E.I.D. - Parry (India) Limited
Regd. Office: Dare House, 234, N.S.C. Bose Road, Parrys Corner, Chennai- 600 001, India.
Tel: 91 44 25306789 Fax: 91 44 25341609 / 25340858
CIN: L24211TN1975PLC006989
Website: www.eidparry.com

July 11, 2020

National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor
Plot No. C/1, G Block
Bandra-Kurla Complex
Bandra (E)
Mumbai 400 051
Scrip Code: EIDPARRY

BSE Limited
1st Floor
New Trading Ring, Rotunda Building
P J Towers, Dalal Street
Fort
Mumbai 400 001
Scrip Code No: 500125

Dear Sir/Madam,

Sub: Notice for the Annual General Meeting and Annual Report for the Financial Year 2019 - 2020.

We enclose herewith Notice convening the 45th Annual General Meeting and Annual Report for the year ended March 31, 2020.

This information is being submitted pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended.

Kindly take the above information on record.

Yours faithfully

For **E.I.D. - Parry (India) Limited**

Biswa Mohan Rath
Company Secretary
Enc: a/a

Nurturing Growth

PARRYS

E.I.D.- PARRY (INDIA) LIMITED

ANNUAL REPORT 2019-20

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Cautionary Statement

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 realised, although we believe we have been prudent in assumptions. The achievements 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.

Nurturing Growth

At E.I.D Parry - it was a year of positives, despite the challenges of a market slowdown, subdued sugar prices, regulatory restrictions and the disruptions due to the lockdown.

We expanded our market presence in the retail space, enlarged our customer roster in the institutional segment, launched the Amrit brand of jaggery and other value added products, initiated work on the new ethanol manufacturing facility, enhanced our operational efficiencies and focused on developing new capabilities in adjacencies.

A laser focus on cost management, the export leverage and increase in retail sales and the ethanol stream of business enabled the Company to maintain its growth and reduce debt vulnerabilities.

It was a year when we explored new business streams, reduced dependency on legacy systems of sugar manufacturing, re-crafted our business model and worked on nurturing growth.

Nurturing Growth

Carrying forward a legacy of pioneering...

Building a business on the framework of sustainability

Spearheading a culture of commitment and inclusive growth

Delivering a forward-bound business charter

2019-20

At E.I.D Parry, we reaffirmed our core purpose of enriching and energising lives

And went ahead nurturing growth.

Vision

Enriching and Energising Lives by creating value added products from Agriculture.

About Us

Founded in 1788, Parry has been a household name for more than 230 years.

Sugar

The Company holds the distinction of setting up India's first sugar plant at Nellikuppam in 1842 and even today continues to pioneer new paths in each of its businesses.

Eight Plants, spread across Tamil Nadu, Karnataka and Andhra Pradesh. A Refinery Unit of its wholly owned subsidiary, Parry Sugars Refinery India Private Limited, at Kakinada. The integrated sugar mills of the Company include distillery and co-generation plants.

First in Asia to be awarded the Bonsucro International Certification for sustainable sugarcane cultivation.

Nutraceuticals

E.I.D Parry is a pioneer and world leader in organic spirulina and micro algal products in the Nutraceuticals space for more than 4 decades.

Parry's Organic Spirulina, the flagship product is globally certified as the Highest Quality Organic Spirulina in the World.

In 2015, Parry Nutraceuticals achieved another milestone in Microalgae research and development by producing Organic Chlorella, another green microalgae Superfood rich in Chlorophyll, Essential Vitamins, Minerals and Fatty Acids.

Five state-of-the-art manufacturing plants spread across India and overseas.

E.I.D Parry is the only Nutraceutical Manufacturer with eight Global Certifications.

Pathbreaking

E.I.D Parry pioneered many scientific methods in the sugar industry. setting new benchmarks in operational efficiencies, a progressive, farmer-centric model of business operations, environmentally responsible and sustainable farming methods and socio-welfare initiatives for the agri-community.

The Company is the first and amongst the few sugar manufacturers in India with a dedicated Cane Research & Breeding Centre recognised by the Department of Scientific and Industrial Research (DSIR), Ministry of Science and Technology, Government of India.

'Parrys Pure' is the only sugar brand to be conferred the 'Super Brand' status in India.

In line with its vision of enriching and energising lives by creating value added products from agriculture, the Company continued to define new benchmark standards in products, technologies and best practices, creating value for stakeholder and society and nurturing growth.

43,800
Crushing capacity (TCD)

234
Distillery capacity (KLPD)

160
Co-generation capacity (MW)

1,086
(₹crore) Cane purchases

1 lakh +
Farmer base

2,200+
Employees

The Company's aggressive cane management program, farmer centric initiatives together with supportive policies of the Government and better sugar prices during the latter part of the year, helped the sugar business to nurture growth.

Strengthening manufacturing capabilities, expanding retail footprint, foraying in to adjacencies and non sugar space, E.I.D Parry focused on nurturing growth.

Nurturing Growth

Enhanced operational efficiencies, augmented capacities, embarked on new greenfield projects and expanded into adjacencies to nurture growth...

