



SUSTAINABILITY

JOURNEY AND MISSION



E.I.D.-PARRY (INDIA) LIMITED
ANNUAL REPORT 2014 - 2015



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Forward Looking Statements

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

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

SUSTAINABILITY **JOURNEY AND MISSION**

E.I.D. Parry - the first Company in India and the earliest in the world to manufacture sugar in 1842. A Company, with the rare distinction of 227 years in business.

Sustainability is part of the Parry DNA.

Sugar, Bio-pesticides and Nutraceuticals - 3 different business lines, yet governed by the same principle of sustainability. Enshrined in the tenets of conserving, preserving, enhancing and creating, each business in sync with Nature.

At Parry, 2014-15 marked a milestone year. A year, when the Company demonstrated its pioneering zeal, creating history in the sugar industry. A year, of business sustainability amidst a challenging environment.

At each of the businesses, central to policies, processes, products and people strategies, was an abiding commitment towards caring for the earth as much as caring for the stakeholder and society. A commitment, towards value creation and welfare.

Going forward with a roadmap that is visionary, inclusive and future driven, at Parry, sustainability is both a journey and a mission.

PIONEER
IN PROMOTING
SUSTAINABLE
FARMING PRACTICES

SIGNIFICANT
WATER SAVING
ACROSS FARMS
UNDER COMMAND AREA



R&D
AND
CANE BREEDING
CENTRE
DEVELOPING INNOVATIVE
TECHNOLOGIES



**A MISSION OF CARING FOR THE STAKEHOLDER,
A MANDATE OF VALUE CREATION AND WELFARE
IS SUSTAINABILITY.**

THAT IS WHAT DEFINES US...

The farmer is the key stakeholder in E.I.D Parry's sugar business. With more than 2 lakh farmers under its command area and a contract pool of more than 70,000 harvest and cane workers, Parry plays an important role in the agro economy of the country.

Partnering with the farmer to increase yield and productivity, using environment friendly practices is an important part of Parry's model of business sustainability. The Company has earned the distinction of being a pioneer, setting a benchmark in promoting scientific and sustainable farming practices in the sugar industry such as bio-control agents, soil management, fertigation, pro-tray seedling methods, clean seed cane nurseries, wider row spacing, ratoon management, bio-manuring and mechanisation. The Company has contributed to a significant water saving in the command area under each of its mills, by promoting sustainable sugarcane production practices like drip-irrigation, trash shredding, trash mulching and inter-cropping.

Parry is the only sugar manufacturer in India and among the few in the world with a dedicated Cane Breeding and Research Centre, with advanced tissue culture developing facilities, recognised by the Department of Scientific and Industrial Research (DSIR), Ministry of Science and Technology. The Company's R&D 'lab-to-land' programmes focuses on empowering farmers with innovative crop management technologies and new proprietary varieties of cane that are drought resistant, adapt to problem soils and enhance yield and profitability for the farmer.



Parry pioneered the programme of introducing trichogramma, a bio-control agent, for eliminating the use of chemical pesticides in the sugar industry. Started nearly two decades ago, this innovative and research driven initiative plays a vital role in monitoring and controlling pest infestations in sugarcane and a wide spectrum of other crops. Based on the farmer-entrepreneur model, the trichogramma breeding centres have been successfully scaled across regions and sugarcane farms, providing prosperity to the farmers while conserving the environment. 'Tetrastichus' is another new and effective bio-control agent developed by the Company's R&D awaiting a patent registration.

The Company's R&D and Cane Extension teams work in collaboration with International Agencies on Farmer Support Programmes for capacity building of the farmers in sustainable sugarcane production. This three year programme, with specific targets and milestone audits, focuses on the empowerment of women in farming, financial literacy, drip irrigation and also measures the carbon and water footprints. Intensive training programmes are also conducted for farmers in line with the 'Bonsucro' international certification standards for sustainable sugarcane practices. Taking training to the farmers' doorstep, the Company has introduced a mobile theatre van for knowledge dissemination and sharing information on innovative agronomic practices.

A sustainable business model is process dependant and system driven. In line with this, Parry has an integrated data base of its 200,000 farmers with details on acreage of fields, planting and harvesting cycles, crop status, soil condition, cane output, date of payment, etc., with iCane, an on-line data capture system. This ensures a robust farmer support mechanism while enabling data validated business decisions.

The Company's many socio-welfare and community initiatives such as health care, education, building school infrastructure, providing solar lighting, planting trees and water conservation, etc, contribute in a large way to the upliftment of the rural society. Parry has earned the trust and support of its large farmer base, with fair and equitable transactions and prompt payments within 14 days of cane supply. A benchmark in the sugar industry.

Transparency and ethical business practices. A philosophy centred on value creation and welfare. At Parry, sustainability is a commitment to both stakeholder and society.





15%

LOWER

**FUEL
CONSUMPTION**



>10%
**REDUCTION
IN
PROCESS LOSS**

30%
**REDUCTION IN FRESH
WATER
CONSUMPTION
ACROSS MILLS**

**CONSERVING, PRESERVING, ENHANCING AND CREATING
AN ENVIRONMENT AND BUSINESS ECO SYSTEM IS
SUSTAINABILITY.**

THAT IS WHAT DRIVES US....

In line with its long term vision of sustainability, Parry has adopted the 'reduce, re-cycle and reuse' principle across all Plants, to optimize operational efficiencies, eliminate process losses and to work towards a consistent reduction in water, power and fuel consumption.

Parry is the first sugar manufacturer in India to have an online effluent and emission monitoring system to ensure emissions are at near zero levels. Advanced boiler and steam recovery systems are installed at the Plants to maximise energy efficiencies and reduce fuel consumption, with periodic Energy Audits to track consumption patterns.

Water is an important resource which needs to be conserved. At Parry, water conservation is given prime importance. The water used at the Plants is recycled through a reverse osmosis process while the liquid effluents are treated and converted into plant nutrients and sent through pipelines to sugarcane fields.

Turning waste to wealth, the company has developed a range of organic bio fertilisers from the distillery waste. Rich in potash, the waste is converted into an organic fertiliser, Kash, replacing MOP, a chemical based fertiliser for farming. Water precipitate from cane juice in the form of press mud is also used as an organic manure with high nutritive value. Farm Boon, is another innovative organic product developed using treated press mud.

Cogeneration of power from bagasse, a by-product of sugar, is an important revenue stream of the business. The 'green power' produced is used to meet the captive requirements of the Plants, while the excess power is sold to the State Grid. The Company also supplies its bagasse to large paper mills, thereby helping to prevent the cutting of trees for wood pulp in the manufacture of paper. Another sustainable practice supported by Parry.

Ethanol, another by-product of sugar, is forecast to emerge as a vital blend for petrol. With fully integrated sugar plants and a dedicated distillery, EID Parry is future ready to participate in this potential green fuel space.

To increase people and process efficiencies the Company has adopted the Total Productive Maintenance (TPM) model of employee empowerment and ownership, centred on work practices with zero accidents, zero machine breakdowns and zero losses.

Integral to the sustainable work practices, are the Company's accreditations for the highest standards in Health, Safety, Security and Environment for employees, contract workers and farmers. The Company has been awarded with the 'Energy Efficient Unit' National Award for Excellence in Energy Management by Confederation of Indian Industry and the 2nd Prize in the National Energy Conservation Award in the Sugar Sector conducted by the Ministry of Power and Bureau of Energy Efficiency Nodal Body, Government of India.

Carrying forward the legacy of a pioneer in sugar manufacturing, at EID Parry, preserving and optimising resources in nature and business is what drives sustainability.



**A CHARTER OF GROWTH THAT IS VISION DRIVEN,
INCLUSIVE AND FUTURE EMBEDDED
IS SUSTAINABILITY.**

THAT IS WHAT LEADS US...

1ST
IN
ASIA
TO GET
BONSUCRO™
CERTIFICATION

The year 2015 is a milestone year for EID Parry and for the Indian sugar industry. It is also a milestone year with the world set to commit to new agreements on climate change and sustainable development under the UN Framework Convention on Climate Change (UNFCCC). Applicable to all countries, the negotiations are expected to result in a roadmap for international development and international policy, including a set of Sustainable Development Goals (SDGs), for the next fifteen years and to take action on Climate Change from 2020.

Climate imbalance is especially disastrous for agro economies. As always EID Parry has taken the lead and become the first sugar company in Asia and among the select few across the globe to be awarded the 'Bonsucro' international certification for sustainable sugarcane production. It is the first time in the world that the certification has been awarded to an organisation working with a large base of small-holding sugarcane farmers.

The 'Bonsucro' certification with global benchmark standards, tracks the sugar manufactured from its source in the cane fields, including crop production practices, milling, processing, production and transport, to the point of sale, on stringent measurable metrics covering the entire value chain on social, economic and environmental aspects of sustainability. Launched at the Pugalur plant, Parry has chalked out plans to establish the 'Bonsucro' standards to its other plants and farming communities, embedding a charter of growth that is inclusive, future driven and sustainable.



*The Parry team receiving
the Bonsucro Certificate.*

**CERTIFICATIONS
UNIQUE
IN
SUGAR INDUSTRY**

At Parry, business sustainability is driven by building sustainable customer relationships. In addition to large trade volumes, the institutional segment accounts for a significant part of Parry's total annual sales.

Parry was the first sugar manufacturer in India to receive the FSSC 22000 certification, a global standard for food safety. With state-of-the-art manufacturing facilities, stringent quality systems, global certification standards and customized product offerings, Parry has positioned itself as a preferred sugar supplier to a wide spectrum of institutional customers including world class pharma manufacturers with critical product specifications.

Major beverage and food manufacturers have made it mandatory from 2020 to source their sugar supplies only from producers certified for sustainable practices. The 'Bonsucro' certification will enable Parry a greater access to global manufacturers and further enlarge its institutional customer base.

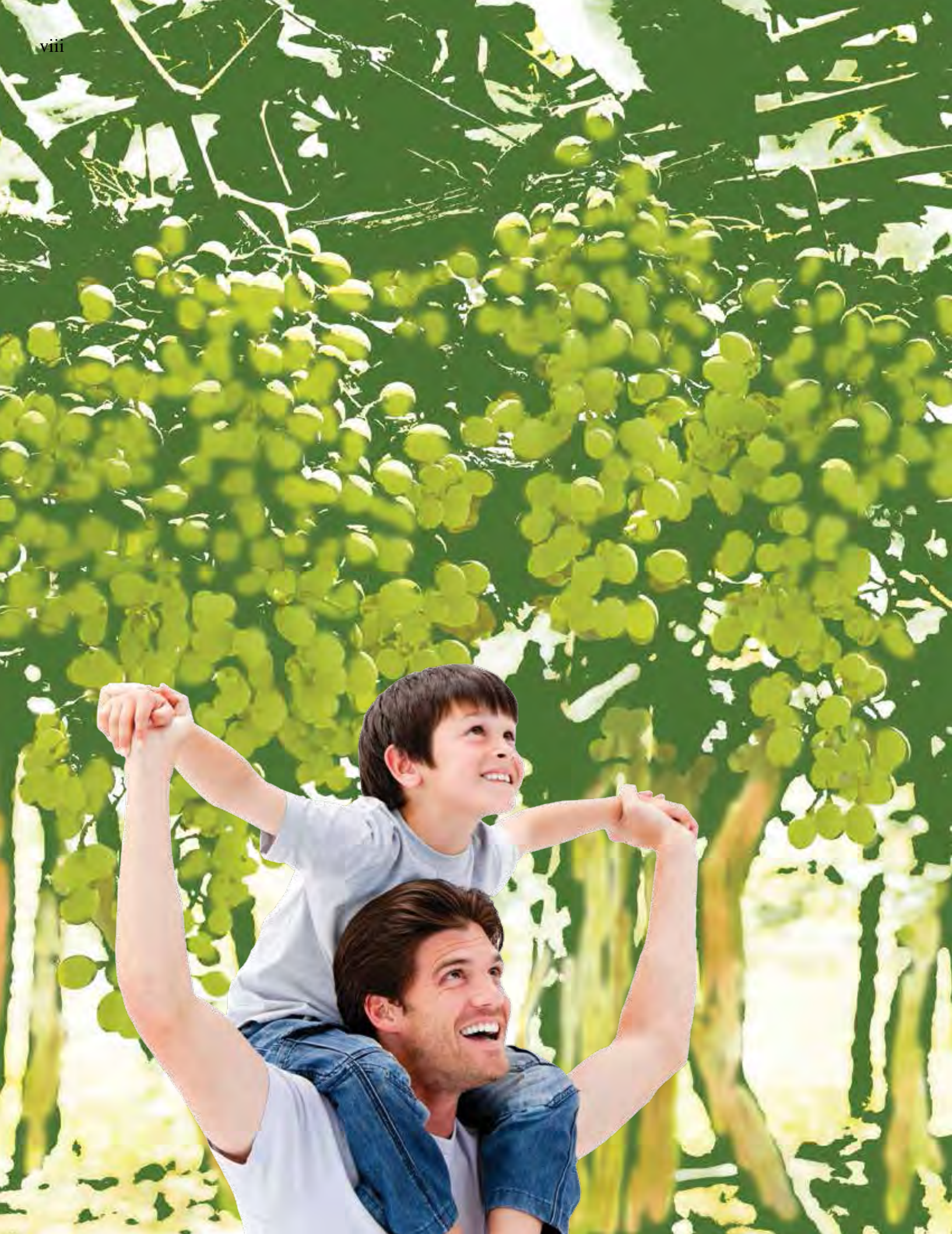
Leveraging on its strong brand image for superior product quality, the Company has expanded its portfolio in the speciality sugar space with differentiated sugar variants using flavours and fortifications focusing on consumer taste and health. Taking this forward, the 'Vita' brand of vitamin enriched sugar was test launched during the year while new product variants are in the pipeline for trial and commercialisation.

Strong customer partnerships, innovation and a business direction focused on value creation leads Parry's core mission of sustainability and growth.

**PREFERRED
VENDOR
RANKING
BY
INSTITUTIONS**

**BEST BRAND
RANKING
BY
CONSUMERS**





A DEEP COMMITMENT TOWARDS CARING FOR THE EARTH AND THE CONSUMER IS SUSTAINABILITY.

THAT IS WHAT INSPIRES US...

EID Parry is a forerunner in the plant extract, bio pesticides space in India. The Company's 'Neemazal' brand of neem based, crop protection formulations, for pest control launched nearly 3 decades ago, demonstrate Parry's long commitment to enriching agriculture through manufacture and supply of safe and sustainable farm agri-inputs.

Growing consumer demand for organically grown food with low or zero residue, increasing awareness of farmers of the long term benefits of bio pesticides for soil health and the opportunities to command a price premium for their organically certified farm produce, is creating a robust market for bio pesticides.

Parry's Neemazal, a patented formulation, containing highly pure and stable Azadirachtin (Aza) technical, continued to dominate the global, neem based bio pesticides market, with its brand equity and performance. Reputed for quality, Neemazal formulations are used across 41 countries for a wide crop, soil and pest spectrum.

The Company's Plant at Thygavalli, India, is the largest Azadirachtin manufacturing facility in the world. Expertise of more than 3 decades in crop protection provides the Company the competitive edge, with faster lab-to-market timelines. The 'Aza' range of formulations and granules expanded its global presence in the crop protection, agriculture and greenhouse segments, while in the domestic market, Abda and its 3 variants, continued to ramp up volumes in the crop production space.

To expand its global presence, the Company initiated bio-efficacy studies in the Asian and African markets with a plan to introduce a patented, plant extract based product for enhancing growth and yield in horticultural and floricultural crops. 'Spreadmax', a non-ionic spreader cum sticker, to increase efficiencies in new chemistry molecules, and a FCO compliant micronutrient, etc., are part of the portfolio of new products which made significant inroads in the Indian soil.

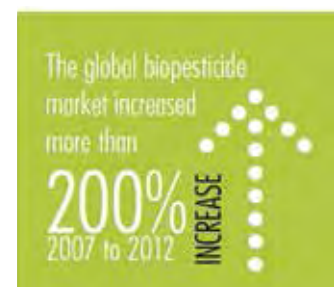
Microbials dominate the bio pesticide segment and find extensive use in horticulture, agriculture and forestry. Parry has embarked upon a collaborative project with Contract Research Organisations to develop patentable strains of bio-control microbials and plant regulators. In addition, the need for microbial inoculants in seed treatment is also showing great potential and Parry has forayed into this niche segment working with seed coating specialists like INCOTECH, Netherlands, to develop special seed treatment formulations using Aza and Abda. Venturing into the humic product segment for vegetables and fruits and scaling up volumes of 'Parryneem' products are part of the strategies for future growth.

Aligned with its mission of sustainability, Parry has drawn up plans to emerge as a leading enviro-friendly, agri-input company, moving up the value chain to provide safe and sustainable crop protection and crop production solutions.

1
**GLOBAL
LEADER
IN NEEM BASED
BIO PESTICIDES**



**NEEMAZAL
MARKETED IN
41
COUNTRIES
ACROSS THE WORLD**



1

**WORLD
LEADER
IN
ORGANIC
SPIRULINA**



**PARRY'S
SPIRULINA**
ONLY ORGANIC SPIRULINA
IN THE WORLD TO MEET

**A HEALTH AND WELLNESS CARE
BALANCING MAN AND NATURE
IS SUSTAINABILITY.**

THAT IS WHAT GUIDES US...

EID Parry forayed into the Nutraceutical space in 1995, earning the distinction of being the first company in the world to produce organic spirulina from micro algae. A growing awareness of health care and nature based wellness products has triggered a global demand for nutraceuticals and according to forecast the segment is poised for an exponential growth in the near future.

A global leader in the premium organic spirulina segment, Parry's brand of organic spirulina has gained the distinction of being a premium quality, nutritionally superior product with high levels of phytonutrients. The product has been accredited by various global certifications such as USDA NOP, Naturland - Germany, ECOCERT France and IMO - the only organic Spirulina to meet 3 major organic standards.

The company also holds major quality certifications - ISO 9001, ISO 14001, ISO 22000 Food Safety Standards and is also Kosher and Halal certified for its manufacturing facilities. Parry's brand of organic spirulina is the only spirulina that has the US Pharmacopeia certification and the GRAS (Generally Recognised As Safe) affirmation in the US.

3

**MAJOR
ORGANIC
STANDARDS**



In the Natural Carotenoid segment, Parry is the only global manufacturer of Astaxanthin (Asta) participating across the entire value chain of producing biomass, CO² extraction and licensing formulations. The fully integrated model provides a competitive and sustainable edge to the business. The Company has stabilized the production of high quality, Haematococcus (HA) biomass at Oonaiyur, under scientifically controlled conditions. The biomass is supplied to Valensa, the company's subsidiary at US, to develop a range of formulations with Astaxanthin. By synergizing production with Valensa, the Company has maximized extraction efficiencies, reduced process loss and optimized realization in the Astaxanthin value chain.

The integration of Alimtec, the Company's acquisition at Chile, was completed during the year. With temperatures ranging from 5° to 24° C and with no rainfall, Alimtec, Chile, is ideally located for the production of Haematococcus, and serves as a major supply source of HA bio mass to Valensa for Astaxanthin production. Leveraging its technical expertise, Parry has managed to reduce the production cycle time and increase the volume of biomass at Alimtec. Expansions and capacity augmentation are underway at the plants at Oonaiyur and Alimtec to cater to Valensa's fast growing captive requirements. During the year, large volume sales, primarily of Valensa's patented joint health products was made to major brand manufacturers in US and Europe.

Parry is the second dominant manufacture of tomato lycopene in the world, with a portfolio of products in various forms like oils, beadlets, direct compression grade powders and suspension grade liquids in a range of concentrations. A product with a huge growth potential, Parry has mapped out strategies to participate more aggressively in this segment in the near future. XanMax, a unique formulation with Lutein and Zeaxanthin for eye care is another promising product in the portfolio. To establish its presence in the Natural mixed carotenoids segment, the Company has acquired land at a marine location at Chittarkottai, India, with the potential to produce Dunaliella Algae (DA) and is awaiting the CRZ approval from the Ministry of Environment & Forests.

As Nutraceuticals gain in popularity across the globe, Parry will continue its mission of providing condition specific, research based, patent formulations that aim at balancing health and wellness with Nature based products. A sustainable health formula, driving a sustainable business.



Alimtec-Chile



**A PEOPLE RESOURCE,
DYNAMIC, EMPOWERED, FORWARD BOUND
IS SUSTAINABILITY.**

THAT IS WHAT PROPELS US...

**AWARD
FOR
BEST CORPORATE SOCIAL
RESPONSIBILITY PRACTICES
AT HRM CONGRESS
ASIA PACIFIC**

In line with its vision of 'Building organizational capability to deliver superior business performances', Parry's HR division focused on innovative methods to build the Company's people resource. Driven by the key imperatives of capability building, talent management, employee engagement and productivity, the division worked out a strategic framework to foster an empowered work culture.

EID Parry focused on innovative people strategies to meet the challenges of a competitive business environment and to accelerate the pace of growth. Learning and development modules, cross functional team projects to enhance internal efficiencies, sharing of Best Practices, intensive customer-centricity workshops, employee care programmes based on deep dive analysis, rewards and recognition, all formed a part of the multi-mix of people building initiatives to create a robust and dynamic work environment.

Aligning with the long term goals and objectives of the Company, a special steering committee was constituted, comprising the Senior Management team for talent development and to build a sustainable leadership pipeline.

Differentiated HR strategies driven by one goal - to build a people resource that will propel Parry towards its mission of becoming a sustainable global enterprise.



**DUN & BRADSTREET
AWARD
FOR
BEST PERFORMING COMPANY
IN THE
SUGAR SECTOR**



Mr V Ramesh, MD, receiving the Dun & Bradstreet award for the 'Best Performing Company' on an All India basis in the Sugar Sector.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Anand Narain Bhatia, Chairman
(w.e.f. May 29, 2015)

V. Ravichandran, Vice Chairman

V. Ramesh, Managing Director

A. Vellayan

V. Manickam

M.B.N. Rao

Shyamala Gopinath

COMPANY SECRETARY

G. Jalaja

CORPORATE MANAGEMENT TEAM

V. Ramesh, Managing Director

Arun Murugappan, President - Strategy & Business
Development

Rajesh Kumar, Executive Vice President - Operations -
Karnataka

V. Suri, Sr. Vice President & Chief Financial Officer

G. Jalaja, Company Secretary

S. Srikanthan, Vice President & Head - Nutraceuticals

L. K. Baburaj, Sr. Associate Vice President & Head -
Bio Products

S. K. Sathyavrdhan, Sr. Vice President (HR)

T. Rajasekhar, Vice President & Head - Manufacturing

T.M. Shankar, Vice President-Commercial & Corporate Affairs

REGISTERED OFFICE

'Dare House', Parrys Corner, Chennai - 600 001.
CIN : L24211 TN1975PLC006989

AUDITORS

Deloitte Haskins & Sells, Chartered Accountants
Chennai

BANKERS

State Bank of India

INVESTOR CONTACTS

Registrar and Transfer Agents

Karvy Computershare Private Limited
Unit: E.I.D.-Parry (India) Limited,
Karvy Selenium Tower B
Plot No. 31-32, Gachibowli, Financial District,
Nanakramguda, Hyderabad - 500 032.
Tel. : +91-40-67161500
Fax : +91-40-23001153
E-mail : einward.ris@karvy.com

Company

G. Jalaja
Company Secretary
Tel. :+91-44-25306789
Fax.:+91-44-25341609
E-mail:investorservices@parry.murugappa.com
Website:www.eidparry.com

FINANCIAL HIGHLIGHTS - TEN YEARS AT A GLANCE

Standalone

₹ in Lakh except ratios

Particulars	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Profitability Items										
Gross Income	1,03,044	73,869	72,932	1,70,599	1,33,526	1,47,386	1,75,364	2,41,448	1,94,548	2,26,504
Gross Profit (PBDIT)	17,766	20,109	1,898	96,539	35,536	18,927	27,447	60,562	26,237	38,918
Depreciation & Amortisation	2,915	3,287	4,403	5,017	6,933	7,370	7,397	10,787	9,731	10,193
Profit/(Loss) Before Interest & Tax	14,851	16,822	(2,505)	91,522	28,603	11,557	20,050	49,775	16,506	28,725
Finance costs	739	(211)	1,345	2,682	3,857	4,817	6,443	13,668	19,616	15,127
Profit/(Loss) before Tax	14,112	17,033	(3,850)	88,840	24,746	6,740	13,607	36,107	(3,110)	13,598
Tax	2,528	4,291	(2,192)	19,644	4,218	(1,186)	(125)	2,936	(5,763)	(1,227)
Profit/(Loss) after Tax	11,584	12,742	(1,658)	69,196	20,528	7,926	13,732	33,171	2,653	14,825
Balance Sheet Items										
Net Fixed Assets	33,322	48,256	61,999	85,942	84,650	80,986	80,876	1,28,652	1,52,515	1,49,968
Investments	11,167	11,736	18,344	48,561	68,282	43,414	68,278	87,110	54,478	68,293
Net Current Assets	33,131	35,616	33,537	26,584	27,561	61,572	63,604	1,04,089	1,06,014#	83,987#
Total Capital Employed	77,620	95,608	1,13,880	1,61,087	1,80,493	1,85,972	2,12,758	3,19,851	3,13,007	3,02,248
Shareholders Funds	47,939	53,005	50,607	96,346	1,09,066	1,14,474	1,21,223	1,34,162	1,27,432	1,36,408
Borrowings	24,880	35,236	58,161	53,853	57,552	58,809	78,971	1,72,309	1,78,559	1,60,211
Deferred Tax Liability	4,801	7,367	5,112	10,888	13,875	12,689	12,564	13,380	7,016	5,629
Total	77,620	95,608	1,13,880	1,61,087	1,80,493	1,85,972	2,12,758	3,19,851	3,13,007	3,02,248
Ratios										
Book Value per share (₹)	54	60	57	113	127	66	70	77	73	78
EPS (₹)	12.98	14.28	(1.86)	77.80	23.81	4.58	7.92	19.08	1.51	8.43
Dividend on Equity %	225	295	25	1,000	500	200	400	600	-	300

Includes long term loans and advances and other non-current assets and excludes current investments and short term borrowings.

Notes : -

1. The equity shares of ₹ 10 each were subdivided into shares of ₹ 2 each with effect from June 03, 2005.
2. The Parryware Division was transferred on March 01, 2006 to Parryware Glamourooms Private Ltd, a wholly owned subsidiary.
3. Parry Nutraceuticals Limited was merged with the Company with effect from September 01, 2006.
4. The equity shares of ₹ 2 each were subdivided into shares of ₹ 1 each with effect from December 24, 2010.
5. Haliyal and Sankili units of Parrys Sugar Industries Limited were merged with the Company with effect from April 01, 2012.
6. Sadashiva Sugars Limited was merged with the Company with effect from April 01, 2013.

NOTICE

Notice is hereby given that the **FORTIETH ANNUAL GENERAL MEETING** of the members of E.I.D.- Parry (India) Limited will be held on Tuesday, August 4, 2015 at 4.30 p.m. at Tamil Isai Sangam, Rajah Annamalai Mandram, 5, Esplanade Road, Chennai – 600 108 to transact the following businesses :

ORDINARY BUSINESS :

1. Adoption of Financial Statements

RESOLVED THAT :

- (a) the Audited Financial Statements of the Company for the financial year ended March 31, 2015, the reports of the Board of Directors and Independent Auditors thereon; and
 - (b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2015 and the report of the Independent Auditors thereon,
- be and are hereby received and adopted.

2. Declaration of Dividend

To consider and if deemed fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

RESOLVED THAT the interim dividend of ₹ 2 per equity share declared by the Board of Directors on March 19, 2015 on the outstanding equity shares of ₹ 1 each of the Company and paid to those equity shareholders whose name appeared in the register of members as on March 25, 2015 being the record date fixed for this purpose be and is hereby approved for the year ended March 31, 2015.

RESOLVED FURTHER THAT a final dividend of ₹ 1 per equity share as recommended by the Board of Directors be and is hereby declared on the outstanding equity shares of ₹ 1 each of the Company for the year ended March 31, 2015 and paid to those members, in case of shares held in physical form, whose names appear in the register of members as on August 04, 2015 and in case of shares held in dematerialised form as per the details furnished by the depositories for this purpose.

3. Appointment of Director

To consider and if deemed fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

RESOLVED THAT Mr. V.Ravichandran (DIN: 00110086), who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a director of the Company liable to retire by rotation.

4. Appointment of Statutory Auditors

To appoint Auditors and fix their remuneration and in this regard, to consider and if deemed fit, to pass the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants, Chennai (Firm Registration No. 008072S) as Statutory Auditors of the Company from the conclusion of this meeting till the conclusion of the 41st Annual General Meeting of the Company be and is hereby ratified on a remuneration of ₹ 27,00,000/- (Rupees Twenty Seven Lakh only) plus service tax as applicable and reimbursement of out of pocket expenses incurred by them in connection with the aforesaid audit as approved by the Board of Directors of the Company.

SPECIAL BUSINESS

5. Remuneration of Cost Auditors

To ratify the remuneration of the Cost Auditors for the financial year ending March 31, 2016 and in this regard, to consider and if deemed fit, to pass the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the remuneration of ₹ 10,10,000 (Rupees Ten Lakh Ten Thousand only) plus service tax as applicable and reimbursement of out of pocket expenses payable to M/s. Geeyes & Co., Cost Accountants (Firm Registration Number 000044) for conduct of audit of the cost records of the Company for the financial year ending March 31, 2016 as approved by the Board of Directors of the Company, be and is hereby ratified.

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

6. Issue of Non-Convertible Debentures

To approve offer or invitation to subscribe to Non-Convertible Debentures on private placement and in this regard, to consider and if deemed fit, to pass the following resolution as a Special Resolution:

RESOLVED THAT pursuant to Section 42 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to the provisions of the Articles of Association of the Company and such other rules/regulations, as may be applicable, consent be and is hereby accorded to the Board of Directors of the Company to offer, invite and issue secured / unsecured redeemable non-convertible debentures, aggregating up to ₹ 200 Crore (Rupees Two hundred Crore), on private placement basis to Nationalised Banks / Indian Private Banks / Foreign Banks / Other Banks / Financial Institutions / Other eligible investors in one or more tranches during a period of one year from the date of passing of this resolution within the overall borrowings limits of the Company as approved by the members from time to time and on such terms and conditions as the Board of Directors of the Company may determine and consider proper and most beneficial to the Company including, without limitation, as to when the said Debentures are to be issued, coupon rate, redemption period, utilization of the issue proceeds and all matters connected therewith or incidental thereto.

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

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

G. Jalaja
Company Secretary

Chennai
May 29, 2015

Registered Office :

'Dare House', Parrys Corner, Chennai - 600 001.

Tel. : +91-044-25306789

Fax. : +91-044-25341609

E-mail: investorservices@parry.murugappa.com

Website: www.eidparry.com

CIN : L24211TN1975PLC006989

NOTES

1. **A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a Member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed in the format sent herewith, not less than FORTY-EIGHT HOURS before the**

commencement of the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.

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

- rights, then such person shall not act as a proxy for any other person or shareholder.
2. Corporate Members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the meeting.
 3. A Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Items No. 5 & 6 to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.
 - 4(a) The Register of Members and Share Transfer Books of the Company will remain closed from Friday, the 24th July, 2015 to Tuesday, the 4th August, 2015 (both days inclusive).
 - (b) The dividend on Equity Shares, if declared at the Meeting, will be paid to those members whose names shall appear on the Company's Register of Members on August 04, 2015. In respect of the shares held in dematerialized form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.
 5. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agents, Karvy Computershare Private Limited ("Karvy") cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the members.
 6. Members holding shares in electronic mode are requested to keep their e-mail addresses updated and intimate immediately any change in their address, bank mandates to their Depository Participants. Members holding shares in physical mode are also requested to update their e-mail addresses, advise any change in their address, bank mandates by writing to Karvy Selenium Tower B, Plot number 31 & 32, Financial District, Nanakramguda, Gachibowli, Hyderabad- 500 032 quoting their folio number(s).
 7. Members holding shares in physical form are requested to consider converting their holding to dematerialised form to eliminate all risks associated with physical shares and for ease in portfolio management. Members can contact the Company or Karvy for assistance in this regard.
 8. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Karvy for consolidation into a single folio.
 9. Pursuant to the provisions of Section 123, 124 of the Companies Act, 2013 and Section 205C of the Companies Act, 1956, the Company has transferred the unpaid or unclaimed dividends for the financial years 1995-96 to 2006-07 from time to time on due dates, to the Investor Education and Protection Fund (the IEPF) established by the Central Government. The due dates on which the unclaimed dividends would be transferred to IEPF for the financial year 2007-08 onwards are given in the Corporate Governance Report. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on July 30, 2014 (date of last Annual General Meeting) on the website of the Company (www.eidparry.com) as also on the website of the Ministry of Corporate Affairs.
 10. In terms of Section 152 of the Companies Act, 2013, Mr. V.Ravichandran, Director, retires by rotation at the Meeting and being eligible, offer himself for reappointment. The Board of Directors of the Company commend his re-appointment. Brief resume of Mr.V.Ravichandran, nature of his expertise in specific functional areas, names of companies in which he hold directorships and memberships / chairmanships of Board Committees, shareholding and relationship between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges is provided in the Notes forming part of this Notice.
 11. As per the provisions of section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014, Shareholders holding shares in physical form may file nomination in the prescribed SH-13 with the Company's Registrar and Transfer Agent. In respect of shares held in demat form, the nomination form may be filed with the respective Depository Participant.
 12. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their dematerialised accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Transfer Agent M/s. Karvy Computershare Pvt. Ltd. (Karvy).
 13. Pursuant to Clause 32 of the Listing Agreement entered into with the Stock Exchanges and Sections 20, 101 and 136 of the Companies Act, 2013, electronic copy of Annual Report and this Notice inter-alia indicating the process and manner of e- voting along with Attendance Slip and proxy form are being sent by e-mail to those shareholders whose e-mail addresses have been made available to the Company/ Depository Participants unless any member has requested for a hard copy of the same.
 14. Relevant documents referred to in the proposed resolutions are available for inspection at the Registered Office of the Company during business hours on all days except Saturdays, Sundays and

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

15. Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID numbers for identification. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
16. Members desirous of getting any information about the accounts and/or operations of the Company are requested to write to the Company at least seven days before the date of the Annual General Meeting to enable the Company to keep the information ready at the meeting.
17. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
18. E-voting :
 - (i) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Clause 35B of the Listing Agreement, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').
 - (ii) The facility for voting through electronic voting system ('Insta Poll') 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 Meeting through 'Insta Poll'.
 - (iii) The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
 - (iv) The Company has engaged the services of Karvy Computershare Private Limited ("Karvy") as the Agency to provide e-voting facility.
 - (v) The Board of Directors of the Company have appointed Mr. R.Sridharan (C.P No. 3239) of M/s. R. Sridharan &

Associates, Practicing Company Secretaries, Chennai as a Scrutiniser to scrutinise the Insta Poll and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the said purpose.

- (vi) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. July 29, 2015.
- (vii) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. July 29, 2015 only shall be entitled to avail the facility of remote e-voting / Insta Poll.
- (viii) Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. July 29, 2015, may obtain the User ID and password in the manner as mentioned below:
 - a) If the mobile number of the member is registered against Folio No. / DP ID Client ID, the member may send SMS : MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399

Example for
NSDL: MYEPWD <SPACE> IN12345612345678
Example for
CDSL : MYEPWD <SPACE> 1402345612345678
Example for
Physical : MYEPWD <SPACE> XXXX1234567890
 - b) If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
 - c) Member may call Karvy's toll free number 1-800-3454-001
 - d) Member may send an e-mail request to evoting@karvy.com. If the member is already registered with Karvy e-voting platform then he can use his existing User ID and password for casting the vote through remote e-voting.
- (ix) The remote e-voting facility will be available during the following period: Commencement of remote e-voting : 9.00 a.m. (IST) on July 31, 2015. End of remote e-voting : 5.00 p.m. (IST) on August 03, 2015. The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by Karvy upon expiry of aforesaid period.

- (x) The Scrutiniser after scrutinising the votes cast at the meeting (Insta Poll) and through remote e-voting will, not later than two days of conclusion of the Meeting, make a consolidated scrutiniser's report and submit the same to the Chairman. The results declared along with the consolidated scrutiniser's report shall be placed on the website of the Company www.eidparry.com and on the website of Karvy <https://evoting.karvy.com>. The results shall simultaneously be communicated to the Stock Exchanges.
- (xi) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e. August 04, 2015.
- (xii) **Instructions and other information relating to remote e-voting:**
1. **A. In case a member receives an e-mail from Karvy** [for members whose e-mail addresses are registered with the Company / Depository Participant(s)]:
 - (a) Launch internet browser by typing the URL: <https://evoting.karvy.com>
 - (b) Enter the login credentials (i.e. User ID and password), which will be sent separately. The E-Voting Event Number+Folio No. or DP ID Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote. If required, please visit <https://evoting.karvy.com> or contact toll free number 1-800-3454-001 for your existing password.
 - (c) After entering these details appropriately, click on "LOGIN".
 - (d) You will now reach password change Menu wherein you are required to mandatorily change your password. 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 prompt you to change your password and update your contact details like mobile number, email address, 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.**
 - (e) You need to login again with the new credentials.
 - (f) On successful login, the system will prompt you to select the E-Voting Event Number for E.I.D. - Parry (India) Limited.
 - (g) On the voting page enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/ AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/ AGAINST" taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.
 - (h) Members holding shares under multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.
 - (i) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
 - (j) You may then cast your vote by selecting an appropriate option and click on "Submit". A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. **During the voting period, members can login any number of times till they have voted on the Resolution(s).**
 - (k) Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Power of Attorney / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutiniser at e-mail ID: rsaevoting@gmail.com with a copy marked to evoting@karvy.com and investorservices@parry.murugappa.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 "E.I.D. - Parry (India) Ltd. - 40th Annual General Meeting."
- B 1. In case a member receives physical copy of the Notice by Post** [for members whose e-mail addresses are not registered with the Company / Depository Participant(s)]:
- a) User ID and initial password –This is provided at the bottom of the attendance slip for the Annual General Meeting (which is being sent along with this Notice)
 - b) Please follow all steps from Sl. No. (a) to (l) as mentioned in (A) above, to cast your vote.
2. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently or cast the vote again.
3. In case of any query pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website <https://evoting.karvy.com>.

Statement pursuant to Section 102 of the Companies Act, 2013

The following Statement sets out all material facts relating to the business mentioned under Item Nos. 5 and 6 of the accompanying Notice:

Item No. 5

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. Geeyes & Co., Cost Accountants as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2016. In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No.5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2016.

The Board recommends the Ordinary Resolution at Item No.5 for approval by the Members.

Memorandum of Interest

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

Item No. 6

Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 prescribed there under deals with private placement of securities by a company. Sub-rule (2) of the said Rule 14 states that in case of an offer or invitation to subscribe for non-convertible debentures on private placement, the company shall obtain previous approval of its shareholders by means of a special resolution only once in a year for all the offers or invitations for such debentures during the year. Rule 18

of the Companies (Share Capital and Debentures) Rules, 2014 deals with issue of secured debentures. The Board of Directors will decide whether to issue debentures as secured or unsecured.

Keeping in view the aforesaid legal provisions, the members of the Company, at the 39th Annual General Meeting held on July 30,2014 had authorised the Board of Directors of the Company to offer or invite subscription for non-convertible debentures, in one or more series / tranches, aggregating up to ₹ 200 Crore on private placement.

The members may note that the Company has not made any private placement of non-convertible debentures pursuant to the said authorisation. However, in order to augment long term resources for financing, inter alia, the capital expenditure and for general corporate purposes, the Board may, at an appropriate time, offer or invite subscription for secured redeemable non-convertible debentures, in one or more series / tranches on private placement.

Accordingly, consent of the members is sought for passing the Special Resolution as set out at Item No. 6 of the Notice. This resolution is an enabling resolution and authorises the Board of Directors of the Company to offer or invite subscription for non-convertible debentures, as may be required by the Company, from time to time for a year from the date of passing this resolution.

The Board commends the Special Resolution set out at Item No.6 of the Notice for approval by the members.

Memorandum of Interest

None of the Directors / Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

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

Chennai
May 29, 2015

G. Jalaja
Company Secretary

Details pertaining to Director seeking re-appointment as required under Clause 49 of the Listing Agreement

Name of the Director	Mr. V.Ravichandran
Date of Birth	09.06.1956
Date of Appointment	30.10.2009
Qualifications	Engineering Graduate with a Post Graduate Diploma in Management from IIM, Ahmedabad, a Cost Accountant and a Company Secretary.
Expertise in specific functional Area	Finance, Marketing and General Management
Directorship in other Companies	Parrys Sugar Industries Limited Coromandel International Limited Murugappa Holdings Limited Parry Infrastructure Company Private Limited Silkroad Sugar Private Limited Yanmar Coromandel Agrisolutions Private Limited CFL Mauritius Limited US Nutraceuticals LLC Parry America Inc. Foskor Pty Limited
Chairman/Member of the Committees of the Boards of which he is a Director	E.I.D. - Parry (India) Limited Member- Stakeholders Relationship Committee Member – Nomination & Remuneration Committee Coromandel International Limited Member-Stakeholders Relationship Committee Silkroad Sugar Private Limited Member - Nomination & Remuneration Committee Parrys Sugar Industries Limited Chairman-Stakeholders Relationship Committee Member – Nomination & Remuneration Committee
No. of shares held in the Company	Nil
Inter-se relationship with any Director	Nil

BOARD'S REPORT TO THE MEMBERS OF E.I.D.-PARRY (INDIA) LIMITED

Your Directors have pleasure in presenting their report together with the audited financial statements for the financial year ended March 31, 2015.

COMPANY PERFORMANCE

The financial summary, results of operations and state of affairs of the Company for the year are summarised below :

₹ in Crore

Particulars	Standalone		Consolidated	
	2014-15	2013-14	2014-15	2013-14
Gross Revenue	2265.04	1945.48	14064.19	12223.07
Profit Before Interest and Depreciation (EBITDA)	389.18	262.37	1119.12	1006.95
Finance Charges	151.27	196.16	419.74	465.34
Depreciation	101.93	97.31	244.10	226.14
Net Profit Before Tax	135.98	(31.10)	455.28	315.47
Provision for Tax	(12.27)	(57.63)	178.93	96.86
Net Profit After Tax before minority interest	148.25	26.53	276.35	218.61
Minority Interest	-	-	159.56	140.64
Net Profit After Tax after minority interest	148.25	26.53	116.79	77.97
Balance of profit brought forward	244.56	244.56	(57.96)	(147.79)
Depreciation impact on reserves	(3.10)	-	(10.75)	-
Balance available for appropriation	389.71	271.09	48.08	(69.82)

Dividend and Reserves

During the year, the Company paid an interim dividend of ₹ 2 (200%) per equity share of ₹ 1 each in March, 2015. The Board has recommended a final dividend of ₹ 1 (100%) per share, which is subject to the approval of Members at the ensuing Annual General Meeting.

The company has transferred ₹ 15 Crore to the General Reserve for the year ended March 31, 2015.

Share Capital

The Paid up Equity Share Capital of the Company as on March 31, 2015 was ₹ 17.58 Crore. During the year under review, the Company has allotted 28,888 equity shares to employees under the ESOP Scheme and has not granted any stock options.

Consolidated Operations

Consolidated Revenue of your Company for the year was ₹ 14064.19 Crore, 15.06% higher than ₹ 12223.07 Crore in the previous

year. Overall expenses for the year was ₹ 13608.91 Crore, against ₹ 11907.60 Crore in the previous year. Operating Profit (EBITDA) was ₹ 1119.12 Crore, against ₹ 1006.95 Crore in the previous year. Profit after Tax and minority interest for the year at ₹ 116.79 Crore, was higher by 49.78% over ₹ 77.97 Crore, in the previous year.

Standalone Operations

Standalone Revenue of your Company for the year was ₹ 2,265.04 Crore, 16.43% higher than ₹ 1,945.48 Crore in the previous year. Overall expenses for the year was ₹ 2129.06 Crore, against ₹ 1976.58 Crore in the previous year. Operating Profit (EBITDA) was ₹ 389.18 Crore, against ₹ 262.37 Crore in the previous year. Profit after Tax (excluding exceptional item) for the year at ₹ 148.25 Crore which is 6.55% of revenue as against ₹ 26.53 Crore, which was 1.36% of the revenue for the previous year.

During the year the company posted an improved performance in the face of a volatile and uncertain environment. This was a challenging year for the company's sugar business in view of the abysmally low price of

sugar which made a free fall during the second half of the financial year under review. During the year the company achieved a Profit After tax (PAT) of ₹ 148.25 Crore compared to ₹ 26.53 Crore in the corresponding previous year. The higher profit was mainly on account of better realisation from sales of sugar during the first half of the financial year buoyed by the corporate strategy of cost reduction and improving all around efficiency in operations. The performance of the Bio division and Cogen operations was better than the last year. The higher dividend income from the Subsidiary Company and disposal of unproductive assets also contributed to the performance of the Company during the year. The performance of the Company was significant particularly in the light of the negative sentiments prevailing in the Country's sugar industry caused by falling sugar prices and the uncertainty surrounding sugar cane prices.

The sugar price which showed an improvement during the first half of the Financial year slid during the latter part leading to an all time low sugar selling price caused by fifth straight year of

surplus production. India's output of Sugar production for the 2014-15 Sugar season is pegged at around 28 million tonnes which left production ahead of consumption for a fifth successive season – a feat India has not achieved since the 1970s. For the 2014-15 sugar season, the Central Government fixed the Fair and Remunerative Price (FRP) for Sugar Cane @ ₹ 2200/- per Tonne for a basic recovery rate of 9.5% with a premium of ₹ 2.34 for every 0.1% increase in the recovery rate which is 4.76% higher than the FRP of last sugar season. The steep rise in sugar cane price year after year which accounts for about 70 percent of total operation costs coupled with tumbling sugar prices has impacted the profitability of sugar mills this year. The continuous loss of several years have already made cane dues across the country to hit a record high until the end of the Financial year. Though the Government contemplated a series of measures to check the falling prices of sugar in the domestic market so that mills earn more revenue to clear the mounting sugar cane arrears due to farmers, the increase in market prices of sugar has been minimal. The decontrol of sugar distribution and the impetus given to blending ethanol with petrol have not given the desired relief to the sugar mills as the primary issue of sugarcane pricing still remains largely unresolved. Grappling with the issue of FRP payment to farmers, the Indian Sugar Mills Association (ISMA) estimates that around a quarter of mills across the country could go into negative net worth and may not be able to crush cane next season. Though the linking of sugar cane prices to the prices of end-products has long been advocated for long-term financial health and sustenance of the industry, the same is yet to be implemented by the State Governments effectively.

During the year, the units of the Company in Tamil Nadu were impacted by a fourth consecutive year of drought severely affecting the cane availability. The State Government also continued the Recommended Cane Price as per the last crushing season. In Karnataka, though there was a delay in commencement of the normal crushing operations due to the impasse caused for the payment of final cane price for sugar season 13-14, the availability of sugar cane was

higher resulting in succor to the Company's operations in the face of acute shortage of cane in Tamilnadu. The Sugarcane Control Board constituted by the Government of Karnataka under the Karnataka Sugarcane (Regulation of Purchase and Supply) Act, 2013 has not yet determined any price for the sugar season 2014-15 and the Company has paid the FRP as determined under the Sugarcane (Control) Order, 1966.

