeting, 21st September, 2017

(For members who do not have access to e-voting facility)

Sr. No.	Particulars	Details
1.	Name of the Member(s):	
2.	Postal address	
3.	Registered Folio No./ * Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	No. of shares	

I / We hereby exercise my / our vote(s) in respect of the Resolutions to be passed for the business set out in the Notice of the Annual General Meeting of the Company to be held on Thursday, 21st September, 2017 by sending my / our assent or dissent to the said Resolution(s) by placing the tick (✓) mark at the appropriate box below:

Item No.	Description of Resolution(s)	No. of Equity shares	(For)	(Against)
			I / We assent to the resolution	I / We dissent to the resolution
ORDINARY BUSINESS				
1	Receive, consider and adopt the audited financial statements (including audited consolidated financial statements) of the Company for the financial year ended 31 st March, 2017 and the Reports of the Directors and Auditors thereon.			
2	Declare a dividend on equity shares for the financial year ended 31 st March, 2017.			
3	Appoint a Director in place of Shri Partha Sarathi Bhattacharyya, who retires by rotation and being eligible, offers himself for re-appointment.			
4	Appoint M/s B S R & Associates LLP., (Firm Registration No. 116231W/W-100024) as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of Forty Second Annual General Meeting and to fix their remuneration.			
SPECIAL BUSINESS				
5	Ratification and confirmation for payment of remuneration to M/s Y. R. Doshi & Company, Cost Accountants.			
6	Approval and adoption of altered Articles of Association of the Company			
7	Appoint Shri Madhumilan P. Shinde as a Non-Executive and Non-Independent Director			
8	Appoint Shri U. P. Jhaveri as an Independent Director			
9	Appoint Shri S. R. Wadhwa as an Independent Director			
10	Appoint Shri Anil Sachdev as an Independent Director			
11	Appoint Shri Pranay Vakil as an Independent Director			
12	Appoint Shri Anil Singhvi as an Independent Director			
13	Appoint Shri Mahesh Chhabria as an Independent Director			
14	Appoint Shri Ashok Kumar Purwaha as an Independent Director			
15	Appoint Shri Berjis Mino Desai as an Independent Director			

Place:

Date:

Signature of Member

(Cut here)

Note : This Ballot Form is provided for the benefit of Members, who do not have access to e-voting facility.

INSTRUCTIONS

1. Members may fill up this Ballot Form (no other form or photocopy of the form will be accepted) and send the same in a sealed envelope addressed to the Scrutinizer, viz. Shri. S.V. Deulkar, Partner, SVD & Associates, Company Secretaries C/o Deepak Fertilisers And Petrochemicals Corporation Limited), Sai Hira, Survey No.93, Mundhwa, Pune 411 036, **so as to reach by 5.00 p.m. on 20th September 2017.** The Ballot Form received thereafter will be strictly treated as not received.
2. The Ballot Form should be signed by the Member(s) as per the specimen signature registered with the Company / the Depositories. In case of joint holding, this Form should be completed and signed by the first named Member and in his/her absence, by the next named joint holder. The right of voting by Ballot Form shall not be exercised by a Proxy.
3. In case the shares are held by companies, trusts, societies, etc. the duly completed Ballot Form should be accompanied by a certified true copy of the relevant Board Resolution / Authorization.
4. **A Member can opt for only one mode of voting i.e. either through electronic voting or by the Ballot at the Meeting. If a Member casts vote by both modes, then voting done through electronic voting shall prevail and the Ballot Form shall be treated as invalid.**
5. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 14th September, 2017.
6. Unsigned, incomplete, improperly or incorrectly ✓(tick) marked Ballot Forms shall be rejected. The decision of the Scrutinizer on the validity of the Ballot Form will be final.
7. The Company will not be responsible, if the envelope containing the Ballot Form is lost in transit.



**DEEPAK FERTILISERS
AND PETROCHEMICALS
CORPORATION LIMITED**

Registered Office : Opp. Golf Course, Shastri Nagar, Yerawada, Pune - 411 006.
Corporate Office : Sai Hira, Survey No. 93, Mundhwa, Pune - 411 036.
CIN: L24121MH1979PLC021360

FORM OF PROXY

Thirty Seventh Annual General Meeting, 21st September, 2017

[Pursuant to Section 105 (6) of the Companies Act, 2013 and Rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s): _____

Registered address: _____

E-mail ID _____

Folio No./ Client ID* _____

DP ID* _____

I/ We being the Member(s) of the Company holding _____ shares, hereby appoint;

1. Name : _____	E-mail ID : _____
Address : _____	Signature : _____

or failing him / her

2. Name : _____	E-mail ID : _____
Address : _____	Signature : _____

or failing him / her

3. Name : _____	E-mail ID : _____
Address : _____	Signature : _____

as my/ our proxy to attend and vote (on a poll) on my/our behalf at the **Thirty Seventh Annual General Meeting** of the Company, to be held on Thursday, 21st September, 2017 at 12.00 noon at Opus Banquets, 6, Ishanya Mall, Off. Airport Road, Shastrinagar, Yerawada, Pune- 411006 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution(s)	Vote (Optional see Note 2)	
		For	Against
ORDINARY BUSINESS			
1	Receive, consider and adopt the audited financial statements (including audited consolidated financial statements) of the Company for the financial year ended 31 st March, 2017 and the Reports of the Directors and Auditors thereon.		
2	Declare a dividend on equity shares for the financial year ended 31 st March, 2017.		
3	Appoint a Director in place of Shri Partha Sarathi Bhattacharyya, who retires by rotation and being eligible, offers himself for re-appointment.		
4	Appoint M/s B S R & Associates LLP., (Firm Registration No. 116231W/W-100024) as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of Forty Second Annual General Meeting and to fix their remuneration.		
SPECIAL BUSINESS			
5	Ratification and confirmation for payment of remuneration to Shri Y. R. Doshi, Cost Accountants.		
6	Approval and adoption of altered Articles of Association of the Company		
7	Appoint Shri Madhumilan P. Shinde as a Non-Executive and Non-Independent Director		
8	Appoint Shri U. P. Jhaveri as an Independent Director		
9	Appoint Shri S. R. Wadhwa as an Independent Director		
10	Appoint Shri Anil Sachdev as an Independent Director		
11	Appoint Shri Pranay Vakil as an Independent Director		
12	Appoint Shri Anil Singhvi as an Independent Director		
13	Appoint Shri Mahesh Chhabria as an Independent Director		
14	Appoint Shri Ashok Kumar Purwaha as an Independent Director		
15	Appoint Shri Berjis Minoo Desai as an Independent Director		

Signed this _____ day of _____ 2017.

Signature _____

Please affix
Revenue
Stamp

* Applicable to Members holding shares in electronic form.

NOTES:

- This form, in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company, not less than 48 hours before the meeting.
- It is optional to indicate your preference. If you leave the for/against column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he / she may deem appropriate.

(cut here)

ROUTE MAP TO THE VENUE OF ANNUAL GENERAL MEETING



AGM Venue: Opus Banquets, 6, Ishanya Mall, off. Airport Road, Shastrinagar, Yerawada, Pune-411 006.



**Crop Nutrition
Business**



**Technical
Ammonium Nitrate**



**Industrial
Chemicals**



**Value Added
Real Estate**



**DEEPAK FERTILISERS
AND PETROCHEMICALS
CORPORATION LIMITED**

Sai Hira, Survey No. 93, Mundhwa, Pune – 411 036, Maharashtra, India.
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