E.I.D Parry focused on nurturing growth by enhancing operational efficiencies, prudent cost management, embarking on capacity expansions, greenfield projects and exploring new revenue streams in adjacencies.

The Company continued its journey towards manufacturing excellence with benchmark standards in people and process efficiencies and a strong TPM commitment on safety, environment and quality.

The Pudukottai operations had to be suspended due to non availability of cane because of prolonged periods of drought and water table depletion. The Company demonstrated agility and strategic focus by diverting the available cane to the Nellikuppam and Pugalur Units and relocating the equipment and machinery to the Haliyal Plant to ensure seamless migration of the business.

Key Initiatives

- Enhanced operational efficiencies at Nellikuppam Plant to produce Amrit brand of natural brown sugar and natural jaggery to address the growing market demand.

- The process stabilisation, with a unique research based, totally hand-free method of manufacturing jaggery was a major win for the Company. The Nellikuppam Plant succeeded in manufacturing the 'Amrit brand of pure and clean jaggery through a fully automated process. The 'Amrit brand of jaggery was launched in the market during the year.

- To reduce ground water withdrawal and enhance sustainability in the manufacturing process, distillery spent lee was treated and recycled in the newly established Condensate Polishing Unit (CPU) at Nellikuppam, enabling a saving of nearly 1.11 crore litres of water.

- Utilisation of the excess condensate of the sugar plant reduced the raw water consumption at Ramdurg. Around 776 kl of excess condensate water was cooled and utilized for process use, reducing effluent generation below 60 litres per ton of cane crushed.

- Maintained the benchmark in sustainable water utilisation with the water management systems at sugar factories calibrated to ensure 'zero' fresh water withdrawal and consumption from river, borewell, canal and other water bodies.

- Recycled nearly 13.42 crore litres of waste water at Nellikuppam, in line with sustainable practices.

- Strict adherence to near zero levels in emission and effluent generation with stringent on-line monitoring systems connected to the SPCB / CPCB monitoring systems.

Adjacencies and Additional Revenue Streams

The Company sourced 79,750 MT molasses during the year, thereby increasing the number of operating days of its distilleries.

Enhancing the alcohol production capacity at Sankili with B-Heavy molasses from 40 to 48 KLPD with the commissioning of the Fed Batch Fermenters, including increase in alcohol % from 8% to 10.5%.

As part of its Ethanol Blending Programme (EBP), the Government has mandated the increase of the ethanol-blending target to 10% by 2022 and 20% by 2030 with a directive to OMCs on the blending ratios. The Ethanol Blending Project loan support extended to 114 projects towards expanding distillery capacity indicates the Government of India's commitment to the EBP programme and its focus on reducing its crude import burden, lowering emissions and promoting the revenue growth of the agri-industry.

E.I.D Parry is expanding its ethanol blending capacity in alignment with its strategic roadmap for future growth. In line with this, while the distillery capacity was enhanced at Sankili, work on the greenfield Ethanol Plant at Bagalkot was started to meet the future demand of Ethanol. This will de-risk the business from the sectoral cyclicality and enable the Company to strengthen the core, thereby ensuring sustainable growth in the future.

The Sankili Unit has started the installation process of a modern incineration boiler which will help to increase the number of operating days of the distillery by 70 days per year, besides being environment friendly. The Boiler is expected to be commissioned in the current year.

Ethanol operations saw a significant growth during the year, with a good market demand. In line with its pioneering tradition, E.I.D Parry became the first sugar manufacturer in India to produce Ethanol both from B- Heavy Molasses and Sugar Syrup with the process validated by the National Sugar Institute, Kanpur.

The Company has developed nutrient rich, eco-friendly, soil-less, 'green grow' media, from sugarcane bagasse for the international and domestic market. Manufactured through a unique process by sustaining EC and Ph, the product is suitable to grow all kinds of plants, conserving water and improving soil fertility. Production at the pilot scale plant at Sankili was successfully established. Taking this forward, a Bagasse Plant is underway at Bagalkot for exploring the potential of this product as an additional revenue stream.

In addition, a pilot plant for manufacturing bagasse pellets was commissioned at Sankili and the process was established successfully. Plans to scale up the operations is already under progress at the Bagalkot Plant.

The pandemic outbreak at the end of FY 2019-20, led to a burgeoning demand in alcohol based hand sanitisers. The Company demonstrated business agility, getting the mandatory license to manufacture sanitisers at its facilitles. This stream of business is expected to gain traction as the focus on hygiene and safety is seeing an increase among people, with the incidence of contagious disease on the rise across geographies.

The increasing global regulations on reducing greenhouse gas emissions has led to cogeneration gaining prominence. E.I.D Parry is enhancing its cogeneration capabilities, to mine the future potential in this segment

The conversion of the distillery effluent waste into potash-rich fertilizer, K-ash and K-boost, served as an additional revenue earner, in addition to reducing carbon footprint.

TPM deployment helped the Company in its journey towards achieving higher levels of productivity, operational safety and quality. During the year, the CII - TPM Strong Commitment audit was completed at Bagalkot. and FSSC-22000 Version 5.0 Certificate was granted.