The major areas of focus for the Company are to work towards improving the yield, increasing the cane cultivation in command area and further improving the operating efficiency. The Company is also focusing on value added sugar products to cater to various segments of the markets, which are expected to have better margins in addition to improving the quality of the products and greater thrust on institutional sales. The Bio-Pesticides and Nutraceuticals divisions of the Company have several plans to augment capacity, enter into new areas of business and launch several products which is expected to add to the performance of the Company.

PERFORMANCE OF BUSINESS SEGMENTS

Sugar

During the year, the Company crushed 49.62 Lakh MT of sugar cane as against 47.52 Lakh MT crushed in the previous year. The units in Tamilnadu & Puducherry have crushed a total quantity of 27.97 Lakh MT as against 30.73 Lakh MT in the previous year. This drop was mainly on account of poor weather conditions in key cultivating areas. The Karnataka and Andhra Pradesh units crushed 21.65 Lakh MT of sugar cane as against 16.79 Lakh MT of sugar cane in the previous year. The average recovery of sugar from sugar cane was at 10.10% as against 9.84% in the previous year.

The company sold 485988 MT of Sugar as against 416983 MT during the previous year.

Power

The power generation during the year was higher due to generation of power from Coal in TN units and higher Cane Crush in KN & AP units. The power generated was

continued to be used captively to run the plants, the surplus power was sold to State run Electricity Boards and other merchant power purchasers. Power generation was at 4667 Lakh Units as compared to 4259 Lakh Units in the previous year. The company exported 2891 Lakh Units of power during the year as against 2496 Lakh Units in the previous year.

Distillery

During the year, Industrial Alcohol/ENA production was 643.12 Lakh Litres as compared to 596.39 Lakh Litres during the previous year.

Bio-Products

Bio-Pesticides

The Bio-Pesticides Division registered a turnover of ₹ 9,357 Lakh in 2014 -15 as compared to ₹ 9,716 Lakh of previous year and accounting for 4.42% of the Company's revenue. The sale of Aza Products registered a marginal growth of 3% over 2013-14. Export sale of Neemazal Technical registered a de-growth of 5% over 2013-14 primarily due to depreciation of Euro Currency rates to ₹ 73.89 (avg) in 2014-15 as against ₹ 83.49 in 2013-14. USA accounted for 61% of Export sales, while Europe and Asia accounted for 35% and 5% respectively. Domestic sales registered a marginal de-growth of 2% over 2013-14 primarily in non Aza products segment. Aza products grew by 29%. In spite of marginal drop in revenue, PBIT for the year was higher at ₹ 2,652 Lakh against ₹ 2,276 Lakh in 2013-14 mainly due to foreign exchange gain of ₹ 360 Lakh out of forward cover. Production of Technical Aza was 6,908 Kgs.

Nutraceuticals

The Nutraceuticals Division's turnover was ₹ 7433 Lakh in 2014-2015 as compared to ₹ 6,930 Lakh of previous year representing 3.51% of the Company's turnover. About 79% of this represents exports. Turnover increased by 7.25% over previous year.

Premium Organic Spirulina continued to outperform competition in its segment with a

growth of 10% over previous year. With the stabilized Astaxanthin production process, the sales of Astaxanthin had doubled over previous year.

A detailed analysis on the business segments is included in the "Management Discussion and Analysis" Report, which forms part of this Report.

SUBSIDIARY COMPANIES

During the year under review, Alagawadi Bireshwar Sugars Private Limited ceased to be a subsidiary of the Company and Alimtec S.A. has become a subsidiary.

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

In accordance with fourth proviso of Section 136(1) of the Companies Act, 2013, the Annual Report of the Company containing therein its standalone and consolidated financial statements has been placed on the website of the Company, www.eidparry.com. Further, as per the fourth proviso of the said section, the annual accounts of the Subsidiary Companies and the related detailed information have also been placed on the website of the Company www.eidparry.com.

The annual accounts of the Subsidiary Companies will also be available for inspection by any shareholder/debenture trustees at the Registered office of the Company and of the Subsidiary Companies concerned during working hours upto the date of the Annual General Meeting. A copy of annual accounts of subsidiaries will be made available to shareholders seeking such information at any point of time.

Amalgamation of Subsidiary

The Hon'ble High Court of Bombay, vide its Order dated April 30, 2015 has approved

the amalgamation of Parry Phytoremedies Private Limited, a wholly owned subsidiary with the Company with appointed date of April 01, 2014. The merger will be effective upon filing the certified true copy of the Order with the Registrar of Companies, Pune and Chennai.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- in the preparation of the annual accounts for the financial year ended March 31, 2015, the applicable accounting standards have been followed and there are no material departures from the same;
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2015 and of the profit of the Company for the year ended on that date;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors have prepared the annual accounts on a going concern basis.
- the Directors have laid down proper internal financial controls to be followed by the Company and such controls are adequate and operating effectively.
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of section 152 of the Companies Act, 2013 read with the Articles of Association of the Company, Mr.V.Ravichandran, Director retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for reappointment. As required under clause 49 of the Listing Agreement, a brief resume, expertise and details of other directorships of Mr. V.Ravichandran are annexed to the Notice convening the 40th Annual General Meeting of the Company.

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under section 149(6) of the Companies Act 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges.

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

In accordance with the provisions of Section 134 of the Act and Clause 49 of the Listing Agreement, the Board has carried out evaluation of its own performance, the performance of Committees of the Board, namely, Audit Committee, Corporate Social Responsibility Committee, Risk Management Committee, Stakeholders Relationship Committee, and Nomination and Remuneration Committee and also the directors individually. The manner in which the evaluation was carried out and the process adopted has been mentioned in the Corporate Governance Report.

The Board has on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration and also framed the criteria for determining qualifications, positive attributes and independence of directors. The Remuneration Policy and criteria for Board nominations are given in **Annexure - B1 & B2** to this Report.

Mr. V.Ramesh, Managing Director, Mr. V.Suri, Chief Financial Officer and Ms. G.Jalaja, Company Secretary are the Key Managerial Personnel of the Company as per section 203 of the Companies Act, 2013.

AUDITORS

Statutory Auditors

The shareholders at the 39th Annual General Meeting held on July 30, 2014 had appointed M/s. Deloitte, Haskins & Sells, Chartered Accountants, (FR No.008072S) Chennai as the Statutory Auditors of the Company to hold office upto the conclusion of the 42nd Annual General Meeting, subject to the ratification of the appointment by members every year. M/s. Deloitte Haskins & Sells, being eligible have expressed their willingness to continue as the auditors of the Company and accordingly, the ratification of their appointment is recommended to the shareholders.

Cost Auditors

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

The Board of Directors, on the recommendation of the Audit Committee, have appointed M/s. Geeyes & Co, Cost Accountants, Chennai as the Cost Auditor to audit the cost accounting records maintained by the Company for the financial year 2015-16 on a remuneration of ₹ 10,10,000/- plus service tax as applicable and reimbursement of out of pocket expenses. As required under the Companies Act, 2013, a resolution seeking members ratification as approved by the Board for the remuneration payable to the Cost Auditor forms part of the notice convening the Annual General Meeting.

The cost audit report for the financial year 2013-14 was filed with the Ministry of Corporate Affairs on September 29, 2014.

Secretarial Auditor

The Board has appointed M/s. R Sridharan & Associates, Practicing Company Secretaries, Chennai as the Secretarial Auditor to undertake the Secretarial Audit of the Company for the year 2014-15. The Report of the Secretarial Auditors is provided in **Annexure-C** to this Report.

There are no qualifications, reservations or adverse remarks or disclaimers made by the Statutory / Secretarial Auditors in their respective reports. The Statutory Auditors have not reported any incident of fraud during the year under review to the Audit Committee of the Company.

INTERNAL FINANCIAL CONTROL

The Company has adequate Internal Controls with proper checks and balances to ensure that transactions are properly authorised, recorded and reported apart from safeguarding its assets. These systems are reviewed and improved on a regular basis. It has a comprehensive budgetary control system to monitor revenue and expenditure against approved budget on an ongoing basis.

The Company's Internal Audit division reviews the controls across the key processes and submits reports periodically to the Management and significant observations are also presented to the Audit Committee for review. There is also a follow up mechanism to monitor implementation of the various recommendations.

RISKS, CONCERNS AND THREATS

Pursuant to the requirement of Clause 49 of the Listing Agreement, the Company has constituted a Risk Management Committee. The details of Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Board's Report.

The Company has a robust Risk Management framework to identify, evaluate business risks and opportunities. This framework

seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The business risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting.

The Company has formulated a Risk Management Policy.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company is known for its tradition of philanthropy and community service. As part of its initiative under "Corporate Social Responsibility" drive, the Company has undertaken projects through AMM Foundation, an autonomous charitable trust, engaged in philanthropic activities in the field of Education and Healthcare, while also pursuing various other CSR activities for the benefit of community in and around its local areas of operations. The Company is committed to identifying and supporting programmes aimed at:

- Empowerment of the disadvantaged sections of the society through education, access to and awareness about financial services and the like;
- Provision of access to basic necessities like healthcare, drinking water & sanitation and the like to underprivileged;
- Work towards eradicating hunger and poverty, through livelihood generation and skill development;
- Supporting environmental and ecological balance through afforestation, soil conservation, rain water harvesting, conservation of flora & fauna, and similar programme;
- Promotion of sports through training of sports persons;
- Undertake rural development projects

The Company has constituted a CSR Committee in accordance with Section 135 of the Companies Act, 2013. The CSR Committee has formulated and

recommended to the Board, a CSR Policy indicating the activities to be undertaken by the Company, which has been approved by the Board. The CSR Policy may be accessed on the Company's website at www.eidparry.com.

As per the provisions of the Companies Act, 2013, the Company is not required to spend any amount towards CSR activities for the year 2014-15. However, as the company has been actively involved in various CSR activities in the past, an amount of ₹ 118.32 Lakh was spent during the year. The Annual Report on CSR activities is given in **Annexure-D** to this Report.

RELATED PARTY TRANSACTIONS

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

All Related Party Transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained on a quarterly basis for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are placed before the Audit Committee for their approval on a quarterly basis. The policy on Related Party Transactions as approved by the Board is available at the weblink : http://www.eidparry.com/ContentFiles/Downloads/annualreport/RPT_Policy.pdf

EMPLOYEE STOCK OPTION SCHEME

The Company has not granted any Employee Stock Options during the year 2014-15. The details of the Options granted upto March 31, 2015 and other disclosures as required under Clause 12 of Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 are provided in **Annexure-E** to this Report.

The Company has received a certificate from the Statutory Auditors of the Company that the Scheme had been implemented in accordance with the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the resolutions passed by the Members in this regard.

CORPORATE GOVERNANCE

The report on corporate governance along with a certificate from the Auditors as required under the Listing Agreement with Stock Exchanges is annexed to this Report. The report also contains the details required to be provided on the board evaluation, remuneration policy, implementation of a risk management policy, whistleblower policy / vigil mechanism etc.

The Managing Director and the Chief Financial Officer have submitted a certificate to the Board regarding the financial statements and other matters as required under clause 49(IX) of the Listing Agreement.

In terms of the provisions of Clause 49 of the Listing Agreement, the Management Discussion and Analysis forms part of this Report.

AWARDS & RECOGNITIONS

- Dun & Broadstreet has awarded the Company the "Best Performing Company" award on an All India basis in the Sugar Sector during their programme on "India's Top 500 Companies & Corporate Awards 2015".
- The Pugalur factory of the Company put India's Sugar Industry on the World map, by becoming the first sugar plant in Asia to be given the Bonsucro certification, the world benchmark for sustainability practices in Sugar production from sugarcane. This also marks the first time in the world that the certification is being awarded to an organisation working with small-holding sugarcane farmers. Bonsucro is a global non-profit, multi-stakeholder organisation fostering the sustainability of the sugarcane sector

through its leading metric-based certification scheme and its support for continuous improvement for members.

TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND

During the year, the Company has transferred an amount of ₹ 956465/- being the unclaimed dividend for the year 2006-07 to the Investor Education and Protection Fund established by the Central Government.

DISCLOSURES :

Audit Committee

The Audit Committee comprises of Independent Directors namely Mr. M B N Rao as the Chairman and Mr. Anand Narain Bhatia, Mr. V Manickam and Mrs. Shyamala Gopinath as Members.

CSR Committee

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

Vigil Mechanism & Whistle Blower policy

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

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

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

The particulars relating to conservation of energy, technology absorption, research and development, foreign exchange earnings and outgo as required to be disclosed under

section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are given in **Annexure-F** to this Report.

Loans, Guarantees and Investments

During the financial year, the Company had given loans, guarantees and made investments within the limits as prescribed under section 185 and 186 of the Companies Act, 2013 details of which are given in **Annexure - G** to this Report.

Credit Rating

During the year, rating agency CRISIL has re-affirmed Long term Borrowing rating of "CRISIL AA-" (Stable) and reaffirmed "CRISIL A1+" rating for its short term borrowing.

Particulars of Employees and Related Disclosures

The information required under section 197(12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel)

Rules, 2014 and forming part of the Board's Report for the year ended March 31, 2015 are given in **Annexure - H** to this Report.

Extract of Annual Return

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

GENERAL

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

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

4. The Managing Director of the Company do not receive any remuneration or commission from any of its subsidiaries.
5. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

ACKNOWLEDGEMENT

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

On behalf of the Board

Chennai
May 29, 2015

Anand Narain Bhatia
Chairman

ANNEXURE - A TO THE BOARD'S REPORT

Annexure to the Board's Report

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

PART - A : Subsidiaries

₹ in Lakh

Sl. No.	Name of Entity	Reporting Currency	Reporting period	Exchange Rate	Share Capital	Reserves & Surplus	Total Liabilities*	Total Assets #	Total Income (incl. other income)	Profit/ (Loss) Before Tax	Provision for Tax	Profit/ (Loss) after Tax	Proposed Dividend (incl. Dividend Tax)	Investments (included in Total Assets)	Percentage of shareholding
1	Coromandel International Limited	INR	31-Mar-15	-	2,913	2,13,540	6,14,403	8,30,856	11,34,086	59,244	18,930	40,314	9,928	35,221	60.83
2	Parry Chemicals Limited	INR	31-Mar-15	-	1,000	509	18	1,527	112	92	32	60	-	-	60.83
3	CFL Mauritius Ltd	USD	31-Dec-14	62.64	10,216	7,784	9	18,009	-	(31)	-	(31)	-	17,714	60.83
4	Coromandel Brasilia Ltda	BRL	31-Dec-14	23.73	471	(568)	121	24	178	(55)	3	(58)	-	-	60.83
5	Sabero Europe BV	EURO	31-May-14	80.72	19	(20)	2	1	-	-	-	-	-	-	60.83
6	Sabero Australia Pty. Ltd	AUD	31-Mar-15	47.40	30	(44)	15	1	-	(14)	-	(14)	-	-	60.83
7	Sabero Organics America SA	BRL	31-Dec-14	23.73	888	(447)	147	588	163	(68)	-	(68)	-	-	60.79
8	Sabero Argentina SA	ARS	31-Dec-14	7.53	18	(15)	1	4	38	1	-	1	-	-	57.79
9	Parry Infrastructure Co. Pvt Ltd	INR	31-Mar-15	-	500	906	3,536	4,942	224	9	3	6	-	1,235	100.00
10	Parrys Investments Limited	INR	31-Mar-15	-	25	43	-	68	3	3	-	3	-	67	100.00
11	Parry America Inc	USD	31-Dec-14	62.64	49	1,129	2,689	3,867	3,915	308	101	207	-	-	100.00
12	Parrys Sugar Limited	INR	31-Mar-15	-	150	100	1	251	15	15	-	15	-	246	100.00
13	Parry Phytoremedies Pvt Ltd	INR	31-Mar-15	-	1,870	(1,925)	919	864	667	(155)	-	(155)	-	-	100.00
14	US Nutraceuticals LLC	USD	31-Dec-14	62.64	5,628	413	4,854	10,895	15,434	413	-	413	-	877	93.52
15	Parry Agrochem Exports Ltd	INR	31-Mar-15	-	5	20	1	26	1	1	-	1	-	25	100.00
16	Parrys Sugar Industries Ltd	INR	31-Mar-15	-	8,052	(7,410)	33,585	34,227	19,947	(1,574)	-	(1,574)	-	5	65.00
17	Silkroad Sugar Pvt Ltd	INR	31-Mar-15	-	22,928	(22,006)	89,189	90,111	25,986	(14,481)	-	(14,481)	-	-	100.00
18	La Belle Botanics LLC	USD	31-Dec-14	62.64	227	399	100	726	2,808	399	-	399	-	-	47.70
19	Alimtec S A @	CHP	31-Mar-15	0.10	4,341	(1,992)	540	2,889	6,572	(68)	-	(68)	-	-	100.00
20	Sabero Organics Mexico S.A De C.V.	MXN	31-Dec-14	4.28	2	(66)	199	115	324	(121)	-	(121)	-	-	60.83
21	Liberty Pesticides and Fertilisers Ltd	INR	31-Mar-15	-	75	144	1	220	18	-	-	-	-	-	60.83
22	Dare Investments Ltd	INR	31-Mar-15	-	500	(4)	11	507	-	(1)	-	(1)	-	500	60.83

@ became a subsidiary during the year

* (Non-current liabilities + Current liabilities)

(Non-current assets + Current Assets)

Notes: (1) There are no subsidiaries which are yet to commence operations.

(2) The Company has divested its entire holding in Alagawadi Bireswar Sugars Private Limited, during the year.

PART B : Joint Ventures and Associates

Name of the Entity	Sabero Organics Philippines Asia Inc.	Coromandel SQM (India) Pvt. Ltd.	Yanmar Coromandel Agrisolutions Pvt. Ltd.	Coromandel Getax Phosphates Pte. Ltd.
Relationship	Associate	Joint Venture	Joint Venture	Joint Venture
Latest audited balance sheet	December 31, 2014	March 31, 2015	March 31, 2015	December 31, 2014
Number of shares held	318	5,000,000	5,004,000	500,000
Amount of investment (₹ in Lakh)	*	500	500	219
% of shareholding	24.18	30.42	24.33	30.42
Networth attributable to the Company (₹ in Lakh)	*	437	263	86
Profit/(loss) considered in consolidation (₹ in Lakh)	*	61	(41)	(29)

*less than a Lakh

Notes :

1. All the Joint Ventures / Associates have been considered for consolidation.
2. There are no Joint Ventures / Associates which have been liquidated or sold during the year.
3. No operations have commenced in case of Sabero Organics Philippines Asia Inc., an Associate. There is a significant influence due to percentage of voting share capital.

For and on behalf of the Board of Directors

V. Ramesh
Managing Director

Anand Narain Bhatia
Chairman

G Jalaja
Company Secretary

V Suri
Chief Financial Officer

Chennai
May 29, 2015

ANNEXURE - B1 TO THE BOARD'S REPORT

REMUNERATION POLICY

1. Preamble

This Remuneration Policy provides the framework for remuneration of members of the Board of Directors, Key Managerial Personnel and other employees of the Company

This Policy is guided by the principles and objectives as enumerated in Section 178 of the Companies Act, 2013 to ensure reasonableness and sufficiency of remuneration to attract, retain and motivate competent resources, a clear relationship of remuneration to performance and a balance between rewarding short and long-term performance of the Company.

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

2. Remuneration of Non-Executive Directors

- 2.1 Non-Executive Directors ("NEDs") are paid remuneration by way of Sitting Fees and Commission.
- 2.2 As approved by the shareholders, Commission is paid at a rate not exceeding 1% per annum of the profits of the Company computed in accordance with Section 198 of the Companies Act, 2013. The Commission paid is restricted to a fixed sum within the above limit annually on the basis of their tenor in office during the financial year.
- 2.3 The payment of the Commission to the NEDs is placed before the Board every year for its consideration and approval.

The sitting fee payable to the NEDs for attending the Board and Committee

meetings is fixed subject to the statutory ceiling. The fee is reviewed periodically and aligned to comparable best in class companies.

- 2.4 Keeping with evolving trends in industries and considering the time and efforts spent by specific non-executive directors, the practice of paying differential commission is considered by the Board.

3. Remuneration of Executive Director

- 3.1 The compensation paid to the Executive Directors (including Managing Director) is within the scale approved by the Shareholders. The elements of the total compensation are approved by the N & R Committee within the overall limits specified under the Companies Act, 2013.
- 3.2 The elements of compensation of the Executive Director includes the elements as described in 4 below.
- 3.3 The N & R Committee determines the annual variable pay compensation in the form of annual incentive and annual increment for the Executive Director based on Company's and individual's performance as against the pre-agreed objectives for the year.
- 3.4 The Executive Director, except a promoter director, is also eligible for ESOPs as per the scheme in force from time to time. Grants under the Scheme shall be approved by the N & R Committee.
- 3.5 In case of inadequacy of profit in any financial year, the remuneration payable to the Executive Director shall be further subject to the relevant provisions of the Companies Act, 2013.

- 3.6 Executive Directors will not be paid sitting fee for any Board/ Committee meetings attended by them.

4. Remuneration to Key Managerial Personnel / Other Employees

- 4.1 The Company's total compensation for Key Managerial Personnel / other employees consists of:
 - fixed compensation
 - variable compensation in the form of annual incentive benefits
 - work related facilities and perquisites
- 4.2 In addition, select senior executives are eligible for long-term incentive plan in the form of ESOPs, as per the scheme in force from time to time. Grants under the Scheme are approved by the N & R Committee.
- 4.3 Fixed compensation is determined on the basis of size and scope of the job typically as reflected by the level or grade of the job, trends in the market value of the job and the skills, experience and performance of the employee. Fixed compensation includes Basic Salary, Housing Allowance, Leave Travel Allowance and a cash allowance.
- 4.4 The Annual Incentive (variable pay) of executives is linked directly to the performance of the Business Unit and the Company in accordance with the Employees Incentive Scheme of the Company.
- 4.5 Based on the grade and seniority of employees, benefits for employees include:
Health-Related:
 - 4.5.1 Health (hospitalization) insurance
 - 4.5.2 Accident and Life insurance

Retirement-Related :

- 4.5.3 Contribution to Superannuation Fund (in addition to statutory benefits such as Provident Fund account, Gratuity, etc.,)
- 4.6 Employees are also eligible for work related facilities and perquisites as may be determined through HR policies issued from time to time based on the Grade of the employee.
- 4.7 A formal annual performance management process is applicable to all employees, including senior executives. Annual increases in fixed and variable compensation of individual executives are directly linked to the performance ratings of individual employee.

4.8 Overall compensation shall be subject to periodic reviews which takes into account data from compensation surveys conducted by specialist firms, as well as factors such as affordability based on the Company's performance and the economic environment.

4.9 Employees may be eligible for ESOPs as per the ESOP programme approved by the Shareholders and in force from time to time. The objective of the ESOP scheme will be to reward employees for their contribution to the long term growth and profitability of the Company by providing a platform to share the value they create for the Company.

4.10 Employees may be eligible for severance payments in accordance with the termination clause in their employment.

agreement subject to applicable regulatory requirements.

5. Adoption, Changes and Disclosure of Information

5.1 This Remuneration Policy and any changes thereof are approved by the Board of Directors based on the recommendation(s) of the N & R Committee.

5.2 The policy may be reviewed at such intervals as the Board or N & R Committee may deem necessary.

5.3 Such disclosures of this Remuneration Policy as may be required under the Companies Act, 2013 and Listing Agreement may be made.

ANNEXURE - B2 TO THE BOARD'S REPORT

CRITERIA FOR BOARD NOMINATIONS

The Nomination and Remuneration Committee (N & R Committee) of the Board is responsible for identifying persons for initial nomination as directors and evaluating incumbent directors for their continued service. The following are the qualifications, positive attributes and independence criteria laid down by the N & R Committee of E.I.D.- Parry (India) Limited in terms of section 178(3) of the Companies Act, 2013 to be considered for nominating candidates for Board positions/reappointment of directors.

QUALIFICATIONS:

Personal Traits

- Highest personal and professional ethics, integrity and values.
- Shares the values and beliefs of the Company.
- Inquisitive and objective perspective, practical wisdom and mature judgment

- Demonstrates intelligence, maturity, wisdom and independent judgment.
- Self-confidence to contribute to board deliberations has a stature that other board members will respect his or her views.

Experience and Background

- Well accomplished in his / her respective field.
- Demonstrated success at policy-setting and strategy development levels in a large organization (such as corporation, government, academic institution or profession).
- Typically first level leadership position (i.e., Chair, CEO or President or equivalent) or second level (i.e., COO, CFO or head of a major subsidiary or line of business) unless the Board is seeking a particular skill set

(e.g., technology, human resources management or financial expert)

- Leadership role at the time a potential director's initial candidacy is evaluated must either be current or very fresh and recent, and incumbent directors should continue to demonstrate a sophisticated understanding and current knowledge of complex business issues.
- A mastery of a broad knowledge area (e.g., engineering, finance, marketing, corporate affairs, technology, law, human resources management, executive leadership) that complements the skills of current board members and proposed board role.
- Absence of adverse events (e.g., Bankruptcy affiliations, Securities Law sanctions, Disqualifications under Companies Act, 2013 or other applicable laws etc.) that either disqualify or require adverse disclosures.

Fit and proper

- The intangibles of demeanor, attitude and interpersonal skills that indicate the candidate will be an effective member of the board of directors "team" in a major company setting
- Should act on fully informed basis, in good faith, with due diligence and care and in the best interest of the Company and its stakeholders.
- Should be able to exercise objective independent judgement on corporate affairs.
- Special skills, expertise and background that contribute to the diversity of views and perspective of the board as a whole.
- With respect to Directors being nominated for Independent position, the candidate should comply with the "Independence qualifications" as defined by applicable laws.
- Willingness to devote sufficient time to carry out the duties and responsibilities effectively, including attendance at meetings.
- Willingness to undertake appropriate induction and regularly update and refresh his/ her skills, knowledge and familiarity with the Company.
- Commitment to representing the long-term interests of the shareholders and balancing the interests of stakeholders.
- Willingness to challenge management in a constructive manner while working effectively as a part of a team in an environment of collegiality and trust.
- Adhere to the code of conduct of the Company.
- Protecting the legitimate interests of the Company, its shareholders and employees and maintain confidentiality.
- Meets the age criteria and applicable tenor restrictions placed by the Board.
- Absence of an unacceptable number of other board commitments.
- Absence of personal and business relationships/directorship that would pose a conflict of interest to the Board position.
- Absence of unfair obstruction in the functioning of the Board/Committees.
- Foresight - ability to see and prepare for future, anticipate needs, opportunities and threats.
- Managerial abilities required to lead and guide the management such as effective communication skills, cultural sensitivity, flexibility, team player, strategic thinking, balancing risk with opportunity, ability to juggle several variables and make complicated decisions etc.

INDEPENDENCE STANDARDS:

- A Director is independent if the Board affirmatively determines that he meets the Independence criteria provided under the applicable laws. In addition to applying these guidelines, the Board will consider all relevant facts and circumstances in making its determination relative to a director's independence.
- Two core objectives in selecting board members and continued board service are that the skills, experiences and perspectives of the Board as a whole should be broad and diverse and the collective talent should blend together to be as effective as possible.

POSITIVE ATTRIBUTES:

The positive attributes for a director would encompass:

- Ethical integrity & transparency.
- Has/acquires sufficient knowledge in the Company's business and operations.
- Demonstrate sound judgement gained through experience & expertise in management/ technical/ financial / governance or regulatory matters.

ANNEXURE - C TO THE BOARD'S REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
E.I.D.- Parry (India) Limited,
'Dare House', Parrys Corner, Chennai 600 001.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **E.I.D.-PARRY (INDIA) LIMITED (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 E.I.D.-Parry (India) Limited'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, 2015 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, 2015 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder and the Companies Act, 1956 (to the extent 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) During the year, the Company has invested in a overseas subsidiary and it has complied with the provisions of Foreign Exchange Management Act, 1999 (FEMA) and the rules and regulations made there under. There was no Foreign Direct Investment and External Commercial Borrowings during the year under review.

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

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

c) The Company has not issued any securities during the year under review and hence the question of compliance of the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 does not arise;

d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g) During the year under review, the Company has not delisted its Securities from any of the Stock Exchanges in which it is listed and hence the compliance of the provisions of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 is not applicable; and

h) The Company has not bought back any Securities during the period under review and hence the question of complying with the provisions of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 does not arise;

(vi) We have reviewed the systems and mechanisms established by the Company for ensuring compliances under the other applicable Acts, Rules, Regulations and Guidelines prescribed under various laws which are applicable to the Company and categorized under the following major heads/ groups:

- Factories Act, 1948;
- Acts and Rules relating to Sugar industries including The Sugar Cess Act, 1982, The Sugar Development Fund Act, 1982, The Sugar (Packing & Marking) Order, 1970, The Sugar Cane (Control) Order, 1999;
- Insecticides Act, 1968;
- Labour Laws and other incidental laws related to labour and employees appointed by the Company including

those on contractual basis as relating to wages, gratuity, prevention of sexual harassment, dispute resolution welfare, provident fund, insurance, compensation etc;

- Industries (Development & Regulation) Act, 1991;
- Acts relating to consumer protection including The Competition Act, 2002;
- Acts and Rules prescribed under prevention and control of pollution;
- Acts and Rules relating to Environmental protection and energy conservation;
- Acts and Rules relating to Electricity, motor vehicles, explosives, Boilers etc.;
- Acts relating to protection of IPR;
- The Information Technology Act, 2000;
- The Legal Metrology Act, 2011;
- The Food Safety & Standards Act, 2006;
- Land revenue laws and
- Other local laws as applicable to various plants and offices.

With respect to Fiscal laws such as Income Tax, Central Excise Act, VAT Act, Central Sales Tax and Service Tax based on the information & explanations provided by the management and officers of the Company and also on verification of reports of professionals including reports of Internal Audit, we report that adequate systems are in place to monitor and ensure compliance of fiscal laws as mentioned above.

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

(i) The Secretarial Standards on General and Board Meetings specified by the Institute of Company Secretaries of India (ICSI) as

prescribed under Section 118(10) of the Act are applicable with effect from 1st July, 2015. However, the Secretarial Standards 1 and 2 relating to Board Meetings and General Meetings which were issued by the ICSI as recommendatory have been complied by the Company.

(ii) The Listing Agreements entered into by the Company with BSE Limited, National Stock Exchange of India Limited.

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. There are certain businesses that can be transacted through Video Conferencing / Audio Visual means as provided for under the Companies Act, 2013 and the relevant Rules made there under. The Company has properly convened & recorded in compliance with Rule 3 of Companies (Meetings of Board and its Powers) Rules, 2014 businesses that have been transacted through Video Conferencing / Audio Visual means.

All decisions were carried through with the consent of all the Directors/Committee Members present and hence the question of recording the dissent of the members does not arise. However, in the minutes of the General Meeting, the members who voted against have been properly recorded.

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, the Company has -

- a) Obtained approval at the Board Meeting held on 24th March, 2014 for investment in Alimtec S.A. and the said investment was made by the Company on 25th April, 2014.
- b) Approved scheme of amalgamation of M/s. Parry Phytoremedies Private Limited (Transferor Company) with E.I.D.-Parry (India) Limited (Transferee Company) at the Board meeting held on 30.07.2014
- c) Acquired 1% shareholding in the Equity share capital of Silkroad Sugar Private Limited and consequently Silkroad Sugar Private Limited became a wholly owned subsidiary of the Company,
- d) Divested its entire shareholding of 102,222 Equity Shares of ₹ 100/- each in Alagawadi Bireshwar Sugars Private Limited, a wholly owned non-operating subsidiary.

For R.Sridharan & Associates
Company Secretaries

Place : Chennai
Date : 29th May, 2015

CS R.Sridharan
CP No. 3239
FCS No. 4775

ANNEXURE - D TO THE BOARD'S REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES FOR THE FINANCIAL YEAR 2014-15

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

E.I.D.- Parry (India) Limited (EID Parry) believe that social responsibility is not just a corporate obligation that has to be carried out but it is one's dharma. EID Parry has been carrying out CSR activities for a longtime through AMM Foundation while also extending CSR activities to the local communities in and around its factories located in the States of Tamil Nadu, Andhra Pradesh and Karnataka.

EID Parry had identified the following broad programme areas with focus on quality service delivery and empowerment:

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

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

2. The Composition of the CSR Committee.

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

3. Average net profit of the company for last three financial years (excluding dividend received from subsidiary Company):
₹ (2677.67) Lakh

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

5. Details of CSR spent during the financial year:

Total amount spent for the financial year:
₹ 118.32 Lakh

Amount unspent, if any: Not Applicable

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

₹ in Lakh

Sl. No.	CSR project or Activity identified	Sector in which the Project is covered	Projects or programmes	Amount outlay (budget) project or programmes wise	Amount spent on the projects or Programmes Sub-heads:	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
			1. Local area or other 2. Specify the State and district where projects or programmes was undertaken		1. Direct Expenditure on projects or programmes 2. Overheads		
1	Wellness on wheels – Mobile Health Van	Healthcare	Karnataka - Haliyal, Uttara Kannada Dist.	35.00	35.00	35.00	Implementing agency - AMM Foundation
2.	Promotion of Education	Education	Karnataka - Haliyal, Uttara Kannada Dist.	4.44	2.39	2.39	Direct
3.	Wellness on wheels – Mobile Health Van	Healthcare	Andhra Pradesh - Sankili, Srikakulam Dist.	14.50	14.50	14.50	Implementing agency - HelpAge India
4.	Promotion of Education	Education	Andhra Pradesh - Sankili, Srikakulam Dist.	12.00	11.45	11.45	Direct
5.	Supply of safe drinking water to villages	Rural Development	Andhra Pradesh - Sankili, Srikakulam Dist.	2.9	2.23	2.23	Direct

₹ in Lakh

Sl. No.	CSR project or Activity identified.	Sector in which the Project is covered (Class No. of Schedule VII to the Companies Act, 2013, as amended)	Projects or programmes 1. Local area or other 2. Specify the State and district where projects or programmes was undertaken	Amount outlay (budget) project or programmes wise	Amount spent on the projects or Programmes Sub-heads: 1. Direct Expenditure on projects or programmes 2. Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
6.	Construction work in Kalluvaikal Sub Canal	Rural Development	Tamilnadu - Pettavaithalai, Trichy Dist.	65.00	40.00	40.00	Direct
7.	Infrastructure facility to specially abled children	Sustainable Livelihood	Tamilnadu - Sivaganga Dist.	0.50	0.50	0.50	Direct
8.	Supply of Infrastructure and Medical facility to village	Healthcare	Tamilnadu - Sivaganga Dist.	3.18	2.68	2.68	Direct
9.	Provision of Library	Education	Tamilnadu - Pugalur, Karur Dist.	0.15	0.33	0.33	Direct
10.	Supply of safe drinking water to villages	Rural Development	Tamilnadu - Pudukottai, Trichy Dist.	5.2	6.41	6.41	Direct
11.	Promotion of Education	Education	Tamilnadu- Nellikuppam, Cuddalore Dist.	0.15	0.15	0.15	Direct
12.	Provision of Borewell	Rural Development	Tamilnadu - Thamanapettai, Cuddalore Dist.	2.68	2.68	2.68	Direct
	TOTAL			145.70	118.32	118.32	

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

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

V. Ramesh
Managing Director

V. Manickam
Chairman
CSR Committee

Chennai
May 29, 2015

ANNEXURE - E TO THE BOARD'S REPORT

DISCLOSURE WITH RESPECT TO EMPLOYEE STOCK OPTION SCHEME

Statement pursuant to Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 read with Clause 12 (Disclosure in the Board's Report) of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 as at March 31, 2015.

(a) (i) Total Number of Options granted	40,34,000 Options have been so far granted in twelve tranches i.e. on 31.08.2007, 29.10.2007, 24.01.2008, 24.04.2008, 28.07.2008, 24.09.2008, 29.10.2008, 20.03.2009, 28.01.2011, 29.04.2011, 27.07.2011 & 24.10.2011		
(ii) Vesting Schedule	<p>The vesting of Options granted, is based on the annual performance rating for each financial year and as per the following schedule : -</p> <p>a) In respect of 39,77,600 Options, 20% each on expiry of 1 and 2 year from the date of grant and 30% each on expiry of 3 and 4 years from the date of grant.</p> <p>b) In respect of 13,200 Options, 100% on expiry of 1 year from the date of grant.</p> <p>c) In respect of 13,800 Options, 50% each on expiry of 1 and 2 years from the date of grant.</p> <p>d) In respect of 29,400 Options, 40% each on expiry of 1 year from the date of grant and 30% each on expiry of 2 and 3 years from the date of grant.</p>		
(b) Pricing Formula	The pricing formula, as approved by the shareholders of the Company, is the latest available closing price of the equity shares on the stock exchange where there is highest trading volume as on the date prior to the date of the Nomination & Remuneration Committee resolution approving the grant.		
(c) Total number of Options vested	20,24,894		
(d) Total number of Options exercised	17,48,678		
(e) Total number of Shares arising as a result of exercise of Options	17,48,678		
(f) Total number of Options lapsed / cancelled	20,63,698		
(g) Exercise Price per option For the Options granted from 31.08.2007 to 20.03.2009, each Option represents 1 Equity Share of ₹ 2 each. For the Options granted from 28.01.2011 to 24.10.2011, each Option represents 1 Equity Share of ₹ 1 each.	31.08.2007 ₹ 64.80	29.10.2007 ₹ 75.70	24.01.2008 ₹ 94.15
	24.04.2008 ₹ 103.60	28.07.2008 ₹ 92.98	24.09.2008 ₹ 106.30
	29.10.2008 ₹ 74.95	20.03.2009 ₹ 69.13	28.01.2011 ₹ 225.15
	29.04.2011 ₹ 240.90	27.07.2011 ₹ 269.10	24.10.2011 ₹ 220.90

(h) Variation of terms of Options	The exercise period of the options vesting in the Second, Third and Fourth Vesting as per the vesting schedule under the ESOP Scheme-2007 has been increased from three years to six years from the date of Second, Third and Fourth Vesting, respectively.	
(i) Money realized by exercise of options (during the year 2014-15)	₹ 27.20 Lakh	
(j) Total number of Options in force	2,21,624	
(k) Details of Options granted to:		
Senior Managerial Personnel	As provided below -	
i) Name & Designation	No. of options granted	
1. Mr.S.K.Sathyavrdhan (Sr. Vice President - HR)	95,200	
2. Ms.G.Jalaja (Company Secretary)	68,200	
3. Mr. L.K. Baburaj (Sr. Associate Vice President & Head - Bio-Products)	56,800	
ii) Any other employee who received a grant in any one year of Options amounting to 5% or more of the Options granted during that year	<ol style="list-style-type: none"> 1. Mr.D.Kumaraswamy 2. Mr.T.Kannan 3. Mr.G.Madhavan 4. Mr.Manoj Kumar Jaiswal 5. Mr.P.Nagarajan 6. Mr.K.E.Ranganathan 7. Mr.K.Raghunandan 8. Mr.Ravindra Raju D.S. 9. Mr.R.Raghuram 10. Mr.A.Sridhar 11. Mr.N.Senthilkumar 12. Mr.V.Ramasubramanian 13. Mr.N.Ramakrishnan 14. Ms.Swati Thomas 15. Dr.S.Balaji 16. Mr.Rajiv Yagnik 17. Mr.S.Radhakrishnan 18. Mr.Tyron Doll 19. Mr.S.Karunakar 20. Mr.M.Ramamoorthy 21. Mr.M.Balaji 22. Mr.A.V.Ramaraju 23. Mr.S.Rangaprasad 24. Mr.P.Gopalakrishnan 25. Mr.Suresh Krishnan 	<ol style="list-style-type: none"> 1,83,200 19,600 65,000 1,13,600 65,000 3,87,000 2,58,200 53,100 19,600 29,400 20,700 20,700 20,700 13,800 23,000 23,000 23,000 23,000 19,300 24,200 19,300 19,300 85,200 18,800
iii) Identified employees who were granted Options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	None	
(l) Diluted Earnings Per Share (EPS) pursuant to issue of Shares on exercise of Options calculated in accordance with Accounting Standard (AS) 20 'Earnings Per Share'	₹ 8.43	

(m) (i) Method of calculation of employee compensation cost	The employee compensation cost has been calculated using the intrinsic value method of accounting to account for Options issued under ESOP 2007. The stock-based compensation cost as per the intrinsic value method for the financial year 2014-15 is Nil.		
(ii) Difference between the employee compensation cost so computed at (i) above and the employee compensation cost that shall have been recognized if it had used the fair value of the Options	₹ 47 Lakh		
(iii) The impact of this difference on profits and on EPS of the Company	The effect on the net income and earnings per share, had the fair value method been adopted is presented below:		
	Particulars		₹ in Lakh
	Net Income As reported		14,825
	Add: Intrinsic Value Compensation Cost		Nil
	Less: Fair Value Compensation Cost (Black Scholes model)		47
	Adjusted Net Income		14,778
	Compensation Cost		
	Earnings per Share	Basic (₹)	Diluted (₹)
	As reported	8.43	8.43
	As adjusted	8.40	8.40
(n) Weighted average exercise prices and weighted average fair values of Options granted for Options whose exercise price either equals or exceeds or is less than the market price of the stock	Particulars	Weighted average exercise price per option (₹)	Weighted average fair value per option (₹)
(Exercise Price - EP)	EP > MP	-	-
(Market Price - MP)	EP = MP	102.84	37.22
	EP < MP	-	-

<p>(o) A description of the method and significant assumptions used during the year to estimate the fair values of Options</p>	<p>The fair value of each Option is estimated using the Black Scholes Option Pricing model after applying the following key assumptions on a weighted average basis:</p> <p>(i) Risk-free interest rate : 8%</p> <p>(ii) Expected life :</p> <p>tranches I to III : 3 years</p> <p>tranches IV to VIII : 4 years</p> <p>tranche IX : 4 years</p> <p>tranche X : 4 years, 2 years</p> <p>tranche XI : 4 years</p> <p>tranche XII : 4 years, 1 year</p> <p>(iii) Expected volatility :</p> <p>tranches I to III : 0.5264</p> <p>tranches IV to VIII : 0.5055</p> <p>tranche IX : 0.5088</p> <p>tranche X : 0.4852 & 0.3919</p> <p>tranche XI : 0.4856</p> <p>tranche XII : 0.4672 & 0.3046</p> <p>(iv) Expected dividends : 400%</p> <p>(v) The price of the underlying Share in market at the time of Option grant</p>		
	No. of Tranche	Date of grant	Market price (₹)
	Each option represents 1 equity share of ₹ 1/- each		
	I	31-08-2007	64.80
	II	29-10-2007	75.70
	III	24-01-2008	94.15
	IV	24-04-2008	103.60
	V	28-07-2008	92.98
	VI	24-09-2008	106.30
	VII	29-10-2008	74.95
	VIII	20-03-2009	69.13
	IX	28-01-2011	225.15
	X	29-04-2011	240.90
	XI	27-07-2011	269.10
	XII	24.10.2011	220.90

On behalf of the Board

Chennai
May 29, 2015

Anand Narain Bhatia
Chairman

ANNEXURE - F TO THE BOARD'S REPORT

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

A. CONSERVATION OF ENERGY

(i) The steps taken or impact on conservation of energy

- Thermal energy:

Elimination of direct usage of exhaust steam, appropriate economical usage of bled system from evaporator for various heating applications and extensive deployment of plate type heat exchangers towards heat pinchings have resulted in thermal energy conservation across all plants.

- Electrical energy:

Deployment of variable frequency drives, modification of cooling water and injection water system, provision of fanless cooling tower and conversion of worm reduction gear boxes into planetary drives have resulted in conservation of electrical energy across all plants.

(ii) Steps taken for utilization of alternative sources of energy

- The company predominantly uses bagasse and other bio fuels like cane trash, rice husk, etc for producing green power.

- Steam fuel ratio has been increased by focusing on bagasse moisture and heat recovery systems like condensate heat & flue gas heat recovery system.

- Sustained operation of bagasse drier in Karnataka unit helped in improvement of steam fuel ratio to an extent of 10 to 15%

(iii) Capital Investment on Energy Conservation Equipments

- To increase bio gas generation, a state of the art technology bio digester is being erected in our distillery unit.

B. TECHNOLOGY ABSORPTION

(i) The efforts made towards technology absorption and benefits derived

- True zero liquid discharge system in distillery to eliminate bio composting process has been developed inhouse and pilot trials have been completed. This technology is different from incineration technology and the product from this process can be used as a fertiliser in place of Muriate of Potash.
- In collaboration with leading chemical technologists "Low Sulphur sugar

process" has been stabilized and successfully commissioned.

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

The details of technology imported - Nil

(iii) The expenditure incurred on Research and Development - ₹ 402 Lakh

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The foreign exchange earned in terms of actual inflows during the year and the Foreign exchange outgo during the year in terms of actual outflows :

₹ in Lakh

	2014-15	2013-14
Foreign exchange earned	17898	12267
Foreign exchange outgo :		
(i) Towards expenditure	1021	1829
(ii) Towards dividend	5	-

ANNEXURE - G TO THE BOARD'S REPORT

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

DETAILS OF LOANS GIVEN

(₹ in Lakh)

Name of the entity	Alimtec S.A	Silkroad Sugar Private Limited	Parrys Sugar Industries Limited	Alagawadi Bireshwar Sugars Private Limited*
Loans outstanding as on April 01, 2014	-	8947	1305	1361
Loans given during the year	289	-	-	31
Converted into Equity Shares during the year	289	-	-	-
Converted into Preference Shares during the year	-	8947	1300	-
Repaid during the year	-	-	5	1392
Loans outstanding as on March 31, 2015	-	-	-	-
Purpose for the loan given	Expansion & working capital requirement	Funding the capital expenditure programme and working capital requirement	Working capital requirements	Working capital requirements

* Divested during the year

DETAILS OF GUARANTEE PROVIDED

Name of the entity	Amount (₹ in Lakh)	Particulars	Purpose
Silkroad Sugar Private Limited	36000	Guarantee given to Debenture Trustee-IDBI Trusteeship Services Limited	Issue of Debentures for repaying the high cost loans availed by Silkroad Sugar Private Limited

DETAILS OF INVESTMENTS

The details of investments made by the Company have been given in Note No. 11 & 14 of the Annual Accounts

ANNEXURE - H TO THE BOARD'S REPORT

PARTICULARS OF EMPLOYEES

(A) Information as per Section 197(12) read with Rule 5(1) of The Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014 :

- (1) The ratio of Remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

Name of Director	Ratio
Mr. A. Vellayan	49.84
Mr. V. Ravichandran	5.39
Mr. V Ramesh	52.91
Mr. Anand Narain Bhatia	5.19
Mr. V. Manickam	5.14
Mr. M. B. N. Rao	5.17
Mrs. Shyamala Gopinath	5.22

The median remuneration of employees of the Company during the Financial year 2014 - 15 was ₹ 2,05,076.