In line with its strategies of nurturing growth, the Company is consolidating its capabilities, exploring step-outs in new adjacencies and pursuing emerging opportunities in the non-sugar space.

Nurturing Growth

Innovative value added products, customer co-partnering, expanding market presence.

Voted Sugar Superbrand of the Year 2019 at the ET Best Brands Award.

To de-risk its dependence on the volatility of the commodity market and volume trade, E.I.D Parry focused on enlarging its presence in institutional sales and the retail market with differentiated, value added products.

The Company continued to build its institutional portfolio adding to its roster of major pharmaceutical, soft drinks, beverage, food, confectionery, dairy, biscuit and ice cream manufacturers, accounting for almost 59% of the total domestic sales compared to 41% in the previous year.

The Company has earned the status of a preferred supplier to major institutional customers due to it stringent quality systems, strong product customisation expertise, global certification standards and last mile connectivity. The proximity of the sugar mills to customers who seek large volumes serves as a competitive edge in servicing high potential markets.

The Company's Bonsucro certified sugar, produced from sustainable cultivation practices, proved to be a key advantage with large multinational customers focusing on sustainable raw materials and processes.

In the Retail segment, sales of branded sugar doubled accounting for nearly 18% of the annual domestic sales as against 9% the previous year. The strategy of expanding retail footprint with intensive brand building and market storming initiatives proved a game changer.

'Amrit' brand of brown sugar consolidated its market presence among discerning customers with a quantum growth in sales. The Company expanded its retail range of products launching the 'Amrit' brand of pure jaggery.

A slew of value added products are in the pipeline as part of the strategies of expanding the retail portfolio. Supply chain optimisation, expanding channel presence and strengthening the logistics network were strategic initiatives deployed to build a robust multi-delivery channel and to nurture future growth.

Parrys Sugar, once again won the prestigious Economic Times 2019 - 'Best Brands' Award - the only sugar manufacturer to receive this recognition in the industry. This was based on an intensive research conducted by Economic Times in partnership with AC Nielsen across 15 industries in 12 Tier 1 and Tier 2 cities.

Product and Quality Certifications:

- Bagalkot Unit received the FSSC 22000, Version 5 accreditation, the third Unit of the Company to obtain this from the DNV GL Certification Body.
- Nellikuppam and Haliyal qualified in the recertification audits of FSSC 22000 and ISO 9001: 2015.
- Refinery Unit in Nellikuppam successfully qualified in sustaining its cGMP certifications and other Pharmacopoeia accreditations of Indian Pharmacopoeia, European, United States, Japanese and British, to continue to supply to Drug Manufacturing Customers.
- Haliyal Unit in Karnataka has sustained the production of high quality sugar through the sulphur-free process.
- Nellikuppam and Haliyal Units qualified for Kosher Certification.
- Sankili Unit was successfully recertified for Integrated Management System which includes Quality Management System ISO 9001:2015, Environmental Management System ISO 14001:2015 and OHAS & ISO 45001:2018.
- Nellikuppam and Haliyal Units upgraded to Food Safety System Certifications ISO 22000 Version 5.
- Haliyal Unit was re-certified for ISO 9001: 2015 Quality Management System.

Seizing the demand opportunity in sanitisers due to the pandemic outbreak, the Company launched 'HandKleen' and 'Sterisafe' brand of sanitisers for the retail space, leveraging on the Parry brand.

The incidence of frequent viral outbreaks and its potential danger has increased awareness of personal hygiene and safety globally and has propelled the demand for anti-microbial dispensers and hand sanitisers. E.I.D Parry is well positioned to participate in this growing space and explore opportunities in both the domestic and export market in this segment.

At E.I.D Parry, de-risking the business from sectoral disruptions, regulatory restrictions and cyclical downturns with differentiated products and delivery channels, was a vital strategy for nurturing growth.

Nurturing Growth

At E.I.D Parry, enriching and energising the lives of our 1 lakh + farmers and the rural landscape is an integral part of nurturing growth.

The first sugar manufacturer in India and among the oldest sugar companies in the world, E.I.D Parry has pioneered many sustainable and innovative farming methods, setting new benchmarks in the industry. The Company's farmer-centric programmes have resulted in the prosperity of the agrarian community.

Drought and rainfall deficit during the year led to a considerable decline in sugarcane farming with farmers shifting to other less water intensive crops. This impacted the Company's Tamil Nadu operations, where the continued non-availability of sugarcane forced the Company to close down its operations at Pudukottai after completing the main season in May 2019.

In a proactive measure, the Company used the nearly 1000 acres of additional cane area alloted to it on a temporary basis at Tamil Nadu in Kammapuram, Vridhaclalam South firkas and also 15 villages in Pennadam firka to initiate cane development activities in these areas to increase sugarcane supply to the Nellikuppam Unit.

The sustained availability of cane being of prime importance, a number of initiatives were taken up such as supplying clean seeds to farmers for better productivity, providing resources for drip and micro irrigation to ensure water availability and facilitating the various agronomy services, including mechanised farming, through the Aggregator model of agri service providers.