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

NAME	% increase in remuneration
Mr. A.Vellayan, Chairman	(*)
Mr. V.Ravichandran, Vice Chairman	(*)
Mr. V.Ramesh, Managing Director	(**)
Mr. Anand Narain Bhatia, Director	(*)
Mr. V. Manickam, Director	(*)
Mr. M.B.N.Rao, Director	(*)
Mrs. Shyamala Gopinath, Director	(*)
Mr. V. Suri, Chief Financial Officer	(\$)
Ms. G.Jalaja, Company Secretary	(@)

(*) The remuneration to the Non-Executive Directors comprises commission and sitting fees paid for attending the Board/Committee meetings. There was an increase in Sitting fee from ₹ 15000 to ₹ 25000 for Board & Audit Committee Meetings and from ₹ 10,000 to ₹ 15000 for other Committee Meetings w.e.f. May 15, 2014. The actual payment of sitting fee is based on the number of meetings attended by the Director. Since the Company had incurred a loss, no commission was paid for 2013-14. In view of the aforesaid facts, the calculation of the percentage increase in remuneration would not be meaningful and hence not provided.

(**) Details not given as he was appointed w.e.f. January 30, 2014 (\$) Details not given as he was appointed w.e.f. October 19, 2013 (@) Details not given as she was appointed w.e.f. August 23, 2013

- (3) The percentage increase in the median remuneration of employees in the financial year : 12.65 %

- (4) The number of permanent employees on the rolls of company : 2686

- (5) The explanation on the relationship between average increase in remuneration and Company performance :

On an average, employees received an annual increase of 7.35%. This increase is in line with the market trends. In order to ensure that remuneration reflects the Company performance, the variable component of the remuneration is linked to Company's performance.

(6) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company

Aggregate remuneration of Key Managerial Personnel (KMP) in FY 15 (₹ in Lakh)	228.89
Revenue (₹ in Lakh)	226504
Remuneration of KMPs (as % of revenue)	0.10
Profit Before Tax (PBT) (₹ in Lakh)	13598
Remuneration of KMP (as % of PBT)	1.68

(7) Variations in the market capitalization of the company, price earning ratio as at the closing date of the current financial year and previous financial year:

	31.03.2014	31.03.2015	% Change
Market Capitalization of the Company (in ₹ Crore)	2361.68	3092.32	30.94
Closing Price at the BSE Ltd. (in ₹)	134.35	175.90	
Price Earnings Ratio as at the closing date	88.97	20.86	(76.55)

(8) Percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer :

Not comparable as there was no public issue.

(9) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The increase in the average salary of the employees is 7.34% as compared to increase in the managerial remuneration which is 9.70%. Refer to point no. (6) above for KMP remuneration.

(10) Comparison of the remuneration of each Key Managerial Personnel against the performance of the Company:

Particulars	Mr. V. Ramesh, Managing Director	Mr. V. Suri, Chief Financial Officer	Ms. G. Jalaja, Company Secretary
Remuneration in FY15 (₹ in Lakh)	108.52	62.77	57.60
Revenue (₹ in Lakh)	226504		
Remuneration as % of Revenue	0.05	0.03	0.02
Profit before Tax (₹ in Lakh)	13598		
Remuneration (as % of PBT)	0.80	0.46	0.42

(11) The key parameters for any variable component of remuneration availed by the directors:

The key parameters for variable component of remuneration availed by the Directors are as per the remuneration policy of the Company. In respect of Non-executive Directors the variable component is based on the approval of the Board/Shareholders not exceeding 1% of the net profit of the Company.

(12) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: NA

(13) Affirmation that the remuneration is as per the remuneration policy of the company :

The Company affirms that remuneration is as per the Remuneration Policy of the Company.

(B) Information as per Section 197 (12) of the Companies Act, 2013 read with Rule 5 (2) and 5 (3) the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(a) Employed throughout the year ended March 31, 2015 with remuneration aggregating to not less than ₹ 60,00,000 per annum:

Name/(Age)	Designation of the Employee/ Duties	Remuneration (₹)	Qualification/ Experience (Years)	Date of Commencement of Employment	Previous Employment	% of equity shares held in the Company	Whether relative of any director or manager
Mr. V.Ramesh (57)	Managing Director	1,08,52,519	B.Com., Grad CWA, PGDM (IIM) (35)	30.01.2014	Carborundum Universal Limited	Nil	No
Mr. Manoj Kumar Jaiswal (51)	Executive Vice President – Management Development Centre	78,44,047	M.Sc., MBA (25)	19.08.2008	Infosys Technologies Limited	Nil	No
Mr. Rajasekar. T (56)	Vice President and Head - Manufacturing	68,04,180	B.Tech (Hons) in Electronics Engineering (31)	17.11.2011	Asian Paints Limited	Nil	No
Mr. V. Suri (55)	Sr Vice President and Chief Financial Officer	62,77,126	B.Com., C.A, CWA (29)	19.10.2013#	Coromandel International Limited	Nil	No

On deputation from Coromandel International Limited upto January 31, 2015

(b) Employed for part of the year ended March 31, 2015 with remuneration aggregating to less than ₹ 5,00,000 per month:

Name/(Age)	Designation of the Employee/ Duties	Remuneration (₹)	Qualification/ Experience (Years)	Date of Commencement of Employment	Previous Employment	% of equity shares held in Company	Whether relative of any director or manager
Mr. Suresh Iyer (56)	Vice- President – Sales and Marketing	39,13,090	MBA (32)	02.11.2012	Twinnings Private Limited	Nil	No

Notes:

- The nature of employment of all employees above are contractual.
- Remuneration as shown above includes salary, allowances, leave travel assistance, Company's contribution to Provident Fund, Superannuation Fund and Gratuity Fund. Medical facilities and perquisites valued in terms of actual expenditure incurred by the Company in providing the benefits to the employees excepting in case of certain expenses where the actual amount of expenditure cannot be ascertained with reasonable accuracy, and in such cases, notional amount as per income tax rules has been adopted.
- Remuneration as shown above does not include amount attributable to compensated absences as actuarial valuation is done for the Company as a whole only.
- Further, no employee of the Company is covered by the Rule 5(2)(iii) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

ANNEXURE - I TO THE BOARD'S REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN as on the financial year ended on 31.03.2015

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

I. REGISTRATION AND OTHER DETAILS:

1	CIN	L24211TN1975PLC006989
2	Registration Date	22.09.1975
3	Name of the Company	E.I.D.- Parry (India) Limited
4	Category / Sub-Category of the Company	Public Company Limited by shares
5	Address of the Registered office and contact details	'Dare House', Parys Corner, Chennai – 600 001. Tel : +91 44 2530 6789 Fax.:+91 44 25341609 E-mail:investorservices@parry.murugappa.com Website:www.eidparry.com
6	Whether listed company	Yes
7	Name, Address and Contact details of Registrar and Transfer Agents, if any*	Karvy Computershare Private Limited Plot No. 17-24, Vittal Rao Nagar, Madhapur Road, Hyderabad, Telangana - 500 081. Tel: +91 40 23420818 Fax : +91 40 23001153 E-mail : einward.ris@karvy.com.

* Address changed during 2015-16. For new address and contact details please refer to Corporate Information on Page 1.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Sugar	10721	72.70
2	Alcohol	1101	12.85

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

Sl. No.	Name and address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
1	Coromandel International Limited Coromandel House, 1-2-10 Sardar Patel Road Secunderabad 500003	L24120TG1961PLC000892	Subsidiary	60.83	2 (87)
2	Liberty Pesticides & Fertilizers Limited F-225, Mewar Industrial Area, Udaipur 313 003	U24124RJ1978PLC001807	Subsidiary	60.83	2 (87)
3	Parry Chemicals Limited Corporate Office, Coromandel House 1-2-10 Sardar Patel Road, Secunderabad 500003	U74999MH1995PLC088809	Subsidiary	60.83	2 (87)

Sl. No.	Name and address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
4	CFL Mauritius Limited IFS Court, Bank Street, Twenty Eight Cybercity, Ebène 72201, Republic of Mauritius	NA	Subsidiary	60.83	2 (87)
5	Sabero Europe BV Markerwaardweg 8, 1606 AS, Venhuizen, Postbus 23, 1606 zg, Venhuizen	NA	Subsidiary	60.83	2 (87)
6	Sabero Australia Pty Ltd Level 6, 110-116 Sussex Street, Sydney, NSW-2000	NA	Subsidiary	60.83	2 (87)
7	Sabero Organics America S.A. Avenida Raja Gabaglia 1492/605, Gutierrez, Belo Horizont, MG, CEP 30441-194	NA	Subsidiary	60.79	2 (87)
8	Sabero Argentina SA Marcelo T., DeAlevar 1430. Argentina	NA	Subsidiary	57.79	2 (87)
9	Sabero Organics Mexico S.A. de C.V. Campos Eliseos 219, 2, Palmas Polanco, Miguel Hidalgo, Didrito Federal-11560	NA	Subsidiary	60.83	2 (87)
10	Coromandel Brasil Ltda (Limited Liability Company) Rua Jorge Caixe, 132, sala 01, jd Nomura Cotia, Sao Paulo, Brazil.	NA	Subsidiary	60.83	2 (87)
11	Coromandel SQM (India) Private Ltd. Coromandel House, 1-2-10 Sardar Patel Road Secunderabad 500003	U24100TG2009PTC06540	Joint Venture	30.42	2 (6)
12	Coromandel Getax Phosphates Pte. Ltd., Singapore 3 Temasek Avenue #31-02 Centennial Tower, Singapore 039190	NA	Joint Venture	30.42	2 (6)
13	Dare Investments Limited Coromandel House, 1-2-10 Sardar Patel Road Secunderabad 500003	U65110TG2012PLC080296	Subsidiary	60.83	2 (87)
14	Yanmar Coromandel Agrisolutions Pvt. Ltd. Coromandel House, 1-2-10 Sardar Patel Road Secunderabad 500003	U29253TG2014PTC094854	Joint Venture	24.33	2 (6)
15	Sabero Organics Philippines Asia Inc. 2005B 20th Floor West Tower, Philippine Stock Exchange, Exchange Road, Ortigas Center, Pasig City 1605	NA	Associate	24.18	2 (6)
16	Parrys Sugar Industries Limited Venus Building, 3rd Floor, 1/2, Kalyanamantapa Road, Jakkasandra, Koramangala, Bengaluru - 560 034	L28100KA1986PLC049077	Subsidiary	65.00	2 (87)
17	Silkroad Sugar Private Limited 'Dare House', Parrys Corner, Chennai - 600 001.	U15421TN2006PTC058579	Subsidiary	100.00	2 (87)
18	Alimtec S.A. Almirante Latorre 617, Santiago De Chile	NA	Subsidiary	100.00	2 (87)
19	Parry America Inc., 6565 N MacArthur Blvd Ste 225 Irving TX 75039	NA	Subsidiary	100.00	2 (87)

Sl. No.	Name and address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
20	US Nutraceuticals LLC., (Valensa International) 2751 Nutra Lane, Eustis, FL 32726	NA	Subsidiary	93.52	2 (87)
21	Parry Phyto Remedies Private Limited Survey No.79/2, Near Agrawal Godown, Shivane Industrial Estate, Warje-NDA Road, Shivane, Pune - 411023	U24231PN2003PTC017935	Subsidiary	100.00	2 (87)
22	Parry Infrastructure Company Private Limited 'Dare House', Parris Corner, Chennai - 600 001.	U45203TN2006PTC058518	Subsidiary	100.00	2 (87)
23	Parry Agrochem Exports Limited 'Dare House', Parris Corner, Chennai - 600 001.	U24131TN1996PLC035030	Subsidiary	100.00	2 (87)
24	Parris Sugar Limited 'Dare House', Parris Corner, Chennai - 600 001.	U15421TN2005PLC058106	Subsidiary	100.00	2 (87)
25	Parris Investments Limited 'Dare House', Parris Corner, Chennai - 600 001.	U65993TN1983PLC009910	Subsidiary	100.00	2 (87)
26	La Bella Botanics LLC 604, 1 st Ave NE, P.O. Box:226, Jasper, FL-32052.	NA	Subsidiary	47.70	2 (87)

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

i) Category-wise Share Holding :

Category of Shareholders	No. of Shares held at the beginning of the year as on April 01, 2014				No. of Shares held at the end of the year as on March 31, 2015				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
(1) Indian									
a) Individual/ HUF	4833510	-	4833510	2.75	4833510	-	4833510	2.75	-
B) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	72089444	-	72089444	41.01	72089444	-	72089444	41.00	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other - Trust	-	-	-	-	-	-	-	-	-
Sub-total (A1)	76922954	-	76922954	43.76	76922954	-	76922954	43.75	-
AA. Promoter Group									
a) Individual/ HUF	2026646	-	2026646	1.16	2207286	-	2207286	1.25	0.09
B) Central Govt	-	-	-	-	-	-	-	-	-
C) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	356780	-	356780	0.20	356780	-	356780	0.20	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other - Trust	179430	-	179430	0.10	95430	-	95430	0.05	-0.05
Sub-total (AA)	2562856	-	2562856	1.46	2659496	-	2659496	1.51	0.04
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other.....	-	-	-	-	-	-	-	-	-
Sub-total (A2)	-	-	-	-	-	-	-	-	-
Total Promoters & Promoter Group (A) = (A1)+(AA)+(A2)	79485810	-	79485810	45.22	79582450	-	79582450	45.21	0.04

Category of Shareholders	No. of Shares held at the beginning of the year as on April 01, 2014				No. of Shares held at the end of the year as on March 31, 2015				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds /UTI	8773453	-	8773453	4.99	10468653	-	10468653	5.95	0.96
b) Banks/ Financial Institutions	14392	32008	46400	0.03	64968	32008	96976	0.06	0.03
c) Central Government	-	-	-	-	-	-	-	-	-
d) State Government(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	13372463	-	13372463	7.61	12107175	-	12107175	6.89	-0.72
g) Foreign Institutional Investors	26048907	-	26048907	14.82	19703265	-	19703265	11.21	-3.61
h) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
i) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
j) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-Total B(1) :	48209215	32008	48241223	27.44	42344061	32008	42376069	24.10	-3.34
2. NON-INSTITUTIONS									
a) Bodies Corporate	8763698	70031	8833729	5.03	9414208	70031	9484239	5.39	0.36
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
(i) Individual shareholders holding nominal share capital upto ₹ 1 Lakh	19531465	3221894	22753359	12.94	20684714	2975629	23660343	13.46	0.52
(ii) Individual shareholders holding nominal share capital in excess of ₹1 Lakh	14216977	523720	14740697	8.39	18475490	523720	18999210	10.81	2.42
c) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
d) Others (specify)									
i) Trusts	61200	-	61200	0.03	166340	-	166340	0.09	0.06
ii) Overseas Corporate Bodies	-	5040	5040	-	-	5040	5040	-	-
iii) Non Resident Indians	964024	224612	1188636	0.68	950245	226572	1176817	0.67	-
iv) Foreign Nationals	-	216680	216680	0.12	-	216680	216680	0.12	-
v) Clearing Members	187692	-	187692	0.11	75766	-	75766	0.05	-0.06
Sub-Total B(2) :	43725056	4261977	47987033	27.30	49766763	4017672	53784435	30.59	3.29
Total Public Shareholding (B) = (B)(1)+(B)(2)	91934271	4293985	96228256	54.74	92110824	4049680	96160504	54.69	-0.05
Total (A)+(B)	171420081	4293985	175714066	99.96	171693274	4049680	175742954	99.96	-0.01
c) Shares held by Custodians for GDRs and ADRs	70400	1530	71930	0.04	70400	1530	71930	0.04	-
GRAND TOTAL (A+B+C) :	171490481	4295515	175785996	100.00	171763674	4051210	175814884	100.00	-

Note :

- The change in overall promoter / promoter group shareholding is on account of change in paid up equity share capital arising from allotment of shares to employees under the Company's ESOP Scheme, 2007.
- The change in promoters / promoter group shareholding reflects the changes arising on account of re-classification of the holdings into promoter and promoter group as at March 31, 2015.

(ii) Shareholding of Promoters

SI No.	Name of the Promoters	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Murugappa Holdings Limited	58735204	33.41	-	58735204	33.41	-	-
2	Ambadi Investments Private Limited	9323240	5.30	-	9323240	5.30	-	-
3	Ambadi Enterprises Ltd	4030000	2.29	-	4030000	2.29	-	-
4	S Vellayan	620810	0.35	0.01	620810	0.35	0.01	-
5	Arun Alagappan	408820	0.23	0.03	408820	0.23	0.03	-
6	Arun Venkatachalam	348540	0.20	-	348540	0.20	-	-
7	A Vellayan	344540	0.20	0.01	344540	0.20	0.01	-
8	M V Murugappan	321710	0.18	-	321710	0.18	-	-
9	A Venkatachalam	320220	0.18	0.01	320220	0.18	0.01	-
10	M A M Arunachalam	316000	0.18	0.03	316000	0.18	0.03	-
11	M V Subbiah	272520	0.16	-	272520	0.16	-	-
12	V Narayanan	235610	0.13	-	235610	0.13	-	-
13	V Arunachalam	220320	0.13	-	220320	0.13	-	-
14	M M Venkatachalam	200500	0.11	-	200500	0.11	-	-
15	M.M.Veerappan	199500	0.11	-	199500	0.11	-	-
16	M M Muthiah	191500	0.11	-	191500	0.11	-	-
17	M V Muthiah	189000	0.11	-	189000	0.11	-	-
18	M M Murugappan	185670	0.11	-	185670	0.11	-	-
19	M V Subramanian	123250	0.07	-	123250	0.07	-	-
20	M V Subbiah	62150	0.04	0.02	62150	0.04	0.02	-
21	M M Murugappan	20000	0.01	-	20000	0.01	-	-
22	M.V.Murugappan	17010	0.01	-	17010	0.01	-	-
23	M.A.Alagappan	13640	0.01	-	13640	0.01	-	-
24	M.A.Alagappan	210000	0.12	-	210000	0.12	0.01	-
25	M V Murugappan	6200	-	-	6200	-	-	-
26	M V Subbiah	6000	-	-	6000	-	-	-
27	Carborundum Universal Limited	1000	-	-	1000	-	-	-
	Total	76922954	43.76	0.11	76922954	43.75	0.12	-

Note : The above table does not include the holdings of promoter group aggregating to 2659496 shares (1.51%) as at March 31, 2015.

(iii) Change in promoters' shareholding

There is no change in the number of shares held by the Promoters. The reduction in their shareholding percentage is due to increase in the paid-up sharecapital of the Company on account of issue of shares under ESOP Scheme.

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

Name of the Shareholders	Shareholding at the beginning of the year (01-04-14)		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-14 to 31-03-15)	
	No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
National Westminster Bank PLC as Depository of First State Asia Pacific Fund, a Sub Fund of First State Investments ICVC	9106484	5.18	01-04-2014			9106484	5.18
			05-09-2014	-2997496	Transfer	6108988	3.47
			12-09-2014	-830443	Transfer	5278545	3.00
			19-09-2014	-24646	Transfer	5253899	2.99
			30-09-2014	-180689	Transfer	5073210	2.89
			10-10-2014	-323425	Transfer	4749785	2.70
			17-10-2014	-146453	Transfer	4603332	2.62
			24-10-2014	-383882	Transfer	4219450	2.40
			31-10-2014	-625104	Transfer	3594346	2.04
			07-11-2014	-116546	Transfer	3477800	1.98
			14-11-2014	-73023	Transfer	3404777	1.94
			31-03-2015			3404777	1.94
National Westminster Bank PLC as Depository of First State Indian Sub Continent Fund, a Sub Fund of First State Investments ICVC	3606466	2.05	01-04-2014			3606466	2.05
			05-09-2014	-926817	Transfer	2679649	1.52
			12-09-2014	-991877	Transfer	1687772	0.96
			24-10-2014	-89763	Transfer	1598009	0.91
			31-10-2014	-146169	Transfer	1451840	0.83
			07-11-2014	-27252	Transfer	1424588	0.81
			14-11-2014	-17075	Transfer	1407513	0.80
			21-11-2014	-65394	Transfer	1342119	0.76
			28-11-2014	-26769	Transfer	1315350	0.75
			27-03-2015	-5336	Transfer	1310014	0.75
		31-03-2015			1310014	0.75	
General Insurance Corporation of India	3005002	1.71	01-04-2014			3005002	1.71
			05-09-2014	-37254	Transfer	2967748	1.69
			31-03-2015			2967748	1.69
Sundaram Mutual Fund A/c Sundaram Select Midcap	2599053	1.48	01-04-2014			2599053	1.48
			05-09-2014	-186553	Transfer	2412500	1.37
			31-03-2015			2412500	1.37

Name of the Shareholders	Shareholding at the beginning of the year (01-04-14)		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-14 to 31-03-15)	
	No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
The Scottish Oriental Smaller Companies Trust PLC	2485292	1.41	01-04-2014			2485292	1.41
			05-09-2014	-490556	Transfer	1994736	1.13
			19-09-2014	-16731	Transfer	1978005	1.13
			30-09-2014	-122657	Transfer	1855348	1.06
			10-10-2014	-52635	Transfer	1802713	1.03
			17-10-2014	-23833	Transfer	1778880	1.01
			24-10-2014	-62473	Transfer	1716407	0.98
			31-10-2014	-101729	Transfer	1614678	0.92
			07-11-2014	-18966	Transfer	1595712	0.91
			14-11-2014	-11884	Transfer	1583828	0.90
			28-11-2014	-578	Transfer	1583250	0.90
			31-03-2015			1583250	0.90
GHI LTP Limited	1935465	1.10	01-04-2014			1935465	1.10
			05-09-2014	37103	Transfer	1972568	1.12
			24-10-2014	4012	Transfer	1976580	1.12
			31-10-2014	44009	Transfer	2020589	1.15
			07-11-2014	5619	Transfer	2026208	1.15
			31-03-2015			2026208	1.15
Govindlal M Parikh	1906671	1.08	01-04-2014			1906671	1.08
			05-09-2014	54009	Transfer	1960680	1.12
			07-11-2014	82403	Transfer	2043083	1.16
			14-11-2014	98528	Transfer	2141611	1.22
			28-11-2014	27315	Transfer	2168926	1.23
			19-12-2014	10000	Transfer	2178926	1.24
			16-01-2015	30000	Transfer	2208926	1.26
			27-03-2015	16367	Transfer	2225293	1.27
			31-03-2015			2225293	1.27
DSP Blackrock Equity Fund	1662121	0.95	01-04-2014			1662121	0.95
			05-09-2014	-40481	Transfer	1621640	0.92
			07-11-2014	-9582	Transfer	1612058	0.92
			28-11-2014	-31175	Transfer	1580883	0.90
			20-02-2015	-25180	Transfer	1555703	0.88
			13-03-2015	-47752	Transfer	1507951	0.86
			20-03-2015	-19293	Transfer	1488658	0.85
			27-03-2015	-22783	Transfer	1465875	0.83
			31-03-2015	-13325	Transfer	1452550	0.83

Name of the Shareholders	Shareholding at the beginning of the year (01-04-14)		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-14 to 31-03-15)	
	No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
DSP Blackrock Small and Mid cap Fund	1641387	0.93	01-04-2014			1641387	0.93
			05-09-2014	-20313	Transfer	1621074	0.92
			27-03-2015	-26439	Transfer	1594635	0.91
			31-03-2015			1594635	0.91
Government Pension Fund Global	-	-	01-04-2014			-	-
			21-11-2014	3604692	Transfer	3604692	2.05
			28-11-2014	-1450	Transfer	3603242	2.05
			05-12-2014	-5504	Transfer	3597738	2.05
			12-12-2014	425000	Transfer	4022738	2.29
			19-12-2014	510000	Transfer	4532738	2.58
			20-03-2015	-18747	Transfer	4513991	2.57
			27-03-2015	-22939	Transfer	4491052	2.55
			31-03-2015	-13278	Transfer	4477774	2.55
Nemish S Shah	875000	0.50	01-04-2014			875000	0.50
			05-09-2014	1204531	Transfer	2079531	1.18
			31-03-2015			2079531	1.18
ICICI Lombard General Insurance Company Limited	-	-	01-04-2014			-	-
			05-09-2014	600000	Transfer	600000	0.34
			13-02-2015	30700	Transfer	630700	0.36
			20-02-2015	11000	Transfer	641700	0.36
			27-02-2015	4317	Transfer	646017	0.37
			06-03-2015	25000	Transfer	671017	0.38
			13-03-2015	235691	Transfer	906708	0.52
			20-03-2015	160100	Transfer	1066808	0.61
			27-03-2015	570425	Transfer	1637233	0.93
			31-03-2015	58188	Transfer	1695421	0.96

(v) Shareholding of Directors and Key Managerial Personnel:

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year (01.04.2014)				
1. Mr. A. Vellayan	344540	0.20	344540	0.20
2. Ms.G Jalaja	10502	0.01	10502	0.01
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment /transfer / bonus/ sweat equity etc):	NIL			
At the End of the year				
1. Mr. A. Vellayan	344540	0.20	344540	0.20
2. Ms.G Jalaja	10502	0.01	10502	0.01

No other Director/KMP were holding shares at the beginning or end of the year.

V. INDEBTEDNESS

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

(₹ In Crore)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1476	500	-	1976
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	37	-	-	37
Total (i+ii+iii)	1513	500	-	2013
Change in Indebtedness during the financial year				
• Addition	194	135	-	329
• Reduction	-419	-44	-	-463
Net Change	-225	91	-	-134
Indebtedness at the end of the financial year				
i) Principal Amount	1253	592	-	1845
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	35	-	-	35
Total (i+ii+iii)	1288	592	-	1880

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

(₹ In Lakh)

Sl. No.	Particulars of Remuneration	Mr. V.Ramesh, Managing Director
1.	Gross salary : (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites under section 17(2) Income-tax Act,1961	105.72 2.80
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission - as % of profit - Others, specify...	- -
5.	Others	-
	Total (A)	108.52
	Ceiling as per the Companies Act @ 5% of the Net Profit	774.50

B. Remuneration to other directors:

(₹ In Lakh)

Sl. No.	Particulars of Remuneration	Fee for attending Board / Committee Meetings	Commission	Others	Total Amount
1.	Independent Directors				
	Mr. Anand Narain Bhatia	3.15	7.50	-	10.65
	Mr. V.Manickam	3.05	7.50	-	10.55
	Mr. M. B. N. Rao	3.10	7.50	-	10.60
	Mrs Shyamala Gopinath	3.20	7.50	-	10.70
	Total (1)	12.50	30.00	-	42.50
2.	Other Non-Executive Directors				
	Mr. A.Vellayan	2.20	100.00	-	102.20
	Mr. V.Ravichandran	3.55	7.50	-	11.05
	Total (2)	5.75	107.50	-	113.25
	Total (B= 1+2)	18.25	137.50	-	155.75
	Total Managerial Remuneration		137.50		
	Ceiling as per the Companies Act @ 1% of the Net Profit		154.90		

C. Remuneration to Key Managerial Personnel other than Managing Director

(₹ In Lakh)

Sl. No.	Particulars of Remuneration	Company Secretary	Chief Financial Officer	Total
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	57.39	60.84	118.23
	(b) Value of perquisites under section 17(2) Income-tax Act, 1961	0.21	1.93	2.14
	(c) Profits in lieu of salary under section 17(3) Income-tax	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission - as % of profit - others, specify...	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil
	Total	57.60	62.77	120.37

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. Company					
Penalty					
Punishment					
Compounding					
B. Directors					
Penalty					
Punishment					
Compounding					
C. Other Officers in default					
Penalty					
Punishment					
Compounding					

MANAGEMENT DISCUSSION AND ANALYSIS REPORT 2014-15

GLOBAL OUTLOOK

The global economy in 2014 continued to grind on a slow momentum, recording a growth of 3.4% over the previous year, with marked growth divergences among major economies. While the United States continued to register a stronger growth, many advanced economies like Japan and the Euro zone worked out course corrections to negate the cumulative legacies of the past global financial crisis. Contrary to expectations, emerging markets and developing economies, especially the BRIC, also displayed mixed prospects. While the slump in global crude oil prices is expected to provide a window of opportunity for oil importing countries like India and China, they could dampen the prospects for some large emerging market economies and oil-exporting countries. Overall global growth in 2015 will not gain much traction and is projected at 3.5 percent according to World Economic Outlook (WEO).

INDIAN ECONOMY

After a 3 year hiatus, the Indian economy displayed a sense of buoyancy, riding on the pro-growth agenda of the New Government. The revival of growth gained momentum in 2014-15 with the sharp decline in crude oil prices, the funds flow from strong investor sentiment and the reform initiatives of the new government at the Centre with its thrust on consolidation and fiscal stability. Despite the lukewarm growth in foreign trade, the strong domestic demand kept the growth momentum on an upward trajectory. IMF and the World Bank have pegged an optimistic Real GDP growth of 6.4% for India for the year 2015 as against 5.6% in 2014.

GLOBAL TRENDS IN SUGAR

The world sugar industry is transiting through challenging times with prices barely meeting production costs. A global surplus sugar production for 4 years, beginning from 2011, continued to tilt the demand - supply equilibrium, sending sugar prices on a downward spiral. In 2014-2015, the key sugar producers such as Australia, India, the EU, Central America and Thailand will exceed the production records of 2012-13, a peak in the world surplus. As per the recent estimates, global sugar output will touch the 170 Million Metric Tonnes mark for sugar year 2014-2015 with consumption at around 167 Million Metric Tonnes, leaving a surplus of around 3 Million Metric Tonnes.

Despite inclement weather seasons reducing output and the continued shift in sugar mix to ethanol production in Brazil, the largest producer of sugar in the world, it is forecasted that surplus sugar stocks will continue to hold down sugar prices in the world market for few more years. Added to this, a decline in global sugar consumption patterns driven by lifestyle changes and government health regulations also add to the price stress.

World Sugar Supply / Demand (in Million MT, Local Crop Year, Tel Quel)	
Production Key Players	2014/15
Brazil CS	32.1
India	28.1
EU 27	17.5
China	10.40
Thailand	11.3
Russia	4.45
USA	7.40
Mexico	6.00
Australia	4.25
Others	48.00
Global Production	169.4
Global consumption	167.1
World Surplus/Deficit	2.3

Source: Citigroup, Global Agricultural Commodities

While the short term outlook for sugar is challenging, a shortfall in production due to economic non viability, inclement weather conditions and the focus on bio fuels such as ethanol, a by-product of sugar as an alternative to oil, are predicted to result in a surge in both demand and prices in the long term. Even while sugar consumption is declining in advanced economies, an upward trend is apparent in the developing and emerging economies, especially in Asia and Africa.

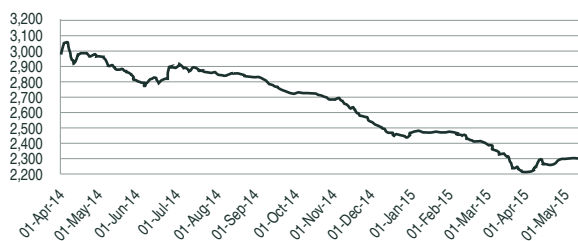
INDIAN SUGAR INDUSTRY

India is the second largest producer of sugar in the world, producing around 28 million tons of white plantation sugar per annum. Called the 'growth engine' of the rural economy, the sugar industry is ranked as the second largest agro processing industry in the country.

The total sugar production for Sugar Year 2014-15 is expected to exceed 28 Million Metric Tonnes, a surplus for the 5th consecutive year. This is mainly attributed to the increase in acreages primarily in Maharashtra and Karnataka, in addition to good recovery ratios across regions.

During the year, sugar prices trailed at ₹ 22,000/Mt, the lowest in the last six years. While in the domestic market high inventories depressed the sugar prices, exports remained unattractive with global surplus stocks and the depreciating Brazilian Real leading to volatility. The rising cane procurement costs combined with escalating production costs has been unevenly balanced against the low price realization, adding to the travails of the sugar industry.

Indian Sugar Price



Source – NCDEX – Kolhapur Price

Sugarcane Price

There has been a steady increase in the Central Governments' Fair & Remunerative Price (FRP) stipulation for sugarcane over the years without any corresponding increase in sale price of sugar. The FRP was raised from ₹ 1700 per tonne in Sugar Year (SY) 2012-13, to ₹ 2,100 in SY 2013-14 and further to ₹ 2,200 for SY 2014-2015. For SY 2015-16, an FRP of ₹ 2300/- is indicated.

In addition to the FRP declared by the Central Government, some State Governments also declare a State Advised Price (SAP) for sugarcane which is usually higher than the FRP. Escalation in sugarcane pricing year on year has led to an increase in production costs, putting sugar mills at a major disadvantage. While the Tamil Nadu Government fixed the sugarcane procurement price at ₹ 2,650 a tonne for the SY 2014-15, cane prices for SY 2013-14 at Karnataka witnessed a considerable negotiation among the State Government, cane farmers and the millers, which delayed crushing by a month in the State.

Key Government initiatives for the Sugar Sector

Sugar

The Rangarajan Committee recommendations for the sugar industry still awaits full implementation by the sugar producing States, with just a partial de-control of the sector in 2013-14. Only Karnataka and Maharashtra have rationalised sugarcane pricing in line with the Rangarajan committee recommendation, with a legislation from SY 2013-14 mandating sugarcane prices to be linked to the realisation of sugar and its by-products.

To alleviate the burden of the sugar mills from mounting sugar stocks, the Central Government announced an export subsidy of ₹ 2,277/MT to ₹ 4,000/MT, for raw sugar in February 2015. However sugar mills were not able to reap the benefit of the subsidy, coming as it did at the tail end of the crushing season when there was no major quantity of raw sugar left to be produced and international market prices had hit an all time low.

In Tamilnadu, the removal of the curb on interstate sugar sale imposed by the State Government in 2008 for 5 years did not provide any advantage to the sugar mills. In addition to unviable sugarcane

pricing, sugar mills in Tamil Nadu, have been burdened with a Value Added Tax (VAT) of 5 per cent, with effect from November 01, 2014. This has rendered sugar produced in Tamilnadu more expensive and uncompetitive, with stocks from the neighbouring states of Karnataka and Maharashtra, that do not levy the tax, available at lower prices.

However, while the Tamilnadu State Government has exempted Purchase Tax on sugarcane from November 01, 2014, the Food Ministry has announced an increase in the import duty for sugar from 15% to 40% to protect the sugar industry from the influx of cheap imports.

Ethanol

Ethanol is slated to gain in prominence as global awareness and climate regulations on greenhouse emissions mandate a shift to clean bio-fuels and environment friendly gasoline substitutes. While United States, Brazil, European Union, together account for 80% of world consumption of 100 billion litres, new areas in the Asia-Pacific regions are also projected to increase their biofuel consumption. According to International Energy Agency (IEA) forecasts, biofuel blending in road-transport gasoline will increase to 3.9% in 2020 in the world as against 3.5 % at present.

According to the report published by Global Agriculture Information Network, India's ethanol program is based on producing ethanol from sugar molasses, a by-product of the sugar industry and not directly from sugarcane or corn as in most other countries. This is mainly done in the interest of food security.

In order to encourage the use of bio-fuel, the Government also proposed an enhancement of the ethanol blending to 10% from the current 5% and fixing more remunerative prices. In line with this initiative, the Company has received allocation for supply of ethanol in the States of Tamilnadu, Andhra Pradesh and Karnataka.

COMPANY PERFORMANCE

Sugar Division

E.I.D. Parry is among the leading sugar manufacturers in India with 9 sugar mills spread across Tamilnadu, Puducherry, Andhra Pradesh and Karnataka, including a standalone distillery in Sivaganga.

2014-2015 was an eventful year for Parry's sugar business. The Company demonstrated resilience and sustained its growth momentum despite the sluggish trends in the sugar industry. A weak monsoon in Tamilnadu and Puducherry impacted both supply and recovery, while government regulatory controls, rising production costs and non-viability of exports due to global stock surplus further depressed the sugar prices.

The Company continued its mission of sustainability with various calibrated initiatives adopted across all plants to optimise process

efficiencies and minimize wastage. The milling operations at Tamilnadu were impacted due to severe drought affecting cane supply. The coastal regions of Nellikuppam and Puducherry fared better than the mills at Pettavaithalai, Pudukottai and Pugalur which bore the brunt of the drought. The total cane crushed dropped from 30.73 LMT last year to 27.97 LMT in 2014-2015. The overall recovery in Tamilnadu stood at 9.08%. Crushing in Andhra Pradesh was higher at 6.38 LMT compared to 4.90 LMT in the previous year.

Karnataka is emerging as a strong sugar producing state, with plentiful water, young crop plantations and supportive government policies. In line with future strategies of growth, capacity augmentation and plant modernization were carried out at the plants at Haliyal and Bagalkot. Together these two plants at Karnataka crushed a total 15.27 LMT of cane, an increase of 3.37 LMT over the same period of 11.89 LMT for the previous year.

The sugar division achieved a total crushing of 49.62 LMT of sugarcane in FY 2014 -15 as against 47.52 LMT crushed the previous year. Overall recovery of all units stood at 10.10% as against 9.84% of

the past year. The sugar division achieved a turnover of ₹ 1948 Crore for 2014-15 (₹ 1657 Crore in 2013-14) with an operating profit of ₹ 104 Crore (₹ 7 Crore Loss in 2013-14).

Although FY 2014 -15 was a difficult year, particularly the second half, Parry recorded a 17.56% revenue growth in FY 2014-15 compared to FY 2013-14. In addition to depressed demand, the Company faced rising cane cost, which negated the calibrated cost saving measures.

Despite an adverse environment, the capability to withstand adversities and grow operating profits further reiterates Parry's vision, which is centred on sustainability and long term value creation for all stakeholders.

During the year, the Ministry of Environment and Forest (MOEF) accorded environment clearance for expansion of Nellikuppam sugar factory from 5000 TCD to 7500 TCD. Further, MOEF also accorded its approval for the expansion of Haliyal sugar factory from 4800 TCD to 6000 TCD and Cogeneration Plant from 24 MW to 34 MW.

Operational Performance: (Standalone)

Particulars	2014-15	2013-14
Cane Crushed (Lakh MT)	49.62	47.52
Recovery (%)	10.10%	9.84%
Sugar Produced (LMT)	5.05	4.68
Power Generated (Lakh Units)	4,667	4,259
Alcohol Produced (Lakh Litres)	643.12	596.39
Sugar Sold (LMT)	4.86	4.17

Financial Performance: (Standalone)

Particulars	Sugar		Cogen		Distillery		Total	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Revenue	1,53,807	1,31,444	13,783	10,507	27,198	23,738	1,94,788	1,65,689
EBITDA**	7,540	(3,949)	4,861	3,582	7,495	8,692	19,896	8,325

₹ in Lakh

** Earnings before interest, tax, depreciation and amortization

Distillery

The Company's alcohol production from molasses, a by-product of sugar, touched 643.12 Lakh litres in 2014-15 as against 596.39 Lakh litres in 2013-14, an increase of 8% over the previous year.

Due to low cane supply, molasses production from the 3 factories in Tamilnadu was insufficient to operate the Sivaganga distillery. Hence, the Company sourced the required quantity of molasses by participating in tenders floated by Tamilnadu Sugar Co-operative Federation and in addition transported molasses from the Company's factories at Karnataka, subject to cost economics.

The Central Government has fixed the delivery price of ethanol in the range of ₹ 48.50 per litre to ₹ 49.50 per litre depending upon the distance between the sugar mill and the depot of OMC. The Company has received a supply order of 175 Lakh litres of ethanol on competitive bidding for Nellikuppam, Haliyal and Sankili units.

During the year, the Company commissioned a CO₂ manufacturing facility at Nellikuppam distillery, exploring allied business streams to maximize revenue and profit.

Power

The Company evaluated the option of exiting the existing Power Purchase Agreement (PPA) entered with Tamilnadu State Distribution Company to export power under open access policy. The options were to continue under PPA at low rates or export at more remunerative rate on open access with no guarantee of volume of sales. Accordingly, the PPA with TANGEDCO in respect of Pugalur, Nellikuppam and Pudukkottai Cogeneration units were terminated and the Company started supplying power under third party sale to TANGEDCO as under:

Location	Quantity of power supply	With effect from
Pugalur	17.5 mwh	December 2014
Nellikuppam	13 mwh	March 2015
Pudukkottai	13 mwh	April 2015

MANUFACTURING

In line with its long term vision of sustainability, the Company has adopted the 'reduce, re-cycle and reuse' working principle, across all Plants, to optimize operational efficiencies, eliminate process losses and to work towards a consistent reduction in water, power and fuel consumption.

- Installed water management systems, leading to 30% reduction in fresh water consumption.
- Incorporated advanced steam recovery systems at plants contributing to 15% lower fuel consumption
- Introduced Energy Audits to monitor boiler efficiencies and steam recovery at the Plants
- Installed a RO plant with multi-stage evaporator at Nellikuppam distillery, leading to a water saving of 420 KLD
- 'Installed a Bagasse disintegrator' at Pudukottai and Pugalur to reduce bagasse moisture and enhance steam- to- fuel ratios
- Reduced sugar losses through Innovative Roller systems
- Increased the average production rate of Refined sugar at Nellikuppam by 15% with nil investment
- Initiated installation of online emission and effluent monitoring systems at all Plants, in compliance with CPCB regulations.

Across plants, a focused drive to reduce total sugar losses enabled the Company to contain the average loss to 1.9% against an industry norm of 2.0%.

MARKETING AND SALES

Overall, E.I.D Parry sold over 4.86 LMT of sugar during the year across Tamilnadu, Puducherry, Karnataka and Andhra Pradesh regions as against 4.17 LMT in the year 2013-14.

Institutional Sales

E.I.D Parry with its strong quality systems has positioned itself as a preferred sugar supplier to several institutional customers. The institutional segment accounts for a significant part of Parry's total annual sales. The Company's roster of institutional customers has shown a steady increase over the years with customer lock-in measures, through stringent quality systems, global certification standards and customized product offerings. Overall EID, sold over 1.22 LMT of sugar directly to institutions during the year.

The strategic locations of the Company's mills at Karnataka provide a competitive edge in servicing national customers who seek large volumes at lowest landed cost. The plant at Sankili, by virtue of its location, is well placed to serve food processing plants located out of North Andhra Pradesh, Orissa, Jharkand and Chattisgarh.

Retail Sales

In the retail space, the Parry brand continued to expand its market presence. The 'Vita' brand of vitamin enriched sugar was test launched during the year. New product variants are in the pipeline for trial and commercialisation.

The Haliyal plant is being developed as an additional production hub for Retail and Institutional sales as part of the Company's strategy to explore new and potential markets and build a robust distribution network.

QUALITY

With its focus on creating value through quality, Parry continued to address the quality requirements of all customers- retail, trade and Institutional. To build sustainability, the Company initiated customer and quality-centric projects across all units, which included accreditations for Quality, Food Safety, Environment, Health and Safety Standards such as ISO 9001, FSSC 22000, ISO 14001 and OHSAS 18001.

Nellikuppam and Haliyal Plants have been certified for FSSC 22000, and Supplier's Guiding Principles (SGP) compliance, while the Gap Assessment for the certification process was conducted during the year, at the Pugalur, Sankili and Bagalkot Plants. To meet the stringent quality requirements of institutional customers, the different plants went through a series of Customer Quality Audits and received approval for supplies from large multinational companies.

To provide customer delight and enhance the buying experience, Parry has developed a robust mechanism for handling customer complaints, including retail and trade. Setting a new benchmark in the sugar industry, this mechanism ensures all customer complaints are reviewed by the respective units within 72 hours and corrective actions are taken. The complaints are further analysed on a monthly basis by the core management team to prevent re-occurrence.

In line with its mission of sustainability, the Company continued to pursue its commitment to quality and food safety, through customer-centric initiatives, training programmes and workshops.

Total Productive Maintenance (TPM)

Continuing the sustainability focused work practices, Total Productive Maintenance (TPM) programme was rolled out at Nellikuppam and Pudukottai Plants during the year 2014-15.

Customer Centricity

As a measure towards improving customer satisfaction and strengthening the internal processes, the Company has taken a 360° approach towards value added activities. Farmer Engagement, Yield improvement, Packaging, Product Quality, Process Improvement, On-Time Delivery, Better Hygiene, Dealer Engagement and Customer Redressal processes are the areas being covered under the customer centricity initiative.

RESEARCH & DEVELOPMENT

The Company is the only sugar manufacturer in India and among the few in the world with a dedicated Cane Breeding and Research Centre for developing new cane varieties. In line with its sustainability mission, the Company continued to work closely with the farmers on the following :

- Introduced scientific and sustainable cultivation practices such as pro-tray seedling methods, wider row spacing, ratoon management, bio- manuring, soil management.
- Collaborated with international agencies on Farmer Support Programmes for capacity building of farmers in water utilisation and soil organic carbon improvement activities leading to higher yield.
- Advocated the use of bio-control agents and bio pesticides for reducing yield loss and for promoting sustainable farming practices by developing trichogramma centres through farmer-entrepreneur model.
- Promoted new organic fertilisers like K-ash as a replacement for Muriate of Potash.
- Developed Bio-Char, using a carboniser, in collaboration with a market leader in Australia. Product in pipeline for commercialization after successful field trials.
- Increased productivity of land and labour by mechanization of farm operations.
- Scaled up production of high sugar varieties in Karnataka and Andhra Pradesh mills.
- Developed clean seed cane plots using 2/3 tier nursery systems by monitoring and controlling major diseases in cane varieties.

Bonsucro® Certification

E.I.D Parry's plant at Pugalur put India's Sugar Industry on the World map, by becoming the first Sugar Plant in Asia to be given the Bonsucro Certification, the world benchmark for sustainable practices in sugar production. This also marks the first time in the world that the certification is being awarded to an organisation working with small-holding sugarcane farmers.

Bonsucro is a global non-profit, multi-stakeholder organisation fostering the sustainability of the sugarcane sector through its leading metric-based certification scheme and its support for continuous improvement for members.

With an ever-increasing membership list counting over 400 members from 32 countries representing all areas of the supply chain, and a Board of Directors that is similarly representative of the variety of industry players, Bonsucro is a highly robust, transparent and democratic organisation.

Objectives of Bonsucro:

- To define globally applicable performance-based principles, criteria, indicators and standards for sugarcane production that take into account local conditions and circumstances, based on a credible and transparent process that is focused on the key sustainability drivers in sugarcane production.
- To promote measurable improvements in the key economic, environmental and social impacts of sugarcane production and primary processing.

- To develop a certification system that enables producers, buyers and others involved in sugar and ethanol businesses to obtain products derived from sugarcane that have been produced according to agreed, credible, transparent and measurable criteria.
- To support the transition of Bonsucro to an internationally accepted global platform for sugarcane and its derived products, which is financially self-sustaining and which provides a forum for continuous improvement in production efficiency and sustainability.

Taking its sustainability mission forward, the Company has initiated the process of establishing the Bonsucro certification standards across its other units.

BIO- PESTICIDES DIVISION

Industry Overview

Crop protection products play a pivotal role in agriculture by keeping crops safe from being damaged by pests, weeds and diseases. The global market for pesticides today stands at \$ 51 billion. Until recently, pesticides have largely been potent chemical derivatives. However, their usage, especially in the insect management segment, is slowly waning in the advanced economies. This is because of the growing awareness of risks to human health and environment that is attributed to the toxic residues in the food chain and increase in the number of pests that are reportedly developing resistance and resurgence, etc. As advanced economies have started insisting on stringent regulatory controls as an integral part of environment management, green chemistry molecules and biopesticides are emerging as effective alternatives.

Besides government initiatives, IPM (Integrated Pest Management) and IRM (Insect Resistance Management), which advocates alternating or combining biopesticides with synthetics, is gaining wide acceptance from farmers, thanks to the growing demand for safe and chemical-free food.

The North American and European market for bio pesticides are estimated at \$830 million and \$762 million respectively and both are estimated to exceed the \$1 billion mark by 2017. The combined markets of Asia, Australia, Latin America, Africa and Middle East for Bio pesticides are estimated at \$1.3 billion which has grown @ 18% CAGR in the past decade. Latin America has seen the strongest growth, with a CAGR of 22% followed by Asia and Australasia at 18% and Africa and Middle East at 12%. Specifically in India the biopesticide consumption is estimated to grow at a CAGR of 18%. Overall, there are sufficient indicators that this trend would continue and the global market for bio pesticides would grow from \$ 3.6 billion in 2014 to \$ 6.9 billion by 2019 at a CAGR of 13.9%.

Operating Results

The division registered revenue of ₹ 9,357 Lakh in 2014-15 accounting for 4 % of the Company's revenue. The sale of Aza

Products registered a marginal growth of 3% over 2013-14. Export sale of Neemazal technical registered a de-growth of 5% over 2013-14 primarily due to depreciation of Euro Currency conversion rates. USA accounted for 60% of Export sales, while Europe and Asia accounted for 35% and 5% respectively. Parry's Azadirachtin, with the highest purity and best stability, continued to command a premium and maintain its leadership position both in the agriculture and Indoor garden segments.

In the domestic market, while sales of Aza products grew by 29%, the non Aza product segment registered a marginal de-growth of 2% over 2013-14. Abda Drip, a new Abda variant launched the previous year, to address the nutritional needs of crops under drip irrigation, gained momentum with an impressive 109% growth. During the year, the business forayed into green triangle molecules with the launch of 3 new products viz., Valeo, Hexy Plus and Parry Monas.

Volumes in Kgs (Technical on 100% basis)

Sales	2014-15	2013-14
Domestic	2,167	1,957
Exports	6,133	6,161
Total	8,300	8,118

Financial Performance

Revenue for the year was ₹ 9,357 Lakh as compared to ₹ 9,716 Lakh of previous year. PBIT for the year was ₹ 2,652 Lakh against ₹ 2,276 Lakh in 2013-14.

Standalone Financial Performance:

In ₹ Lakh

Details	2014-15	2013-14
Revenue	9,357	9,716
EBITDA*	2,755	2,383

*Earnings before interest, tax, depreciation and amortization

Outlook

The biopesticides market segment is projected to grow at the fastest CAGR from 2014 to 2019 buoyed by the enactment of stringent government regulations in different countries across the world, curbing and phasing out the use of highly toxic synthetic pesticides. The new EU Sustainable Use Directive places Integrated Pest Management (IPM) at the center of crop protection and gives a preferred status to biologically-based control agents. This is in line with the policy framework to which all advanced countries of the world have committed, to reduce chemical pollutants in the environment. New guidelines for registration of natural and organic products have been made easier in comparison to chemical pesticides in order to reduce lead times and hasten the time-to-market process.

Growing awareness of farmers of the long term benefits of bio pesticides for soil health, reduction in the chemical pesticide spraying cycles and the resultant cost gain have been a major driver for the acceptance of nature based pest control products as an integral part of sustainable farming practices. Reflecting a positive trend, the farming community in India has started to move away from low cost, high toxic, broad spectrum crop protection products to high cost, low dose and highly target specific new chemistry synthetics, besides safe and effective bio-products

The biopesticide market has witnessed huge investments by MNCs, primarily by way of acquisitions during the past few years. Intensive marketing strategies by these multinationals have propelled the growth of the segment as a safe and sustainable alternative to synthetic pesticides in pest control. Reduced level of toxicity, safety to users and consumers, eco friendliness, sustained and assured protection, lower pre harvest intervals, etc. have made Biopesticides, the product of choice worldwide.

Microbial bio pesticides dominate the segment with > 60% market share and find extensive use in horticulture, agriculture and forestry. North America, Japan and Europe have emerged as major users. India also exports microbial products to various countries in Europe, Africa and Middle East. Since the manufacturing is done using fermentors and micro organisms, manufacturing operations can be carried out without the constraints of seasonality and raw material availability.

Parry, after identifying highly critical pest segments and the potential gaps in managing them through agro chemicals has commenced its effort to embark upon collaborative projects with Contract Research Organisations to develop patentable microbial strains to address these gaps. In addition, with the need for developing a differentiated Aza and Abda formulation for seed treatment, Parry has forayed into this segment working with seed coating specialists like INCOTECH, Netherlands to develop special seed treatment formulations. Importing and marketing of high concentrated humic products for vegetables is another area of focus while manufacturing and marketing of high quality by-products viz., neem cake and neem oils part of EID's strategies for future growth.

NUTRACEUTICALS DIVISION

Industry Overview

The global Nutraceuticals market is valued at USD 180 billion in 2014 where North America is the largest market for Nutraceuticals with an estimated market size of USD 70 billion. As per a report from Transparency Market Research the global Nutraceuticals market is expected to grow at a CAGR of 6.3% and would be of the size USD 205 billion by 2017. Also, as per "World Nutraceuticals Ingredients" a report from The Freedonia Group, Cleveland OH, the global

demand for Nutraceuticals ingredients is expected to increase by 7.2% annually and would be USD 24 billion in 2015. The growth in the segment is driven by products with clinically confirmed health benefits and applications in foods, beverages, dietary supplements and adult and paediatric nutritional preparations.

The Nutraceuticals market in India is 2% of the global market with a value of ₹15000 Crore and it is expected to grow at a CAGR of 20%, much higher than the global market growth and would be a ₹ 38,000 Crore market at the end of FY 2017-18. The growing emphasis on health and lifestyle among Indian consumers are some of the main demand drivers.

Operating Results

The Nutraceuticals Division's turnover was ₹7,433 Lakh for the year ended 31st March, 2015 representing 4% of the Company's revenue. About 79% of this represents exports. Overall sales has registered a growth of 7% over 2013-14. Premium organic spirulina continues to outperform competition in its segment with an impressive growth of 10% over previous year.

Parry's Spirulina is Certified Organic as per USDA NOP, Naturland (Germany) and ECOCERT (France) Standards - the only Organic Spirulina to meet 3 major standards. The Company also holds major quality certifications such as ISO 9001 (Quality Management System), ISO 22000 (Food Safety Management System) and ISO 14001 (Environment Management System) and is also Kosher and Halal certified for its manufacturing facilities. Parry's brand of Organic Spirulina is the only Spirulina in the world that has been verified by USP – Dietary Ingredient Verification Program which emphasises on Good Manufacturing Practices. Parry's Spirulina received GRAS (Generally Recognised As Safe) from USFDA affirming its safety because of low contaminants. The product meets with California Prop 65 Safety norms (for heavy metal content) even at a much higher intake quantity, which highlights its safety. With the stabilized Astaxanthin production process, the sale of Astaxanthin has doubled to ₹ 654 Lakh over ₹ 327 Lakh in 2013-14.

Financial Performance

Revenue for the year was ₹ 7,433 Lakh as compared to ₹ 6,930 Lakh of previous year. PBIT for the year was ₹1800 Lakh against ₹ 345 Lakh in 2013-14. Forex gain of about ₹ 530 Lakh over previous year and absence of OTC business loss of ₹ 507 Lakh has aided in achieving higher profits during the current year.

Standalone Financial Performance:

	In ₹ Lakh	
Details	2014-15	2013-14
Revenue	7,433	6,930
EBITDA*	2,087	645

*Earnings before interest, tax, depreciation and amortization

Outlook

Global trends in Nutraceuticals ingredients are very positive due to increasing awareness about preventive health care and developing regions are poised for a faster growth in both consumption and production than developed regions. However, in the developed markets (North America and Europe), the demand for high quality organic Spirulina is growing exponentially as compared to the low priced mass market. EID is moving towards consolidating its leadership position in premium organic Spirulina and increasing its focus on the value added opportunities for Ingredients and moving up the value chain.

STANDALONE FINANCIALS:

I) Results of Operations

Turnover:

In ₹ Crore

Business Segments	2014-15	2013-14
Sugar	1,538	1,315
Cogen	138	105
Distillery	272	237
Sugar Total	1,948	1,657
Bio-Pesticides	94	97
Nutraceuticals	74	69
Total	2,116	1,823

The total turnover of the Company grew by 16% from ₹ 1823 Crore in the year FY 2013-14 to ₹ 2116 Crore in FY 2014-15.

Increase in Sugar division's sales from ₹ 1657 Crore to ₹ 1948 Crore in FY 2014 -15 mainly driven by better realisation of Sugar price during the first half of the financial year and power and distillery realisation.

Other Income

Other income for the year was ₹ 183 Crore as against ₹ 163 Crore in the previous year which includes dividend income of ₹ 120 Crore against ₹ 80 Crore in FY 2013-14. Interest income earned during the year was ₹ 10 Crore as against ₹ 43 Crore in FY 2013-14. Additionally, sale of fixed assets during the year FY 2014-15 yielded a net profit of ₹16 Crore.

EBIDTA

The Earnings before Interest, Depreciation, Tax and Amortization for the year was ₹ 389 Crore representing 17% of total revenues and showed a increase of 48% over previous year's ₹ 262 Crore.

EBIT

EBIT for the year was ₹ 287 Crore as against ₹ 165 Crore of FY 2013 -14.

Finance Charges

The Company incurred finance charges of ₹ 151 Crore for the year FY 2014-15 as compared to ₹196 Crore for the year FY 2013-14. Term loan interest was ₹ 40 Crore as against ₹ 65 Crore in FY 2013-14. This reduction was on account of refinancing of high cost term loans with low cost borrowings and interest free loan received from Government of India.

Depreciation

Depreciation was ₹102 Crore for the year FY 2014-15, as compared to ₹ 97 Crore for the year FY 2013-14.

PBT

Profit before tax for the year stood at ₹ 136 Crore as against loss of ₹ 31 Crore of previous year.

PAT

Profit after tax for the year stood at ₹148 Crore as against ₹ 27 Crore of previous year. This represents 7% and 1% of operational revenue for the years ended March 31, 2015 and 2014 respectively.

II) Financial Overview

Networth

The Networth as on March 31, 2015 was ₹1369 Crore (net of fixed assets revaluation reserve of ₹ 5 Crore) as against ₹ 1279 Crore (net of fixed assets revaluation reserve of ₹ 5 Crore) in 2013-14 contributed by profit made during the year and premium received on issue of shares under ESOP net of accounting adjustment arising from adoption of new Schedule II of Companies Act, 2013.

During the year, 28,888 Equity shares were issued to the employees on exercise of Employee Stock options at an aggregated premium of ₹ 0.27 Crore. Hence, the total number of outstanding shares as on March 31, 2015 was 17,58,14,884.

Capital Redemption reserve remained unchanged during the year while Debenture Redemption Reserve increased vide transfer from Profit and Loss Account for ₹ 23 Crore (net).

The Company has transferred ₹ 15 Crore to General Reserves during the year.

Borrowing

The total loan funds of the Company decreased by 8% from ₹ 1977 Crore in 2013-14 to ₹ 1845 Crore in 2014-15.

The Long Term Debt is 0.67 times of equity against 0.88 times of equity in the previous year.

Working capital borrowing utilized was ₹ 929 Crore on March 31, 2015 as against ₹ 877 Crore in previous year end.

Fixed Assets

The Company incurred ₹ 81 Crore (₹ 155 Crore during the previous year) of Capital expenditure during the year.

Investments

The total investment of the Company as at March 31, 2015 was ₹ 683 Crore against ₹ 545 Crore in 2013-14. The following investments were made during the year:

- Equity shares of Silkroad Sugar Private Limited of ₹ 2.3 Crore.
- Redeemable Cumulative Preference shares of Silkroad Sugar Private Limited of ₹ 102 Crore by conversion of loans and other receivables.
- Redeemable Cumulative Preference shares of Parrys Sugar Industries Limited of ₹ 13 Crore by conversion of loans.
- Equity shares of Parry Phytoremedies Private Limited of ₹ 0.47 Crore.
- Equity shares of Alimtec, S.A. of ₹ 3 Crore by conversion of loans and ₹ 22 Crore by way of fresh equity infusion.

During the year, the Company divested its entire holding in the subsidiary, Alagawadi Bireswar Sugars Private Limited .

Rating

During the year, rating agency CRISIL has reaffirmed Long term debt rating of CRISIL 'AA-' (Stable) and CRISIL A1+ rating for its short term borrowings.

Book Value and Earnings per Share

Book Value of the Company increased from ₹ 73 per share to ₹ 78 per share. Earnings per share increased to ₹ 8.43 per share for the year ended March 31, 2015, from ₹ 1.51 for the year ended March 31, 2014.

Ratios

Particulars	2014-15	2013-14
Key Profitability Ratios		
EBIDTA / Sales %	18.39%	14.39%
PAT / Sales %	7.01%	1.46%
PAT / Networth % (ROE)	10.83%	2.07%
Key Capital Structure Ratios		
Debt / Equity Ratio	1.35	1.55
Long Term Debt /Equity Ratio	0.67	0.88
Outside Liabilities / Networth	1.80	1.68
Net Fixed Assets/Net worth	1.10	1.20
Debt Service Coverage Ratio	1.19	4.03
Liquidity Ratios		
Current Ratio	0.85	0.95
Inventory Turnover (days)	179	179
Receivables (day gross sales)	48	47
Earnings and Dividend Ratios		
Dividend %	300%	-
Dividend Payout %	35.58%	-
Earnings Per share (₹)	8.43	1.51
Book Value Per share (₹)	78	73
P / E Multiple	20.86	88.97

RISK MANAGEMENT

Sugar being a common commodity, the risk in sugar manufacturing is both local as well as global. It needs a dynamic approach to run the business. To reduce the impact of cyclicalities in business, the Company has taken a conscious decision to expand its presence in its fast growing and better margin businesses such as Bio pesticides and Nutraceuticals. Being export-driven, both these businesses may be impacted by global changes. The Company has proactively assessed the key risks that may have an adverse impact on the business.

Economic Risk

Risk: Due to global slowdown and other macro factors such as inflation and interest rate, there could be an adverse impact on business and profitability.

Mitigation: With experience in the financial market, the Company is able to source funds at competitive rates in adverse market conditions.

Pricing Risk

Risk: Due to Global and Domestic surplus, there could be sharp fall in sugar prices affecting the profitability.

Mitigation: The Company is focussing to increase the market share of Institution and Retail segments and has initiated several cost reduction measures at various levels. The Company has also taken steps to run the power, distillery and refinery segment beyond the season.

Raw Material Availability

Risk: Due to the adverse weather conditions, availability of crucial inputs such as sugarcane, neem seeds, water, etc. may be impacted thereby affecting the business.

Mitigation: The Company works continuously towards educating farmers on scientific and most sustainable sugarcane cultivation methods besides providing them with better varieties of sugarcane seeds /saplings that give better yield. The Company holds good brand value and trust amongst the farmer community and is the preferred partner for sugarcane supply.

Raw Material Pricing Risk

Risk: The Central and State Governments decide sugarcane prices in a manner that is not linked to sugar prices. Unviable sugarcane prices may impact the profitability of Sugar division.

Mitigation: This is a major external risk and many a times had a negative impact. However, the government has partially decontrolled the industry and going forward if the government accepts C. Rangarajan Committee's proposed linking of sugarcane prices to sugar sales, this risk would be significantly abated.

Credit Risk

Risk: Due to fixed sugarcane pricing but floating sugar realization, the Company may face shortfall in availability of cash to pay to farmers.

Mitigation: The Company has been very prudent in managing its cash flows and has well placed short-term credit facilities from various banks. This helps to manage the short term credit mismatch which is the nature of the business.

Currency Risk

Risk: The Company exports sugar, bio pesticides and Nutraceuticals. Hence it has huge and growing exposure to currency fluctuation risk

Mitigation: The Company follows a comprehensive forex policy to hedge foreign currency fluctuation by taking cover through forward contract.

HUMAN RESOURCES

E.I.D Parry believes that people are the key to success and sustainability of an organisation. In line with its HR vision of 'Building Organizational Capability to deliver superior business performance,' the Company advocates the best-in-class people practices that is talent based, diverse and inclusive. A safe working place for women. there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

People resource management at Parry is driven by the key imperatives of capability development, talent management, employee engagement and productivity.

During the year, as part of its sustainability drive, the Company worked on a unique architectural framework with Business Heads leading cross functional teams on core projects to enhance efficiencies and reduce operational cost. As part of employee engagement initiative, a deep dive impact analysis was conducted on parameters of reward and recognition, hygiene and care.

In alignment with the long terms goals of sustainability and growth, an Assessment Centre-Development Centre (ACDC) for training and competency building was created to ensure seamless succession planning and to build a talent pipeline.

AWARDS & RECOGNITIONS

- EID bagged the Award for 'Best Corporate Social Responsibility Practices' at the Asia Pacific HRM Congress Awards- 2014, held at Bangalore on 11th September 2014
- Dun & Bradstreet awarded the Company with the 'Best Performing Company' award on an All India basis in the sugar sector during their programme on 'India's Top 500 Companies & Corporate Awards 2015'.
- The Sugar Division of the Company had applied for assessment of its Total Cost Management Model by CII. In the 'International Conference for TCM – New frontiers of Business Excellence through TCM', the CII certified that the TCM of the Sugar division is in 'Operational Level' (Level 3) out of total levels of 5 being 'Exemplary'.

Pugalur Unit

- The unit got the Bonsucro certification, the first sugar plant in Asia to be certified by the global body for Sustainable sugar productivity.
- The unit received an 'Appreciation Award' from National Safety Council, Trichy Chapter, on 18th December 2014 for Safety Awards 2012.

Pudukottai Unit

- The unit was awarded as 'Energy Efficient Unit' during the 15th National Award for Excellence in Energy Management 2014 organized by CII at Hyderabad on 29th & 30th October 2014.

- The unit has bagged 2nd Prize in the National Energy Conservation Award - 2014 in the Sugar Sector conducted by Ministry of Power (Through Bureau of Energy Efficiency Nodal body)
- The Unit has bagged three prizes from the Industrial Safety and Health Department, Government of Tamilnadu, under the following schemes for respective years.

Scheme & Category	Year	•Details
Scheme I - Higher % of Accident Reduction	2011	1st Prize - Award
Scheme II - Lower % of Accident Rate	2011	2nd Prize – Award
Scheme III – Highest Accident Free Days	2012	3rd Prize - Certificate

Pettavaithalai Unit

The unit bagged 3 prizes in Tamilnadu Government ‘Safety Awards-2012’ (IInd prize under above scheme I,II & III)

Bagalkot Unit

The unit won 2 SISSTA Awards for the year 2013-14 and 2014-15: the Platinum Award for ‘Best Cane Development’ and Golden Award for ‘Best Technical Efficiency’.

Nellikuppam Unit

The unit received the following awards from SISSTA in the 44th Annual Convention held at Vishakapatnam :

- Best Cane Development for the year 2013-14
- Best Technical Efficiency for the year 2013-14

The above awards were received during the FY 2014-15

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company believes in enriching lives and in line with this, the CSR initiatives primarily focus on encouraging sustainable socio-economic growth, to improve the quality of life of the communities in and around the areas where EID operates.

The various CSR initiatives undertaken by the Company during the last financial year include:

Healthcare

‘Hospital on Wheels’, a well equipped mobile unit with diagnostic and medical intervention amenities for people living in remote areas is supported by the Sankili and Haliyal units in collaboration with external agencies.

Education

The Company promotes education for the children of the neighbouring villages near its units, by providing financial assistance to schools, building infrastructure and participating in their developmental needs.

Infrastructure

Supplied drinking water to identified villages and supported the construction of a sub canal for water irrigation and other local community development works in and around the units.

INTERNAL CONTROLS

The Company has well-established processes and clearly-defined roles and responsibilities for people at various levels. This coupled with adequate internal information systems in SAP ensures proper information flow for the decision-making process. The control mechanism also involves well documented policies, authorisation guidelines commensurate with the level of responsibility and standard operating procedures specific to the respective businesses. Adherence to these processes is ensured through frequent internal audits. The internal audits conducted are reviewed by the Audit Committee and requisite guidelines and procedures augment the internal controls. The internal control system is designed to ensure that financial and other records are reliable for preparing financial statements and other information which ensures that all transactions are properly reported and classified in the financial records. To further strengthen the internal financial control, an in-house shared service has been established by the Company.

CAUTIONARY STATEMENT

Statements in this Management Discussion & Analysis describing the Company’s objectives, projections, estimates and expectations may constitute “forward looking statement” within the meaning of applicable laws and regulations. Actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements.

On behalf of the Board

Anand Narain Bhatia
 Chairman

Chennai
 May 29, 2015

REPORT ON CORPORATE GOVERNANCE

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

II. BOARD OF DIRECTORS

Composition

The Company has an appropriate mix of Executive, Non-Executive and Independent Directors with expertise in the fields of business strategy, finance, marketing and business management. As on March 31, 2015 the Company's Board had seven Directors with a Non – Executive Chairman, part of the Promoter Group. There were four Independent Directors, a Non Executive Non Independent Vice Chairman and a Managing Director. The composition of the Board is in conformity with Clause 49 of the Listing Agreement.

None of the Directors on the Board is a member of more than 10 Committees or Chairman of more than 5 Committees across all the Companies in which he/she is a Director.

Independent Directors

The Company has four Independent Directors including a Woman Director. The shareholders at the 39th Annual General Meeting held on 30th July, 2014 approved appointment of all the four Independent Directors for a fixed tenure in compliance with the Companies Act, 2013. The Company has issued a formal letter of appointment to all the Independent Directors in the manner provided in the Companies Act, 2013 and the terms and conditions of their appointment are disclosed on the Company's website at www.eidparry.com.

The Independent Directors have confirmed that they satisfy the criteria of independence as stipulated under Section 149(6) of the Companies Act, 2013.

The familiarisation process followed by the Company for familiarising the Independent Directors on their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business models of the Company etc. is disclosed at the weblink : http://www.eidparry.com/ContentFiles/Downloads/annualreport/FP_ForIndependentDirectors.pdf

During the year, the Independent Directors had a separate meeting without the presence of Non-Independent Directors and the management team.

Board Meetings

The Board of Directors met 7 times during the financial year 2014–15. i.e. 15.05.2014, 30.07.2014, 06.11.2014, 28.11.2014, 31.01.2015, 06.03.2015 and 19.03.2015. The maximum gap between any two meetings was less than 120 days as stipulated under Clause 49 of the Listing Agreement. Material information was circulated to the Directors before the meeting or placed at the meeting, including minimum information required to be made available to the Board under Clause 49 of the Listing Agreement. The Company has proper systems to enable the Board to periodically review compliance reports of all laws applicable to the Company, as prepared by the Company as well as steps taken by the Company to rectify instances of non-compliances. The Board reviewed compliance reports prepared by the Company on quarterly periodicity.

Information on the Directors of the Company, their attendance at Board Meetings & Annual General Meeting of the Company held during the year and the number of Directorships in other Companies and Committee positions held by them in other Public Limited Companies as on March 31, 2015 are given below:

Sl. No.	Name of the Director	Category	No. of Board Meetings attended during the year 2014-15	Whether attended last AGM held on July 30, 2014	No. of Directorships in other Companies*	No. of committee positions in other Public Companies*	
						Chairman	Member
1	Mr. A. Vellayan Chairman DIN : 00148891	Promoter, Non-Independent, Non- Executive	7	Yes	9	-	1
2	Mr. V. Ravichandran Vice Chairman DIN : 00110086	Non- Independent, Non-Executive	7	Yes	6	1	3
3	Mr. V. Ramesh Managing Director DIN : 01412093	Non- Independent, Executive	7	Yes	3	-	1

Sl. No.	Name of the Director	Category	No. of Board Meetings attended during the year 2014-15	Whether attended last AGM held on July 30, 2014	No. of Directorships in other Companies*	No. of committee positions in other Public Companies [§]	
						Chairman	Member
4	Mr. Anand Narain Bhatia DIN : 00148983	Independent, Non-Executive	5	Yes	3	1	1
5	Mr. V. Manickam DIN : 00179715	Independent, Non-Executive	6	Yes	6	-	-
6	Mr.M.B.N.Rao DIN : 00287260	Independent, Non-Executive	6	Yes	11	2	4
7	Mrs. Shyamala Gopinath DIN : 02362921	Independent, Non-Executive	6	Yes	7	3	5

* Excludes directorship in Foreign Companies.

§ Represents directorships / memberships of Audit and Stakeholders Relationship Committees, in Public Limited Companies.

None of the Independent Directors of the Company serves as an Independent Director in more than seven listed companies.

Details of Directors Shareholding as on 31.03.2015

Sl. No.	Name of the Director	No. of Shares held
1.	Mr. A. Vellayan, Chairman	3,44,540 equity shares of Re. 1 each
2.	Mr. V. Ravichandran, Vice Chairman	Nil
3.	Mr. V. Ramesh, Managing Director	Nil
4.	Mr. Anand Narain Bhatia, Director	Nil
5.	Mr. V. Manickam, Director	Nil
6.	Mr. M. B. N. Rao, Director	Nil
7.	Mrs. Shyamala Gopinath, Director	Nil

Compliance with the Code of Conduct

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

Whistle Blower Policy and Vigil Mechanism

The Company has established a whistle blower policy and a vigil mechanism for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The policy is available on the Company's website at www.eidparry.com.

III. COMMITTEES OF THE BOARD

A) Audit Committee

Composition of the Committee

Name of the Director	Category	Chairman/Member
Mr.M.B.N.Rao	Independent Non Executive	Chairman
Mr.Anand Narain Bhatia	Independent Non Executive	Member
Mr.V.Manickam	Independent Non Executive	Member
Mrs.Shyamala Gopinath	Independent Non Executive	Member

Mr. V. Ramesh, Managing Director is a permanent Invitee. The Company Secretary acts as the Secretary to the Committee. All members of audit committee have knowledge

of financial management, audit and accounts. The Statutory Auditors, Head of Internal Audit, CFO and Senior Management are invited to attend all the meetings of the Committee. The Committee members also have separate discussions with the statutory auditors as well as internal auditors without the presence of the management team.

Meetings of the Committee

The Committee held five meetings during the year ended March 31, 2015 on 15.05.2014, 30.07.2014, 06.11.2014, 31.01.2015 and 19.03.2015.

Mr.M.B.N. Rao, Chairman of the Committee was present at the Annual General Meeting held on July 30, 2014.

Terms of Reference

The terms of reference of the Audit Committee include recommendation for appointment, remuneration and terms of appointment of auditors of the company, review and monitoring the auditor's independence and performance, effectiveness of the audit process, examination of the financial statement and the auditor's report thereon, approval or any subsequent modification of the transactions of the company with related parties, scrutiny of inter corporate loans and investments, valuation of undertakings or assets of the company, wherever it is necessary, evaluation of internal financial controls and risk management system, monitoring the end use of funds raised through public offers and related matter, review of the functioning of the whistle blower mechanism, approval of appointment of Chief Financial Officer of the Company, oversight the company's financial reporting process and the disclosure of its financial information, approval of payment to statutory auditors for any other services rendered by them, reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems, reviewing the adequacy of internal audit function including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

The scope of Audit Committee includes matters which are set out in Clause 49 of the Listing Agreement with the Stock Exchanges as amended from time to time read with Section 177 of the Companies Act, 2013.

B) Nomination & Remuneration Committee

Composition of the Committee:

Name of the Director	Category	Chairman/Member
Mr. Anand Narain Bhatia	Independent Non-Executive	Chairman
Mr. M. B. N. Rao	Independent Non-Executive	Member

Name of the Director	Category	Chairman/Member
Mrs. Shyamala Gopinath	Independent Non-Executive	Member
Mr.V Ravichandran	Non-Independent Non-Executive	Member

The Company Secretary acts as the Secretary to the Committee.

Meetings of the Committee

The Committee held three meetings during the year ended March 31, 2015 on 15.05.2014, 30.07.2014 and 31.01.2015.

Mr. Anand Narain Bhatia, Chairman of the Committee was present at the Annual General Meeting held on July 30, 2014.

Terms of Reference

The terms of reference of the Nomination and Remuneration Committee include formulation of criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees; formulation of criteria for evaluation of Independent Directors and the Board; devising a policy on Board diversity; and identification of persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

Remuneration Policy

The Remuneration Policy has been laid down to ensure reasonableness and sufficiency of remuneration to attract, retain and motivate competent resources, a clear relationship of remuneration to performance and a balance between rewarding short and long-term performance of the Company. The policy reflects the remuneration philosophy and principles of the Murugappa Group and considers the pay and employment conditions with peers / competitive market to

ensure that pay structures are appropriately aligned. The detailed Remuneration Policy formulated by the Committee for members of the Board, Key Managerial Personnel and other employees of the Company forms part of this Report.

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an evaluation of its own performance, the individual Directors as well as an evaluation of the working of its Committees viz., Audit, Nomination and Remuneration, Stakeholders Relationship, Risk Management and Corporate Social Responsibility Committees. Structured questionnaires were prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as attendance, level of participation in the meetings and contribution, independence of judgement, safeguarding the interest of the Company and other stakeholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. Inputs from the Non-Independent Directors were also considered by the Independent Directors while evaluating the performance of the Chairman.

Remuneration - Non Executive Directors

The Non-Executive Directors (NEDs) are paid remuneration by way of commission on profits besides sitting fees. The distribution of commission amongst the Non-Executive Directors is placed before the Board for its decision. The actual commission paid to the Directors is restricted to a fixed sum. This sum is reviewed periodically taking into consideration various factors such as

performance of the Company, time spent by the Directors and efforts for attending to the affairs and business of the Company and extent of responsibilities cast on Directors under general law and other relevant factors. Depending on the time and efforts put in by the directors towards the affairs of the Company, the directors are also paid a differential remuneration by way of commission. The aggregate commission payable to all Non-Executive Directors is restricted to 1% of the net profits as approved by the shareholders. The Non-Executive Directors are paid sitting fee for every Board / Committee meetings attended by them.

Details of remuneration of Non-Executive Directors for the year 2014-15 is given below:

₹ in Lakh

Name	Sitting Fees paid for Board and Committee Meetings	Commission payable #
Mr. A.Vellayan	2.20	100.00
Mr. V.Ravichandran	3.55	7.50
Mr. Anand Narain Bhatia	3.15	7.50
Mr. V.Manickam	3.05	7.50
Mr. M.B.N.Rao	3.10	7.50
Mrs. Shyamala Gopinath	3.20	7.50

Represents Commission for the year ended 31st March, 2015 which will be paid, subject to deduction of tax after adoption of the accounts by the shareholders at the Annual General Meeting.

Non Executive Directors are not entitled for grant of stock options under ESOP Scheme.

During the year, the sitting fee for Board and Audit Committee meetings was paid at ₹ 25,000 and for other Committees at ₹ 15,000

Remuneration - Executive Director

The compensation to the Managing Director comprises fixed component and performance incentive. The compensation is determined by the Nomination & Remuneration Committee based on the level of responsibility and scales prevailing in the industry. The Managing Director is not paid sitting fee for any board / committee meetings attended by him.

Details of remuneration for the year 2014-15 is as under:

(₹ in Lakh)

Name of the Managing Director	Salary / Allowances	Contribution to funds*	Value of Perquisites	Incentive Payable
Mr.V. Ramesh	87.31	14.63	2.80	29.64 [§]

* Represents contributions to Provident Fund, Superannuation Fund and Gratuity Fund.

§ Provisional and subject to determination by Nomination and Remuneration Committee

C) Stakeholders Relationship Committee

Composition of the Committee

As at 31st March, 2015, the Committee comprised of Mr. Anand Narain Bhatia as Chairman, Mr. V. Ravichandran, and Mr. V Ramesh as members. Ms. G.Jalaja, Company Secretary is the compliance officer.

Meetings of the Committee

The committee held four meetings during the year ended March 31, 2015 on 15.05.2014; 30.07.2014, 06.11.2014 and 31.01.2015. Mr. Anand Narain Bhatia, Chairman of the Committee was present at the Annual General Meeting held on July 30, 2014.

Terms of reference

The role of the committee includes formulation of shareholders servicing plans and policies, consideration of valid share transfer requests with folios beyond the limits delegated to certain Directors and executives, share transmissions, issue of duplicate share certificates, issue of share certificates for split, rematerialisation, consolidation of shares etc. The committee also monitors and reviews the mechanism of share transfers, dematerialisation of shares and payment of dividends.

The Committee oversees the redressal of complaints of investors such as transfer or credit of shares to demat accounts, non-receipt of dividend/ annual reports, etc. It also approves allotment of shares and matters incidental thereto including listing thereof. In line with the Companies Act, 2013 the scope of the committee was enlarged to consider and resolve grievances of all security holders of the Company.

Details of number of complaints received and redressed during the year are given below:

Opening Balance	Received during the financial year 2014-15	Resolved during the financial year 2014-15	Closing Balance
Nil	2	2	NIL

D) Risk Management Committee

Composition of the Committee

As at March 31, 2015, the Committee comprised of Mr. M.B.N. Rao as Chairman and Mr. V. Ramesh as a member. Members of the senior management team attend the meetings of the Committee as permanent invitees.

Meetings of the Committee

The Committee met once during the year on January 31, 2015.

Terms of reference

The Company has laid down procedures to inform Board members about the risk assessment and minimisation procedures. The Board periodically discusses the significant business risks identified by the management and the mitigation measures to

address such risks. The role of the Committee includes review of the Risk Management strategy developed by the Management for approval by the Board, advise the Board on the prioritisation of Risk Management issues, report the effectiveness of the Company's Risk Management Systems and carries out additional functions and adopt additional policies and procedures as may be appropriate in the light of changes in business conditions legislative, regulatory, legal and other conditions.

E) Corporate Social Responsibility Committee

Composition of the Committee

During the year, pursuant to Section 135 of the Companies Act, 2013, the company constituted a Corporate Social Responsibility Committee (CSR Committee) of the Board consisting of Mr. V. Manickam as Chairman, Mr. V. Ravichandran and Mr. V. Ramesh as members.

Meetings of the Committee

The Committee met twice during the financial year ended March 31, 2015 on 30.07.2014 and 05.11.2014.

Terms of reference

The role of CSR Committee is to formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken as specified in schedule VII of Companies Act, 2013 and shall also recommend the amount of expenditure to be incurred on the CSR activities, to monitor the CSR Policy of the Company from time to time and prepare a transparent monitoring mechanism for ensuring implementation of the projects/programmes/ activities proposed to be undertaken by the Company and to do all such acts, deeds and things as may be required in connection with the CSR activities.

Attendance of Directors at the Meetings of the Committees of the Company

Sl. No.	Names	Audit Committee	Stakeholder Relationship Committee	Nomination & Remuneration Committee	Risk Management Committee	Corporate Social Responsibility Committee
1.	Mr. A. Vellayan	NA	NA	NA	NA	NA
2.	Mr. V. Ravichandran	NA	4	3	NA	2
3.	Mr. V. Ramesh	NA	4	NA	1	2
4.	Mr. Anand Narain Bhatia	4	3	2	NA	NA
5.	Mr. V. Manickam	5	NA	NA	NA	2
6.	Mr. M.B.N.Rao	4	NA	3	1	NA
7.	Mrs. Shyamala Gopinath	5	NA	3	NA	NA

IV. SUBSIDIARY COMPANIES

The Company does not have any material non listed Indian Subsidiary Company. The Audit Committee reviews the financial statements and in particular, the investments made by unlisted subsidiary companies. The minutes of the Board meetings as well as statements of all significant transactions of the unlisted subsidiary companies are placed before the Board of Directors of the Company for their review. The Company has formulated a policy for determining material subsidiaries and the policy is available at the weblink: <http://www.eidparry.com/ContentFiles/Downloads/annualreport/PolicyOnMaterialSubsidiary.pdf>

V. GENERAL BODY MEETINGS

The location and time where the last three Annual General Meetings were held are given below:

Year ended 31st March	Day and date	Time	Venue
2012	Tuesday 31.07.2012	4.00 p.m.	Tamil Isai Sangam, Rajah Annamalai Mandram, 5, Esplanade Road, Chennai- 600 108
2013	Tuesday 30.07.2013	4.00 p.m.	
2014	Wednesday 30.07.2014	4.00 p.m.	

Details of Special Resolutions passed during the last 3 Annual General Meetings are given below :

Date of AGM	Particulars
31.07.2012	Extension of Exercise Period of ESOPs granted under ESOP Scheme 2007 and Issuance of ESOP under ESOP Scheme – 2012
30.07.2013	Payment of remuneration by way of commission to Non-whole time Directors for a period of 5 years w.e.f. 01.04.2013
30.07.2014	Borrowing limits under Section 180 (1) (c) of the Companies Act, 2013 for an amount not exceeding ₹ 3000 Crore. Creation of mortgage/ charge on the immovable/ movable properties of the Company under Section 180 (1) (a) of the Companies Act, 2013. Issue of Non Convertible Debentures for an amount not exceeding ₹ 200 Crore during a period of one year. Payment of commission to non whole time directors for a period of five years w.e.f 01.04.2014.

During the financial year 2014-15, no special resolutions were passed through postal ballot. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing of resolution through postal ballot.

VI. DISCLOSURES

During the financial year 2014/15, there were no materially significant related party transaction considered to have potential conflict with the interests of the Company at large. The Company has formulated a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions. The policy is also available on the weblink : http://www.eidparry.com/ContentFiles/Downloads/annualreport/RPT_Policy.pdf

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

The Company has followed the Guidelines of Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.

During the year under review, the Company has not raised any funds from public issue, rights issue or preferential issue.

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

The Company has a Whistle Blower policy and affirms that no personnel has been denied access to the Audit Committee.

Compliance with Corporate Governance Norms

The Company has complied with all the mandatory requirements of the Code of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges. The Company has submitted the compliance report in the prescribed format to the stock exchanges for the quarters ended June 30, 2014, September 30, 2014, December 31, 2014 and March 31, 2015.

The Statutory Auditors have certified that the Company has complied with the conditions of corporate governance as stipulated in Clause 49 of the Listing Agreements with the Stock Exchanges. The said certificate is annexed to this Report and will be forwarded to the Stock Exchanges and the Registrar of Companies, Tamilnadu, Chennai, along with the Annual Report.

Prevention of Insider Trading

As per the requirement in the SEBI (Prohibition of Insider Trading) Regulations,

2015 the Company has formulated a Code of practices and procedures for fair disclosure of unpublished price sensitive information and the same has been published on the Company's website www.eidparry.com. A Code of Conduct to regulate, monitor and report trading by insiders in securities of the Company has also been formulated.

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

1. Shareholder Rights

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

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

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

VII. MEANS OF COMMUNICATION

The quarterly unaudited financial results and the annual audited financial results are normally published in a leading business daily, Business Line (English) and in Dinamani (Tamil). Intimation of Board Meeting Date, Record Date, Book Closure and dividend declaration notices are normally published in Business Line (English) and Makkal Kural (Tamil). The financial results and press releases are placed on the Company's website at www.eidparry.com.

Details of Investor / Analysts / Brokers meetings / Concall transcripts whenever held are also posted on the Company's website at www.eidparry.com.

VIII. GENERAL SHAREHOLDER INFORMATION

A separate section has been included in the Annual Report furnishing various details viz. AGM Date, time and venue, share price movement, distribution of shareholding etc.

On behalf of the Board

Chennai
May 29, 2015

Anand Narain Bhatia
Chairman

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of E.I.D.- Parry (India) Limited

We have examined the compliance of conditions of corporate governance by E.I.D. - Parry (India) Limited ("the Company"), for the year ended March 31, 2015, as stipulated in Clause 49 of the Listing Agreements of the said company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said clause. 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 by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No. 008072S)

M.K.Ananthanarayanan
Partner
Membership No. 19521

Chennai
May 29, 2015

DECLARATION ON CODE OF CONDUCT

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

Dear Sirs,

Declaration on Code of Conduct

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

It is further confirmed that all directors and senior management personnel of the company have affirmed compliance with the Code of Conduct of the company for the year ended 31st March 2015, as envisaged in clause 49(IE) of the Listing Agreement with Stock Exchanges.

Chennai
May 29, 2015

V.Ramesh
Managing Director

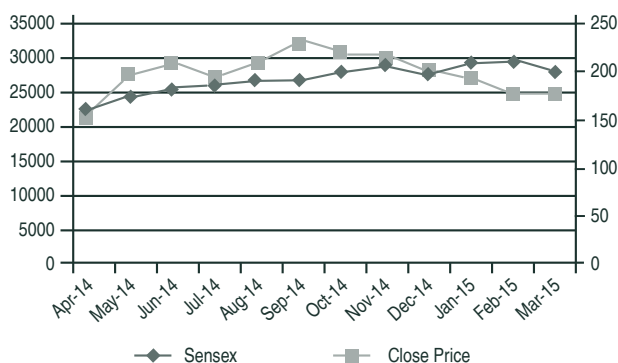
GENERAL SHAREHOLDER INFORMATION

I. Annual General Meeting Day, Date and Time Venue	Tuesday, August 04, 2015 at 4.30 p.m. Tamil Isai Sangam, Rajah Annamalai Mandram, 5, Esplanade Road, Chennai – 600 108.
II. Financial Year	April 01, 2014 to March 31, 2015
III. Date of Book closure	July 24, 2015 to August 04, 2015 (Both days inclusive)
IV. Dividend Payment Date	Interim dividend of ₹ 2 per share on equity share of Face Value of ₹ 1 per share paid on 30.03.2015. Final dividend of ₹ 1 per share on equity share of Face Value of ₹ 1 per share will be paid within 7 days of the Annual General Meeting.
V. Listing on stock exchanges	Equity shares: National Stock Exchange of India Limited, Exchange Plaza, Plot No.C/1, G. Block, Bandra Kurla Complex, Bandra (E), Mumbai –400 051. Bombay Stock Exchange Limited., Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. (The Listing fees for the financial year 2014-2015 were paid to both the above Stock Exchanges.)
VI. Stock Code	
Name of the Stock Exchange/Depository	Code/ISIN
National Stock Exchange of India Limited. (NSE)	EID PARRY EQ
Bombay Stock Exchange Limited. (BSE)	500125
NSDL & CDSL	INE126A01031

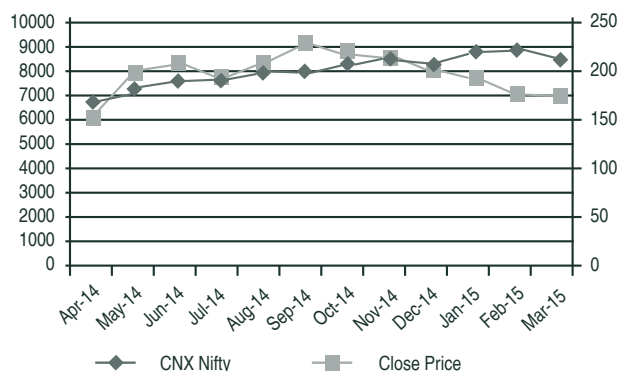
VII. Market Price Data – Monthly high, low and trading volume for equity shares							
Period	Bombay Stock Exchange (BSE)			National Stock Exchange (NSE)			(BSE & NSE)
	High	Low	Volume	High	Low	Volume	Total volume
	₹ P.	₹ P.	(No. of shares)	₹ P.	₹ P.	(No. of shares)	(No. of shares)
Apr-2014	167.00	134.80	11,36,381	167.45	134.25	39,66,777	5103158
May-2014	207.50	150.00	29,63,297	208.00	150.00	59,22,783	8886080
Jun-2014	229.90	195.05	11,53,480	229.85	195.00	60,25,541	7179021
Jul-2014	214.00	188.40	6,71,950	211.55	188.05	25,84,252	3256202
Aug-2014	218.85	184.50	9,40,668	218.80	183.75	32,87,381	4228049
Sep-2014	246.85	210.00	18,62,757	246.90	210.50	62,20,736	8083493
Oct-2014	230.00	208.00	6,94,659	232.20	208.10	31,20,777	3815436
Nov-2014	247.95	214.55	8,26,386	247.80	213.30	33,90,516	4216902
Dec-2014	223.60	180.00	11,27,047	223.70	188.35	23,34,212	3461259
Jan-2015	204.00	184.10	5,16,789	204.45	184.05	14,20,750	1937539
Feb-2015	190.00	167.25	5,13,686	189.90	166.00	14,77,498	1991184
Mar-2015	191.30	160.10	9,49,648	192.80	160.00	36,33,909	4583557

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

Share Price performance in comparison with BSE SENSEX



Share Price performance in comparison with NSE NIFTY



IX. Investor Contacts

(a) Registrar and Transfer Agents

Karvy Computershare Private Limited,
Unit: E.I.D.-Parry (India) Ltd.,
Plot No: Karvy Selenium Tower B, Plot Number 31 & 32,
Nanakramguda, Financial District, Gachibowli,
Hyderabad 500 032
Tel : +91 40 6716 1500
Fax : +91 40 2300 1153
E-Mail : einward.ris@karvy.com;
subrahmanyam.mrv@karvy.com;
Contact Person : Mr. M R V Subrahmanyam, General Manager

(b) Company

E.I.D.-Parry (India) Limited,
Secretarial Department,
3rd Floor, 'Dare House', Parys Corner,
Chennai – 600 001.
Tel : +91 44 25306789
Fax : +91 44 25341609
E-Mail : investorservices@parry.murugappa.com;
jalajag@parry.murugappa.com;
Contact Person : Ms. G. Jalaja, Company Secretary

X. Share Transfer System

Share Transfers in Physical Form

Share transfers are approved by Stakeholders Relationship Committee

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

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

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

Details of Complaints received and redressed

Nature of Complaints	Received during the year	Resolved during the year
Non receipt of share certificate and non receipt of dividend	2	2

There were no complaints remaining pending at the beginning and end of the financial year 2014 – 15.

XI. Distribution of shareholding as on March 31, 2015

No. of equity shares held	No. of share holders	%	No. of shares	%
1- 5000	39782	97.18	1,28,96,309	7.34
5001-10000	528	1.29	38,88,521	2.21
10001-20000	266	0.65	37,64,477	2.14
20001-30000	102	0.25	25,12,615	1.43
30001-40000	46	0.11	16,56,715	0.94
40001-50000	30	0.07	13,93,217	0.79
50001-100000	52	0.13	38,57,283	2.19
100001&Above	132	0.32	14,58,45,747	82.96
Total	40938	100.00	17,58,14,884	100.00

Shareholding Mode	No. of share holders	%	No. of shares	%
Physical	10,100	24.67	40,51,210	2.31
Demat/Electronic	30,838	75.33	17,17,63,674	97.69
Total	40,938	100.00	17,58,14,884	100.00

Shareholding Pattern as on March 31, 2015

Category	No. of share holders	No. of shares	% to paid-up Capital
Promoters & Promoter Group	62	7,95,82,450	45.26
Indian Public/HUF/Clearing Members	39,474	4,27,35,319	24.32
Mutual Funds	27	1,04,68,653	5.95
Banks/Financial Institutions/Insurance Co's	25	1,22,04,151	6.94
Foreign Institutional Investors/GDR's	82	1,97,75,195	11.25
Private Corporate Bodies	701	94,84,239	5.39
NRI/OCB/Foreign Nationals	558	13,98,537	0.80
TRUSTS	9	1,66,340	0.09
Total	40938	17,58,14,884	100.00

XII. Dematerialisation of Shares and Liquidity

The Company's shares are compulsorily traded in dematerialised form and are available for trading on both the depositories in India viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Equity shares of the Company representing 97.69% of the Company's share capital are dematerialized as on March 31, 2015. The Company's shares are

regularly traded on National Stock Exchange of India Limited and the Bombay Stock Exchange Limited, in electronic form.