The Company expanded its 3-Tier Nursery programme for ensuring clean seeds for planting in Tamil Nadu and Andhra Pradesh. Varietal purities are being improved through quality seed sourcing from Breeding Institutes and Company's own tissue culture seedling production centres. In Tamil Nadu and Andhra Pradesh, mass seedling production through an inclusive women farmer entrepreneur model was implemented.

As part of its farmer centric initiatives, the Company operates soil testing labs for farmers, guiding them on methods to improve soil health and fertility. Village level, soil mapping based fertilizer prescription, through integration with cane management system, has been carried out to enable need based and precision nutrient recommendation for application, resulting in significant cost savings for farmers and enhancing sugarcane quality.

'Farmer Connect' App, a novel, multi-lingual and IT enabled crop management and advisory tool has been effectively utilised to engage with the farmers throughout the life cycle of a cane crop. This App enables the cane and extension team to be in regular touch with a large number of farmers in Tamil Nadu, Andhra Pradesh and Karnataka and assist them as and when the need arises.

In addition, the Company is working closely with the Government on a number of subsidy schemes to promote drip irrigation, Sustainable Sugarcane Initiative (SSI), etc.

Water is of prime importance in sugarcane cultivation. To mitigate the impact of drought and water shortage, around 65 borewell recharges were established around the factories at Pugalur and Pettavaithalai. At Pugalur, the Company de-silted ponds and continued to work on various initiatives to further improve the ground water resources.

In addition, to ensure continuous supply of water for the farmers, the Company is working towards getting the maximum benefit from the key irrigation projects being implemented by the Government in Haliyal, Sankili and Bagalkot, which would prove beneficial in the long term.

Partnering with the farmers to increase yield and productivity, building trust and credibility with transparency and timely payments and socially responsible practices are part of the Company's plans for nurturing growth.

Nurturing Growth

Promoting rural prosperity through innovative, sustainable and scientific farming practices is central to our strategy of nurturing growth.

E.I.D Parry is the only sugar manufacturer in India with a dedicated Cane Research and Breeding program engaged in the development of new varieties of cane.

The Company's robust and business aligned R&D and extension divisions work in tandem to improve yield and quality of sugarcane.

New varieties of disease-free seed material were introduced through the three tier 'clean seed nursery program' from the Company's state-of-the-art tissue culture lab for seedling production. Seedlings that are robust, pest resistant and drought tolerant ensure higher yield and revenue for farmers.

Sustainable and scientific practices were promoted among the farmers such as green manuring, mulching, vermicomposting and the use of bio-pesticides and bio-nutrients to reduce dependance on inorganic inputs and help in soil rejuvenation and moisture conservation.

Two new 'super early maturing varieties' of CO11015 cane were extended for commercial cultivation to farmers in Sankili and Nellikuppam. The collaborative project titled 'P240' with Sugarcane Breeding Institute (ICAR) and Indian Sugar Mills Association (ISMA), together with the in-house varietal development program was chartered in 2017-18 to develop varieties that can mature in 8-9 months to enable farmers to reap three harvests in two years instead of the conventional two crops in two years, coupled with increase in sugar recovery by 0.5%. The two varieties now occupy 22% of the command area in Sanklili and 35% of command area in Nellikuppam. The Company has currently developed the highest area of the new varieties in the country.

In the field of crop agronomy, the development of an IoT enabled automatic soil moisture recorder in farmer fields, linked to the cane management system and harvest scheduling, to maximize sugar recovery, is being taken up for large scale application.

Innovative technologies in pest and disease management have been adopted by farmers covering around 3000 acres during the financial year.

In line with its pioneering tradition, the Company has introduced a novel ICT based system of 'Autonomous irrigation in sugarcane' for the first time in the country in technical collaboration with Global Irrigation Majors and leading Technology Institutes in India. This transformational technology in water irrigation ensures precise quantity of water is applied at required intervals, solely by the crop, based on its own requirement and without any farmer intervention. This innovative technology will pave the way for significant water savings especially in sugarcane, which is considered as a water intensive crop, together with accrued benefits of crop yield and quality maximization.

In addition, E.I.D Parry is working on a dynamic, digital, ICP solution for advanced crop management and crop protection. To foster sustainability in business, the Company has signed an MoU with WWF India and Rabo Bank for developing an integrated Decision Support Tool (DST) by March 2022 for the farmers. This tool will provide complete IoT enabled solutions in precision farm management for the new generation of farmers. Pilot studies have been initiated across two factories with promising results.

As a testimony to E.I.D Parry's stewardship in R&D and Extension services, the Company was conferred the 'Agriculture Leadership Award for 2019' in the 9th Agricultural Leadership Conclave by the Hon'ble Union Minister of Agriculture.

Cane Breeding Centre

Agriculture Leadership Award for 2019 at the 9th Agricultural Leadership Conclave.