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

As on March 31, 2015, 71,930 (0.04%) GDR are outstanding. Each GDR represents one underlying equity share.

XIV. Plant Locations

Sugar

- 1 Sugar Factory & Distillery
Nellikuppam - 607 105
Cuddalore District
Tamilnadu
- 2 Sugar Factory
Pugalur - 639 113
Karur District
Tamilnadu
- 3 Sugar Factory
Pettavaithalai - 639 112
Tiruchirapalli District
Tamilnadu
- 4 Sugar Factory
Kurumbur - 614 622
Aranthangi Taluk,
Pudukottai District
Tamilnadu
- 5 Distillery Factory
Udaikulam Village,
Koothandhal Post
Sivagangai Taluk,
Sivagangai
District - 630 561
Tamilnadu
- 6 Sugar Factory
Ariyur,
Villianur Commune
Puducherry - 605 102
- 7 Sugar Factory & Distillery
Hullatti Village
Haliyal Mandal - 581 329
Uttara Kannada
Karnataka

- 8 Sugar Factory
NH-50, Nagarlal Post,
Nainegali - 587 207
Bagalkot Taluq & District
Karnataka
- 9 Sugar Factory & Distillery
Sankili Village
Regidi Amadalavalasa
Mandal
Srikakulam
District - 532 440
Andhra Pradesh

Bio Products

- 10 Bio-Pesticides Factory
Thyagavalli Village,
Via Alapakkam Rly. Station
Cuddalore Taluk - 608 803
Cuddalore District
Tamilnadu

Nutra Products

- 11 Nutraceuticals Factory
Kadiapatti,
Nemathanpatti Road
Panangudi Post - 622 505
Oonaiyur Village,
Pudukottai District Tamilnadu

OTHER INFORMATION FOR SHAREHOLDERS**DIVIDENDS**

Shareholders who have not encashed their dividend warrants (for earlier periods) may approach our Registrar and Transfer Agent

M/s. Karvy Computershare Private Ltd., Hyderabad for issue of cheques / demand drafts in lieu of dividend warrants quoting the Folio Number/ Client ID. Dividends remaining unclaimed for a period of 7 years will be transferred by the Company to the Investor Education & Protection Fund (IEPF). Due dates on which the unclaimed dividends would be transferred are given below:

Year	Dividend Type	Amount of Dividend Per share (₹ P)	Due for transfer to the Investor Education and Protection Fund
2007-08	Final	0.50	03.09.2015
2008-09	Special	4.00	31.10.2015
2008-09	Interim	10.00	22.04.2016
2008-09	Final	6.00	04.09.2016
2009-10	Interim	6.00	07.03.2017
2009-10	Final	4.00	03.09.2017
2010-11	Interim	2.00	25.04.2018
2011-12	Interim	4.00	25.04.2019
2012-13	Interim	6.00	08.03.2020
2014-15	Interim	2.00	25.04.2022

NOMINATION FACILITY

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

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

Shareholders are advised to avail of this facility.

BENEFITS OF DEMATERIALISATION

2.31% of the shares are still in physical form. Shareholders who are holding shares in physical form are advised to convert their holdings into demat form, since the Company's equity shares are under compulsory demat trading.

GENERAL

Members are requested to quote their Folio No./DP & Client ID Nos, Email ids, telephone/Fax numbers for timely investor servicing by the

Company/Registrar and Transfer Agent. Members holding shares in electronic form are requested to update with their depository participant their present address, e-mail ids and bank particulars (9 digit MICR code).

UNCLAIMED SUSPENSE ACCOUNT

In accordance with Clause 5A of the amended Equity Listing Agreement with the Stock Exchanges the Company, after sending three reminders to the shareholders to claim their respective shares, has dematted all physical shares which remained unclaimed by the shareholders to an "Unclaimed Suspense Account" which was opened by the Company for this purpose. All corporate benefits that accrue on these shares such as bonus shares, split etc. shall also be credited to the Unclaimed Suspense Account and the voting rights on such shares shall remain frozen. Shareholders are requested to write to the Registrar & Transfer Agent and provide the correct details to enable the Company to transfer the unclaimed share certificate directly to the Shareholders demat account.

The following disclosures are made in pursuance of Clause 5A of the Listing Agreement with the Stock Exchanges.

Sl. No.	Particulars	No. of shareholders	No. of shares
(i)	Aggregate number of shareholders and the outstanding shares lying in the unclaimed suspense account at the beginning of the year	2537	14,00,070
(ii)	Number of shareholders who approached the issuer for transfer of shares from the unclaimed suspense account during the year	15	27,840
(iii)	Number of shareholders to whom shares were transferred from the unclaimed suspense account during the year	15	27,840
(iv)	Aggregate number of shareholders and the outstanding shares lying in the unclaimed suspense account at the end of the year	2522	13,72,230



**STANDALONE
FINANCIAL STATEMENTS**

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF E.I.D.-PARRY (INDIA) LIMITED

1.0 Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of E.I.D.- PARRY (INDIA) LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2.0 Management's Responsibility for the Standalone Financial Statements

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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

3.0 Auditor's Responsibility

3.1 Our responsibility is to express an opinion on these standalone financial statements based on our audit.

3.2 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.

3.3 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 financial statements are free from material misstatement.

3.4 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 auditor's 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 financial statements.

3.5 We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

4.0 Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 state of affairs of the Company as at March 31, 2015, and its profit and its cash flows for the year ended on that date.

5.0 Report on Other Legal and Regulatory Requirements

5.1 As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

5.2 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 and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of all pending litigations on its financial position in its financial statements – Refer Note 28 (b) to (f) to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts 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.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 008072S)

Chennai,
May 29, 2015

M.K.Ananthanarayanan
Partner
Membership No. 19521

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 5.1 of our report of even date)

(i) In respect of its fixed assets:

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- (b) Some of the fixed assets were physically verified during the year by the Management in accordance with a programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(ii) In respect of its inventories:

- (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.

(iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services and during the course of our audit, we have not observed any continuing failure to correct major weaknesses in such internal control system.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year.

(vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determining whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

- (a) The Company has generally been regular in depositing undisputed dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Cess which have not been deposited as at March 31, 2015 on account of disputes are given below:

₹ in Lakh

Name of the Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved
The Central Excise Act, 1944	Excise duty	Commissioner (Appeals)/CESTAT/ High Court/ Supreme Court	1977-2014	640
The Finance Act, 1994	Service Tax	Commissioner (Appeals)/ CESTAT	2002-2013	165
Various State Sales Tax Acts	Sales Tax- Local	Assistant/ Deputy Commissioner/ Tribunal/ Supreme court	1980-2006	139
Central Sales Tax Act, 1956	Sales Tax- CST	Assistant/ Deputy Commissioner/ Tribunal/ High court	1999-2005	70
Tamil Nadu General Sales Tax Act, 1959	TNGST Act	Assistant/ Deputy Commissioner/ Tribunal/ High court	2001-2002	12
Customs Act, 1962	Customs Duty	CESTAT	Assessment Year 2006-07	4,302
Income Tax Act, 1961	Income Tax dues	Income Tax Appellate Tribunal/High court/ CIT Appeals	Assessment Year 2003-04 to 2010-11	2,340

(d) The Company has been regular in transferring amounts to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder within time.

(viii) The Company does not have accumulated losses as at the end of the financial year and the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

(ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions, banks and debenture holders.

(x) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from banks and financial institutions are not, *prima facie*, prejudicial to the interests of the Company.

(xi) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained, other than temporary deployment pending application.

(xii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 008072S)

Chennai,
29 MAY, 2015

M.K. Ananthanarayanan
Partner
Membership No. 19521

BALANCE SHEET AS AT MARCH 31, 2015

₹ in Lakh

S. No	Particulars	Note No.	As at March 31, 2015	As at March 31, 2014
	A. EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share Capital	2	1,758	1,758
	(b) Reserves and Surplus	3	1,35,160	1,26,184
			1,36,918	1,27,942
2	Non-Current Liabilities			
	(a) Long Term Borrowings	4	67,309	92,846
	(b) Deferred Tax Liabilities (Net)	5	5,629	7,016
			72,938	99,862
3	Current Liabilities			
	(a) Short Term Borrowings	6	92,902	85,713
	(b) Trade Payables	7	33,554	30,003
	(c) Other Current Liabilities	8	50,224	38,299
	(d) Short Term Provisions	9	3,021	1,115
			1,79,701	1,55,130
	TOTAL		3,89,557	3,82,934
	B. ASSETS			
1	Non-Current Assets			
	(a) Fixed Assets	10		
	(i) Tangible Assets		1,47,865	1,47,914
	(ii) Intangible Assets		197	222
	(iii) Capital Work in Progress		2,416	4,889
	(b) Non Current Investments	11	68,291	54,476
	(c) Long Term Loans and Advances	12	14,651	23,829
	(d) Other Non Current Assets	13	2,933	3,695
			2,36,353	2,35,025
2	Current Assets			
	(a) Current Investments	14	2	2
	(b) Inventories	15	1,07,884	1,04,966
	(c) Trade Receivables	16	26,450	24,739
	(d) Cash and Cash Equivalents	17	4,209	6,322
	(e) Short Term Loans and Advances	12	9,512	10,929
	(f) Other current assets	18	5,147	951
			1,53,204	1,47,909
	TOTAL		3,89,557	3,82,934
	See accompanying notes forming part of the financial statements	1-46		

In terms of our report attached

For and on behalf of the Board of Directors

For Deloitte Haskins & Sells
Chartered Accountants

V. Ramesh
Managing Director

Anand Narain Bhatia
Chairman

M.K. Ananthanarayanan
Partner

G. Jalaja
Company Secretary

V. Suri
Chief Financial Officer

Chennai
May 29, 2015

Chennai
May 29, 2015

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

₹ in Lakh

S. No	Particulars	Note No.	For the year ended March 31, 2015	For the year Ended March 31,2014
1	Income			
	Revenues from Operations (Gross)		2,14,266	1,83,794
	Less : Excise duty		6,099	5,593
	Revenues from Operations (Net)	19	2,08,167	1,78,201
	Other Income	20	18,337	16,347
	Total Revenue		2,26,504	1,94,548
2	Expenses:			
	Cost of materials consumed	21	1,39,482	1,24,560
	Purchases of Stock-in-Trade	22	2,522	3,035
	Changes in Inventories of finished goods, work-in-process and stock in trade	23	(3,790)	(7,336)
	Employee benefits expense	24	12,772	12,264
	Finance costs	25	15,127	19,616
	Depreciation and amortisation expense net of transfer from fixed assets revaluation reserve - Nil (2014 : ₹ 16 Lakh)	10	10,193	9,731
	Other expenses	26	36,600	35,788
	Total Expenses		2,12,906	1,97,658
3	Profit/(Loss) before tax (1-2)		13,598	(3,110)
4	Tax Expense/(Benefit):			
	(a) Current Tax expense		693	-
	(b) Less: MAT Credit entitlement		(693)	-
	(c) Deferred Tax	5	(1,227)	(5,763)
	Net tax benefit		(1,227)	(5,763)
5	Profit for the year (3-4)		14,825	2,653
	Earnings Per Share (of ₹ 1/- each)	44		
	(a) Basic		8.43	1.51
	(b) Diluted		8.43	1.51
	See accompanying notes forming part of the financial statements	1-46		

In terms of our report attached

For and on behalf of the Board of Directors

For Deloitte Haskins & Sells
Chartered Accountants

V. Ramesh
Managing Director

Anand Narain Bhatia
Chairman

M.K.Ananthanarayanan
Partner

G. Jalaja
Company Secretary

V. Suri
Chief Financial Officer

Chennai
May 29, 2015

Chennai
May 29, 2015

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

₹ in Lakh

Particulars	For the Year ended March 31, 2015		For the Year ended March 31, 2014	
A. Cash flow from operating activities				
Profit/(Loss) before tax		13,598		(3,110)
Adjustments for :				
Depreciation and Amortisation expenses	10,193		9,731	
Finance costs	15,127		19,616	
Dividend Income	(11,953)		(7,992)	
Profit on sale of fixed assets (net)	(1,574)		(2,371)	
Loss on Sale of investment	293		-	
Interest Income	(1,032)		(4,317)	
Liabilities/ Provisions no longer required written back	(744)		(567)	
Bad debts written off	133		398	
Provision for doubtful trade and other receivables, loans and advances	821		1,010	
Fixed Assets scrapped	650	11,914	63	15,571
Operating profit before working capital changes		25,512		12,461
Changes in working capital				
Adjustments for(increase)/decrease in operating assets				
Trade receivables	(2,670)		(4,700)	
Long Term Loans and Advances	(2,443)		(2,132)	
Short Term Loans and Advances	1,417		10,250	
Inventories	(2,918)		(7,784)	
Other Non current assets	104		(1,694)	
Other Current Assets	(449)		125	
Adjustments for increase/(decrease) in operating liabilities				
Trade Payables	3,551		6,442	
Increase in short term provisions	148		68	
Other Current liabilities	7,419	4,159	1,854	2,429
Cash generated from operations		29,671		14,890
Net Income Tax paid		(397)		(317)
Net cash flow from operating activities		29,274		14,573
B. Cash flow from investing activities				
Capital expenditure on fixed assets including capital advances	(8,119)		(15,548)	
Proceeds from sale of fixed assets	1,679		2,510	
Purchase of long term investments - subsidiaries (Refer note below)	(2,778)		(2,906)	
Bank balances not considered as Cash and Cash equivalents	(1,025)		(1,887)	
Loans and Advances given to subsidiary companies (Refer note below)	(30)		(7,894)	
Proceeds from sale of investments / redemption of debentures	170		26,638	
Interest received	320		5,091	
Repayment of Subsidiary loan	1,385		-	
Dividend income received				
- From Subsidiaries	8,143		7,972	
- From Others	186		20	
Net cash flow (used in)/from investing activities		(69)		13,996
C. Cash flow from financing activities				
Proceeds from issue of equity shares	27		17	
Proceeds from long term borrowings	19,404		34,221	
Repayment of long term borrowings	(39,764)		(20,899)	
Proceeds from other term borrowings (net)	2,681		4,000	
Net Increase/(Decrease) in working capital borrowing	4,508		(26,370)	
Finance costs	(15,683)		(17,126)	
Dividends paid including Dividend Tax	(3,516)		-	
Net cash flow used in financing activities		(32,343)		(26,157)

₹ in Lakh

Particulars	For the Year ended March 31, 2015	For the Year ended March 31, 2014
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(3,138)	2,412
Reconciliation of Cash and Cash equivalents with the Balance Sheet		
Cash and cash equivalents as at beginning of the year	3,887	1,144
Add: Cash & cash Equivalents acquired pursuant to a scheme of Amalgamation of Sadashiva Sugars Limited	-	331
Cash and cash equivalents as at the end of the year	749	3,887
Net (decrease)/increase in cash and cash equivalents	(3,138)	2,412
Cash and Cash equivalents as per Balance Sheet - (Note 17)	4,209	6,322
Add: Current Investments considered as Cash and Cash Equivalents	2	2
Less: Deposits not considered as Cash and Cash equivalents as defined in AS 3 Cash Flow Statements	-	-
Less: Balance In Unpaid Dividend account	376	310
Less: Balance In Margin Money account	686	627
Less: Balance In Debenture Redemption account	2,400	1,500
Cash and Cash equivalents as per AS 3	749	3,887

Note

Disclosure of non cash transactions

₹ in Lakh

Particulars	2014-15	2013-14
Relating to Scheme of Amalgamation with Sadashiva Sugars Limited		
- Cancellation of Company's investment in Sadashiva Sugars Limited	-	11,796
- Fixed assets (Net)	-	17,656
- Investments	-	1
- Other assets	-	22,711
- Loan funds	-	(29,433)
- Other liabilities	-	(9,271)
Others :		
Conversion of loans given to subsidiaries to equity shares	-	394
Conversion of loans given to subsidiaries to Preference shares	11,495	2,500
Conversion of Other receivables from subsidiaries to Preference shares	5	-

In terms of our report attached

For and on behalf of the Board of Directors

For Deloitte Haskins & Sells
Chartered Accountants

V. Ramesh
Managing Director

Anand Narain Bhatia
Chairman

M.K.Ananthanarayanan
Partner

G Jalaja
Company Secretary

V Suri
Chief Financial Officer

Chennai
May 29, 2015

Chennai
May 29, 2015

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Corporate information

E.I.D. Parry is a significant player in Sugar with interests in promising areas of Bio Pesticides and Nutraceuticals. The company also has a significant presence in Farm Inputs business through its subsidiary, Coromandel International Limited.

EID Parry together with its subsidiaries has nine sugar factories having a capacity to crush 39,000 Tonnes of Cane per day, generate 160 MW of power and four distilleries having a capacity of 230 KLPD. In the Bio Pesticides business, the Company offers a unique neem extract, Azadirachtin, having a good demand in the developed countries' bio pesticide markets. In the Nutraceuticals business, it holds a strong position in the growing wellness segment mainly catering to the world markets with its organic products.

SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention except for categories of fixed assets acquired before June 30, 1987, that are carried at revalued amounts. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

1.2 Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires

the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

1.3 Inventories

(i) Inventories other than by products are valued at the lower of cost determined on weighted average basis and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

(ii) Inventories of by-products are valued at estimated net realisable value.

1.4 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

1.5 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing

activities of the Company are segregated based on the available information.

1.6 Depreciation and amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

(i) Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

Plant and Machinery (Continuous Process)	18 years
Plant and Machinery (General)	3 - 8 years

Vehicles

Motor cycles	4 years
Motor Cars	4 years

(ii) In respect of additions and deletions during the year, depreciation charge is provided on pro-rata basis.

(iii) Leased assets are fully depreciated over the primary lease period.

(iv) Assets costing individually Rs 5,000 or less are fully depreciated in the year of addition.

(v) Intangible assets are amortised over their estimated useful life on straight line method as follows:

Patents	3 years
Software	over the licence period

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

1.7 Revenue Recognition

(i) Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the despatch of goods to customers. Sales include excise duty but exclude sales tax and value added tax.

(ii) Income from services rendered is recognised as and when services are rendered based on agreements/arrangements with the concerned parties.

(iii) Export Incentive under Duty Entitlement Pass Book Scheme are treated as income in the year of export at the estimated realisable value.

(iv) Interest income is accounted on accrual basis.

(v) Dividend income is accounted when the right to receive it is established.

1.8 Fixed Assets

Tangible Fixed Assets (other than those which have been revalued) are carried at cost less accumulated depreciation / amortisation and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant

assets. Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Intangible Assets are stated at cost of acquisition less accumulated amortisation.

Leasehold land and leasehold improvements are amortised over the primary period of lease.

Capital Work in Progress: Projects under which tangible fixed assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

1.9 Foreign Currency Transactions

Initial Recognition: Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement at the Balance Sheet date: Foreign currency monetary items of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

Settlement : Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

Accounting for Forward Contracts : Premium / discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to monetary items as at the balance sheet date. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense in the period in which such cancellation or renewal is made.

Refer Notes 1.21 and 1.22 for accounting for forward exchange contracts relating to firm commitments and highly probable forecast transactions.

1.10 Investments

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments includes acquisition charges such as brokerage, fees and duties.

1.11 Employee Benefits

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund, compensated absences, long service awards and post-employment medical benefits.

(a) Defined contribution plans

The Company's contribution to provident fund, superannuation fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

(b) Defined benefit plans

For defined benefit plans in the form of gratuity fund and post-employment medical benefits, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

(c) Short Term Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under: (i) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and (ii) in case of non-accumulating compensated absences, when the absences occur.

(d) Long Term Employee Benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Long Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.

With respect to the Provident Fund Trust administered by the company, the company shall make good deficiency, if any, in the interest rate declared by Trust over statutory limit. Having regard to the assets of the Fund and the return on the investments, the company does not expect any deficiency in the foreseeable future.

(e) Employee share based payments

Stock options granted to the employees under the stock option scheme established are evaluated as per the accounting treatment prescribed by the Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999 issued by Securities and Exchange Board of India. The Company follows the intrinsic value method of accounting for the options and accordingly, the excess of market value of the stock options as on date of grant over the exercise price of the options, if any, is recognized as deferred employee compensation cost and is charged to the Statement of Profit and Loss on graded vesting basis over the vesting period of the options.

1.12 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

1.13 Segment reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Executive

Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

1.14 Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

1.15 Earnings per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

1.16 Taxes on Income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and

items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

1.17 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

1.18 Research and development expenses

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technological feasibility has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the policies stated for Fixed Assets.

1.19 Impairment of Assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of

the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

1.20 Provisions and Contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

1.21 Hedge Accounting

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecast transactions. The Company designates such forward contracts in a cash flow hedging relationship by applying the hedge accounting principles set out in "Accounting Standard 30 Financial Instruments: Recognition and Measurement" issued by ICAI. These forward contracts are stated at fair value at each reporting

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

date. Changes in the fair value of these forward contracts that are designated and effective as hedges of future cash flows are recognised directly in "Hedging reserve account" under Reserves and surplus, net of applicable deferred income taxes and the ineffective portion is recognised immediately in the Statement of Profit and Loss. Amounts accumulated in the "Hedging reserve account" are reclassified to the Statement of Profit and Loss in the same periods during which the forecasted transaction affects profit and loss. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in "Hedging reserve account" is retained until the forecasted transaction occurs. If the forecasted transaction is no longer expected to occur, the net cumulative gain or loss recognised in "Hedging reserve account" is

immediately transferred to the Statement of Profit and Loss.

1.22 Derivative contracts

The Company enters into derivative contracts in the nature of foreign currency swaps, forward contracts with an intention to hedge its existing assets and liabilities, firm commitments and highly probable transactions. Derivative contracts which are closely linked to the existing assets and liabilities are accounted as per the policy stated for Foreign Currency Transactions and Translations.

Derivative contracts designated as a hedging instrument for highly probable forecast transactions are accounted as per the policy stated for Hedge Accounting.

All other derivative contracts are marked-to-market and losses are recognised in the Statement of Profit and Loss. Gains arising

on the same are not recognised, until realised, on grounds of prudence.

1.23 Service tax input credit

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilising the credits.

1.24 Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

NOTE 2

SHARE CAPITAL

₹ in Lakh

Particulars	As at March 31, 2015	As at March 31, 2014
AUTHORISED :		
Equity Shares:		
192,50,00,000 Equity Shares of ₹ 1 each (Refer note 2.1)	19,250	16,250
(2014 - 1,62,50,00,000 Equity Shares of ₹ 1 each).		
Preference Shares:		
50,00,000 Redeemable Preference Shares of ₹ 100 each	5,000	5,000
(2014 - 50,00,000 Redeemable Preference Shares of ₹ 100 each)		
ISSUED, SUBSCRIBED AND FULLY PAID UP		
17,58,14,884 Equity Shares of ₹ 1 each	1,758	1,758
(2014 - 17,57,85,996 Equity Shares of ₹ 1 each)		
	1,758	1,758

2.1. Increase of ₹ 3,000 Lakh is on account of Increase in Authorised Share Capital of erstwhile Sadashiva Sugars Limited (which

was merged with the Company effective from April 1, 2013) the approval for which was accorded during the year.

2.2 The above equity share capital is net off 62,69,402 Equity Shares of ₹ 1 each, bought back by the company during the year 2008-09.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

2.3 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period

Reconciliation	2014-15		2013-14	
	No of Shares	₹ in Lakh	No. of Shares	₹ in Lakh
Equity Shares of ₹ 1 each fully paid up				
At the beginning of the year	17,57,85,996	1,758	17,57,66,864	1,758
Allotment of shares on exercise of Employee Stock Option (Refer Note 42)	28,888	*	19,132	*
At the end of the year	17,58,14,884	1,758	17,57,85,996	1,758

* Less than a Lakh.

2.4 Details of shares held by each shareholder holding more than 5 percent of equity shares in the company:

Name of the Share holder	No of shares held as at			
	March 31, 2015		March 31, 2014	
	Nos.	%	Nos.	%
Murugappa Holdings Limited (Investing Party)	5,87,35,204	33.41	5,87,35,204	33.42
Ambadi Investment Private Ltd	93,23,240	5.30	93,23,240	5.30
National Westminster Bank PLC as Depository of First State Asia Pacific Fund a Sub fund of First State Investments ICVC	34,04,777	1.94	91,06,484	5.18

2.5 Under the Employee Stock Option Plan – ESOP 2007, options not exceeding 89,24,850 have been reserved to be issued to the eligible employees, with each option conferring a right upon the employee to apply for one equity share. The options granted under the Scheme would vest not less than one year and not more than five years from the date of grant of the options. The options

granted to the employees would be capable of being exercised within a period of three years from the date of vesting.

Total options outstanding as at March 31, 2015 - 2,21,624 (March 2014 - 3,48,096) equity shares of ₹ 1 each. Refer Note No. 42 for other details about the scheme.

2.6 Terms attached to Equity shares

The Company has only one class of Equity share having a par value of ₹ 1 per share. Each holder of equity share is entitled to one vote per share. The dividend when proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Repayment of capital on liquidation will be in proportion to the number of equity shares held.

NOTE 3 RESERVES AND SURPLUS

₹ in Lakh

Particulars	As at March 31, 2015	As at March 31, 2014
(a) Capital Redemption Reserve	3,113	3,113
(b) Securities Premium Account (Refer note 3.1)		
Opening balance	5,034	5,017
Add: Premium on Shares allotted under ESOP	27	17
Closing balance	5,061	5,034

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

₹ in Lakh

Particulars	As at March 31, 2015	As at March 31, 2014
(c) Debenture Redemption Reserve		
Opening balance	6,653	4,000
Add : Transfer from surplus in Statement of Profit and Loss	4,847	3,653
Less : Transfer to surplus in Statement of Profit and loss	(2,500)	(1,000)
Closing balance	9,000	6,653
(d) Fixed Asset Revaluation Reserve (Refer note 3.2)		
Opening balance	510	526
Less : Utilised during the year	-	(16)
Closing balance	510	510
(e) General Reserve		
Opening balance	86,272	95,803
Less : Adjustments arising on amalgamation of Sadashiva Sugars Limited	-	(9,531)
Add: Additions during the year	1,500	-
Closing balance	87,772	86,272
(f) Hedging Reserve		
Opening balance	146	15
Add :Addition during the year	(146)	146
Less : Utilised /reversed during the year	(146)	(15)
Closing balance	(146)	146
(g) Surplus in Statement of Profit and Loss		
Opening Balance	24,456	24,456
Less: Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life (Net of deferred tax of ₹ 160 Lakh) - (Refer note 10A)	(310)	-
Add: Profit for the year	14,825	2,653
	38,971	27,109
Less : Appropriations		
Interim Dividend on Equity Shares - ₹ 2 per share (2014 : Nil)	(3,516)	-
Proposed Final Dividend on Equity Shares - ₹ 1 per share (2014 : Nil)	(1,758)	-
Dividend Distribution Tax	-	-
Transfer to Debenture Redemption Reserve (Net)	(2,347)	(2,653)
Transfer to General Reserve	(1,500)	-
Closing Balance	29,850	24,456
TOTAL RESERVES AND SURPLUS	1,35,160	1,26,184

3.1 During the year, 28,888 equity shares (2014: 19,132 equity shares) of ₹ 1/- each were issued to the employees as exercise of employees stock option for an aggregate premium of ₹ 27 Lakh (2014: ₹ 17 Lakh)

3.2 Deduction during the year represents Nil (2014 - ₹ 16 Lakh) transferred to Statement of Profit and Loss.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 4

LONG TERM BORROWINGS

₹ in Lakh

Particulars	Non-Current		Current	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
(a) Privately placed Secured, Redeemable Non-convertible debentures				
10.25% Secured Redeemable Non-convertible debentures 2013-14 series (Refer note 4.1)	10,000	10,000	-	-
8.97% Secured Redeemable Non-convertible debentures 2013-14 series (Refer note 4.2)	20,000	20,000	-	-
9.25% Secured Redeemable Non-convertible debentures 2012-13 series (Refer note 4.3)	-	10,000	10,000	-
9.15% Secured Redeemable Non-convertible debentures 2012-13 series (Refer note 4.4)	-	6,000	6,000	-
10.40% Secured Redeemable Non-convertible debentures 2011-12 series (Refer note 4.5)	-	-	-	6,000
10.25% Secured Redeemable Non-convertible debentures 2011-12 series (Refer note 4.5)	-	-	-	4,000
Sub Total	30,000	46,000	16,000	10,000
(b) Secured Term Loans from:				
Banks (Refer note 4.6 to 4.6.9)	25,865	37,063	6,267	7,046
Government of India - Sugar Development Fund (Refer note 4.7)	8,451	6,626	1,858	1,996
Sub Total	34,316	43,689	8,125	9,042
(c) Other loans and advances				
Unsecured loan from Bank (Refer note 4.6)	493	657	164	70
Unsecured loan from others (Refer note 4.8)	2,500	2,500	-	-
Sub Total	2,993	3,157	164	70
Total	67,309	92,846	24,289	19,112
The above amount includes				
Secured Borrowings	64,316	89,689	24,125	19,112
Unsecured Borrowings	2,993	3,157	164	-
Amount disclosed under the head "other current liabilities" (Note 8)	-	-	24,289	19,112
Net amount	67,309	92,846	-	-

4.1 1000 - 10.25% Secured Redeemable Non-convertible Debentures of ₹ 10 Lakh each aggregating to ₹ 10,000 Lakh are secured by a pari passu first charge by way of a registered mortgage deed on the Company's immovable properties/fixed assets both present and future situated at Pugalur and Nellikuppam. Debentures are redeemable in full at par on 6th January 2017.

4.2 2000 - 8.97% Secured Redeemable Non-convertible Debentures of ₹ 10 Lakh each aggregating to ₹ 20,000 Lakh are secured by a pari passu first charge by way of a registered mortgage deed on the Company's immovable properties/fixed assets both present and future situated at Pugalur. Debentures are redeemable in full at par on 3rd May 2016.

4.3 1,000 - 9.25% Secured Redeemable Non-convertible Debentures of ₹ 10 Lakh each aggregating to ₹ 10,000 Lakh are secured by a pari passu first charge by way of a registered mortgage deed on the Company's specific immovable properties. Debentures are redeemable in full at par on 18th March 2016.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

4.4 600 - 9.15% Secured Redeemable Non-convertible Debentures of ₹ 10 Lakh each aggregating to ₹ 6,000 Lakh are secured by a pari passu first charge by way of a

registered mortgage deed on the Company's immovable properties situated at Pugalur. Debentures are redeemable in full at par on 23rd October 2015.

4.5 600 - 10.40% Secured Redeemable Non-convertible Debentures of ₹ 10 Lakh each aggregating to ₹ 6,000 Lakh and 400 - 10.25% Secured Redeemable Non-convertible Debentures of ₹ 10 Lakh each aggregating to ₹ 4,000 Lakh were fully redeemed during the year.

4.6 The summary of Bank loans are as follows:

₹ in Lakh

Particulars	As at March 31, 2015	As at March 31, 2014	Terms of repayment
State Bank of India (Refer Note 4.6.1)	-	10	
State Bank of India (Refer Note 4.6.2)	216	1,195	Out of ₹ 216 Lakh, 166 Lakh is payable in Apr-15 and balance amount of ₹ 50 Lakh is repayable over next 2 years in equal annual installments.
ECB - HSBC Bank (Mauritius) Ltd (Refer Note 4.6.3)	1,250	2,197	Balance repayable in four installments
Axis Bank Limited (Refer Note 4.6.4)	-	19,300	
State Bank of India (Refer Note 4.6.5)	3,114	3,835	Repayable in 16 quarterly installments
HDFC - Unsecured	558	627	Repayable in 49 monthly installments
State Bank of India - Financial Assistance Loan (Refer Note 4.6.6)	14,466	10,000	Repayable in 5 years; 2 years moratorium and 36 equal monthly installments.
State Bank of India (Refer Note 4.6.7)	585	5,576	Repayable in 17 quarterly installments.
State Bank of India (Refer Note 4.6.8)	-	949	
State Bank of Mysore (Refer Note 4.6.8)	-	1,047	
BNP Paribas (Refer Note 4.6.9)	12,500	-	Repayable in 3 equal annual installments
Yes Bank - Unsecured	100	100	Repayable in 16 quarterly installments
	32,789	44,836	

The above loans carries interest rates ranging from 7.8% - 11.5% per annum.

4.6.1 The Rupee term loans from State Bank of India amounting to ₹ 10 Lakh secured by a pari passu first charge by way of hypothecation of all the movable plant and machinery and other movable assets both present and future situated at Nellikuppam, Pugalur, Pettavaittalai, Pudukottai, Thyagavalli and Ariyur and further secured by a pari passu first charge on the immovable properties situated at these places except Ariyur and a second charge on current assets have been fully repaid during the year.

4.6.2 The Rupee term loans from State Bank of India amounting to ₹ 216 Lakh are secured by a pari passu first charge by way

of hypothecation of all the movable plant and machinery and other movable assets both present and future situated at Nellikuppam, Pugalur, Pettavaittalai, Pudukottai, Thyagavalli and Ariyur and further secured by a pari passu first charge on the immovable properties situated at these places except Ariyur and a second charge on current assets.

4.6.3 The External Commercial Borrowings (ECB) Loan from HSBC Bank (Mauritius) Ltd. Mauritius amounting to ₹ 1250 Lakh secured by a pari passu first charge on the immovable properties situated at Nellikuppam, Pugalur, Pudukottai, and Thyagavalli and to be further secured by a pari passu first charge by way of hypothecation of all the movable plant and machinery and other movable assets both

present and future situated at Nellikuppam, Pugalur, Pettavaittalai, Pudukottai, Thyagavalli and Ariyur.

4.6.4 Rupee term loans from Axis Bank Limited have been fully pre-closed during the year.

4.6.5 Rupee term loans from State Bank of India are secured by pari passu first charge on fixed assets of Sankili and Haliyal plants.

4.6.6 The Financial Assistance loan from State Bank of India amounting to ₹ 14,466 Lakh is secured by a pari passu first charge on fixed assets (both present and future) of the company and second charge on the company's current assets. As per terms of this loan, interest @12% per annum will be directly paid by the Government to the Bank.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

4.6.7 Term Loans extended by State Bank of India are primarily secured by pari-passu first charge on the plant & machinery of the company and pari-passu first charge by way of equitable mortgage of land and Factory buildings of the Bagalkot plant and collaterally secured by pari-passu charge on the fixed assets of the Bagalkot plant.

4.6.8 Term Loans extended by State Bank of India and State Bank of Mysore primarily secured by pari-passu first charge on the plant & machinery of the company and pari-passu first charge by way of equitable mortgage of land and Factory buildings of the Bagalkot plant and collaterally secured by

pari-passu charge on the fixed assets of the Bagalkot plant were repaid during the year.

4.6.9 Term Loans extended by BNP Paribas are primarily secured by Pari-passu first charge on the movable fixed assets of the company.

4.7 The summary of Sugar Development Fund loans are as follows :

₹ in Lakh

Particulars	As at March 31, 2015	As at March 31, 2014
Pudukottai - Modernisation and Expansion of Cogeneration unit and Modernisation of sugar unit (Ref Note No. 4.7.1)	384	655
Pugalur - Modernisation and Expansion of sugar Unit (Refer note 4.7.1)	200	751
Pettavaithalai - Modernisation and Expansion of Sugar and Cogeneration units (Refer note 4.7.1)	3,031	3,612
Nellikuppam - Expansion of Sugar and Cogeneration units (Ref note 4.7.1)	1,080	1,080
Haliyal - Raw Sugar Processing, Cane Development Loan and Loan for Cogeneration Unit (Refer note 4.7.2)	3,537	1,181
Sankili - Modernisation and Expansion of sugar Unit and Cane Development Loan (Refer note 4.7.2)	495	501
Bagalkot - Cane Development Loan and Loan for Cogeneration Unit (Refer note 4.7.3)	1,582	842
Total	10,309	8,622

4.7.1 The loans are secured by way of a Bank Guarantee from State Bank of India. It carries interest rate of 4% and repayable over 7 to 10 years.

4.7.2 Loans are secured by way of pari passu first charge on fixed assets of Haliyal and Sankili respectively of which an amount of ₹ 2,682 Lakh is secured by way of Bank Guarantee from IndusInd Bank Ltd., with interest thereon. It carries interest rate of 4% to 7% and repayable over 7 to 14 years.

4.7.3 The loans are secured by way of Bank Guarantee. It carries interest rate of 6.75% to 9% and repayable over 6 to 10 years.

4.8 The Interest free loan is repayable after 11 years.

4.9 There is no default in repayment of the loans and interest thereon.

NOTE 5

DEFERRED TAX (ASSET) / LIABILITY

₹ in Lakh

Particulars	As at March 31, 2014	Additions arising on write off of WDV of certain assets (Note 10A)	Movement during the year	As at March 31, 2015
Tax effect of items constituting deferred tax liability				
On difference between book balance and tax balance of fixed assets	23,679	(160)	954	24,473
Tax effect of items constituting deferred tax assets				
Unabsorbed Depreciation and Business Loss	(15,272)	-	(1,339)	(16,611)
Provision for Doubtful Debts, Provision for compensated absences and others	(1,391)	-	(842)	(2,233)
Net Deferred Tax (Asset) / Liability	7,016	(160)	(1,227)	5,629

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 6 SHORT TERM BORROWINGS

₹ in Lakh

Particulars	As at March 31, 2015	As at March 31, 2014
(a) Loans repayable on demand		
From Banks		
(i) Secured (Refer note 6.1 & 6.2)	36,899	38,891
(ii) Unsecured (Refer note 6.3)	7,003	4,322
(b) Commercial Papers - Unsecured (Refer note 6.4)	49,000	42,500
	92,902	85,713

6.1 Working Capital facilities from State Bank of India of ₹ 36,899 Lakh are secured by hypothecation of sugar and other stocks, stores, book debts and liquid assets and further secured by a second charge over the immovable properties of the company (other than Pugalur unit) and a third charge on the movable and immovable properties of the Pugalur sugar unit.

6.2 Working capital facility from State Bank of Mysore is secured by way of first charge on current assets of the company and collaterally secured by pari passu charge on the fixed assets of the Bagalkot sugar unit. There is no outstanding as on 31st March, 2015.

6.3. Packing credit facility is covered by letter of credit or confirmed and irrevocable order for the export of goods / services.

6.4. Maximum amount outstanding at any time during the year was ₹ 79,000 Lakh (2014: ₹ 70,000 Lakh)

NOTE 7 TRADE PAYABLES

₹ in Lakh

Particulars	As at March 31, 2015	As at March 31, 2014
Trade payables (Refer note 7.1 below):		
- Sundry Creditors	31,998	28,884
- Employee related payables	1,556	1,119
	33,554	30,003

7.1 There are no dues to enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006, as at March 31, 2015 (March 31, 2014 - Nil) which is on the basis of such parties having been identified by the management and relied upon by the auditors.

7.2 The Company entered into an agreement in an earlier year with Tamilnadu Newsprint Paper Limited on Barter basis for supply Bagasse Fibre and receiving equivalent amount of coal on equating with calorific value. For the year, Liability on the Net exchange value for the said barter transaction has been recognised in the books of accounts.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**NOTE 8
OTHER CURRENT LIABILITIES**

₹ in Lakh

Particulars	As at March 31, 2015	As at March 31, 2014
(a) Current maturities of long-term debt	24,289	19,112
(b) Interest accrued but not due on borrowings	3,527	3,745
(c) Unclaimed dividends (Refer note 8.1 & 8.2)	376	310
(d) Other Liabilities		
- Excise Duty on undespached stock	3,717	3,620
- Due to Directors	172	5
- Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	1,140	1,440
- Advances and Deposits from Customers/Others	774	763
- Cane Bill due payable to Banks	15,579	8,152
- Other Miscellaneous liabilities (Refer Note 8.3)	650	1,152
	50,224	38,299

8.1 These amounts represent warrants issued to the Shareholders which remained unrepresented as on March 31, 2015.

8.2 There are no amounts due to be transferred to Investor Education and Protection Fund as on March 31, 2015.

8.3 Other Miscellaneous Liabilities includes liability towards Capital goods, Collections payable to bank etc.,

**NOTE 9
SHORT - TERM PROVISIONS**

₹ in Lakh

Particulars	As at March 31, 2015	As at March 31, 2014
Provision for compensated absences	1,263	1,115
Proposed Dividend on Equity Shares	1,758	-
	3,021	1,115

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
NOTE 10
FIXED ASSETS

₹ in Lakh

Particulars	GROSS BLOCK					ACCUMULATED DEPRECIATION AND AMORTISATION					NET BLOCK	
	Cost/ Value As at April 1, 2014	Additions	Borrowing cost capitalised	Deletions	Cost/ Value As at March 31, 2015	As at April 1, 2014	For the year	Transition adjustment recorded against surplus balance in Statement of Profit and loss	Deletions	As at March 31, 2015	As at March 31, 2015	As at March 31, 2014
Tangible assets (A)												
Freehold Land	6,931	13	-	11	6,933	-	-	-	-	6,933	6,931	
Leasehold Land (Refer note 10.1)	165	-	-	-	165	2	-	-	2	163	163	
Buildings												
a) R&D (Refer note 10.4)	187	-	-	50	137	90	7	6	65	99	97	
b) Others (Refer note 10.2 and 10.3)	29,955	1,732	30	533	31,184	7,217	937	47	437	23,420	22,738	
Plant and Machinery												
a) R&D (Refer note 10.4)	637	18	-	115	540	574	13	1	108	60	63	
b) Others	1,93,251	8,927	308	4,772	1,97,714	77,431	8,451	37	4,163	1,15,958	1,15,820	
Furniture & Fixtures												
a) R&D (Refer note 10.4)	63	-	-	5	58	54	2	-	5	7	9	
b) Others	1,758	10	-	33	1,735	1,275	97	128	31	266	483	
Office Equipments												
a) R&D (Refer note 10.4)	83	11	-	20	74	64	5	11	14	8	19	
b) Others	3,205	149	-	292	3,062	2,347	418	218	280	359	858	
Vehicles												
a) R&D (Refer note 10.4)	9	3	-	8	4	1	-	-	1	4	8	
b) Others	1,792	143	-	136	1,799	1,067	238	22	116	588	725	
Total (A)	2,38,036	11,006	338	5,975	2,43,405	90,122	10,168	470	5,220	1,47,865	1,47,914	
Intangible Assets (B)												
Patent / Software	957	-	-	-	957	735	25	-	-	197	222	
Total (A) + (B)	2,38,993	11,006	338	5,975	2,44,362	90,857	10,193	470	5,220	1,48,062	1,48,136	
Capital Work - in Progress										2,416	4,889	
										1,50,478	1,53,025	

Notes:

- 10.1. Amortisation of Leasehold land for the year is ₹ 0.08 Lakh (2014 - ₹ 0.08 Lakh).
10.2. Includes cost of ₹ 31 Lakh (2014 - ₹ 31 Lakh) for which title deeds are yet to be received from the Registrar.
10.3. Includes Building on Leasehold land : Cost : ₹ 884.41 Lakh (2014 - ₹ 884.41 Lakh) and Accumulated Depreciation : ₹ 272.47 Lakh (2014 - ₹ 258.73 Lakh).
10.4. Additions for the year 2014-2015 includes ₹ 32 Lakh (2014 - ₹ 17 Lakh) of Fixed Assets additions made in the Approved In-house R & D Centres.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 10 FIXED ASSETS PREVIOUS YEAR 2013-14 :

₹ in Lakh

Particulars	GROSS BLOCK				ACCUMULATED DEPRECIATION AND AMORTISATION				NET BLOCK		
	Cost/ Value As at April 1, 2013	Additions pursuant to the scheme of Amalgamation	Deletions	Cost/ Value As at March 31, 2014	As at April 1, 2013	Additions pursuant to the scheme of Amalgamation	For the year	Deletions	As at March 31, 2014	As at March 31, 2014	As at March 31, 2013
Tangible assets (A)											
Freehold Land	6,460	467	-	6,931	-	-	-	-	6,931	-	6,460
Leasehold Land	4	-	-	165	2	-	-	2	163	-	2
Buildings											
a) R&D	187	-	-	187	85	-	-	-	90	-	102
b) Others	24,699	2,387	3	29,955	6,027	254	2	7,217	22,738	-	18,672
Plant and Machinery											
a) R&D	630	-	7	637	557	-	-	574	63	-	73
b) Others	1,61,933	18,520	1,021	1,93,251	66,448	3,731	898	77,431	1,15,820	-	95,485
Furniture & Fixtures											
a) R&D	63	-	-	63	53	-	-	54	9	-	10
b) Others	1,711	31	16	1,758	1,147	11	-	1,275	483	-	564
Office Equipments											
a) R&D	82	-	1	83	60	-	-	64	19	-	22
b) Others	2,707	69	33	3,205	2,112	46	28	2,347	858	-	595
Vehicles											
a) R&D	-	-	9	9	-	-	-	1	8	-	-
b) Others	1,760	114	183	1,792	875	61	111	1,067	725	-	885
Total (A)	2,00,236	21,588	1,240	2,38,036	77,366	4,103	1,039	90,122	1,47,914	1,22,870	
Intangible Assets (B)											
Patent	781	22	154	957	674	6	-	735	222	-	107
Total (A) + (B)	2,01,017	21,610	1,240	2,38,993	78,040	4,109	1,039	90,857	1,48,136	1,22,977	
Capital Work - in Progress		155							4889		6201
		21765							1,53,025		1,29,178

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 10A

During the year, pursuant to the notification of Schedule II to the Companies Act, 2013 with effect from April 1, 2014, the Company has revised the estimated useful life of some of its assets to align the useful life with those specified in Schedule II. The details of previously applied depreciation rates and the revised useful life are as follows:

Asset	Previous depreciation rate/useful life	Revised useful life
Buildings	1.67% to 3.65% - 28 years to 57 years	30 to 60 years
Plant and Machinery (Continuous process plant)*	5.28% - 18 years	18 years
Plant and Machinery (General)*	5.28% to 11.87% - 8 years to 18 years	3-8 years
Furniture and Fixtures	6.33% - 15 years	10 years
Computers and Data Processing Equipment	31.67% - 3 years	3 years
Office Equipment	4.75% to 23.75% - 4 years to 20 years	5 years
Vehicles*	23.75% - 4 years	4 years

* The useful life considered is lower than those prescribed in Schedule II. Refer Note 1.6

Pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013, the Company has fully depreciated the carrying value of assets (determined after considering the change in the useful life of the assets), net of residual value, where the remaining useful life of the asset was determined to be nil as on April 1, 2014, and has adjusted an amount of ₹ 310 Lakh/- (net of deferred tax of ₹ 160/- Lakh) against the opening Surplus balance in the statement of profit and loss.

The depreciation expense in the Statement of Profit and Loss for the year is higher by ₹ 153 Lakh consequent to the change in the useful life of the assets.

NOTE 11

NON-CURRENT INVESTMENTS (At Cost)

₹ in Lakh

Particulars	As at March 31, 2015	As at March 31, 2014
I. Quoted Investments		
(A) Trade Investments		
(a) Investments in Equity Instruments		
(i) Subsidiary Companies		
17,71,55,580 (2014 - 17,71,55,580) shares of ₹ 1 each fully paid up in Coromandel International Limited	11,989	11,989
1,29,75,110 (2014 - 1,29,75,110) shares of ₹ 10 each fully paid up in Parrys Sugar Industries Limited	1,669	1,669
(B) Other Investments		
(a) Investments in Equity Instruments		
(i) Other companies		
23,600 (2014 - 23,600) shares of ₹ 10 each fully paid up in Kartik Investments Trust Limited	4	4
100 (2014 - 100) shares of ₹ 10 each fully paid up in Travancore Sugars and Chemicals Limited	*	*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 11 (Continued...)

NON-CURRENT INVESTMENTS (At Cost)

₹ in Lakh

Particulars	As at March 31, 2015	As at March 31, 2014
82,440 (2014 - 8,244) shares of ₹ 1 each fully paid up in State Bank of India (Refer Note 11.7)	25	25
393 (2014 - 393) shares of ₹ 10 each fully paid up in Cholamandalam Investment and Finance Company Limited	*	*
42,938 (2014 - 42,938) shares of ₹ 10 each fully paid up in Coromandel Engineering Company Limited	4	4
2,000 (2014 - 2,000) shares of ₹ 1 each fully paid up in Carborundum Universal Limited	*	*
Total Quoted Investments	13,691	13,691
Market Value of Quoted Investments	4,78,110	3,99,580
II. Unquoted Investments		
(A) Trade Investments		
(a) Investments in Equity Instruments		
(i) Subsidiary Companies		
776 (2014 - 776) shares of USD 100 each fully paid up in Parry America Inc	24	24
15,00,000 (2014 - 15,00,000) shares of ₹ 10 each fully paid up in Parrings Sugar Limited	150	150
50,00,000 (2014 - 50,00,000) shares of ₹ 10 each fully paid up in Parry Infrastructure Company Private Limited	500	500
18,69,800 (2014 - 18,06,600) shares of ₹ 100 each fully paid up in Parry Phytoremedies Private Limited (Refer note 11.3)	1,960	1,913
US Nutraceuticals LLC	7,040	7,040
6725 (2014 - Nil) shares of no Par Value in Alimtec S.A (Refer note 11.6)	2,500	
11,62,81,227 (2014 - 11,51,18,416) shares of ₹ 10 each fully paid up in Silkroad Sugar Private Limited (Refer note 11.4)	24,972	24,741
Nil (2014 - 1,02,222) equity shares of ₹ 100 each fully paid up in Alagawadi Bireswar Sugars Private Limited (Sold during the year)	-	1,363
(ii) Other companies		
18,270 (2014 - 18,270) shares of ₹ 100 each fully paid up Murugappa Management Services Limited	18	18
(b) Investments in Preference shares		
(i) Subsidiary Companies		
23,26,420 (2014 - 23,26,420) 8% Redeemable Non Cumulative shares of ₹ 11 each fully paid up Parrings Sugar Industries Limited	256	256
4,50,00,000 (2014 - 4,50,00,000) 8% Redeemable Cumulative shares of ₹ 10 each fully paid up Parrings Sugar Industries Limited	4,500	4,500
1,30,00,000 (2014 - Nil) 8% Redeemable Cumulative Preference shares of ₹ 10 each at par in Parrings Sugar Industries Limited (Refer note 11.2)	1,300	-
1,13,00,000 (2014 - 11,00,000) 10% Redeemable Cumulative shares of ₹ 100 each fully paid up Silkroad Sugar Private Limited (Refer note 11.1)	11,300	1,100

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 11 (Continued...) NON-CURRENT INVESTMENTS (At Cost)

₹ in Lakh

Particulars	As at March 31, 2015	As at March 31, 2014
(B) Other Investments		
(a) Investments in Equity Instruments		
(i) Subsidiary Companies		
9,500 (2014 - 9500) shares of ₹ 10 each fully paid up in Parry Agrochem Exports Limited	*	*
2,50,150 (2014 - 2,50,150) shares of ₹ 10 each fully paid up in Paryys Investments Limited	37	37
(ii) Other companies		
125 (2014 - 125) shares of 25 pence each fully paid up in Hawker Siddley Group Limited (Refer note 11.5)	*	*
10,000 (2014 - 10,000) shares of ₹ 1 each fully paid up in Indian Dairy Entrepreneur and Agricultural Co Limited (At cost less amount written off ₹ 0.90 Lakh)	*	*
266 (2014 - 266) shares of ₹ 10 each fully paid up in Chennai Wellingdon Corporate Foundation	*	*
6,37,200 (2014 - 6,37,200) shares of ₹ 10 each fully paid up in Indian Potash Limited	32	32
1,00,000 (2014 - 1,00,000) shares of ₹ 10 each fully paid up in Bio Tech Consortium (India) Limited	10	10
2 (2014 - 2) shares of ₹ 10 each fully paid up in Murugappa Morgan Thermal Ceramics Limited	*	*
20 (2014 - 20) shares of ₹ 100 each fully paid up in Kullittalai Cane Farms Private Limited (Refer note 11.5)	*	*
(b) Investments in Government or trust securities		
Government Securities (Lodged as Security deposit)	1	1
Total Unquoted Investments	54,600	41,685
Less : Provision for diminution in value of investments	-	(900)
Total Non-Current Investments	68,291	54,476

* less than a Lakh.

Notes

11.1. During the year, Company has converted loans and other receivables to/from Silkroad Sugar Private Limited amounting to ₹ 10,200 Lakh into 1,02,00,000 10% Redeemable Cumulative Preference shares of ₹ 100 each at par. Of which ₹ 200 Lakh is redeemable on April 03, 2019, ₹ 8700 Lakh is redeemable on January 06, 2020 and ₹ 1300 Lakh is redeemable on March 29, 2020.

11.2. During the year, Company has converted loans to Paryys Sugar Industries Limited amounting to ₹ 1,300 Lakh into 1,30,00,000 8% Redeemable Cumulative Preference shares of ₹ 10 each at par redeemable on March 20, 2020.

11.3. During the year, Company has acquired 63,200 fully paid Equity shares of 100/- each of Parry Phytoremedies Private Limited aggregating to ₹ 47 Lakh making it a wholly owned subsidiary. The Honorable High Court of Bombay, has sanctioned the order approving the amalgamation of Parry Phytoremedies Private Limited with the Company with appointed date of April 01, 2014. Pending receipt of the Court order and filing of the same with Registrar of Companies, effect has not been given to the merger in the financial statements.

11.4. During the year, Company has acquired 11,62,811 fully paid Equity shares of 10/- each of Silkroad Sugar Private Limited aggregating to ₹ 231 Lakh making it a wholly owned subsidiary.

11.5. Fifteen Shares in Kullittalai Cane Farms Private Limited and One hundred and twenty five shares in Hawker Siddley Group Limited are in the process of being transferred in the name of the Company.

11.6. During the year, the company has invested in 6502 equity Shares of No par value in Alimtec S.A aggregating to ₹ 2,211 Lakh & 223 equity shares of No par value in Alimtec S.A aggregating to ₹ 289 Lakh on account of conversion of loans given to Alimtec S.A

11.7. During the year, the shares of State Bank of India of face value of ₹ 10 each have been sub-divided into face value of Re.1 each.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**NOTE 12
LOANS AND ADVANCES**

₹ in Lakh

Particulars	Long-Term		Short-Term	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
Unsecured and considered good unless otherwise stated :				
(a) Capital Advances	465	879	-	-
(b) Security Deposits	170	147	-	3
(c) Loans and advances to related parties	-	11614*	-	-
(d) Advance Income Tax Net of Provision for Tax (₹ 32,337 Lakh (2014 - ₹ 31,644 Lakh))	3,935	3,962	-	-
(e) Balance with Customs and Central Excise Authorities	-	-	933	1,469
(f) MAT Credit Entitlement	3,369	2,676	-	-
(g) Advance recoverable in cash or in kind or for value to be received				
(i) Unsecured and Considered Good	6,712	4,551	8,579	9,457
(ii) Considered Doubtful	-	-	2,487	2,051
Less: Provision for Doubtful Advances	-	-	(2,487)	(2,051)
	14,651	23,829	9,512	10,929

* Includes an amount of ₹ 200 Lakh paid as share application money to Silkroad Sugar Private Limited for subscribing to Preference Shares. Against this share application money, the company has been allotted 2,00,000 - 9% redeemable cumulative preference shares of ₹ 100/- each, in the month of April 2014.

**NOTE 13
OTHER NON CURRENT ASSETS**

₹ in Lakh

Particulars	As at March 31, 2015	As at March 31, 2014
- Interest Accrued on Loans & Advances to subsidiaries	1170	1828
- Long Term Trade Receivables	1763	1,867
	2,933	3,695

**NOTE 14
CURRENT INVESTMENTS (At lower of cost and fair value, unless otherwise stated)**

₹ in Lakh

Particulars	As at March 31, 2015	As at March 31, 2014
I. Quoted Investments		
(A) Other Investments		
(a) Investments in Mutual funds		
20,000 units of SBI - Infra - I - Dividend	2	2
	2	2
Market Value of Quoted Investments	2	2

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 15 INVENTORIES

(At lower of cost and net realisable value)

₹ in Lakh

Particulars	As at March 31, 2015	As at March 31, 2014
(a) Raw materials	1,197	2,229
(b) Work-in-process	6,741	7,452
(c) Finished goods	95,804	91,157
(d) Stock in trade	566	712
(e) Stores and spares	3,576	3,416
	1,07,884	1,04,966

15.1 - Refer note 36 for details of work-in-process, finished goods and stock-in-trade.

NOTE 16 TRADE RECEIVABLES (UNSECURED)

₹ in Lakh

Particulars	As at March 31, 2015	As at March 31, 2014
(a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
(i) Considered good	9,139	918
(ii) Considered doubtful	1,328	947
Less: Provision for doubtful Trade receivables	(1,328)	(947)
	9,139	918
(b) Other Trade Receivables - Considered good	17,311	23,821
	26,450	24,739

NOTE 17 CASH AND CASH EQUIVALENTS

₹ in Lakh

Particulars	As at March 31, 2015	As at March 31, 2014
(a) Cash on hand	6	15
(b) Cheques, drafts on hand	5	9
(c) Balances with banks		
(i) In Current account	736	3861
(ii) In Deposit account	-	-
(iii) In earmarked accounts		
- In Unpaid dividend account	376	310
- In Debenture redemption account	2400	1,500
- In Margin Money accounts towards Bank Guarantee	686	627
	4,209	6,322

17.1 Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements is ₹ 747 Lakh (2014 - ₹ 3,885 Lakh)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 18

OTHER CURRENT ASSETS

₹ in Lakh

Particulars	As at March 31, 2015	As at March 31, 2014
- Interest Accrued on Deposits, Loans & Advances etc.	499	376
- Dividend from Subsidiary	3,543	-
- Unbilled revenue	25	121
- Insurance claims	5	20
- Fair value Derivative Hedging receivable	994	434
- Share of Income from Overseas Subsidiary	81	-
	5,147	951

NOTE 19

REVENUE FROM OPERATIONS

₹ in Lakh

Particulars	For the year Ended March 31, 2015	For the year Ended March 31, 2014
(a) Sale of Products (Refer note 19.1)		
- Manufactured goods	2,08,390	1,79,133
- Traded goods	3,188	3,202
	2,11,578	1,82,335
(b) Other operating revenues		
- Sundry Income	629	406
- Duty Drawback/Export Incentive	804	20
- Scrap sales	511	466
- Liabilities/ Provisions no longer required written back	744	567
Revenue from operations (Gross)	2,14,266	1,83,794
Less : Excise Duty	6,099	5,593
Revenue from operations (Net)	2,08,167	1,78,201

19.1 Details of Products Sold

₹ in Lakh

Particulars	For the year Ended March 31, 2015	For the year Ended March 31, 2014
Classes of Goods		
Sugar	1,44,868	1,17,662
Raw sugar	8,574	13,415
Bio and Nutra products	16,791	16,646
Power	13,782	10,507
Distillery	27,198	23,738
Organic Manure	365	367
	2,11,578	1,82,335

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 20 OTHER INCOME

₹ in Lakh

Particulars	For the year Ended March 31, 2015		For the year Ended March 31, 2014	
(a) Interest Income				
On bank deposits	111		48	
On Debenture - Subsidiary (Refer note 45.3)	-		2,313	
On loans and advances to subsidiaries (Refer note 45.3)	864		1,179	
On others	57	1,032	777	4,317
(b) Dividend Income				
(i) Current investments	168		-	
(ii) Long term investments				
Subsidiaries (Refer note 45.3)	11,767		7,972	
Others	18	11,953	20	7,992
(c) Profit on sale of fixed assets (Net)		1,574		2,371
(d) Other non-operating income (Refer note 20.1)		2,451		1,667
(e) Net gain on foreign currency transaction and translation (other than considered in finance cost)		1,327		-
		18,337		16,347

20.1 Other non-operating income comprises of:

₹ in Lakh

Particulars	For the year Ended March 31, 2015	For the year Ended March 31, 2014
- Rental income	1,509	1,115
- Services	695	401
- Insurance claim received	83	3
- Others	164	148
	2,451	1,667

NOTE 21 COST OF MATERIALS CONSUMED

₹ in Lakh

DESCRIPTION	For the year Ended March 31, 2015	For the year Ended March 31, 2014
(a) Sugarcane (refer note 21.1)	1,16,851	1,08,147
(b) Others	22,631	16,413
Total	1,39,482	1,24,560

21.1 The above raw material consumption includes Rates and Taxes of ₹ 1,451 Lakh (2014 - ₹ 2,058 Lakh).

NOTE 22 PURCHASES OF STOCK-IN-TRADE

₹ in Lakh

Particulars	For the year Ended March 31, 2015	For the year Ended March 31, 2014
Classes of Goods		
(a) Sugar	1,294	1,285
(b) Bio Products	172	140
(c) Nutra Products	1,056	1,610
Total	2,522	3,035

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 23

CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROCESS AND STOCK IN TRADE

₹ in Lakh

Particulars	For the year Ended March 31, 2015		For the year Ended March 31, 2014	
Opening Stock:				
Work-in-progress	7,452		2,349	
Finished goods	91,157		70,783	
Stock-in-trade	712		481	
Total (A)	99,321		73,613	
Inventory acquired pursuant to Scheme of Amalgamation - (Sadashiva Sugars Limited)				
Work-in-progress	-		72	
Finished goods	-		18,300	
Total (B)	-		18,372	
Closing Stock:				
Work-in-progress	6,741		7,452	
Finished goods	95,804		91,157	
Stock-in-trade	566		712	
Total (C)	1,03,111	(3,790)	99,321	(7,336)
Changes in Inventory - Total (A + B - C)		(3,790)		(7,336)

NOTE 24

EMPLOYEE BENEFIT EXPENSE

₹ in Lakh

Particulars	For the year Ended March 31, 2015		For the year Ended March 31, 2014	
(a) Salaries, Wages and Bonus	10,228		9,740	
(b) Contribution to Provident and Other Funds	968		964	
(c) Workmen and Staff Welfare Expenses	1,576		1,560	
	12,772		12,264	

NOTE 25

FINANCE COST

₹ in Lakh

Particulars	For the year Ended March 31, 2015		For the year Ended March 31, 2014	
i) Interest expense				
(a) Debentures	4,880		4,734	
(b) Term loans	3,992		6,486	
(c) Others	5,557		7,685	
ii) Other borrowing costs (Refer note 25.1)	550		528	
iii) Exchange difference to the extent considered as an adjustment to borrowing costs	148		183	
	15,127		19,616	

25.1 Other borrowing costs include commitment charges, loan processing charges, loan facilitation charges, discounts /premiums on borrowings and other ancillary costs.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 26 OTHER EXPENSES

₹ in Lakh

Particulars	For the year Ended March 31, 2015		For the year Ended March 31, 2014	
(a) Consumption of Stores, Spares and Consumables		3,457		3,993
(b) Power and Fuel		6,640		5,045
(c) Rent		404		335
(d) Repairs and Maintenance (Refer note 33)				
- Buildings	225		209	
- Plant and Machinery	4,053		4,438	
- Others	2,864	7,142	2,119	6,766
(e) Insurance		548		617
(f) Rates and Taxes (Refer note 26.1)		2,426		3,169
(g) Packing, Despatching and Freight		6,184		5,259
(h) Commission to Selling Agents		335		204
(i) Rebates and Discounts		58		25
(j) Auditors' Remuneration (Refer note 34)		50		51
(k) Directors' Fees and Commission (Refer note 35)		156		10
(l) Sales Promotion and Publicity		1,266		1,946
(m) Fixed Assets scrapped		650		63
(n) Professional Charges		2,561		2,686
(o) Provision for Doubtful Debts and Advances		821		1,010
(p) Bad Debts/Advances written off	137		398	
Less: Transfer from provision	(4)	133	-	398
(q) Loss on sale of Investments	1,193		-	-
Less - Reversal of Provision for Diminution of Investments	(900)	293		-
(r) Cane Development Expenditure		269		460
(s) General Manufacturing, Selling and Administration Expenses		3,089		3,420
(t) Net loss on foreign currency transaction and translation (other than considered in finance cost)		-		331
(u) Corporate Social Responsibility expenditure		118		-
		36,600		35,788

26.1 Total Excise Duty on Sales for the year has been disclosed as reduction from the turnover. Excise duty related to the difference between the closing stock and opening stock amounting to credit of ₹ 97 Lakh (2014: credit of ₹ 1,022 Lakh) has been included in Rates and Taxes.

₹ in Lakh

Note	Particulars	2014-15	2013-14
27	Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances	1,353	2,456
28	Other monies for which the Company is contingently liable		
	(a) Letters of Credit and Bank Guarantees established for Purchases of Raw Materials, Spares and Capital Goods	3,872	15,128
	(b) Disputed Income Tax demands which are under various stages of appeal (out of which ₹ 1,578 Lakh (2014 - ₹ 1,578 Lakh) have been paid under protest).	3,918	2,056
	(c) Disputed Sales Tax , Excise Duty , Service Tax and Customs Duty demands (out of which ₹ 248 Lakh (2014 - ₹ 253 Lakh) have been deposited under protest).	5,576	6,338
	(d) Other claims against the Company not acknowledged as debts	-	-
	(e) Cane price (Refer Note 28.1 & 28.2)	10,378	5,948
	(f) Corporate Guarantee given to Subsidiary	36,000	-
	(g) Certain Industrial Disputes are pending before Tribunal / High Courts. The liability of the Company in respect of these disputes depends upon the final outcome of such cases and the quantum of which is not currently ascertainable.		

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

28.1 The Sugar Cane Control Board formed by the Government of Karnataka under the Karnataka Sugar Cane (Regulation of Purchase and Supply) Act, 2013, had declared a cane procurement price of ₹ 2500/MT for the sugar season 13-14. This has been challenged by South India Sugar Mills Association - Karnataka (SISMA-K) before the Hon'ble High Court of Karnataka and the matter is subjudice.

28.2 The Tamilnadu Government declared State Advisory Price (SAP) of ₹ 2650 per MT of sugarcane for the sugar year 2013-14. The Company has challenged the right of State Government to declare the SAP in the Hon'ble High Court of Madras. The matter is subjudice.

28.3 Future cash outflows in respect of the above matters are determinable only on receipt of judgements / decisions pending at various forums / authorities

28.4 The Income Tax Department/Commercial Tax Department/Central Excise and Service Tax Authority has filed appeal against the favorable order passed by lower forum in favor of the Company in appropriate appellate forum to the extend of ₹ 1,954 Lakh. It is expected that there will not be any outflow of economic resources embodying economic benefits. Hence, no provision is considered necessary against the same.

NOTE 29 (A)

₹ in Lakh

Particulars	As at 2014-15	As at 2013-14
Net exchange difference dealt with in the Statement of Profit or Loss on foreign currency monetary items	1,327	(331)

NOTE 29 (B)

As on March 31, 2015, the Company has foreign currency borrowing of US\$ 20 Lakh (2014: US\$ 36.70 Lakh). The Company entered into principal and interest rate swaps amounting US\$ 20 Lakh (2014: US\$ 36.70 Lakh) to hedge the foreign currency and interest rate risks thereon. The Company has marked to market the foreign currency borrowings and the corresponding swap contracts and the net exchange differences arising thereon have been recognised in the Statement of Profit and Loss.

NOTE 30**Derivative transactions**

The Company uses forward exchange contracts, interest rate swap, currency swap and currency options to hedge its exposure in foreign currency. The information on derivative instruments is as follows:

(a) Derivative Instruments outstanding as at March 31, 2015

₹ in Lakh

Particulars	Currency	Amount (Foreign Currency Lakh)		Buy/Sell
		2014-15	2013-14	
(i) Forward exchange contracts (net)	USD/INR	212.40	127.65	Sell
	EURO/INR	47.11	23.59	Sell
(ii) ECB (Swaps)	USD/INR	20.00	36.67	Buy

(b) All the foreign exchange forward contracts are designated as cash flow hedges.

(c) Foreign exchange currency exposures not covered by derivative instruments as at March 31, 2015 -GBP 0.05 Million (March 2014 - Nil)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 31

A. Defined contribution plans:

The Company makes Provident Fund, Superannuation Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 350 Lakh (Year ended March 31, 2014 - ₹ 375 Lakh) for Provident Fund contributions, ₹ 390 Lakh (Year ended March 31, 2014 - ₹ 339 Lakh) for Superannuation Fund contributions and ₹ 2 Lakh (Year ended March 31, 2014 - ₹ 2 Lakh) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

B. Defined benefit plans :

Gratuity -

The following table sets forth the status of the Gratuity Plan of the Company and the amount recognized in the Balance Sheet and Statement of Profit and Loss. The Company provides the gratuity benefit through annual contributions to a fund managed by the Life Insurance Corporation of India (LIC).

₹ in Lakh

Particulars	Gratuity (Funded)	
	2014-15	2013-14
Present Value of obligations at the beginning of the year	1,464	1,307
Current service cost	138	175
Interest Cost	113	108
Actuarial loss	51	57
Benefits paid	(164)	(183)
Present Value of obligations at the end of the year	1,602	1,464
Changes in the fair value of planned assets		
Fair value of plan assets at beginning of year	1,334	1,400
Expected return on plan assets	100	109
Contributions	-	-
Benefits Paid	(164)	(183)
Actuarial gain on plan assets	8	8
Fair Value of plan assets at the end of the year	1,278	1,334
Amounts recognized in the Balance Sheet		
Projected benefit obligation at the end of the year	1,602	1,464
Fair value of plan assets at end of the year	1,278	1,334
Funded status of the plans – Liability recognised in the balance sheet	324	130
Cost for the period		
Current service cost	138	175
Interest Cost	113	108
Expected return on plan assets	(100)	(109)
Net actuarial loss recognised in the period	43	49
Net Cost (included as part of Contribution to Provident and Other Funds in Note 24- Employee Benefits Expense)	194	223
Assumptions		
Discount rate	8%	9%
Expected rate on planned assets	8%	8%
Expected rate of salary increases	6%	5% - 6%
Expected rate of attrition	5%	3% - 5%
Experience Adjustment on obligation (₹ in Lakh)	51	150
Experience Adjustment on assets (₹ in Lakh)	8	9
Mortality	IALM (2006-2008) Ultimate	IALM (2006-2008) Ultimate

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

The details of experience adjustments arising on account of plan assets and liabilities as required by paragraph 120(n)(ii) of AS 15 (Revised) on 'Employee Benefits' are not readily available in the valuation report and hence, are not furnished.

The Company has invested the plan assets with the insurer managed funds. The insurance company has invested the plan assets in Government Securities, Debt Funds, Equity shares, Mutual Funds, Money Market Instruments and Time Deposits.

The expected rate of return on plan asset is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligation. The Company's best estimate of the contribution expected to be paid to the plan during the next year is ₹ 50 Lakh (2014: ₹ 50 Lakh).

C. Note on Provident Fund:

With respect to the Provident Fund Trust administered by the company, the company shall make good deficiency, if any, in the interest rate declared by Trust over statutory limit. Having regard to the assets of the Fund and the return on the investments, the Company does not expect any deficiency in the foreseeable future.

D. Long Term Compensated Absence:

The assumption used for computing the long term accumulated compensated absences on actuarial basis are as follows:

Assumptions	2014-15	2013-14
Discount rate	8%	8.85%
Attrition Rate	5%	3% - 5%
Expected rate of salary increases	6%	5% - 6%

32. Research and Development expenditure incurred by the Approved Inhouse R & D Centres

₹ in Lakh

Particulars	2014-15	2013-14
(i) Revenue Expenses (excluding depreciation and fixed assets scrapped): -		
a) Employee benefit expense	135	124
b) Power and Fuel	46	24
c) Repairs and Maintenance	61	43
d) Miscellaneous expenses	141	185
e) Other Income relating to Research and Development	(13)	(41)
Net Revenue expenses on Research and Development	370	335
(ii) Fixed Assets additions in R & D Centres made during the year (Refer note 10)	32	17

₹ in Lakh

	2014 - 15	2013 - 14
33. Repairs and maintenance includes Stores and spare parts consumed	2,858	3,020

₹ in Lakh

34. Auditors' remuneration and Expenses:	2014- 15	2013- 14
(i) Audit Fees	23	22
(ii) Tax Audit	4	3
(iii) Fees for other services	18	23
(iv) Reimbursement of out of pocket expenses	2	3
(v) Transfer Pricing	3	-
	50	51

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

₹ in Lakh

35. Director's Remuneration:	2014-15	2013-14
35.1 Whole time Directors remuneration:		
Salaries and Allowances	120	27
Contribution to Provident and Other Funds	15	2
Other Benefits	3	6
	138	35

Note : Managerial remuneration above does not include gratuity and leave encashment benefit, since the same is computed actuarially for all the employees and the amount attributable to the managerial person cannot be ascertained separately.

₹ in Lakh

35.2 Non Whole time Directors remuneration :	2014 - 15	2013 - 15
Commission to Non Whole Time Directors	138	-
Directors' sitting Fees	18	10
	156	10

36. PARTICULARS IN RESPECT OF STOCK

₹ in Lakh

Classes of Goods	2014-15	2013-14
Finished Stock		
Sugar	90,151	87,306
Others	5,653	3,851
	95,804	91,157
Trading Stock		
Sugar	8	7
Bio Products	83	48
Nutra	475	657
	566	712
Work-in-Process		
Sugar	3,352	3,384
Others	3,389	4,068
	6,741	7,452

37. Value of imported Raw materials and stores and spare parts consumed and the value of all indigenous raw materials and stores and spare parts similarly consumed and percentage of each to total consumption:

Description	2014-15		2013-14	
	₹ in Lakh	%	₹ in Lakh	%
Imported	394	0.27	377	0.30
Indigenous	1,45,403	99.73	1,28,517	99.70
	1,45,797	100.00	1,28,894	100.00
Raw Materials	1,39,482		1,21,881	
Stores and Spare parts	6,315		7,013	
	1,45,797		1,28,894	

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

₹ in Lakh

	2014-15	2013-14
38. Value of Imports on C.I.F basis		
Components, Stores and Spare parts	58	106
Traded Goods	372	998
Capital Goods	65	281
	495	1,385

₹ in Lakh

	2014-15	2013-14
39. Expenditure in Foreign Currency		
Travel	12	2
Professional Fee	69	29
Others	445	413
	526	444

₹ in Lakh

	2014-15	2013-14
40. Earnings in Foreign Exchange		
FOB Value of exports	17,633	12,256
Interest income	13	11
Share of Income from US Nutra	252	-
	17,898	12,267

	2014-15	2013-14
41. Remittances in foreign currencies of dividends to non resident shareholders of the Company		
Equity Shares		
No. of shareholders	32	-
No. of shares held	2,70,044	-
Net amount remitted (₹ Lakh)	5	-
Year to which Dividend relates to	2014-15	Nil

42. Employee Stock Option Plan – ESOP 2007

- a) Pursuant to the decision of the shareholders, at their meeting held on July 26, 2007, the Company has established an 'Employee Stock Option Scheme 2007' ('ESOP 2007' or 'the Scheme') to be administered by the Compensation and Nomination Committee of the Board of Directors.
- b) Under the Scheme, options not exceeding 89,24,850 have been reserved to be issued to the eligible employees, with each option conferring a right upon the employee to apply for one equity share. The options granted under the Scheme would vest not less than one year and not more than five years from the date of grant of the options. The options granted to the employees would be capable of being exercised within a period of three years from the date of vesting.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

- c) The exercise price of the option is equal to the latest available closing market price of the shares on the stock exchange where there is highest trading volume as on the date prior to the date of the Compensation and Nomination Committee resolution approving the grant.
- d) Pursuant to the above mentioned scheme, on the recommendation of the Compensation and Nomination Committee the Company has, upto March 31, 2015, granted 40,34,000 options vesting over a period of four years commencing from the respective dates of grant. The exercise price being equal to the closing market price prevailing on the date prior to the date of grant, there is no deferred compensation cost to be amortised in this regard. The company has not granted any stock options during the year 2014-15.

e) The details of the grants under the aforesaid schemes are summarized below :-

Description	Date of grant	Number of Options granted	Date of vesting
1. Details of options granted	31.08.2007	18,58,200	31.08.2008
	29.10.2007	2,32,400	29.10.2008
	24.01.2008	4,60,600	24.01.2009
	24.04.2008	1,52,200	24.04.2009
	28.07.2008	1,30,000	28.07.2009
	24.09.2008	3,87,000	24.09.2009
	29.10.2008	1,13,600	29.10.2009
	20.03.2009	47,800	20.03.2010
	28.01.2011	3,66,300	28.01.2012
	29.04.2011	75,900	29.04.2012
	27.07.2011	1,15,000	27.07.2012
	24.10.2011	95,000	24.10.2012
	Total		40,34,000

		Options (Numbers) 2014-15	Weighted Average exercise price per option (₹)	Options (Numbers) 2013-14	Weighted average exercise price per option (₹)
2 Options granted and outstanding at the beginning of the year	Options vested and exercisable	2,44,656	161.23	3,01,802	164.71
	Options unvested	1,03,440	239.27	3,38,540	238.39
	Total	3,48,096	184.42	6,40,342	203.66
3. Options granted during the year		-	-	-	-
4. Options vested during the year		60,448	236.55	2,35,100	238.00
5. Options exercised during the year		28,888	94.15	19,132	88.57
6. Options lapsed/cancelled during the year		97,584	229.59	2,73,114	236.25
7. Options outstanding at the end of the year	Options vested and exercisable	1,88,144	163.51	2,44,656	161.23
	Options unvested	33,480	248.19	1,03,440	239.27
	Total (2-5-6)	2,21,624	176.30	3,48,096	184.42

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

The fair value of options based on the valuation of the independent valuer as of the respective dates of grant are given below

Date of grant	Number of Options granted	Fair value as per Black Scholes Options pricing model (₹)
31.08.2007	18,58,200	29.46
29.10.2007	2,32,400	26.32
24.01.2008	4,60,600	21.98
24.04.2008	1,52,200	24.59
28.07.2008	1,30,000	26.63
24.09.2008	3,87,000	24.11
29.10.2008	1,13,600	30.73
20.03.2009	47,800	32.26
28.01.2011	3,29,600	90.05
28.01.2011	36,700	87.86
29.04.2011	41,400	92.46
29.04.2011	34,500	58.18
27.07.2011	1,15,000	105.80
24.10.2011	75,700	80.86
24.10.2011	19,300	30.21
Total	40,34,000	

Had the company adopted the fair value method in respect of options granted, the total amount that would have been amortised over the vesting period is ₹ 1,495 Lakh (2014 - ₹ 1,448 Lakh) and the impact on the financial statements would be

Increase in employee compensation cost :	47 Lakh
Decrease in Profit After Tax:	47 Lakh
Decrease in Earning per share : (Basic) : ₹	0.03
Decrease in Earning per share : (Diluted): ₹	0.03

The fair value has been calculated using the Black Scholes Options Model and the significant assumptions made in this regard are as follows:

Risk Free Interest Rate:	8%
Expected average Life of the option:	4 years
Expected Volatility:	0.4560
Expected Dividend Yield:	400%

43. Segment Reporting

Composition of Business Segments:

Primary Segments:

Sugar	Cogeneration	Distillery	Bio Products	Others
Sugar	Power	Spirits	Neem Nutraceuticals	Corporate Others

Secondary Segments

Geographical Segment:

North America	Europe	Rest of the world	India
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Inter segment Transfer Pricing:

Inter Segment prices are normally negotiated amongst the segments with reference to cost, market prices and business risks, within an overall optimisation objective for the enterprise.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

44. Earnings per Share

Particulars	For the Year ended March 31, 2015	For the Year ended March 31, 2014
(A) Profit after Taxation (₹ in Lakh)	14,825	2,653
Number of equity shares of ₹ 1 each outstanding at the beginning of the year	17,57,85,996	17,57,66,864
Add : Number of shares issued pursuant exercise of Employees Stock option	28,888	19,132
(a) Number of equity Shares of ₹1 each outstanding at the end of the year	17,58,14,884	17,57,85,996
(b) Weighted Average number of Equity Shares	17,58,02,552	17,57,80,145
(c) Diluted shares on account of issue of ESOP granted	25,343	-
(d) Number of potential equity shares of ₹ 1 each outstanding at the end of the year	17,58,27,895	17,57,80,145
Earnings per Share		
– Basic (₹) (A)/(b)	8.43	1.51
– Diluted (₹) (A)/(d)	8.43	1.51

45. Related Party Disclosure for the year ended March 31, 2015

45.1. Subsidiary Companies/ Entities

1. Coromandel International Ltd
2. Parry Chemicals Ltd
3. CFL Mauritius Limited
4. Coromandel Brasil Limitada – Partnership.
5. Liberty Pesticides and Fertilisers Limited
6. Dare Investments Ltd
7. Sabero Organics Gujarat Limited
8. Sabero Europe BV
9. Sabero Australia Pty.Ltd
10. Sabero Organics America Ltd
11. Sabero Argentina SA
12. Sabero Organics Mexico S.A De C.V.
13. Parrys Sugar Industries Ltd
14. Alagawadi Bireshwar Sugars Private Limited (till March 31, 2015)
15. Parry America Inc.,
16. Parrys Investments Limited
17. Parrys Sugar Limited
18. Parry Infrastructure Company Private Limited
19. Parry Phytoremedies Private Limited
20. US Nutraceuticals LLC
21. Parry Agrochem Exports Limited
22. Valensa Europe AG (Upto May 31, 2013)
23. La Belle Botanics LLC
24. Silkroad Sugar Private Limited

Investing Party

1. Murugappa Holdings Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

45.2 Key Management Personnel (KMP)

Mr. V.Ramesh, Managing Director, (from January 30, 2014)

Note : Related Party Relationships are as identified by the management and relied upon by the auditors.

45.3 Transactions with related parties

₹ in Lakh

Particulars	2014-15			2013-14		
	Subsidiary Companies	Joint venture	KMP	Subsidiary Companies	Joint venture	KMP
Sale of Goods						
a. Parry America Inc.	3,235	-	-	3,578	-	-
b. Parry Phytoremedies Private Limited	666	-	-	818	-	-
c. U.S. Nutraceuticals L.L.C	740	-	-	603	-	-
d. Coromandel International Limited	338	-	-	252	-	-
e. Silkroad Sugar Private Limited	2,469	-	-	144	-	-
Rendering of services						
a. Coromandel International Limited	362	-	-	87	-	-
b. Silkroad Sugar Private Limited	113	-	-	11	-	-
c. Parry Infrastructure Company Private Limited	-	-	-	114	-	-
d. Parrys Sugar Industries Limited	-	-	-	-	-	-
Dividend Income / Share of income						
a. Coromandel International Limited	11,515	-	-	7,972	-	-
b. U.S. Nutraceuticals L.L.C	252	-	-	-	-	-
Deputation Charges Received						
a. Coromandel International Limited	-	-	-	-	-	-
b. Silkroad Sugar Private Limited	159	-	-	-	-	-
c. Parrys Sugar Industries Limited	102	-	-	164	-	-
Purchase/Receipt of Goods						
a. Coromandel International Limited	74	-	-	104	-	-
b. Parry Phytoremedies Private Limited	-	-	-	-	-	-
c. U.S. Nutraceuticals L.L.C	-	-	-	1	-	-
d. Labelle Botanics LLC	-	-	-	158	-	-
e. Parrys Sugar Industries Limited	1,313	-	-	2,959	-	-
f. Silkroad Sugar Private Limited	448	-	-	-	-	-
Receipt of Services						
a. U.S. Nutraceuticals L.L.C	169	-	-	153	-	-
b. Coromandel International Limited	64	-	-	31	-	-
Interest Income on ICD Loans						
a. Sadashiva Sugars Limited	-	-	-	-	-	-
b. Parry Infrastructure Company Private Limited	-	-	-	-	-	-
c. Parrys Sugar Industries Limited	114	-	-	352	-	-
d. U.S. Nutraceuticals L.L.C	-	-	-	11	-	-
e. Parry Phytoremedies Private Limited	-	-	-	35	-	-
f. Silkroad Sugar Private Limited	607	-	-	781	-	-
g. Alimtec SA	13	-	-	-	-	-
h. Alagawadi Bireswar Sugar Pvt Ltd.	130	-	-	-	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

₹ in Lakh

Particulars	2014-15			2013-14		
	Subsidiary Companies	Joint Venture	KMP	Subsidiary Companies	Joint venture	KMP
Interest Income on Bonus Debentures						
Coromandel International Limited	-			2,313		
Dividend Paid						
Murugappa Holdings Limited (Investing Party)	1,175			-		
Subscription to Equity Shares						
a. Silkroad Sugar Private Limited	-	-	-	-	-	-
b. Parry Phytoremedies Private Limited	-	-	-	1,700	-	-
c. Sadashiva Sugars Limited	-	-	-	-	-	-
d. Alimtec SA	2,500			-		
Subscription to Preference Shares	-	-	-	-		
a. Parrys Sugar Industries Limited (Refer note 11.2)	1,300			3,000	-	-
b. Silkroad Sugar Private Limited (Refer note 11.1)	10,200			1,100	-	-
Debentures Allotment / (Redemption)						
Coromandel International Limited	-	-	-	(26,573)	-	-
Loans and Advances to Subsidiaries Given / (Repaid)						
a. Parrys Sugar Industries Limited	(5)	-	-	-	-	-
b. Parry Infrastructure Company Private Limited	-	-	-	150	-	-
c. U.S. Nutraceuticals L.L.C	-	-	-	(186)	-	-
d. Silkroad Sugar Private Limited	-			8,045		
e. Alagawadi Bireshwar Sugars Private Limited	(1,350)	-	-	11		
f. Alimtec SA (Refer Note 11.6)	289			-		
Closing Balance - Debit /(Credit)						
a. Coromandel International Limited	3,670	-	-	67	-	-
b. Parry America Inc.	193	-	-	1,801	-	-
c. Parry Phytoremedies Private Limited	889	-	-	726	-	-
d. U.S. Nutraceuticals LLC	213	-	-	111	-	-
e. Silkroad Sugar Private Limited	528	-	-	10,050	-	-
f. Parry Infrastructure Company Private Limited	-	-	-	202	-	-
g. Parry Agrochem Exports Limited	-	-	-	-	-	-
h. Parrys Sugar Industries Limited	5,629	-	-	6,417	-	-
i. Alagawadi Bireshwar Sugars Private Limited	-	-	-	1,361	-	-
j. Alimtec SA	13	-	-	-	-	-
Guarantees given						
Silkroad Sugar Private Limited	36,000			-		

For remuneration to KMP refer Note 35.1 above

46. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors

V Ramesh
Managing Director

Anand Narain Bhatia
Chairman

Chennai
May 29, 2015

G Jalaja
Company Secretary

V Suri
Chief Financial Officer



**CONSOLIDATED
FINANCIAL STATEMENTS**

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF E.I.D.-PARRY (INDIA) LIMITED

1.0 Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **E.I.D.-PARRY (INDIA) LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associate and jointly controlled entities comprising of the Consolidated Balance Sheet as at March 31, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2.0 Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated 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 and consolidated cash flows of the Group including its associate and jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associate and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 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 financial statements by the Directors of the Holding Company, as aforesaid.

3.0 Auditor's Responsibility

3.1 Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

3.2 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.

3.3 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 financial statements are free from material misstatement.

3.4 An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion

on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. 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 financial statements.

3.5 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 in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

4.0 Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 and its jointly controlled entities as at March 31, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

5.0 Other Matter

We did not audit the financial statements/ financial information of twenty subsidiaries and two jointly controlled entities, whose financial statements/ financial information reflect total assets of ₹ 76, 350 Lakh as at March 31, 2015, total revenues of ₹ 40,863 Lakh and net cash flows amounting to ₹ 336 Lakh for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include Group's share of net loss of ₹ 1 Lakh for the year ended March 31, 2015, as considered in the

consolidated financial statements in respect of one associate whose financial statements/ financial information have not been audited by us. 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 financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and an associate and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, jointly controlled entities and an associate, is based solely on the reports of the other auditors.

Our opinion on the consolidated 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.

6.0 Report on Other Legal and Regulatory Requirements

6.1 As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of Holding Company, subsidiary companies and jointly controlled entities incorporated in India for which the Order is applicable, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

6.2 As required by Section 143 (3) of the Act, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated 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, 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 financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and jointly controlled entities incorporated

in India, none of the directors of the Group Companies and jointly controlled companies incorporated in India is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associate and jointly controlled entities in accordance with the generally accepted accounting practice - Refer to Note 29(B)- (iv), v and (vi)(c) of the consolidated financial statements.

ii. The Group, its associate and jointly controlled entities 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 and its subsidiary Company. In respect of its Jointly controlled entities there were no amounts which were required to be transferred to the Investor Education and Protection Fund.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 008072S)

M.K. Ananthanarayanan
Partner
Membership No. 19521

Chennai,
May 29, 2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

ON THE CONSOLIDATED FINANCIAL STATEMENTS

(Referred to in paragraph 6.1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Our reporting on the Order includes eleven subsidiary companies and two jointly controlled entities incorporated in India, to which the Order is applicable, which have been audited by other auditors and our report in respect of these entities is based solely on the reports of the other auditors, to the extent considered applicable for reporting under the Order in the case of the consolidated financial statements.

(i) In respect of the fixed assets of the Holding Company, subsidiary companies and jointly controlled entities incorporated in India:

a) The respective entities have maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.

b) Some of the fixed assets were physically verified during the year by the Management of the respective entities in accordance with a programme of verification which, in our opinion and in the opinion of the other auditors, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(ii) In respect of inventories of the Holding Company subsidiary companies and jointly controlled entities incorporated in India:

a) As explained to us and the other auditors, inventories were physically verified during the year by the Management of the respective entities at reasonable intervals.

b) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the procedures of physical verification of inventories followed by the Management of the respective entities were reasonable and adequate in relation to the size of the respective entities and the nature of their business.

c) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the

other auditors, the respective entities have maintained proper records of their inventories and no material discrepancies were noticed on physical verification.

(iii) According to the information and explanations given us, one of the subsidiary company incorporated in India has granted loans, to the extent included in the consolidated financial statements, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. In respect of such loans,

a) Having regard to the rollover of the loans, receipts of principal amounts and interest have been regular/as per stipulations.

b) There is no overdue amount in excess of ₹ 1 Lakh remaining outstanding as at the year end.

As per the reports furnished by the auditors of other subsidiary companies and jointly controlled entities incorporated in India, these entities have not granted loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.

(iv) In our opinion and the opinion of the other auditors according to the information and explanations given to us and the other auditors, there is an adequate internal control system in the Holding Company, subsidiary companies and jointly controlled entities incorporated in India, commensurate with the size of the respective entities and the nature of their business with regard to purchase of inventory and fixed assets and for the sale of goods and services and during the course of our and the other auditors audit, no major weaknesses in such internal control system has been observed.

(v) According to the information and explanations given to us, the Holding Company, subsidiary companies and jointly controlled entities incorporated in India have not accepted any deposit during the year. In respect of unclaimed deposits, the subsidiary

company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013.

(vi) According to the information and explanations given to us and the other auditors, in our opinion and the opinion of the other auditors, the Holding Company, subsidiary company and jointly controlled entities incorporated in India, have, prima facie, made and maintained the prescribed cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013. Neither we nor the other auditors have, however, made a detailed examination of the cost records with a view to determining whether they are accurate or complete. As per the reports furnished by auditors of other subsidiary companies incorporated in India, maintenance of cost accounting records are not applicable to such companies.

(vii) According to the information and explanations given to us and the other auditors, in respect of statutory dues of the Holding Company, subsidiary companies and jointly controlled entities incorporated in India:

a) The respective entities have generally been regular in depositing undisputed dues, including Provident Fund, Employees' State Insurance, Income- tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

b) There were no undisputed amounts payable by the respective entities in respect of Provident Fund, Employees' State Insurance, Income- tax, Sales Tax, Wealth Tax, Service Tax, Customs, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.

c) Details of dues of Income- tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Cess which have not been deposited as at March 31, 2015 on account of disputes by the aforesaid entities are given below:

Name of the Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved (₹ In Lakh)
Holding Company				
The Central Excise Act, 1944	Excise duty	Commissioner (Appeals)/CESTAT/High Court/ Supreme Court	1977-2014	640
The Finance Act,1994	Service Tax	Commissioner (Appeals)/ CESTAT	2002-2013	165
Various State Sales Tax Acts	Sales Tax- Local	Assistant/ Deputy Commissioner/ Tribunal/ Supreme court	1980-2006	139
Central Sales Tax Act,1956	Sales Tax- CST	Assistant/ Deputy Commissioner/ Tribunal/ High court	1999-2005	70
Tamil Nadu General Sales Tax Act, 1959	TNGST Act	Assistant/ Deputy Commissioner/ Tribunal/ High court	2001-2002	12
Customs Act, 1962	Customs Duty	CESTAT	Assessment Year 2006-07	4,302
Income Tax Act, 1961	Income Tax dues	Income Tax Appellate Tribunal/High court/ CIT Appeals	Assessment Year 2003-04 to 2010-11	2,340
Subsidiaries and Jointly Controlled Entities:				
Income Tax Act,1961	Income Tax	Commissioner of IT (Appeals)	AY 2011-12	141
			AY 2012-13	116
			2004-2005, 2005-06, 2007-2008 to 2011-2012	672
Income tax Act,1961	Income Tax	Income Tax Appellate Tribunal	1993-1994, 2005-06 to 2008-09	166
Maharashtra Value Added Tax, 2002	Sales Tax-CST	Deputy Commissioner (Appeals)	2006-2007	16
			2007-2008	71
			2010-2011	7
		Joint Commissioner	2006-2007	18
West Bengal Sales Tax Act, 1994	Sales Tax	Assistant Commissioner (Appeals)	2002-2003	04
		Sales Tax Appellate Tribunal	2008-2009	14
		Senior Joint Commissioner Commercial	2012-2013	1,019
Andhra Pradesh General Sales Tax Act, 1957	Sales Tax	Additional Commissioner Legal	1995-1996 to 1997-1998	27
		Sales Tax Appellate Tribunal	2000-2001 to 2003-2004 and 2005-2006	70
		Additional Deputy Commissioner	2010-11	7
Uttar Pradesh Value Added Tax Act, 2008	Sales Tax	Sales Tax Appellate Tribunal	2005-2006 to 2007-2008	1
		Additional Deputy Commissioner	2008-2009	111
Electricity Supply Act, 1948	Electricity Cess	High Court of Andhra Pradesh	2003-2012	158
The Finance Act 1994	Service Tax	CESTAT	2012-2013	225
		Commissioner (Appeals)	May 2011 to January 2014	122
			2008-2009 to 2010-2011	26
		High Court of Tamil Nadu	2003-2004	2

Name of the Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved (₹ In Lakh)
The Customs Act, 1962	Customs duty	CESTAT	1998-1999	11
		Commissioner of Customs(Appeals)	2009-2010	23
			2007-2008	28
The Customs Act, 1962	Customs duty	Commissioner of Customs(Appeals)	2005-2006 to 2010-2011	344
Central Excise Act, 1944	Excise Duty	High Court of Andhra Pradesh	2003-2004	241
		High Court of Tamil Nadu	2001-2003	7
		CESTAT	1998-2000, 2001-2002, 2002-2003, 2004-2005 to 2009-2010, March 2011 to January 2012, February 2012 to September 2012 and July 2012 to February 2013	7,247
		Commissioner (Appeals)	2004-2005	3

d) The Holding Company and its subsidiary company have been regular in transferring amounts to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder within time. As per the reports furnished by auditors of other subsidiary companies and jointly controlled entities incorporated in India, there are no amounts which are required to be transferred to the Investor Education and Protection Fund by such entities.