Nurturing Growth

PARRY™ Nutraceuticals

Good on the inside

At Parry Nutraceuticals, we have outlined our ambitious goal of delivering sustainable food for the future by harnessing the goodness of micro-algae. As a commitment to the goal, we have gone a step ahead and defined what we stand for and how we do business. The new visual identity expresses our commitment to work in harmony with nature's elements and constitutes of three elements:

Sun
Powerhouse of micro-algae

Water
Culture for growth of micro-algae

Plant
Organic and sustainable micro-algae

Our new philosophy 'good on the inside' is governed by four principles - traceability, purity, sustainability and humanity that go a long way in making Parry Nutraceuticals a 'good company' to be associated with. These principles drive Parry's culture and ensure that the goodness in people reflect in their actions and the products manufactured - because the good on the inside always translates as a larger good on the outside.

'Good on the inside' defines what Parry Nutraceuticals stands for.

It is a commitment :

Towards planet -
to ensure a sustainable future by cultivating micro-algae - sustainable food for the future

Towards consumers -
to ensure that products that get consumed nourish the body from within and show visible results

Towards customers -
to provide best quality of products that will retain the good on the inside and deliver good health to all

Towards employees -
to provide a good culture and work atmosphere that harbours personal and professional growth

Taking forward its pioneering spirit, Parry Nutraceuticals focused on reinventing itself to the dynamics of a fast changing global environment.

The Business repositioned itself with a new visual and brand identity 'Good on the Inside' expressing its commitment to work in harmony with Nature's 3 elements constituting air, water and plant. The brand positioning also defined the commitment of the Business to the planet, consumers, customers and employees.

A global leader in Organic Spirulina, the Nutraceuticals business continued to remain committed to its value proposition as a premium quality brand, expanding its market presence among discerning customers in Europe and the US. Despite the challenges of cheap quality, low priced alternates flooding the market, the division differentiated itself leveraging on its customer centric focus and its twin merits of value and quality. To mine the potential of large volumes, the business has mapped out aggressive strategies for growth in the price sensitive markets in Asia for the coming year.

Growing focus on health and wellness has propelled the global demand for Nutraceuticals in food and beverage fortification, adult and paediatric nutritionals and dietary supplements. In addition to Spirulina, Chlorella is gaining importance as an essential micro-algae supplement in vegan diets and a powerful detox agent with a rich vitamin profile. The business focused on the growth opportunities in the segment, expanding into new geographies and enlarging its presence in served markets. In line with this, the business scaled up commercial production of Chlorella by stabilizing the cultivation and harvesting processes. Additionally, the business has drawn up plans to double its production volumes in the next year to address the growing market demand.

An aging demographic offers the need for formulations that address bone and joint health. Valensa's range of joint health products offer great potential for future growth. Breakthroughs in joint health mandate the need for New Science and Parry's Nutraceutical division is focusing its research to further develop this important product in its portfolio.

The launch of the Phycocyanin brand in the Natural Colours segment, promises great potential in a range of clinical applications in the Nutraceutical industry. With high antioxidant properties, it is a molecule of interest for research in understanding its anti cancer properties and diagnostic applications. The division has drawn up strategic plans to pursue the potential in this highly promising segment.

Flomentum, the prostate health brand launched in the USA during the year, has garnered good market response. The strategy is to expand the Flomentum brand of formulations for prostate health and position it as a premium brand. A disruptive business model, building Medical Equity as a route to being consumer preferred has been devised to popularize the product.

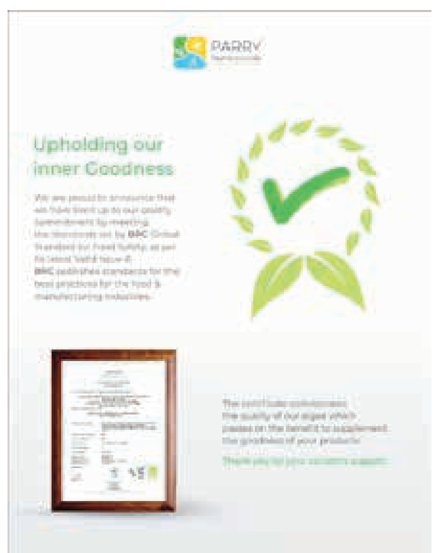
Flomentum

- Clinical strength comparable to the leading European herbal medicine
- Excellence in manufacturing and unsurpassed quality credentials
- The first and only US Pharmacopeia (USP) Verified prostate health supplement
- A pure extract made in the USA with Fresh from Florida® saw palmetto berries

Flomentum is made from the oil extract of wild-harvested, Fresh from Florida® saw palmetto (Serenoa repens) berries. Saw palmetto is a dwarf palm tree that is native to the southeastern United States.

The Nutraceuticals division strengthened its account management team across locations and worked on improving efficiencies and product quality. In addition to the Organic and USFDA approval to the various major global certifications, the business has embarked on a journey to upgrade its overall Quality Management System, from supplier to end consumer, including compliance to cGMP processes across its Units. As part of the clean label program, Organic Spirulina and Chlorella received the Non-GMO verification during the year.

During the year the business received the prestigious BRC food certification. BRC (Brand Reputation Compliance) food certification attests to the quality and safety of the products through the application of quality/product management systems, hygienic control (HACCP) and good manufacturing practices (GMPs). This is a major win for the business and a validation of its commitment to quality.