(viii) The Holding Company, subsidiary companies and its jointly controlled entities incorporated in India do not have consolidated accumulated losses at the end of the financial year, and the Holding Company, subsidiary companies and jointly controlled entities have not incurred cash losses on a consolidated basis during the financial year covered by our audit and in the immediately preceding financial year.

(ix) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors having regard to the rollover of buyer's credit by banks in respect of a subsidiary, the Holding Company subsidiary companies and jointly controlled entities incorporated in India have not defaulted in the repayment of dues to financial institutions, banks and debenture holders.

(x) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the terms and conditions of the guarantees given by the Holding Company, subsidiary companies and jointly controlled entities incorporated in India for loans taken by others outside of the Group from banks and financial institutions are not, prima facie, prejudicial to the interests of the Group.

(xi) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the term loans have been applied during the year by the Holding Company, subsidiary companies and jointly controlled entities incorporated in India during the year for the purposes for which they were obtained,.

(xii) To the best of our knowledge and according to the information and explanations given to us and the other auditors, no fraud by the Holding Company, its subsidiary companies and jointly controlled entities incorporated in India and no material fraud on the Holding Company, its subsidiary companies and jointly controlled entities incorporated in India have been noticed or reported during the year.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 008072S)

M.K. Ananthanarayanan
Partner
Membership No. 19521

Chennai,
May 29, 2015

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2015

₹ in Lakh

S. No	Particulars	Note No.	As at March 31, 2015	As at March 31, 2014
	A. EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share Capital	2	1,758	1,758
	(b) Reserves and Surplus	3	2,20,942	2,39,927
			2,22,700	2,41,685
2	Minority Interest		89,655	93,142
3	Non-Current Liabilities			
	(a) Long Term Borrowings	4	1,13,547	1,56,411
	(b) Deferred Tax Liabilities (net)	44	24,383	25,912
	(c) Other Long Term Liabilities	5.1	84	98
	(d) Long Term Provisions	5.2	1,692	1,738
			1,39,706	1,84,159
4	Current Liabilities			
	(a) Short Term Borrowings	6	3,25,504	2,34,740
	(b) Trade Payables	7	3,88,636	3,10,841
	(c) Other Current Liabilities	8	1,17,284	95,387
	(d) Short Term Provisions	9	6,451	5,913
			8,37,875	6,46,881
	TOTAL		12,89,936	11,65,867
	B. ASSETS			
1	Non-Current Assets			
	(a) Fixed Assets	10		
	(i) Tangible Assets		3,40,531	3,36,702
	(ii) Intangible Assets		3,384	3,295
	(iii) Intangible Assets under development		789	-
	(iv) Capital Work in Progress		6,747	16,303
	(b) Goodwill on Consolidation	45.1	3,734	38,783
	(c) Non Current Investments	11	35,799	34,760
	(d) Long Term Loans and Advances	12	22,651	22,383
	(e) Other Non-Current Assets	17	2,506	1,969
			4,16,141	4,54,195
2	Current Assets			
	(a) Current Investments	13	1,085	1,019
	(b) Inventories	14	3,96,302	3,00,110
	(c) Trade Receivables	15	1,71,376	1,73,095
	(d) Cash and Cash Equivalents	16	37,637	55,164
	(e) Short Term Loans and Advances	12	2,64,862	1,79,814
	(f) Other current assets	17	2,533	2,470
			8,73,795	7,11,672
	TOTAL		12,89,936	11,65,867
	See accompanying notes forming part of the Consolidated financial statements	1-48		

In terms of our report attached

For and on behalf of the Board of Directors

For Deloitte Haskins & Sells
Chartered Accountants

V. Ramesh
Managing Director

Anand Narain Bhatia
Chairman

M.K. Ananthanarayanan
Partner

G Jalaja
Company Secretary

V Suri
Chief Financial Officer

Chennai
May 29, 2015

Chennai
May 29, 2015

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

₹ in Lakh

S. No	Particulars	Note No.	Year ended March 31, 2015	Year ended March 31, 2014
1	Income			
	Revenue from Operations (Gross)	18	14,19,164	12,33,531
	Less: Excise Duty		(23,900)	(22,117)
	Revenue from Operations (Net)		13,95,264	12,11,414
	Other Income	19	11,155	10,893
	Total Revenue		14,06,419	12,22,307
2	Expenses			
	Cost of materials consumed	20	9,10,794	7,77,196
	Purchases of Stock-in-Trade	21	1,94,672	1,25,695
	Changes in Inventories of finished goods, work-in-process and stock in trade	22	(59,259)	(15,042)
	Employee benefits expense	23	43,530	41,827
	Finance costs	24	41,974	46,534
	Depreciation and amortisation expense net of transfer from fixed assets revaluation reserve for ₹ Nil (2014 : ₹ 16 Lakh)	10	24,410	22,614
	Other expenses	25	2,04,376	1,91,798
	Total Expenses		13,60,497	11,90,622
3	Profit before exceptional items and tax (1-2)		45,922	31,685
4	Exceptional items	32	394	138
5	Profit before tax (3-4)		45,528	31,547
6	Tax Expense:			
	(a) Current Tax		19,579	16,428
	(b) MAT Credit entitlement		(693)	(740)
	(c) Deferred Tax		(993)	(6,002)
	Total		17,893	9,686
7	Profit after tax before minority interest (5-6)		27,635	21,861
8	Minority Interest		(15,956)	(14,064)
9	Profit for the year (7-8)		11,679	7,797
10	Earnings Per Equity Share (Nominal value per share ₹ 1)	42		
	(a) Basic		6.64	4.44
	(b) Diluted		6.64	4.44
	See accompanying notes forming part of the Consolidated financial statements	1-48		

In terms of our report attached

For and on behalf of the Board of Directors

For Deloitte Haskins & Sells
Chartered Accountants

V. Ramesh
Managing Director

Anand Narain Bhatia
Chairman

M.K. Ananthanarayanan
Partner

G Jalaja
Company Secretary

V Suri
Chief Financial Officer

Chennai
May 29, 2015

Chennai
May 29, 2015

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

₹ in Lakh

Particulars	Year ended March 31, 2015		Year ended March 31, 2014	
A. Cash flow from operating activities				
Profit before tax and minority interest		45,528		31,547
Adjustments for :				
Depreciation and Amortisation	24,410		22,614	
Finance cost (incl Exceptional item) - Refer note 32a	42,368		46,534	
Interest Income	(5,275)		(6,353)	
Dividend income	(378)		(513)	
Net (Profit) on sale / write off of fixed assets	(642)		(2,065)	
Net loss on sale of investments	(124)		(52)	
Goodwill write off on sale of investment	365			
Provision for diminution in the value of investments	-		6	
Net unrealised exchange loss	9,763		9,176	
Liabilities / provisions no longer required written back	(871)		(2,175)	
Provision for doubtful trade and other receivables, loans and advances	2,331		1,261	
Bad debts written off	163		497	
Provision for employee benefits	130	72,240	18	68,948
Operating profit before working capital changes		1,17,768		1,00,495
Adjustments for : increase / decrease in Operating assets and liabilities				
Trade and other receivables	(67,577)		72,988	
Inventories	(95,986)		(32,556)	
Current liabilities	82,725	(80,838)	29,901	70,333
Cash generated from operations		36,930		1,70,828
Direct taxes net of refund		(14,763)		(11,680)
Net cash flow from operating activities (A)		22,167		1,59,148
B. Cash flow from investing activities				
Purchase of fixed assets including capital advances	(20,570)		(33,332)	
Proceeds on sale of fixed assets	1,946		2,726	
Loans & Advances given to others	(30)		-	
Purchase of investments	(92,622)		(2,69,330)	
Amounts paid for acquiring investments in subsidiary companies	(1,980)		(9,624)	
Repayment received from loans	1,385		-	
Sale of investments	92,771		2,69,749	
Interest received	6,358		6,443	
Amount transferred to Escrow account	(18,500)		10,000	
Investment income (including fixed deposits)	541	(30,701)	513	(22,855)
Net cash (used) in investing activities (B)		(30,701)		(22,855)
C. Cash flow from financing activities				
Proceeds from issue of Equity shares on exercise of ESOP	353		74	
Redemption of preference shares	-		(500)	
Proceed from issue of debentures	31,482		-	
Proceeds from long term borrowings	21,079		42,237	
Repayment from long term borrowings	(89,922)		(49,175)	
Proceeds from other term borrowings (net)	4,387		1,770	
Net increase / (decrease) in working capital borrowings	77,275		(71,236)	
Interest paid	(40,950)		(42,211)	
Dividends paid including tax thereon	(17,937)		(7,301)	
Net cash flow (used)/from financing activities (C)		(14,233)		(1,26,342)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

₹ in Lakh

Particulars	Year ended March 31, 2015		Year ended March 31, 2014	
Net (decrease)/increase in cash and cash equivalents (A+B+C)		(22,767)		9,951
Cash and cash equivalents as at beginning of the year		46,404		39,556
Exchange gain / (loss) on cash and cash equivalents		7		25
Add: Cash and Cash equivalents on acquisition of subsidiary		23		-
Less: Cash & Cash Equivalent de-recognised on sale of subsidiary		(2)		(3,128)
Cash and cash equivalents as at end of the year		23,665		46,404

Reconciliation of Cash and Cash equivalents with the Consolidated Balance Sheet

₹ in Lakh

Particulars	Year ended March 31, 2015		Year ended March 31, 2014	
Cash & cash equivalents as per Consolidated Balance sheet (Refer note 16)		37,637		55,164
<u>Less: Bank balances not considered as Cash and Cash equivalents as defined under AS 3 Cash Flow Statement</u>				
(i) In other deposit accounts - original maturity more than 3 months		16		127
(ii) Balance in earmarked accounts				
- Unclaimed Dividend accounts		7,716		1,716
- Balances held as Margin money		1,095		2,298
- Escrow account		2,021		2,225
- Debenture Redemption account		3,126		2,396
<u>Add: Current investments considered as part of Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) (Refer note 13.1 Current investments)</u>		2		2
Cash & cash equivalents as per AS 3		23,665		46,404

In terms of our report attached

For and on behalf of the Board of Directors

For Deloitte Haskins & Sells
Chartered Accountants

V. Ramesh
Managing Director

Anand Narain Bhatia
Chairman

M.K.Ananthanarayanan
Partner

G Jalaja
Company Secretary

V Suri
Chief Financial Officer

Chennai
May 29, 2015

Chennai
May 29, 2015

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

1.1 Corporate information

E.I.D. Parry is a significant player in Sugar with interests in promising areas of Bio Pesticides and Nutraceuticals. E.I.D Parry was incorporated in 1975 and having registered office at Chennai. The company also has a significant presence in Farm Inputs business through its subsidiary, Coromandel International Limited. EID Parry has a 100% stake in Silkroad Sugar Private Limited, 93.52% stake in US Nutraceuticals LLC, USA with 100% voting rights and a 65% stake in Parrys Sugar Industries Limited.

EID Parry together with its subsidiaries has nine sugar factories having a capacity to crush 39,000 Tonnes of Cane per day, generate 160 MW of power and four distilleries having a capacity of 230 KLPD. In the Bio Pesticides business, the Company offers a unique neem extract, Azadirachtin, having a good demand in the developed countries' bio pesticide markets. In the Nutraceuticals business, it holds a strong position in the growing wellness segment mainly catering to the world markets with its organic products.

1.2 Basis of accounting and preparation of consolidated financial statements

The consolidated financial statements of the Company and its subsidiaries and jointly controlled entities (together, "the Group") have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The consolidated financial statements have been prepared on accrual basis under the historical cost convention except for categories of fixed assets acquired before June 30, 1987, that are carried at revalued amounts. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

1.3 Principles of consolidation

The consolidated financial statements relate to E.I.D. - Parry (India) Limited ('the Company') and its Subsidiary Companies and Jointly controlled entities. The consolidated financial statements have been prepared on the following basis.

(i) The financial statements of the subsidiary companies and jointly controlled entities used in the consolidation are drawn upto the same reporting date as that of the Company i.e., March 31, 2015, except for certain subsidiary companies/ jointly controlled entities as mentioned in Note 1.4.3 below for which financial statements as on reporting date are not available. These have been consolidated based on latest available financial statements.

(ii) The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered.

(iii) All Inter company transactions, balances and unrealized surplus and deficits on transactions between Group companies are eliminated. Consistency in adoption of accounting policies among all group companies is ensured to the extent practicable except in certain cases where the impact is not quantifiable.

(iv) The operations of the company's foreign subsidiary - Parry America Inc and Alimtec S.A. is considered as integral operations and US Nutraceuticals LLC as non-integral operations for the purpose of consolidation. Foreign subsidiaries and joint ventures of Coromandel International Limited, a subsidiary of the Company, are considered as non-integral operations for the purpose of consolidation.

(v) Share of profit / loss, assets and liabilities in the jointly controlled entities, which are not subsidiaries, have been consolidated on

a line-by-line basis by adding together the book values of like items of assets, liabilities, incomes and expenses on a proportionate basis to the extent of the Group's equity interest in such entity as per AS 27 Financial Reporting of Interests in Joint Ventures. The intra-group balances, intra-group transactions and unrealised profits or losses have been eliminated to the extent of the Group's share in the entity. Jointly controlled entities that are considered subsidiaries under AS 21 Consolidated Financial Statements are consolidated similar to the manner of consolidating subsidiaries (Refer (ii) above) and the share of interest of the other venturers in such entities is included as part of minority interest.

(vi) The excess of cost to the Group of its investments in the subsidiary companies / jointly controlled entities over its share of equity of the subsidiary companies / jointly controlled entities, at the dates on which the investments in the subsidiary companies / jointly controlled entities were made, is recognised as 'Goodwill' in the consolidated financial statements. Goodwill arising on consolidation is not amortised but tested for impairment on annual basis. Alternatively, where the share of equity in the subsidiary companies / jointly controlled entities as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves & Surplus', in the consolidated financial statements. The 'Goodwill' / 'Capital Reserve' is determined separately for each subsidiary company / jointly controlled entity and such amounts are not set off between different entities.

(vii) Minority Interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit / loss for the year of the subsidiaries attributable to minority interest is identified and adjusted against the profit after tax of the Group in order to arrive at the income attributable to shareholders of the Company.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

1.4 The Subsidiary Companies considered in the consolidated financial statements are

₹ in Lakh

Name of the company	Country of incorporation	% of voting power held on March 31, 2015		% of voting power held on March 31, 2014	
		Direct	Indirect	Direct	Indirect
Parry Chemicals Limited (PCHL)	India	-	60.83	-	62.56
Parry America Inc. (PAI)	USA	100.00	-	100.00	-
Coromandel International Limited (CIL)	India	60.83	-	62.56	-
Sabero Organics Gujarat Limited (SOGL)	India	-	-	-	46.86
Sabero Europe BV (Sabero Europe)	Netherlands	-	60.83	-	62.56
Sabero Australia Pty.Ltd (Sabero Australia)	Australia	-	60.83	-	62.56
Sabero Organics America Ltda (SOAL)	Brazil	-	60.79	-	62.52
Sabero Argentina SA (Sabero Argentina)	Argentina	-	57.79	-	59.43
Sabero Organics Mexico S.A De C.V. (Sabero Mexico)	Mexico	-	60.83	-	62.56
Parry Infrastructure company Pvt Ltd (PICPL)	India	100.00	-	100.00	-
Parrys Investments Limited (PIL)	India	100.00	-	100.00	-
Parrys Sugar Limited (PSL)	India	100.00	-	100.00	-
Parry Phytoremedies Private Limited (PPPL)	India	100.00	-	96.60	-
CFL Mauritius Limited (CML)	Mauritius	-	60.83	-	62.56
Coromandel Brasil Limitada (CBL)	Brazil	-	60.83	-	62.56
US Nutraceuticals LLC (USN)	USA	100.00	-	100.00	-
Parrys Sugar Industries Limited (PSIL)	India	65.00	-	65.00	-
Silkroad Sugar Private Limited (SSPL)	India	100.00	-	99.00	-
Alagawadi Bireshwar Sugars Private Limited (ABSPL)	India	-	-	100.00	-
Parry Agrochem Exports Limited (PAEL)	India	19.00	81.00	19.00	81.00
La Belle Botanics LLC (LBBL)	USA	-	51.00	-	51.00
Liberty Pesticides and Fertilisers Limited (LPFL)	India	-	60.83	-	62.56
Dare Investments Limited (DIL)	India	-	60.83	-	62.56
Alimtec SA (ASA)	Chile	100.00	-	-	-

Refer Note No. 40 for Information on Joint Ventures

1.4.1 The above excludes Sabero Organics Philippines Asia Inc., an Associate of Sabero for which no operations have commenced and hence not been considered for consolidation.

1.4.2 In respect of USN, PAI, ASA, the financial year is from January 1, 2014 to December 31, 2014. However audited financial statements for period April 1, 2014 to March 31, 2015 has been considered for the purpose of preparation of consolidated financial statements.

1.4.3 In respect of CBL, CML, SOAL, Sabero Mexico, Sabero Argentina and CGPL (Coromandel Getax Phosphates Pte Ltd.), the financial year is from January 1, 2014 to December 31, 2014 and accordingly audited financial statements are available upto December 31, 2014. These consolidated financials have been adjusted by the Management for significant transactions between January 1, 2015 and March 31, 2015 to align for consolidation purposes.

1.4.4 In respect of Sabero Europe the financial year is from June 1, 2014 to May 31, 2015. However audited financial statements for the period April 1, 2014 to March 31, 2015 has been considered for the purpose of preparation of consolidated financial statements.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

1.5 Significant Accounting Policies

These are set out in the notes to accounts under Significant Accounting Policies' of the financial statements of the Company and its subsidiaries and Jointly controlled entities.

1.6 Use of Estimates

The preparation of the consolidated financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the consolidated financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

1.7 Inventories

(i) Inventories other than by-products are valued at lower of cost and net realisable value.

(ii) In respect of work-in-process and finished goods, cost includes all applicable production overheads incurred in bringing such inventories to their present location and condition. Cost also includes all taxes and duties, but excludes duties and taxes that are subsequently recoverable from taxing authorities.

(iii) In respect of Raw materials, boughtout items, consumables and stores and spares, cost is determined based on weighted average cost basis.

(iv) Inventories of by-products are valued at estimated net realisable value.

In respect of E.I.D- Parry (India) Limited, holding company, the cost (Net of Cenvat Credits where applicable) in case of Raw materials is determined on a moving weighted average basis, whereas in case of subsidiary companies Coromandel International Limited and Parry Phytoremedies Private Ltd, the cost is determined on the basis of "first-in first-out" basis.

Since it is not practically possible to use uniform accounting policy, the valuation of the inventory of such subsidiaries have been considered for the purpose of consolidation. The raw material inventory held by these subsidiary companies as on March 31, 2015 aggregates to ₹ 89,038 Lakh. (2014 – ₹ 79,282 Lakh).

Particulars	Name of the Entity	March 31, 2015		March 31, 2014	
		₹ in Lakh	Proportion to the item	₹ in Lakh	Proportion to the item
Raw Material Inventory	CIL	88,920	74.45%	79,250	95.44%
Raw Material Inventory	PPPL	118	0.10%	32	0.04%

1.8 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

1.9 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

1.10 Revenue Recognition

(i) Revenue from sale is recognized when risks and rewards of ownership are transferred to the buyer under the terms of the contract.

(ii) Sales include Excise duty recovered and are stated net of trade discounts and sales returns.

(iii) Export Incentive under Duty Entitlement Pass Book Scheme are treated as income in the year of export at the estimated realisable value.

(iv) Dividend income is accounted for in the year in which the right to receive it is established.

(v) Subsidy is recognised on the basis of the rates notified from time to time by the Government of India in accordance with the Nutrient Based Subsidy (NBS) policy on the quantity of fertilisers sold by the Group for the period for which notification has been issued and for the remaining period, based on estimates.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(vi) Interest on investments is booked on a time proportion basis taking into account the amounts invested and the rate of interest.

(vii) Income from services rendered is booked based on agreements/arrangements with the concerned parties.

(viii) Revenue recognition for property development is recognised when the Group enters into an agreement for sale with the buyer and all significant risks and rewards have been transferred to the buyer. Revenue from real estate projects is recognized on the "Percentage of Completion Method" of accounting.

1.11 Fixed Assets : -

Tangible Fixed Assets (other than those which have been revalued) are carried at cost less accumulated depreciation / amortisation and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Intangible Assets are stated at cost of acquisition less accumulated amortisation.

Leasehold land and leasehold improvements are amortised over the primary period of lease.

Capital Work in Progress: Projects under which tangible fixed assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

1.12 Depreciation and Amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on Tangible Fixed Assets has been provided on straight line method as per the useful life specified in Schedule II of the Companies Act 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice taking into account the nature of asset, the estimated usage of the asset, the operating conditions

of the asset, past history of replacement, anticipated technological changes, manufacturer's warranties and maintenance support, etc.,

Asset	Useful life (in years)
Plant and equipment	3-18
Vehicles	4-7
Office equipment, furniture and fixtures	3-5

The useful lives of assets are periodically reviewed and re-determined and the unamortised depreciable amount is charged over the remaining useful lives of such assets.

Leased assets are fully depreciated over the primary lease period. In respect of additions and deletions during the year, depreciation charge is provided on pro-rata basis.

Assets costing individually ₹ 5000 or less are fully depreciated in the year of addition.

Intangible assets are amortised over their estimated useful life on straight line method. Cost of patent is amortised over a period of 3 years and Software over the license period. In the case of US Nutraceuticals LLC, cost of patents are amortised over their estimated useful lives, ranging from 10 to 20 years.

Particulars	Name of the Entity	March 31, 2015		March 31, 2014	
		₹ in Lakh	Proportion to the item	₹ in Lakh	Proportion to the item
Patent	USN	142	35.06%	57	22.89%

1.13 Foreign Currency Transactions and Translations

(a) Initial recognition :

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Integral foreign operations: Transactions in foreign currencies entered into by the Company's integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Net investment in non-integral foreign operations: Net investment in non-integral foreign operations is accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

Non-integral foreign operations: Transactions of non-integral foreign operations are translated at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

(b) Measurement at the Balance Sheet date

Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the Balance Sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

Integral foreign operations: Foreign currency monetary items (other than derivative contracts) of the Company's integral foreign operations outstanding at the Balance Sheet date are restated at the year-end rates. Non-monetary items of the Company's integral foreign operations are carried at historical cost.

Net investment in non-integral foreign operations: Foreign currency monetary items (other than derivative contracts) of the Company's net investment in non-integral foreign operations outstanding at the Balance Sheet date are restated at the year-end rates.

Non-integral foreign operations: All assets and liabilities of non-integral foreign operations are translated at the year-end rates. Accordingly, the exchange differences arising on conversion into Indian Rupees is reflected under 'Foreign Currency Translation Reserve'.

(c) Settlement

Exchange differences arising on actual payment / realisation and year end reinstatement referred to above are recognised in the Consolidated Statement of Profit and Loss.

(d) Accounting for forward contracts

Premium / discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over

the period of the contracts if such contracts relate to monetary items as at the balance sheet date. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense in the period in which such cancellation or renewal is made.

Refer Notes 1.25 for accounting for forward exchange contracts relating to firm commitments and highly probable forecast transactions.

1.14 Investments

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

1.15 Employee Benefits

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund, compensated absences, long service awards and post-employment medical benefits.

a) Defined Contribution Plans

Contribution to provident fund, superannuation fund and employee state insurance scheme by the entities in the Group are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

b) Defined Benefit Plans

For defined benefit plans in the form of gratuity fund and post-employment medical benefits, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Consolidated Statement of Profit and Loss in the period

in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Consolidated Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

c) Short Term Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under :

- (i) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (ii) in case of non-accumulating compensated absences, when the absences occur.

d) Long Term Employee Benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Long Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

e) Employee share based payments

Stock options granted to the employees under the stock option scheme established are evaluated as per the accounting treatment prescribed by the Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999 issued by Securities Exchange Board of India. The Company follows the intrinsic value method of accounting for the options and accordingly, the excess of market value of the stock options as on date of grant over the exercise price of the options, if any, is recognized as deferred employee compensation cost and is charged to the Statement of Profit and Loss on graded vesting basis over the vesting period of the options.

1.16 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

1.17 Segment reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Group. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

1.18 Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

1.19 Earnings per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a

later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

1.20 Taxes on Income

Current tax is determined on the basis of taxable income and tax credits computed for each of the entities in the Group in accordance with the applicable tax rates and the provisions of applicable tax laws of the respective jurisdictions where the entities are located.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Entity will pay normal income tax. Accordingly, MAT is recognised as an asset in the Consolidated Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Entity.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the entity has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

1.21 Research and development expenses

Revenue expenditure pertaining to research is charged to the Consolidated Statement of Profit and Loss. Development costs of products are also charged to the Consolidated Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the policies stated for Fixed Assets.

1.22 Impairment of Assets

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

1.23 Provisions and Contingencies

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow

of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

1.24 Trade Receivables and Loans & Advances

Specific debts and advances identified as irrecoverable or doubtful are written off or provided for respectively. Subsidy receivable is disclosed under "Short Term Loans and Advances".

1.25 Derivative Instruments and Hedge Accounting

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecast transactions. The Company designates such forward contracts in a cash flow hedging relationship by applying the hedge accounting principles set out in "Accounting Standard 30 Financial Instruments: Recognition and Measurement". These forward contracts are stated at fair value at each reporting date. Changes in the fair value of these forward contracts that are designated and effective as hedges of future cash flows are recognised directly in "Hedging reserve account" under Reserves and surplus, net of applicable deferred income taxes and the ineffective portion is recognised immediately in the Statement of Profit and Loss. Amounts accumulated in the "Hedging reserve account" are reclassified to the Statement of Profit and Loss in the same periods during which the forecasted transaction affects profit and loss. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in "Hedging reserve

account" is retained until the forecasted transaction occurs. If the forecasted transaction is no longer expected to occur, the net cumulative gain or loss recognised in "Hedging reserve account" is immediately transferred to the Statement of Profit and Loss.

The Company enters into derivative contracts in the nature of foreign currency swaps, currency options, forward contracts with an intention to hedge its existing assets and liabilities, firm commitments and highly probable transactions. Derivative contracts which are closely linked to the existing assets and liabilities are accounted as per the policy stated for Foreign Currency Transactions and Translations.

Derivative contracts designated as a hedging instrument for highly probable forecast transactions are accounted as per the policy stated for Hedge Accounting.

All other derivative contracts are marked-to-market and losses are recognised in the Statement of Profit and Loss. Gains arising on the same are not recognised, until realised, on grounds of prudence.

1.26 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

1.27 Service tax input credit

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilising the credits.

1.28 Operating Cycle

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

NOTE 2 SHARE CAPITAL :

₹ in Lakh

Particulars	As at March 31, 2015	As at March 31, 2014
AUTHORISED :		
Equity Shares:		
192,50,00,000 Equity Shares of ₹ 1 each (Refer note 2.1)	19,250	16,250
(2014 - 1,62,50,00,000 Equity Shares of ₹ 1 each).		
Preference Shares:		
50,00,00,000 Redeemable Preference Shares of ₹ 100 each	5,000	5,000
(2014 - 50,00,00,000 Redeemable Preference Shares of ₹ 100 each)		
	24,250	21,250
ISSUED, SUBSCRIBED AND FULLY PAID UP		
17,58,14,884 Equity Shares of ₹ 1 each		
(2014 - 17,57,85,996 Equity Shares of ₹ 1 each)	1,758	1,758
	1,758	1,758

2.1. Increase of ₹ 3,000 Lakh is on account of Increase in Authorised Share Capital of erstwhile Sadashiva Sugars Limited (which was merged with the Company effective from April 1, 2013) the approval for which was accorded during the year.

2.2 The above equity share capital is net of 62,69,402 Equity Shares of ₹ 1 each, bought back by the company during the year 2008-09.

2.3 Reconciliation of number of shares and amount outstanding at the beginning and at the end of the reporting period :

Reconciliation	2014-15		2013-14	
	No. of Shares	₹ Lakh	No. of Shares	₹ Lakh
Equity Shares of ₹ 1 each fully paid up				
At the beginning of the period	17,57,85,996	1,758	17,57,66,864	1,758
Allotment of shares on exercise of Employee Stock Option (Refer note 41)	28,888	*	19,132	*
At the end of the period	17,58,14,884	1,758	17,57,85,996	1,758

* less than a Lakh

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

2.4 Details of shares held by each shareholder holding more than 5 percent of equity shares in the company:

₹ in Lakh

Name of the Share holder	No of shares held as at March 31, 2015		No of shares held as at March 31, 2014	
	Nos.	%	Nos.	%
"Murugappa Holdings Limited (Associate - Investing Party)"	5,87,35,204	33.41	5,87,35,204	33.42
Ambadi Investment Private Ltd	93,23,240	5.30	93,23,240	5.30
National Westminster Bank PLC as Depository of First State Asia Pacific Fund a Sub fund of First State Investments ICVC	34,04,777	1.94	91,06,484	5.18

2.5 Under the Employee Stock Option Plan – ESOP 2007, options not exceeding 89,24,850 have been reserved to be issued to the eligible employees, with each option conferring a right upon the employee to apply for one equity share. The options granted under the Scheme would vest not less than one year and not more than five years from the date of grant of the options. The options granted to the employees would be capable of being exercised within a period of three years from the date of vesting.

Total options outstanding in respect of the Company as at March 31, 2015 - 2,21,624 (March 31, 2014- 3,48,096) equity shares of ₹ 1 each. Refer Note 41 for other details about the scheme.

2.6 Terms attached to Equity shares

The Company has only one class of Equity share having a par value of ₹ 1 per share. Each holder of equity share is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Repayment of capital on liquidation will be in proportion to the number of equity shares held.

NOTE 3 RESERVES AND SURPLUS

₹ in Lakh

Particulars	As at March 31, 2015	As at March 31, 2014
(i) Capital Subsidy (as per last balance sheet)	7	7
(ii) Capital Reserve		
Opening balance	3,819	12,242
Add : Additions during the year	123	67
Less : Utilised during the year	2	8,490
Closing balance	3,940	3,819
(iii) Capital reserve on consolidation		
As per last Balance Sheet	6,019	6,003
Add: Additions on consolidation	208	16
Closing balance	6,227	6,019
(iv) Capital Redemption Reserve		
As per last Balance Sheet	4,494	4,181
Add: Transfer from General Reserve	-	313
Less: Utilised during the year	17	-
Closing balance	4,477	4,494

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

NOTE: 3

RESERVES AND SURPLUS (Contd...)

₹ in Lakh

Particulars	As at March 31, 2015	As at March 31, 2014
(v) Securities Premium Account		
Opening balance	41,718	40,861
Add :Premium on shares issued during the year	224	857
Add: On Amalgamation / Acquisition	834	
Less : Utilised during the year	153	-
Closing balance	42,623	41,718
(vi) Debenture Redemption Reserve		
Opening balance	6,653	5,598
Add :Transferred from Surplus in Consolidated Statement of Profit and Loss	4,847	3,653
Less : Utilised during the year	2,500	2,598
Closing balance	9,000	6,653
(vii) Fixed Asset Revaluation Reserve		
Opening balance	510	526
Less : Utilised during the year (Note 3.1 below)	-	16
Closing balance	510	510
(viii) Statutory Reserve		
Opening balance	23	22
Add : Additions during the year		1
Closing balance	23	23
(ix) General Reserve		
Opening balance	1,78,991	1,84,776
Add :Transferred from Surplus in Consolidated Statement of Profit and Loss	19,749	15,640
Add :Addition during the year	-	-
Less : Utilised during the year	24,567	21,425
Closing balance	1,74,173	1,78,991
(x) Hedging Reserve		
Opening balance	146	15
Add :Effect of foreign exchange rate variations on hedging instruments outstanding at the end of the year	(146)	146
Less : Reversed on settlement of hedge contracts	146	15
Closing balance	(146)	146
(xi) Foreign Currency Translation Reserve		
Opening balance	3,343	2,072
Add: Effect of foreign exchange rate changes	779	1,271
Closing balance	4,122	3,343

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

NOTE: 3 RESERVES AND SURPLUS (Contd...)

₹ in Lakh

Particulars	As at March 31, 2015	As at March 31, 2014
(xii) Surplus in the Statement of Profit and Loss		
Opening Balance	(5,796)	(14,779)
Less: Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life (Net of Deferred Tax of ₹ 535 Lakh) (Refer note 34)	(1,075)	-
Add: Profit for the year	11,679	7,797
Add/(Less): Transfer on amalgamation and consolidation	5,292	24,040
Less: Appropriations		
Interim Dividend on Equity Shares -₹ 2 per share (2014 : Nil)	3,516	-
Interim Dividend on Equity Shares by subsidiary	2,282	-
Proposed Final Dividend on Equity Shares -Re.1 per share (2014 : Nil)	1,758	-
Proposed dividend of Subsidiary	2,852	4,838
Dividend Distribution Tax	1,610	1,321
Transfer to Debenture Redemption Reserve (Net)	2,347	1,055
Transfer to General Reserve	19,749	15,640
Closing Balance	(24,014)	(5,796)
TOTAL RESERVES AND SURPLUS	2,20,942	2,39,927

3.1 Deduction during the year represents ₹ Nil (2014 - ₹ 16 Lakh) transferred to Statement of Profit and Loss.

NOTE 4 LONG TERM BORROWINGS

₹ in Lakh

Particulars	Non-Current		Current	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
(a) Privately placed Secured, Redeemable Non-convertible debenture				
10.05% Secured Redeemable Non-convertible debentures 2014-15 series (Refer note 4.1)	27,000	-	-	-
10.20% Secured Redeemable Non-convertible debentures 2014-15 series (Refer note 4.2)	6,000			
10.25% Secured Redeemable Non-convertible debentures 2013-14 series (Refer note 4.3)	10,000	10,000	-	-
8.97% Secured Redeemable Non-convertible debentures 2013-14 series (Refer note 4.4)	20,000	20,000		
9.25% Secured Redeemable Non-convertible debentures 2012-13 series (Refer note 4.5)	-	10,000	10,000	-
9.15% Secured Redeemable Non-convertible debentures 2012-13 series (Refer note 4.6)	-	6,000	6,000	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

₹ in Lakh

Particulars	Non-Current		Current	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
10.40% Secured Redeemable Non-convertible debentures 2011-12 series (Refer note 4.7)	-	-	-	6,000
10.25% Secured Redeemable Non-convertible debentures 2011-12 series (Refer note 4.7)	-	-	-	4,000
(b) Secured Term Loans from:				
Banks	35,191	98,578	24,968	25,563
Government of India - Sugar Development Fund	11,691	8,576	1,858	2,021
Others	572	-	-	-
(c) Other loans and advances				
Unsecured loan from banks	593	757	164	70
Unsecured loan from others (Refer note 4.8)	2,500	2,500	98	10
	1,13,547	1,56,411	43,088	37,664
The above amount includes				
Secured Borrowings	1,10,454	1,53,154	42,826	37,584
Unsecured Borrowings	3,093	3,257	262	80
Amount disclosed under the head "other current liabilities" (Note 8)	-	-	(43,088)	(37,664)
Net amount	1,13,547	1,56,411	-	-

4.1. 1,350 10.05% Series A Secured Redeemable Non- Convertible Debentures and 1350 10.05% Series B Secured Redeemable Non- Convertible Debentures of ₹ 10,00,000 each aggregating to ₹ 2,70,00,00,000 of Silkroad Sugar Private Limited (SSPL) are secured by exclusive charge on the fixed assets of the SSPL. Debentures are redeemable in full at par on July 16, 2018. The Company has given corporate guarantee to the Debenture Trustee IDBI Trusteeship Services Limited against this issue.

The Principal INR liability of Debentures mentioned above aggregating to ₹ 2,70,00,00,000 has been swapped for USD 44,665,012. The swap trade is effective from August 22, 2014 and termination date is July 12, 2019. Interest liability of 10.05% p.a. in Indian Rupees has been swapped for 3.4% fixed per annum on Effective USD Notional.

4.2 600 Zero Coupon Secured Redeemable Non-convertible Debentures with a yield of 10.20% p.a having 3 years tenor aggregating to ₹ 44,82,19,800/- of SSPL are secured by First Charge on the fixed assets of SSPL with an asset cover of 1.25 times (based on market value) at all times during the tenure of the debentures. The debentures have been discounted for ₹ 15,17,80,200/-. The due date for redemption is September 19, 2017. The Company has given corporate guarantee to the Debenture Trustee IDBI Trusteeship Services Limited against this issue.

The Principal INR liability of Debentures mentioned above aggregating to ₹ 448,219,800 has been swapped for USD 7,276,295. The swap trade is effective from September 19, 2014 and maturity date is September 19, 2017. Interest liability of 10.20% p.a. in Indian Rupees has been swapped for 3.84% fixed per annum on Effective USD Notional.

4.3 1,000 - 10.25% Secured Redeemable Non-convertible Debentures of ₹ 10 Lakh each aggregating to ₹ 10,000 Lakh are secured by a pari passu first charge by way of a registered mortgage deed on the Company's immovable properties/fixed assets both present and future situated at Pugalur and Nellikuppam. Debentures are redeemable in full at par on January 06, 2017.

4.4 2,000 - 8.97% Secured Redeemable Non-convertible Debentures of ₹ 10 Lakh each aggregating to ₹ 20,000 Lakh are secured by a pari passu first charge by way of a registered mortgage deed on the Company's immovable properties/fixed assets both present and future situated at Pugalur. Debentures are redeemable in full at par on May 03, 2016.

4.5 1,000 - 9.25% Secured Redeemable Non-convertible Debentures of ₹ 10 Lakh each aggregating to ₹ 10,000 Lakh are secured by a pari passu first charge by way of a registered mortgage deed on the Company's specific immovable properties. Debentures are redeemable in full at par on March 18, 2016.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

4.6 600 - 9.15% Secured Redeemable Non-convertible Debentures of ₹ 10 Lakh each aggregating to ₹ 6,000 Lakh are secured by a pari passu first charge by way of a registered mortgage deed on the Company's immovable properties situated at Pugalur. Debentures are redeemable in full at par on October 23, 2015.

4.7 600 - 10.40% Secured Redeemable Non-convertible Debentures of ₹ 10 Lakh each aggregating to ₹ 6,000 Lakh and 400 - 10.25% Secured Redeemable Non-convertible Debentures of ₹ 10 Lakh each aggregating to ₹ 4,000 Lakh were fully redeemed during the year.

4.8 The Interest free loan is repayable after 11 years.

4.9 There is no default in repayment of the loans and interest thereon.

NOTE 5.1 OTHER LONG-TERM LIABILITIES

₹ in Lakh

Particulars	As at March 31, 2015	As at March 31, 2014
Other payables	84	98
	84	98

5.1.1 There are no dues to enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006, as at March 31, 2015 (2014 - Nil) which is on the basis of such parties having been identified by the Management.

NOTE 5.2 LONG-TERM PROVISIONS

₹ in Lakh

Particulars	As at March 31, 2015	As at March 31, 2014
(a) For Gratuity	109	175
(b) For Compensated absences	1,098	1,096
(c) For other employee benefits	485	467
	1,692	1,738

NOTE 6 SHORT TERM BORROWINGS

₹ in Lakh

Particulars	As at March 31, 2015	As at March 31, 2014
(a) Loans repayable on demand		
From Banks		
(i) Secured (Refer note 6.1)	1,13,486	1,05,314
(ii) Unsecured (Refer note 6.2)	99,686	51,930
(b) Short term loans		
From Banks		
(i) Secured (Refer note 6.1)	1,179	2,224
(ii) Unsecured (Refer note 6.2)	23,153	5,322
(c) Commercial Papers - Unsecured	88,000	42,500
(d) Loans from others	-	27,450
	3,25,504	2,34,740

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

6.1 The above loans are secured by hypothecation of certain fixed assets and current assets both present and future.

6.2 Unsecured short-term borrowings comprises buyers credit denominated in foreign currency, packing credit facility on the basis of letter of credit or confirmed and irrevocable order for the export of goods / services and rupee loan from banks.

NOTE 7 TRADE PAYABLES

₹ in Lakh

Particulars	As at March 31, 2015	As at March 31, 2014
Trade payables (Refer note 7.1 below):		
(a) Acceptances	1,75,847	1,29,975
(b) Other than Acceptances	2,12,789	1,80,866
	3,88,636	3,10,841

7.1 There are no dues to enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006, as at March 31, 2015 (2014 - Nil) which is on the basis of such parties having been identified by the Management.

NOTE 8 OTHER CURRENT LIABILITIES

₹ in Lakh

Particulars	As at March 31, 2015	As at March 31, 2014
(a) Current maturities of long-term debt	43,088	37,664
(b) Interest accrued but not due on borrowings	8,283	6,597
(c) Unclaimed dividends (Refer note 8.1 and 8.2 below)	1,891	1,716
(d) Unpaid debenture and interest	726	852
(e) Other Liabilities		
(i) Vendor for purchase of capital goods	1,763	1,995
(ii) Other Miscellaneous Liabilities (Refer note 8.3 below)	56,974	34,498
(iii) Advances and Deposits from Customers/Others	4,559	12,065
	1,17,284	95,387

8.1 These amounts represent warrants issued to the Shareholders which remained unrepresented as at March 31, 2015.

8.2 There are no amounts due to be credited to Investor Education and Protection Fund as at March 31, 2015.

8.3 Other Miscellaneous Liabilities also include liability towards capital goods, payroll deductions and statutory dues such as Property Tax, Purchase Tax, Withholding Taxes, Service Tax, VAT, Excise Duty etc.,

NOTE 9
SHORT-TERM PROVISIONS

₹ in Lakh

Particulars	As at March 31, 2015	As at March 31, 2014
(a) Provision for compensated absences	1,263	1,115
(b) Provision for other employee benefits	717	547
(c) Proposed dividend on Equity shares	1,758	-
(d) Provision for Tax on dividend proposed by subsidiary	1,482	2,230
(e) Provision for tax net of advance tax	1,212	2,014
(f) Provision for others	19	7
	6,451	5,913

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
NOTE 10 - CONSOLIDATED FIXED ASSETS:

₹ in Lakh

Particulars	GROSS BLOCK						ACCUMULATED DEPRECIATION AND AMORTISATION						NET BLOCK			
	Cost/ Value As at April 1, 2014	Additions on Acquisitions (Refer Note 10.3)	Additions	Borrowing costs Capitalized	Disposals/ Adjustments	Effect of Translation	Cost / Value As at March 31, 2015	As at April 1, 2014	Additions on Acquisitions (Refer note 10.3)	For the year	Withdrawn / for the year adjustments	Transition adjustment recorded against surplus balance in Statement of Profit and Loss	Effect of Translation	As at March 31, 2015	As at March 31, 2015	As at March 31, 2014
Tangible assets (A)																
Freehold Land	34,823	222	21	-	1,051		34,015	-	45	-				45	33,970	34,823
Leasehold Land	5,283	-	12	-	117	5	5,183	540	52	1				591	4,592	4,743
Buildings (note 10.1 & 10.2)	68,707	479	5,215	128	631	122	74,020	14,884	72	2,550	557	70	17,593	56,427	53,823	
Railway Siding	2,626	-	244	-	-	-	2,870	499	-	178	4	-	681	2,189	2,127	
Plant and Machinery	3,93,485	1,875	22,170	597	6,556	133	4,11,704	1,57,231	616	19,456	308	117	1,72,271	2,39,433	2,36,254	
Furniture & Fixtures and Office Equipments	12,965	-	977	-	583	12	13,371	9,499	-	1,175	716	7	10,848	2,523	3,466	
Vehicles	3,970	60	482	-	389	(4)	4,119	2,504	9	509	25	(4)	2,722	1,397	1,466	
Total (A)	5,21,859	2,636	29,121	725	9,327	268	5,45,282	1,85,157	697	23,945	1,610	190	2,04,751	3,40,531	3,36,702	
Intangible Assets (B)																
Patent	3,582	-	374	-	55	87	3,988	1,397	-	405	-	13	1,760	2,228	2,185	
Product development	1,423	-	234	-	2	(251)	1,404	364	-	4	-	(33)	349	1,055	1,059	
Softwares	144	-	-	-	143	-	1	98	-	47	-	-	(9)	10	46	
Licence	13	76	40	-	-	-	129	8	21	9	-	-	38	91	5	
Total (B)	5,162	76	648	-	200	(164)	5,522	1,867	21	465	-	(20)	2,138	3,384	3,295	
Total (A) + (B)	5,27,021	2,712	29,769	725	9,527	104	5,50,804	1,87,024	718	24,410	1,610	170	2,06,889	3,43,915	3,39,997	
Capital work in Progress														6,747	16,303	
Intangibles under development														789	-	
														3,51,451	3,56,300	

10.1 Includes cost of ₹ 31 Lakh (2014 - ₹ 31 Lakh) for which title deeds are yet to be received from the Registrar.

10.2 Includes Building on Leasehold land : Cost : ₹ 884.41 Lakh (2014 - ₹ 884.41 Lakh) and Accumulated Depreciation : ₹ 272.47 Lakh (2014 - ₹ 258.73 Lakh).

10.3 Represent Assets taken over during the current year on acquisition of Subsidiaries / conversion of Joint venture entity into subsidiary.