Our journey towards implantation of corporate sustainability strategy has already commenced with:

- Sustainable water source & water conservation.
- Lagoons are provided to store harvested surface rainwater.
- Zero liquid discharge facility.
- State-of-the art wastewater purification plant to treat wastewater to usable water quality.
- Replenishing ground water.
- Rain water harvesting and ground water recharging system designed to replenish rain water.

The R&D is primarily focused on 3 segments: Green Foods, Protein and Algal Value Added Products. An exciting protein concept called Green Blends is in the pipeline while work in EPA Omega 3s is already in an advanced stage.

In line with its commitment towards society and the environment, the business focused on major sustainability initiatives in Waste, Water and Energy management.

With its vision to be water positive, the Nutraceuticals business has established a set of principles and operational practices to guide water usage, mitigate potential risks of water scarcity and ensure business continuity. Under these principles the business is working to utilize water efficiently - recharging rainwater and replenishing groundwater, reusing treated wastewater through wastewater treatment plants, exploring various methods to incorporate water circularity and engaging in partnerships to develop promising state-of-the-art water conservation solutions. Similarly an efficient Energy Management System ensures energy efficiency by reducing carbon footprint with renewable energy alternatives. A stringent waste management system based on the 4 Rs - Reduce, Reuse, Reprocess, Recycle is followed across Plants to ensure sustainable processes. Process waste is reprocessed to recover salts to be used in animal nutrition and organic compost, while pond sludge is converted as biomass briquettes for boilers.

Innovation, benchmark standards in quality and a business architecture built on a strong commitment to stakeholder, society, and environment - the Nutraceuticals business is nurturing growth and resurgence.

Nurturing Growth

Nurturing growth through an excellence driven people force.

E.I.D. Parry continued to nurture its people asset to realise its HR vision of 'Building Organizational Capability to deliver superior business performance.

The Company focused on four key imperatives: Capability Development, Talent Management, Employee Engagement and Productivity & Cost.

A Competency Development Framework served as a platform for employees to achieve high standards of performance and take up challenging goals to realise their true potential. Agility Workshops were conducted for the Senior Leadership team to equip them with an insight and understanding to operate effectively in a rapidly evolving agile environment. Consequent to the workshops agility projects have been identified for implementation across the Company. To create change and positivity, enhance employee engagement and build a team of happy, self driven employees, project SMILE 2.0 together with the MYSMILE Application was relaunched during the year.

The Company consolidated capabilities across divisions by creating a talent bank of specialists with domain expertise in Sugar, Distillery, Cogeneration & Value Added Products to enhance internal efficiencies. Curated Individual Development Plans and Leadership Coach Accreditation programmes were rolled out to build the leadership pipeline through self directed learning and mentoring interventions.

Multi-tier, Employee Engagement programmes were rolled out to build a nurturing ecosystem of a happy, empowered and motivated people resource ready to meet the challenges of a fast changing, dynamic, global environment. The Company believes that 'happy employees make happier customers' and a motivated people resource driven by a passion for innovation is vital to its plans of nurturing growth.

The various awards and accolades received during the year are a standing testimony to the people excellence and winning culture at E.I.D Parry.

Awards and Accolades::

- The Platinum Award for 'Best Distillery for 2018-19' in Tamil Nadu from SISSTA (South Indian Sugarcane & Sugar Technologists' Association) to Nellikuppam distillery.
- The SISSTA Golden Award for 'Best Distillery for 2018-19 in Tamil Nadu' region to Sivaganga distillery.
- Sankili unit received "Silver award" from SISSTA, for being Best Distillery for 2018-19 in Andhra Pradesh & Telangana Region.
- Nellikuppam plant won the First Prize for its Kaizen on Bio-fuel from impure alcohol under the category of 'Process breakthrough through change of technology' at the Kaizen Competition conducted by CII Institute of Quality.
- Ramdurg Plant received the National Safety Award' for the year 2017 from the Regional Labour Institute, Government of India, Ministry of Labour & Employment.
- Nellikuppam Unit was declared as 'Excellent Energy Efficient Unit' at the 20th National Award Contest for Excellence in Energy Management held by CII.

A happy, motivated and self driven people resource, with a passion for excellence and the desire to exceed boundaries, demonstrated the Company's goal of nurturing growth.

CORPORATE INFORMATION

BOARD OF DIRECTORS
V. Ravichandran, Chairman
S. Suresh, Managing Director
Ajay B Baliga, Independent Director
V. Manickam, Independent Director
Ramesh K B Menon
C. K. Ranganathan, Independent Director
Rca Godbole, Independent Director
M. M. Venkatachalam

COMPANY SECRETARY
Biswa Mohan Rath

CORPORATE MANAGEMENT TEAM
S. Suresh, Managing Director
Balaji Prakash, Sr. Vice President - Sales & Marketing
Biswa Mohan Rath, Vice President - Legal & Company Secretary
T. Kannan, Vice President - Commercial
Madhu Sudhan Sharma, Vice President & Head – Manufacturing
Muthiah Murugappan, Business Head - Nutraceuticals
S. K. Sathyavrdhan, Executive Vice President - HR
S. Rameshkumar, Sr. Vice President & Chief Financial Officer

REGISTERED OFFICE

'Dare House', Parrys Corner, Chennai - 600 001.
CIN : L24211TN1975PLC006989

AUDITORS

Price Waterhouse Chartered Accountants LLP
Chennai

BANKERS

State Bank of India
HDFC Bank

INVESTOR CONTACTS

Registrar and Transfer Agent

KFin Technologies Private Limited
Unit : E.I.D.- Parry (India) Limited
Selenium, Tower B,
Plot No. 31 & 32, Gachibowli, Financial District,
Hyderabad - 500 032.
Tel. : +91 - 40 - 67162222
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Toll free: 1800-3454-001
E-mail : einward.ris@kfintech.com

COMPANY

Secretarial Division
Tel : +91 - 44 - 2530 6789
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	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16 #	2016-17	2017-18	2018-19	2019-20
Profitability Items										
Gross Income	147386	175364	241448	194548	226504	278559	263121	228169	204644	201557
Gross Profit (PBDIT)	18927	27447	60562	26237	38918	15751	50867	30521	41421*	23518
Depreciation & Amortisation	7370	7397	10787	9731	10193	11200	11211	11446	11377	11956
Profit/(Loss) Before Interest & Tax	11557	20050	49775	16506	28725	4551	39656	19075	30044	11562
Finance costs	4817	6443	13668	19616	15127	16710	13991	11290	11343	13566
Profit/(Loss) Before Tax	6740	13607	36107	(3110)	13598	(12159)	25665	7785	18701	(2004)
Tax	(1186)	(125)	2936	(5763)	(1227)	(2948)	(2696)	(2316)	2388	(2187)
Profit/(Loss) After Tax	7926	13732	33171	2653	14825	(9211)	28361	10101	16313	183
Balance Sheet Items										
Net Fixed Assets	80986	80876	128652	152515	149968	157806	148816	139584	133561	137771
Investments	43414	68278	87110	54478	68293	77432	78575	87831	97851	100341
Net Current Assets	61572	63604	104089	106014	83987	25359	8539	31370	17705	29465
Total Capital Employed	185972	212758	319851	313007	302248	260597	235930	258785	249117	267577
Shareholders Funds	114474	121223	134162	127432	136408	128276	147746	163813	171350	171375
Borrowings	58809	78971	172309	178559	160211	131941	94346	101800	83229	103499
Deferred Tax Liability/ (Asset)	12689	12564	13380	7016	5629	380	(6162)	(6828)	(5462)	(7297)
Total	185972	212758	319851	313007	302248	260597	235930	258785	249117	267577
Ratios										
Book Value per share (₹)	66	70	77	73	78	73	84	93	97	97
EPS (₹)	4.58	7.92	19.08	1.51	8.43	(5.21)	16.03	5.70	9.21	0.10
Dividend on Equity %	200	400	600	-	300	-	400	300	300	-

Regrouped based on Ind AS

* includes profit on sale of Bio-pesticides division and investment in Parry America of ₹ 243.92 crore

Notes : -

1. The equity shares of ₹ 2 each were subdivided into shares of ₹ 1 each with effect from December 24, 2010.
2. Haliyal and Sankili units of Parrys Sugar Industries Limited was merged with effect from April 01, 2012.
3. Sadashiva Sugars Limited was merged effective April 01, 2013.
4. Parry Phytoremedies Private Limited was merged effective April 01, 2014.
5. Parrys Sugar Industries Limited was merged with effect from April 01, 2016.

NOTICE

Notice is hereby given that the Forty Fifth Annual General Meeting (e-AGM) of the Members of E.I.D.- Parry (India) Limited will be held on Wednesday, August 05, 2020 at 3.30 p.m. Indian Standard Time ("IST") through Video Conferencing (VC) or Other Audio Visual Means (OAVM) to transact the following business:

ORDINARY BUSINESS:

1. Adoption of Standalone Financial Statements

   To consider and, if deemed fit, to pass, the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** the audited financial statements of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon be and are hereby received, considered and adopted."

2. Adoption of Consolidated Financial Statements

   To consider and, if deemed fit, to pass, the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** the audited consolidated financial statements of the Company for the financial year ended March 31, 2020 and the report of the Auditors thereon be and are hereby received, considered and adopted."

3. Appointment of Director

   To consider and, if deemed fit, to pass, the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, Mr. M. M. Venkatachalam (DIN: 00152619) 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."

SPECIAL BUSINESS

4. Remuneration of Cost Auditors

   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 all 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 ₹ 8,50,000/-(Rupees Eight lakh Fifty thousand only) plus applicable taxes and reimbursement of out of pocket expenses payable to M/s. Narasimha Murthy & Co., Cost Accountants (Firm Registration Number: 000042) for conduct of audit of the cost records of the Company for the financial year ending March 31, 2021 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."