10.4 The above assets include certain assets used for Research and Development.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
NOTE 10
FIXED ASSETS
CONSOLIDATED FIXED ASSETS OF PREVIOUS YEAR : 2013-14

₹ in Lakh

Particulars	GROSS BLOCK				ACCUMULATED DEPRECIATION AND AMORTISATION						NET BLOCK		
	Cost/ Value As at April 1, 2013	Additions on Acquisitions	Deletions/ Adjustments	Effect of Translation	Cost/Value As at March 31, 2014	As at April 1, 2013	Additions on Acquisitions	For the year	Withdrawn / for the year adjustments	Effect of Translation	As at March 31, 2014	As at March 31, 2014	As at March 31, 2013
Tangible assets (A)													
Freehold Land	34,516	-	324	18	34,823	-	-	-	-	-	-	34,823	34,516
Leasehold Land	4,711	-	681	119	5,283	451	-	92	4	1	540	4,743	4,260
Buildings	63,802	-	5,405	756	68,707	12,862	-	2,068	169	123	14,884	53,823	50,940
Railway Siding	2,540	-	93	7	2,626	391	-	114	6	-	499	2,127	2,149
Plant and Machinery	3,73,381	-	21,991	2,144	3,93,485	1,40,744	-	18,226	1,950	211	1,57,231	2,36,254	2,32,637
Furniture & Fixtures and Office Equipments	12,083	-	1,016	155	12,965	8,410	-	1,222	147	14	9,499	3,466	3,673
Vehicles	4,022	-	371	424	3,970	2,216	-	520	233	1	2,504	1,466	1,806
Total (A)	4,95,055	-	29,881	3,623	5,21,859	1,65,074	-	22,242	2,509	350	1,85,157	3,36,702	3,29,981
Intangible Assets (B)													
Patent	2,817	-	638	-	3,582	1,121	-	249	-	18	1,388	2,194	1,696
Product development	1,366	-	57	-	1,423	252	-	112	-	-	364	1,059	1,114
Softwares	148	-	2	6	144	83	-	24	-	-	107	37	65
Licence	13	-	-	-	13	5	-	3	-	-	8	5	8
Total (B)	4,344	-	697	6	5,162	1,461	-	388	-	18	1,867	3,295	2,883
Total (A) + (B)	4,99,399	-	30,578	3,629	5,27,021	1,66,535	-	22,630	2,509	368	1,87,024	3,39,997	3,32,864
Capital Work - in Progress												16,303	48,897
												3,56,300	3,81,761

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

NOTE 11 NON-CURRENT INVESTMENTS (AT COST)

₹ in Lakh

Particulars	As at March 31, 2015	As at March 31, 2014
I. Quoted Investments		
(A) Trade Investments		
(a) Investments in Equity Instruments		
(i) Other Companies		
13,719 (2014 - 13,719) shares of ₹ 10 each fully paid up in Rama Phosphates Limited	10	10
23,600 (2014 - 23,600) shares of ₹ 10 each fully paid up in Kartik Investments Trust Limited	4	4
100 (2014 - 100) shares of ₹ 10 each fully paid up in Travancore Sugars and Chemicals Limited	*	*
82,440 (2014 - 8,244) shares of ₹ 1 each fully paid up in State Bank of India (Refer Note 11.2)	25	25
393 (2014 - 393) shares of ₹ 10 each fully paid up in Cholamandalam Investment and Finance Company Limited	*	*
50,43,138 (2014 - 50,43,138) shares of ₹ 10 each fully paid up in Coromandel Engineering Company Limited	1,004	1,004
2,000 (2014 - 2,000) shares of ₹ 1 each fully paid up in Carborundum Universal Limited	*	*
300 (2014 - 300) shares of ₹ 1 each fully paid up in Chennai Petrochemical Corporation Limited	*	*
Total Quoted Investments	1,043	1,043
Market Value of Quoted Investments	2,400	2,146
II. Unquoted Investments		
(A) Trade Investments		
(a) Investments in Equity Instruments		
(i) Other companies		
42,410 (2014 - 42,410) shares of ₹ 100 each fully paid up Murugappa Management Services Limited	99	99
10,01,000 (2014 - 10,01,000) shares of ₹ 10 each fully paid up Prathyusha Chemicals and Fertilisers Limited	143	143
7,27,200 (2014 - 7,27,200) shares of ₹ 10 each fully paid up Indian Potash Limited	37	37
12,82,070 (2014 - 12,82,070) shares of South African Rand of 1 each fully paid up Foskor (Pty) Limited	17,295	16,440
16,100 (2014 - 16,100) shares of ₹ 10 each fully paid up Bharuch Enviro Infrastructure Limited	2	2
2,75,000 (2014 - 2,75,000) shares of ₹ 10 each fully paid up Narmada Clean Tech	28	28
53,92,160 (2014 - 53,92,160) shares of ₹ 10 each fully paid up A.P.Gas Power Corporation Limited	8,300	8,300
33,75,000 (2014 - 33,75,000) shares of Tunisian Dinars 10 each fully paid up Tunisian Indian Fertilisers S.A. (Refer note 11.3)	8,514	8,514
318 (2014 - 318) shares of PHP \$ 100 each fully paid up Sabero Organics Philippines Asia Inc - Associate	*	*
2,000 (2014 - 400) shares of ₹ 10 each fully paid up Nandeswari Environment Control Limited	*	*

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

NOTE 11 (Continued...) NON-CURRENT INVESTMENTS (AT COST)

₹ in Lakh

Particulars	As at March 31, 2015	As at March 31, 2014
(B) Other Investments		
(a) Investments in Equity Instruments		
(i) Other companies		
125 (2014 - 125) shares of 25 pence each fully paid up in Hawker Siddley Group Limited (Refer note 11.4)	*	*
10,000 (2014 - 10,000) shares of ₹ 1 each fully paid up in Indian Dairy Entrepreneur and Agricultural Co Limited (At cost less amount written off ₹ 0.90 Lakh)	*	*
266 (2014 - 266) shares of ₹ 10 each fully paid up in Chennai Wellindon Corporate Foundation	*	*
1,00,000 (2014 - 1,00,000) shares of ₹ 10 each fully paid up in Bio Tech Consortium (India) Limited	10	10
2 (2014 - 2) shares of ₹ 10 each fully paid up in Murugappa Morgan Thermal Ceramics Limited	*	*
20 (2014 - 20) shares of ₹ 100 each fully paid up in Kullittalai Cane Farms Private Limited (Refer note 11.4)	*	*
(b) Investments in Mutual Fund		
46832 (2014 - 28427) units of ₹ 1000 each fully paid up in Faering Capital India Evolving Fund	468	284
(c) Investments in Government or trust securities	1	1
Government Securities (Lodged as Security deposit)		
Total Unquoted Investments	34,897	33,858
Less : Provision for diminution in value of investments	(141)	(141)
Total Non-Current Investments	35,799	34,760

11.1 - Refer note 1.14 for valuation of investments.

11.2 - During the year, the shares of State Bank of India of face value of ₹ 10 each have been sub-divided into face value of Re.1 each.

11.3 - The Ordinary shares of Tunisian Indian Fertilisers S.A., Tunisia (TIFERT) held by Coromandel International Limited have been pledged to secure the obligations of TIFERT to their lenders.

11.4 - Fifteen Shares in Kullittalai Cane Farms Private Limited and One hundred and twenty five shares in Hawker Siddley Group Limited are in the process of being transferred in the name of the Company.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

NOTE 12

LOANS AND ADVANCES

₹ in Lakh

Particulars	Long-Term		Short-Term	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
Unsecured and considered good unless otherwise stated :				
(a) Capital Advances	1,685	2,933	-	-
(b) Security Deposits	3,472	3,761	-	3
(c) Advance Income Tax (net of provisions)	4,020	4,322	62	45
(d) Balance with Customs and Central Excise Authorities	290	329	1,245	1,970
(e) MAT Credit Entitlement	3,524	3,550	-	4,347
(f) Government Subsidies receivable	-	-	1,78,940	1,11,225
(g) Loans and Advances (Refer note 12.1 below)	-	-	487	519
(h) Intercompany Deposits	-	-	47,000	28,500
(i) Share Application money pending Allotment	192	-	-	-
(j) Advance recoverable in cash or in kind or for value to be received				
(i) Unsecured and Considered Good	9,468	7,488	37,128	33,205
(ii) Considered Doubtful	47	451	3,276	2,974
Less: Provision for Doubtful Advances	(47)	(451)	(3,276)	(2,974)
	22,651	22,383	2,64,862	1,79,814

12.1 Represents loan given by Coromandel International Limited, a subsidiary of the Company, to TIFERT which is compulsorily convertible to equity shares at the end of three years from November 2012.

NOTE 13

CURRENT INVESTMENTS

₹ in Lakh

Particulars	As at March 31, 2015	As at March 31, 2014
I. Quoted Investments		
(A) Trade Investments		
(a) Investments in Equity Instruments		
(i) Other companies	4	4
(B) Other Investments		
(a) Investments in Equity Instruments		
(i) Other companies	5	5
(C) Investments in Mutual Funds	1,060	995
	1,069	1,004
II. Un Quoted Investments		
(A) Other Investments		
(a) Investments in Government or trust securities	2	1
(B) Investments in Mutual Funds	14	14
	16	15
Total	1,085	1,019

13.1 Out of the above, Current investments considered as Cash and Cash Equivalent amounts to ₹ 2 Lakh (2014- ₹ 2 Lakh).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

NOTE 14 INVENTORIES

(At lower of cost and net realisable value)

₹ in Lakh

Particulars	As at March 31, 2015	As at March 31, 2014
(a) Raw materials	1,19,435	83,040
(b) Work-in-process	14,424	10,329
(c) Finished goods	2,05,719	1,69,269
(d) Stock-in-trade (goods acquired for trading)	45,311	26,590
(e) Stores and spares	11,413	10,882
	3,96,302	3,00,110

14.1 - Mode of valuation of Inventories - Refer Note No 1.7

NOTE 15 TRADE RECEIVABLES

₹ in Lakh

Particulars	Current	
	As at March 31, 2015	As at March 31, 2014
(a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
(i) Secured - Considered good	1,296	1,730
(ii) Unsecured - Considered good	15,587	26,175
(iii) Unsecured - Considered doubtful	6,089	4,635
Less: Provision for doubtful debts	(6,089)	(4,635)
	16,883	27,905
(b) Other Trade Receivables		
(i) Secured - Considered good	7,982	9,656
(ii) Unsecured - Considered good	1,46,511	1,35,534
	1,54,493	1,45,190
(c) Other receivables - Considered good	-	-
	1,71,376	1,73,095

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

NOTE 16 CASH AND CASH EQUIVALENTS

₹ in Lakh

Particulars	As at March 31, 2015	As at March 31, 2014
(a) Cash on hand	238	192
(b) Cheques, drafts on hand	5	9
(c) Balances with banks		
(i) In Current account	18,349	26,633
(ii) In Deposit account	-	-
(iii) In earmarked accounts		
- In Dividend account	7,716	1,716
- Margin Money account	1,095	2,298
- Escrow account	2,021	2,225
- On Debenture redemption account	3,126	2,396
- On Deposit accounts with less than 3 month maturity	5,071	19,568
2. Other balances		
On Deposit accounts with more than 3 month and less than 12 months maturity	16	9
On Deposit accounts with more than 12 months maturity	-	118
	37,637	55,164

16.1 Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements is ₹ 23,663 Lakh (2014: ₹ 46,402 Lakh)

NOTE 17 OTHER ASSETS

₹ in Lakh

Particulars	Non Current		Current	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
(a) Income Accrued on Deposits etc.	-	63	869	1,798
(b) Unbilled revenue	-	-	25	121
(c) Fair value Derivative Hedging receivable	-	-	994	434
(d) Long Term Trade Receivable	2,506	1,906	-	-
(e) Discount on issue of debentures	-	-	506	-
(f) Others	-	-	139	117
	2,506	1,969	2,533	2,470

NOTE 18 REVENUE FROM OPERATIONS:

₹ in Lakh

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
(a) Sales of Products (Refer note no 18.1 for details)	10,91,693	9,37,169
(b) Sales of services	174	2,137
(c) Government Subsidies	3,16,577	2,85,943
(d) Other operating revenues	10,720	8,282
	14,19,164	12,33,531

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

18.1 Details of Products Sold

₹ in Lakh

Classes of goods	Year ended March 31, 2015	Year ended March 31, 2014
Farm inputs	8,24,895	7,28,342
Sugar	1,93,065	1,47,207
Others	73,733	61,620
	10,91,693	9,37,169

NOTE 19 OTHER INCOME

₹ in Lakh

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
(a) Interest Income	5,275	6,353
(b) Dividend Income - Others		
(i) Current investments	357	491
(ii) Long term investments	21	22
(c) Profit on sale of fixed assets (Net)	1,575	2,371
(d) Profit on sale of long term Investments	124	52
(e) Other non-operating income	2,481	1,594
(f) Net gain on foreign currency transactions and translation (other than considered as finance cost)	1,322	10
	11,155	10,893

NOTE 20 COST OF MATERIALS CONSUMED

₹ in Lakh

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
(a) Farm Inputs	7,10,930	6,35,205
(b) Raw Material for Sugar Business	1,33,197	1,20,552
(c) Others	66,667	21,439
	9,10,794	7,77,196

NOTE 21 PURCHASES OF STOCK-IN-TRADE

₹ in Lakh

CLASSES OF GOODS	Year ended March 31, 2015	Year ended March 31, 2014
(a) Farm Inputs	1,92,150	1,22,660
(b) Sugar	1,294	1,285
(c) Others	1,228	1,750
	1,94,672	1,25,695

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

NOTE 22

CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROCESS AND STOCK IN TRADE

₹ in Lakh

Particulars	Year ended March 31, 2015		Year ended March 31, 2014	
(Increase)/Decrease in Stocks				
(a) Opening Stock:				
Work-in-process	10,329		5,127	
Finished goods	1,69,276		1,59,283	
Stock-in-trade	26,590		26,580	
Total (A)	2,06,195		1,90,990	
Stock on date of acquisition of subsidiary:				
Finished goods	-		163	
Total (B)	-		163	
(b) Closing Stock:				
Work-in-process	14,424		10,329	
Finished goods	2,05,719		1,69,276	
Stock-in-trade	45,311		26,590	
Total (C)	2,65,454	(59,259)	2,06,195	(15,042)
Changes in Inventory - Total (A + B - C)		(59,259)		(15,042)

NOTE 23

EMPLOYEE BENEFIT EXPENSE

₹ in Lakh

Particulars	Year ended March 31, 2015		Year ended March 31, 2014	
(a) Salaries, Wages and Bonus	36,312		34,976	
(b) Contribution to Provident and Other Funds	2,982		2,925	
(c) Workmen and Staff Welfare Expenses	4,236		3,926	
	43,530		41,827	

NOTE 24

FINANCE COSTS

₹ in Lakh

Particulars	Year ended March 31, 2015		Year ended March 31, 2014	
Interest expense				
(a) Debentures	4,880		2,421	
(b) Other term loans	34,937		31,377	
(c) Other borrowing costs (Refer note 24.1 below)	2,009		12,553	
(d) Exchange difference to the extent considered as an adjustment to borrowing costs	148		183	
	41,974		46,534	

24.1 Other borrowing costs include commitment charges, loan processing charges, loan facilitation charges, discounts /premiums on borrowings and other ancillary costs.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

NOTE 25 OTHER EXPENSES

₹ in Lakh

Particulars	Year ended March 31, 2015		Year ended March 31, 2014	
(a) Consumption of Stores, Spares and Consumables		11,291		10,775
(b) Power and Fuel		31,043		26,062
(c) Rent		3,479		3,293
(d) Repairs and Maintenance				
- Building	654		438	
- Plant and Machinery	8,360		7,719	
- Others	4,389	13,403	3,351	11,508
(e) Insurance		1,740		1,565
(f) Rates and Taxes (Refer note 25.1)		5,678		5,433
(g) Packing, Despatching and Freight		75,937		66,994
(h) Commission to Selling Agents		509		348
(i) Rebates and Discounts		58		25
(j) Directors' Fees and Commission		166		25
(k) Sales Promotion and Publicity		1,238		1,943
(l) Fixed Assets scrapped		651		65
(m) Professional Charges		4,251		3,861
(n) Provision for Doubtful Debts and Advances		2,331		1,719
(o) Bad Debts/Advances written off	516		497	
Less: Transfer from provision	(353)	163	-	497
(p) Impairment of Other investments		-		6
(q) Goodwill Write off on sale of subsidiary		365		-
(r) Loss on sale of fixed assets		282		241
(s) General Manufacturing, Selling and Administration Expenses		31,664		31,019
(t) Net Loss on foreign currency transaction and translation (other than considered in finance cost)		18,981		26,419
(u) Corporate Social Responsibility		1,146		-
		2,04,376		1,91,798

25.1 Total Excise Duty on Sales for the year has been disclosed as reduction from the turnover. Excise duty related to the difference between the closing stock and opening stock has been included in Rates & Taxes.

26 Investment in Joint Venture Yanmar Coromandel Agrisolutions Private Limited

(a) Pursuant to the joint venture agreement entered into by Coromandel International Limited with Yanmar Co. Ltd and Mitsui & Co. (Asia Pacific) Pte. Ltd, a joint venture Company Yanmar Coromandel Agrisolutions Private Limited (YCAS), was incorporated on July 14, 2014 to engage in the business of manufacture, sales and after-sales service of agricultural machinery. In terms of the aforesaid agreement, capital contributions have been made into YCAS in the current year.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

27 Additional Investments in Subsidiaries made during the year

During the year, the Company has invested in 6502 equity Shares of No par value in Alimtec S.A aggregating to ₹ 2,211 Lakh & 223 equity shares of No par value in Alimtec S.A aggregating to ₹ 289 Lakh on account of conversion of loans given to Alimtec S.A

The Company has further acquired 11,62,811 fully paid Equity shares of ₹ 10/- each of Silkroad Sugar Private Limited aggregating to ₹ 231 Lakh making it a wholly owned subsidiary.

The Company has converted loans and other receivables to/from Silkroad Sugar Private Limited amounting to ₹ 10,200 Lakh into 1,02,00,000 10% Redeemable Cumulative Preference shares of ₹ 100 each at par redeemable at the end of 5 years from the date of allotment.

The Company has also converted loans to Parrys Sugar Industries Limited amounting to ₹ 1,300 Lakh into 1,30,00,000 8% Redeemable Cumulative Preference shares of ₹ 10 each at par redeemable at the end of 5 years from date of allotment.

The Company has further acquired in 63,200 fully paid Equity shares of 100/- each of Parry Phytoremedies Private Limited aggregating to ₹ 47 Lakh making it a wholly owned subsidiary.

28 Amalgamation of Sabero Organics Gujarat Limited (Sabero) and Parry Phytoremedies Private Limited:

a. Sabero Organics Gujarat Limited:

"The Board of Directors of the Coromandel International Limited (CIL) and its subsidiary, Sabero Organics Gujarat Limited ("Sabero"), in their meetings held on January 24, 2014 approved a Scheme of Amalgamation under Sections 391 and 394 of the Companies Act, 1956 ('the Scheme') for amalgamation of Sabero with CIL. Sabero was engaged in the manufacture and sale of Crop Protection Chemicals.

Pursuant to the Scheme sanctioned by the Hon'ble High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh and by the Hon'ble High Court of Judicature of Gujarat vide their respective orders, the entire business undertaking of Sabero including all assets and properties, debts, liabilities and duties and obligations have been transferred to and vested in CIL, with effect from April 1, 2014 (the Appointed Date as per the Scheme).

b. Parry Phytoremedies Private Limited:

The Honorable High Court of Bombay, has sanctioned the order approving the amalgamation of Parry Phytoremedies Private Limited, a wholly owned subsidiary, with the Company with appointed date of April 01, 2014. Pending receipt of the Court Order and filing of the same with Registrar of Companies, effect has not been given to merger in the Consolidated Financial Statements.

NOTE 29 (A) COMMITMENTS

₹ in Lakh

Particular	As at March 31, 2015	As at March 31, 2014
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances	3,917	6,174
(ii) Uncalled liability on shares and other investments partly paid	1,132	-
(iii) Other commitments - Purchase order given for items such as raw materials, services etc.,	-	216

Maximum obligation of the subsidiary company, Coromandel, on long term lease of land - ₹ 378 Lakh (2014: ₹ 167 Lakh)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

NOTE 29 (B)

Other monies for which the Group is contingently liable

₹ in Lakh

Particulars	As at March 31, 2015	As at March 31, 2014
(i) Letters of Credit and Bank Guarantees established for Purchases of Raw Materials, Spares and Capital Goods	8,553	19,430
(ii) Guarantees by Coromandel International Limited, a subsidiary towards borrowing of Tunisian Indian Fertilisers S.A., Tunisia (TIFERT), a venture of Coromandel International Limited.	32,346	31,009
(iii) Corporate Guarantees given by the Company to banks in respect of crop loans to farmers and H&T loan etc.,	22	1,768
(iv) Income Tax demands contested for which no Provision has been made	5,013	3,147
(v) Claims against the Group for Sales Tax, Excise Duty and others including Industrial Disputes not acknowledged as Debt and not provided for.	16,423	20,852
(vi) Other Contingent Liabilities:		
(a) In respect of assignment of receivables from fertiliser dealers and dealers financing by bank	3,415	5,547
(a) Preference dividend attributed to Cumulative preference shares (Including Arrears)	581	145
(c) Cane price (Refer note 29B.1 and 29B.2)	10,873	5,948

29B.1 The Sugar Cane Control Board formed by the Government of Karnataka under the Karnataka Sugar Cane (Regulation of Purchase and Supply) Act, 2013, had declared a cane procurement price of ₹ 2500/MT for the sugar season 13-14. This has been challenged by South India Sugar Mills Association - Karnataka (SISMA-K) before the Hon'ble High Court of Karnataka and the matter is subjudice.

29B.2 The Tamilnadu Government declared State Advisory Price (SAP) of ₹ 2650 per MT of sugarcane for the sugar year 2013-14. The Company has challenged the right of State Government to declare the SAP in the Hon'ble High Court of Tamilnadu. The matter is subjudice.

29B.3 The Income Tax Department/Commercial Tax Department/Central Excise and Service Tax Authority has filed appeal against the favorable order passed by lower forum in favor of the Holding Company in appropriate appellate forum to the extent of ₹ 1,954 Lakh. It is expected that there will not be any outflow of economic resources embodying economic benefits. Hence, no provision is considered necessary against the same.

29B.4 Future cash outflows in respect of the above matters are determinable only on receipt of judgements / decisions pending at various forums / authorities.

30. Coromandel International Limited (CIL), a subsidiary of the Company, has entered into certain operating lease agreements and an amount of ₹ 2,335 Lakh (2014: ₹ 1,742 Lakh) paid under such agreements has been charged to the Consolidated Statement of Profit and Loss. These leases are generally not non-cancellable and are renewable by mutual consent on mutually agreed terms. There are no restrictions imposed by such agreements.

Parrys Sugar Industries Limited (PSIL), a subsidiary of the Company has entered into a non cancellable operating lease agreement with Shri DhanaLakshmi Sahakri Sakkari Karkhane Niyamit, Ramdurg for the lease of sugar factory together with the specified assets on Built, Own, operate and Transfer basis (BOOT) for a period of 25 years. Lease rentals of ₹ 817 Lakh (2014: ₹ 793 Lakh) in respect of the obligation under such lease agreement have been recognized in the Profit and Loss Account.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

Future obligations of lease rentals applicable to the above lease agreement aggregate to ₹ 11,859 Lakh (2014: ₹ 12,675 Lakh) and are due:

₹ in Lakh

Particulars	March 31, 2015	March 31, 2014
Not later than one year	841	817
Later than one year and not later than five years	3,625	3,519
Later than five years	7,393	8,339
Total	11,859	12,675

31. In respect of subsidiary company, Coromandel International Limited, has recognised subsidy income as per the prevalent Nutrient Based Subsidy (NBS) Policy announced by Government of India. Such income is included in "Government Subsidies" in the Consolidated Statement of Profit and Loss. The subsidy income for the year includes ₹ Nil (2014: ₹ 3,488 Lakh) relating to earlier years comprising of freight subsidy income consequent to the final notification by the Government.

32. Exceptional Item

a. The Exceptional item of ₹ 394 Lakh represents interest expense on enhanced compensation of Coromandel International Limited payable pursuant to the Court Order on land acquired by it in the earlier years. Exceptional Items of previous year of ₹ 138 Lakh (net) represents interest demand in respect of disputed tax expense of Coromandel International relating to earlier years of ₹ 1,261 Lakh and Legal expense incurred by Parry Phytoremedies Private Limited of ₹ 563 Lakh for defending and reaching a settlement on a suit filed for infringement of patent net of write back of liability for cancellation charges incurred by Silkroad Sugar Private Limited in respect of purchase contract for sugar to the extent of ₹ 1,686 Lakh based on settlement reached with supplier.

b. In October 2014, the 'Hudhud' cyclone impacted the operations of Coromandel International Limited (CIL) at Vishakapatnam. CIL has filed the claim (including for loss of profits) with the Insurance Company, survey of which is under progress. CIL has set up a receivable based on its current best estimates and reasonable certainty, which is equivalent to the losses (including for inventories, repairs to fixed assets to the extent incurred, etc.) and, the net loss of ₹ Nil has been disclosed as Exceptional item. On grounds of prudence, the loss of profits claim has not been recognised as income.

33. During the year ended March 31, 2012, the Members of the subsidiary company, Coromandel pursuant to the provisions of Section 293(1)(a) of the Act approved the transfer/assigning of the lease rights on the land located at Navi Mumbai to prospective buyers. As at March 31, 2015, the Company is in the process of identifying potential buyers.

34. During the year, pursuant to the notification of Schedule II to the Companies Act, 2013 with effect from April 1, 2014, the Company has revised the estimated useful life of certain assets to align the useful life with those specified in Schedule II. Pursuant to the transitional provisions prescribed in Schedule II to the Companies Act, 2013 the Company has fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be Nil as on April 1, 2014 and has adjusted an amount of ₹ 1,075 Lakh (net of deferred tax of ₹ 535 Lakh) against the opening Surplus in the Statement of Profit and Loss under Reserves and Surplus.

35. Exchange difference in respect of forward exchange contracts relating to Coromandel International Limited (CIL), a subsidiary of the Company, to be recognised in the Consolidated Statement of Profit and Loss in the subsequent accounting period is ₹ 2,197 Lakh debit (2014: ₹ 2,744 Lakh debit).

36 Segment Reporting as at March 31, 2015

Composition of Business Segments:

Primary Segments :

Farm Inputs	Sugar	Cogeneration	Distillery	Bio Products	Others
Fertilisers Pesticides	Sugar	Power	Spirits	Neem Nutraceuticals	Corporate Investments, Infrastructure Development Others

Secondary Segments

Geographical Segment:

India	North America	Europe	Rest of the world
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Inter segment Transfer Pricing:

Inter Segment prices are normally negotiated amongst the segments with reference to cost, market prices and business risks, within an overall optimisation objective for the enterprise.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

36. Segment Reporting as at March 31, 2015

Composition of Business Segments :

₹ in Lakh

Particulars	PRIMARY SEGMENTS														Overall 2013-14	
	Farm Inputs		Sugar		Cogeneration		Distillery		Bio Products		Others		Elimination			
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14		
Revenue (Sales/Income) :																
(Gross of Excise Duty)																
External Customers	11,41,646	10,14,110	1,93,065	1,49,363	14,569	12,690	25,539	17,548	33,625	28,908	-	2,630			14,08,444	12,25,249
Inter-segmental Sales			1,723	890	2,740	3,882							(4,463)	(4,772)		
Total	11,41,646	10,14,110	1,94,788	1,50,253	17,309	16,572	25,539	17,548	33,625	28,908	-	2,630	(4,463)	(4,772)	14,08,444	12,25,249
Results :																
Operating Profit/(Loss)	75,522	71,091	(7,423)	(14,665)	2,090	1,486	6,059	7,416	5,069	3,512	1,219	2,513	-	-	82,536	71,353
(Loss) on Sale of Investment															(293)	-
Interest Income															5,275	6,335
Dividend Income															378	513
Finance Cost															(41,974)	(46,534)
Profit before Tax and Exceptional items															45,922	31,665
Exceptional items															394	138
Profit before Tax															45,528	31,547
Income Tax - Current															19,579	16,428
- MAT Credit Entitlement															(693)	(740)
- Deferred															(993)	(6,002)
Net Profit After Tax															27,635	21,861
Less: Share of Minority Interest															(15,956)	(14,064)
Net Profit relating to the Group															11,679	7,797
Other Information :																
Segment Assets	8,35,706	7,60,476	3,11,172	2,58,765	54,026	56,509	18,550	28,007	46,456	30,548	2,569	7,132	-	-	12,68,479	11,41,437
Share in Joint Venture																
Unallocated Corporate Assets															21,457	24,430
Total Assets															12,89,936	11,65,867
Segment Liabilities	6,02,143	5,17,310	1,70,136	1,44,762	5,305	3,231	3,373	2,077	9,211	9,107	120	2,324			7,90,288	6,78,811
Share in Joint Venture																
Unallocated Corporate Liabilities															1,87,293	1,52,229
Minority Interest															89,655	93,142
Total Liabilities															10,67,236	9,24,182
Capital Expenditure	8,877	(24,216)	7,425	13,169	2,450	2,812	282	3,951	1,959	1,667	499	600			21,492	(2,017)
Depreciation	10,457	9,608	8,086	7,418	3,133	3,064	1,436	1,276	1,022	874	276	374			24,410	22,614
Non-cash expenditure (excluding Depreciation)															3,720	8,331

Particulars	SECONDARY SEGMENTS										Total 2013-14
	India		North America		Europe		Rest of the World		Total		
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	
Segment Revenue	13,74,031	11,96,133	23,201	23,290	8,282	3,539	2,930	2,287	2,287	14,08,444	12,25,249
Carrying Amounts of :											
Segment Assets	12,68,333	11,50,366	17,515	13,711	1,082	1,495	3,006	295	295	12,89,936	11,65,867
Segment Liabilities	9,68,372	8,23,583	7,442	4,912	16	120	1,751	2,425	2,425	9,77,581	8,31,040
Capital Expenditure	20,390	(2,017)	554	-	-	-	548	-	-	21,492	(2,017)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

37 Employee Benefit Plans

(i) Defined Contribution Plans

In respect of the defined contribution plans of the Company, an amount of ₹ 2,055 Lakh (2014: ₹ 2,008 Lakh) has been recognised as an expense in the Consolidated Statement of Profit and Loss during the year.

(ii) Defined Benefit Plans

(a) The details of actuarial valuation in respect of Gratuity plan and the Superannuation and other Pension plans, in respect of parent company and domestic subsidiaries and the amounts recognised in the Consolidated Balance Sheet and Consolidated Statement of Profit and Loss, are given below:

₹ in Lakh

Particulars	Gratuity (Funded)		Superannuation and other Pension Plans *	
	2014-15	2013-14	2014-15	2013-14
Present Value of obligations at the beginning of the year	5,037	4,704	6	8
Current service cost	519	513	-	-
Interest Cost	371	368	*	1
Actuarial loss	249	83	*	(3)
Benefits paid	(681)	(631)	-	-
Present Value of obligations at the end of the year	5,495	5,037	6	6
Amounts recognized in the Consolidated Balance Sheet				
Projected benefit obligation at the end of the year	5,495	5,037	6	6
Fair value of plan assets at end of the year	5,059	4,728	-	-
Funded status of the plans – Liability recognised in the Consolidated Balance Sheet	436	309	6	6
Cost for the year				
Current service cost	519	513	-	-
Interest Cost	371	368		1
Expected return on plan assets	(384)	(364)	-	-
Net actuarial loss recognised in the year	274	76		(3)
Past service cost	-	-	-	-
Net Cost (included as part of Contribution to Provident and Other Funds in Note 23- Employee Benefits Expense)	780	593	-	(2)
Assumptions				
Discount rate	8%	8 / 8.25%	8%	8%
Expected rate of planned assets	8-8.25%	8%		
Expected rate of salary increases	5 to 7%	5 to 8%		
Attrition rate	5%	5%	1%	1%

* Nature and extent of investment details of the plan assets and Actual return on plan assets includes details of trusts other than those covered under a Scheme of Life Insurance Corporation of India.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(b) Experience Adjustment

₹ in Lakh

	2014-15	2013-14	2012-13	2011-12	2010-11
Gratuity plan					
Present value of DOB	3,865	3,553	3,215	2,867	2,501
Fair value of plan assets	3,757	3,369	2,910	2,610	2,192
Funded status [Asset/ (liability)]	(108)	(184)	(305)	(257)	(309)
Experience adjustments loss/(gain)					
- on plan liabilities	(94)	26	180	183	72
- on plan assets	(32)	2	8	(34)	(87)
Superannuation and other pension plans					
Present value of DOB	6	6	8	31	117
Fair value of plan assets	-	-	-	-	-
Funded status [Asset/ (liability)]	(6)	(6)	(8)	(31)	(117)
Experience adjustments loss/(gain)					
- on plan liabilities	-	(3)	(24)	(96)	(9)
- on plan assets	-	-	-	-	-

Experience adjustment has been provided only to the extent of details available.

(c) Employee benefits pertaining to overseas subsidiaries have been accrued based on their respective labour laws.

38 Details of Research and Development expenditure incurred by the Approved Inhouse R & D Centres during the year

₹ in Lakh

Particulars	2014-15	2013-14
(i) Revenue Expenses (excluding depreciation and fixed assets scrapped): -		
a) Employee benefit expense	619	424
b) Consumption of Stores and Spare Parts	64	9
c) Power and Fuel	63	41
d) Repairs and Maintenance	86	53
e) Miscellaneous expenses	182	268
f) Other Income relating to Research and Development	(13)	(41)
Net Revenue expenses on Research and Development	1,001	754
(ii) Fixed Assets additions in R & D Centres made during the year (Refer note 10)	418	17

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

39 Derivative transactions

The Company uses forward exchange contracts, interest rate swap, currency swap and currency options to hedge its exposure in foreign currency. The information on derivative instruments are as follows:

(a) Outstanding Forward Exchange / Swap contracts entered into by the Group as at March 31, 2015 :

₹ in Lakh

Particulars	Currency	Amount (Foreign Currency Millions)		Buy/Sell
		2014-15	2013-14	
(i) Forward exchange contracts (net)	USD/INR	50.96	19.36	Sell
	EURO/INR	4.71	2.36	Sell
	USD/INR	408.47	398.37	Buy
(ii) Options contract (net)	USD/INR	69.00	-	Buy
(iii) ECB (Swaps) - EID *	USD/INR	2.00	3.67	Buy
(iv) ECB (Swaps) - CIL *	USD/INR	46.67	73.33	Buy

* The swap contract has been entered into to hedge the currency and interest rate risks on the external commercial borrowings of the Company.

As on March 31, 2015, the Group has foreign currency borrowing of US\$ 48.67 million (2014: US\$ 77.00 million). The Group entered into principal and interest rate swaps amounting US\$ 48.67 million (2014: US\$ 77.00 million) to hedge the foreign currency and interest rate risks thereon. The Group has marked to market the foreign currency borrowings and the corresponding swap contracts and the net exchange differences arising thereon have been recognised in the Statement of Profit and Loss.

(b) All the foreign exchange forward contracts are designated as cash flow hedges.

(c) The forward contracts have been entered into to hedge the purchase of raw materials and stock-in-trade and the related buyer's credit and in certain cases the foreign currency trade receivables.

(d) Details of foreign currency exposures as at the Balance Sheet date that have not been hedged by a derivative instrument or otherwise are given below:

Particulars	Currency	As at March 31, 2015		As at March 31, 2014	
		Foreign currency amount in million	Amount ₹ In Lakh	Foreign currency amount in million	Amount ₹ in Lakh
Trade payables	USD	35.05	21,906	23.38	14,013
	AED	-	-	-	-
	EUR	-	-	0.19	159
	GBP	-	-	-	-
	PHP	-	-	-	-
Trade receivables	USD	-	-	21.88	13,112
	EUR	*	4	-	2
Borrowings	USD	14.39	8,992	16.55	9,919
	EUR	*	17	0.38	314

* Unhedged exposure relating to Coromandel International Limited.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

40 Disclosures in respect of Joint Ventures

₹ in Lakh

Name of the Entity	Year ended March 31, 2015			Year ended March 31, 2014	
	Coromandel Getax	Coromandel SQM	YCAS	Coromandel Getax	Coromandel SQM
	Indirect	Indirect	Indirect	Indirect	Indirect
Country of Incorporation	Singapore	India	India	Singapore	India
Percentage of ownership interest	30.42%	30.42%	24.33%	31.28%	31.28%
Non-current liabilities	-	13	*	-	13
Current liabilities	4	888	237	1	601
Non-current assets	-	200	27	-	215
Current assets	88	1,139	472	111	774
Income	-	1,928	179	-	1,923
Expenditure	29	1,866	220	22	1,876

41 Employee Stock Option Plan (ESOP)

(a) Pursuant to the decision of the shareholders of EID Parry (India) Limited, at their meeting held on July 26, 2007, the Company has established an 'Employee Stock Option Scheme 2007'.

Under the Scheme, options not exceeding 8,924,850 equity shares of ₹ 1 each have been reserved to be issued to the eligible employees. Each option comprises one underlying equity share.

As per the Scheme, the Compensation and nomination Committee grants the options to the employees deemed eligible. The exercise price of each option is equal to the latest available closing market price of the shares on the stock exchange where there is highest trading volume as on the date prior to the date of the Compensation and Nomination Committee resolution approving the grant. The options granted under the Scheme would vest not less than one year and not more than five years from the date of grant of the options. The options granted to the employees would be capable of being exercised within a period of three years from the date of vesting.

The difference between the fair price of the share underlying the options granted on the date of grant of option and the exercise price of the option (being the intrinsic value of the option) representing Stock compensation expense is expensed over the vesting period. Since exercise price being equal to the closing market price prevailing on the date prior to the date of grant, there is no deferred compensation cost to be amortised during the current year.

(b) Employee stock options details as on the balance sheet date (March 31, 2015) are as follows:

Particulars	During the year ended March 31, 2015		During the year ended March 31, 2014	
	No. of Options	Weighted average exercise price per option (In ₹)	No. of Options	Weighted average exercise price per option (in ₹)
Option outstanding at the beginning of the year:	3,48,096	203.66	6,40,342	203.66
Granted during the year:	-	-	-	-
Vested during the year:	60,448	236.55	2,35,100	238.00
Exercised during the year:	28,888	94.15	19,132	88.57
Cancelled during the year:	97,584	229.59	2,73,114	236.25
Lapsed during the year:	-	-	-	-
Options outstanding at the end of the year:	2,21,624	176.30	3,48,096	203.66

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(c) The fair value of the options has been determined under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

₹ in Lakh

Assumptions	March 31, 2015	March 31, 2014
Risk Free Interest Rate	8%	8%
Expected Life	4	4
Expected Annual Volatility of Shares	0.46%	0.46%
Expected Dividend Yield	400%	400%

42 Earnings per Share

Particulars	For the Year ended March 31, 2015	For the Year ended March 31, 2014
(A) Profit after Taxation (₹ in Lakh)	11,679	7,797
Number of equity shares of ₹ 1 each outstanding at the beginning of the year	17,57,85,996	17,57,66,864
Add : Number of shares issued pursuant exercise of Employees Stock option	28,888	19,132
Add : Number of shares issued to PSIL Shareholders pursuant to merger	-	-
(a) Number of equity Shares of ₹ 1 each outstanding at the end of the year	17,58,14,884	17,57,85,996
(b) Weighted Average number of Equity Shares	17,58,02,552	17,57,80,145
(c) Diluted shares on account of issue of ESOP granted	25,343	-
(d) Number of potential equity shares of ₹ 1 each outstanding at the end of the year	17,58,27,895	17,57,80,145
Earnings per Share		
– Basic (₹) (A)/(b)	6.64	4.44
– Diluted (₹) (A)/(d)	6.64	4.44

43 Related Party Disclosure for the year ended March 31, 2015

(a) Investing Party

Murugappa Holdings Limited

(b) Joint Venture Entities:

- i) Coromandel Getax Phosphates Pte Ltd. (CGPL)
- ii) Coromandel SQM India Pvt Limited (CSQM)
- iii) Yanmar Coromandel Agrisolutions Private Limited (YCAS)

(c) Key Management Personnel (KMP)

- i) Mr. V.Ramesh, Managing Director, (from January 30, 2014)
- ii). Mr. Kapil Mehan, Managing Director in Coromandel International Limited (upto February 13, 2015)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(d) Transactions with related parties

₹ in Lakh

Particulars	For the year ended March 31, 2015 Joint venture	For the year ended March 31, 2014 Joint venture
i) Sale of finished goods/raw materials/services		
Coromandel SQM India Pvt Limited (CSQM)	236	213
ii) Purchase of finished goods and services		
Coromandel SQM India Pvt Limited (CSQM)	1,305	1,312
iii) Rent received		
Coromandel SQM India Pvt Limited (CSQM)	7	-
iv) Closing Balance - Debit /(credit)		
Coromandel SQM India Pvt Limited (CSQM)	(316)	(408)
YCAS	17	-

43.1 Details of remuneration to Directors are disclosed in the respective financial statements of the company and its subsidiaries.

43.2 During the year, dividend of ₹ 1,175 Lakh was paid to Murugappa Holdings Limited (Investing Party) (2014 - Nil).

43.3 The Company has extended guarantees on behalf of TIFERT. Refer note 29 (B)(ii).

44. Deferred Tax Liability (Net)

₹ in Lakh

Particulars	As at March 31, 2015	As at March 31, 2014
Tax effect of items constituting deferred tax liabilities		
On difference between book balance and tax balance of fixed assets	46,509	47,255
Tax effect of items constituting deferred tax assets		
Unabsorbed Depreciation and Business Loss	(16,614)	(17,071)
Provision for Doubtful Debts, Provision for compensated absences and others	(5,512)	(4,272)
Net Deferred Tax liabilities	24,383	25,912

45 Additional disclosures related to Consolidated Financial Statements

45.1 Goodwill on consolidation

₹ in Lakh

Particulars	As at March 31, 2015	As at March 31, 2014
Opening Balance	38,783	52,195
Add: On acquisition of stake in subsidiaries during the year	43	599
Add/ less: Exchange difference during the year on translation of Goodwill of foreign subsidiaries	70	101
Add / (Less) : Change in goodwill in subsidiaries' books	(34,797)	(12,078)
Add / (Less) : Deletion due to Sale of Subsidiary	(365)	-
Add / (Less) : Deletion due to Merger	-	(2,034)
Goodwill at the end of the year	3,734	38,783

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

45.2 The effect of acquisition of subsidiaries / conversion of Joint Ventures Entity into subsidiary

The effect of acquisition of subsidiaries / conversion of Joint Venture Entity into subsidiary, on the financial position and results as included in the Consolidated Financial Statements, is given below:

₹ in Lakh

Particulars	As at March 31, 2015	As at March 31, 2014
Liabilities as at date of acquisition:		
Non-current liabilities	-	-
Current liabilities	145	-
Assets as at date of acquisition:		
Non-current assets	1,994	-
Current assets	137	-
Revenue for the period ended	682	-
Expenses for the period ended	762	-
Profit/ (loss) before tax for the year ended March 31, 2014	(693)	-
Profit/ (loss) after tax for the period ended March 31, 2014	(1,244)	-

46 Additional disclosure on consolidation relating to Subsidiaries and Joint Ventures

Name of the Company	Net assets as of March 31, 2015		Share in profit/(loss) for the period ended March 31, 2015	
	% of consolidated net assets	Amount in ₹ Lakh	% of consolidated profit/ (loss)	Amount in ₹ Lakh
E.I.D.Parry (India) Limited	23	71185	10	2870
Subsidiaries - Indian				
Coromandel International Limited	66	206185	146	40314
Liberty Pesticides and Fertilisers Limited (LPFL)	*	204	*	*
Sabero Organics Gujarat Limited (Sabero)	-	-	-	-
Parry Chemicals Limited (PCL)	*	1487	*	60
Dare Investments Limited (DIL)	*	506	*	-1
Parry Infrastructure Company Private Limited	*	1406	*	6
Parrys Sugar Limited	*	250	*	15
Parry Phytoremedies Private Limited	*	(63)	(1)	-155
Parrys Investments Limited	*	62	*	3
Parry Agrochem Exports Limited	*	25	*	1
Parrys Sugar Industries Limited	*	644	(6)	-1573
Silkroad Sugar Private limited	*	922	(52)	-14481
Alagawadi Bireshwar Sugars Private Limited	-	-	-	-
Subsidiaries - Foreign				
Sabero Organics America S.A.	*	658	*	-73

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

Name of the Company	Net assets as of March 31, 2015		Share in profit/(loss) for the period ended March 31, 2015	
	% of consolidated net assets	Amount in ₹ Lakh	% of consolidated profit/ (loss)	Amount in ₹ Lakh
Sabero Australia Pty Ltd, Australia	-	-	*	-14
Sabero Europe B.V.	*	6	*	-1
Sabero Argentina S.A.	*	5	*	-1
Sabero Organics Mexico S.A De C.V.	*	16	*	-29
CFL Mauritius Limited	6	17555	*	-23
Coromandel Brasil Limitada, Limited Liability Partnership	*	-111	*	-37
Parry America Inc	*	1176	1	250
US Nutra	2	5769	1	218
La Belle Botanics LLC	*	625	1	382
Alimtec S.A.	1	2872	*	-80
Joint Ventures - Indian				
Coromandel SQM (India) Private Limited	*	387	*	99
Yanmar Coromandel Agrisolutions Private Limited	*	444	*	-68
Joint Ventures - Foreign				
Coromandel Getax Phosphates Pte Ltd.,	*	140	*	-47
Minority Interest in all subsidiaries		89655		15956

* Less than 1%

47 In respect of previous year ended March 31, 2013, the company had considered unaudited financial statements of TIFERT upto December 31, 2012. On receipt of audited financial statements, differences arising based on audited financials i.e., loss amounting to ₹ 992 Lakh has been adjusted in the year ended March 31, 2014.

48 Previous year's figures

Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors

V. Ramesh
Managing Director

Anand Narain Bhatia
Chairman

Chennai
May 29, 2015

G Jalaja
Company Secretary

V Suri
Chief Financial Officer

The Spirit of the Murugappa Group

Integrity

Responsibility

Passion

The five lights

The values, principles and beliefs that have always guided us and continue to show the way forward.

Respect

Quality

Integrity

We value professional and personal integrity above all else. We achieve our goals by being honest and straightforward with all our stakeholders. We earn trust with every action, every minute of every day.

Passion

We play to win. We have a healthy desire to stretch, to achieve personal goals and accelerate business growth. We strive constantly to improve and be energetic in everything that we do.

Quality

We take ownership of our work. We unfailingly meet high standards of quality in both what we do and the way we do it. We take pride in excellence.

Respect

We respect the dignity of every individual. We are open and transparent with each other. We inspire and enable people to achieve high standards and challenging goals. We provide everyone equal opportunities to progress and grow.

Responsibility

We are responsible corporate citizens. We believe we can help make a difference to our environment and change lives for the better. We will do this in a manner that befits our size and also reflects our humility.



murugappa

Be the energy




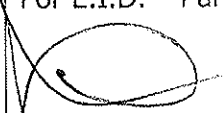

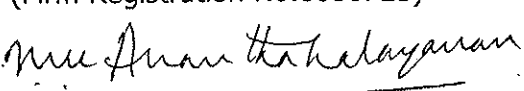
E.I.D.- PARRY (INDIA) LIMITED

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FORM A

**Format of covering letter of the annual audit report
to be filed with the Stock Exchange
(Pursuant to Clause 31(a) of Listing Agreement)**

1	Name of the Company	E.I.D.- Parry (India) Limited
2	Annual Financial Statements for the year ended	31 st March, 2015
3	Type of Audit Observation	Un – Qualified
4	Frequency of observation	Not Applicable
5	To be signed by :	
	• Managing Director	For E.I.D. – Parry (India) Limited  Mr. V. Ramesh Managing Director
	• Chief Financial Officer	For E.I.D. – Parry (India) Limited  Mr.V. Suri Chief Financial Officer
	• Audit Committee Chairman	For E.I.D. – Parry (India) Limited  Mr. M.B.N. Rao Chairman of Audit Committee
• Auditors of the Company	Refer our Audit Report dated 29 th May, 2015 On the Standalone Financial Statements of the Company For DELOITTE HASKINS & SELLS Chartered Accountants (Firm Registration No.008072S)  M.K. Ananthanarayanan Partner (Membership No. 19521)	