5. Amendment of the Object Clause of the Memorandum of Association:

   To consider and, if deemed fit, to pass the following resolution as a Special Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Sections 4, 13 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Companies (Incorporation) Rules 2014 (including any statutory modification or re-enactment thereof, for the time being in force), consent of the Shareholders of the Company be and is hereby accorded, subject to all necessary statutory or regulatory approvals, permissions, consents and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board"), to amend the Object clause of the Memorandum of Association of the Company by inserting Clause No.2A after existing Clause 2 and Clause 13,14 and 15 after the existing Clause 12 as detailed below and the remaining clauses be re-numbered accordingly."

   2A. Use of Sugar by-products for various purposes

   (i) To purchase, manufacture, produce, boil, refine, prepare, brew, import, export, buy, sell and generally to deal in all varieties of sugar, sugar candy, jaggery, khandsari sugar, sugar beat, sugar cane, molasses, syrups, alcohol, spirits and all products and by-products thereof such as confectionery, glucose, bagasse, bagasse boards, bagasse dry fodder block, mulching sheet, paper, paper pulp, butyl alcohol, acetone, carbon-di-oxide, hydrogen, potash, cane wax, fertilizers, cattle feed and food products.

   (ii) To manufacture, trade, buy, sell, exploit or deal in all by-products and products of whatever nature derived from the process of manufacture of sugar and from the by-products thereof including to carry on the business of lignin, cellulose and hemicellulose, bio gas, omega 3 fatty acids, sanitary wears, growing mediums and hydroponics, bio plastic, windows, doors, heals and holds, furniture, bricks, packaging solutions as well as environmentally friendly and smart disposable tableware.

   (iii) To manufacture, produce, refine, purchase, sell, prepare, import, export and generally to deal in all kind of alcohol, spirits and liquor whether for human consumption or use in any manner or for industrial use or as fuel or otherwise including ethanol, rectified spirit, citric acid, vinegar, acetic acid, ethyl acetate, acetal dehyde, carbonic acid, sanitizer, disinfectants, yeast sludge, gas, dry ice and to acquire, erect, construct, establish operate and maintain distilleries and other works.

(iv) To purchase sugarcane, sorghum, sugar beet, sago, palmyra juice and other crops and raw materials used in the manufacture of sugar and its products and by- products and for other businesses and to cultivate whether by itself or through others by contract or otherwise various crops and to engage in business of all activities pertaining thereto including, irrigation, pest control, harvesting, transportation, research and development from inception till the sale of the Products, if any, manufactured there from or otherwise.

(v) To carry on in India or elsewhere the business of generation, transmission, distribution of power and energy in any manner by acquisition or establishment, operation and maintenance of Power Plants of all kinds, both conventional and non-conventional (including those based on bio-mass, bio-gas, co-generation, hydro etc.); wheeling and banking of power, purchase and sale of power and trading power, transmission and distribution infrastructure.

13. Real Estate, Land Development

(i) To carry on the business(es) of dealing in real estate, property development and without limiting to the generality of the above, to acquire by purchase, exchange, rent or otherwise deal either individually or through its subsidiaries or Special Purpose Vehicle (SPVs) formed directly or indirectly or as joint venture with any company/ firm / individual / consultant / public sector undertaking / government department / statutory bodies whether local or foreign in lands, buildings and hereditaments or any estate or interest therein and any rights over or connected with lands so situated and to turn the same to account in any way as may be deemed expedient and in particular by laying out, developing or assist in developing, preparing land for building and preparing building sites by planting, paving and drawing.

(ii) To carry on the business of contractors, builders, town planners, infrastructure developers, estate developers and engineers, land developers, land scapers, estate agents, immovable property dealers and to buy, acquire, purchase, hire or otherwise lands, buildings, civil works immovable property of any tenure or any interest in the same and to erect and construct, houses, flats, bungalows, kothis or civil work of every type on the land of the Company or any other land or immovable property whether belonging to the Company or not and to pull down, rebuild, enlarge, alter and other conveniences and to deal with and improve, property of the Company or any other immovable property in India or abroad.

(iii) To carry on the business of architects, consultants, civil engineers, builders and developers of land and undertake any residential, commercial or Industrial construction either independently or jointly in partnership, joint venture or on agency or sub contracts basis with or on behalf of any individual, firm, body corporate, association or society, Central or State Government or any local authority to work as developer of land and buildings for residential purposes.

14. Nutraceutical Business

(i) To produce, research and develop, manufacture, cultivate, purchase, deal, sell, import and export and contract for raw and processed, all kinds and varieties of pharmaceutical products, health products, herbal products, food supplements, dietary supplements, nutritional supplements, natural food, cosmetic colours, processed foods, food additives and food products from the herbal and medicinal plants, agricultural crops, fruits and vegetables, animal / aquaculture / poultry feed in India or anywhere in the world.

(ii) To carry on the business as growers of all kinds of Algae and other produce of the soil or grown in water and to treat, cure, prepare, manipulate, blend, submit to any process of manufacture and render marketable such Algae, and other products and to sell, export either in a prepared, manufactured or raw state and either by wholesale or retail and generally to carry on in India the business of planters, curers, producers, manufactures, merchants and exporters of Algae and other products.

(iii) To carry on the business of growers, cultivators, manufacturers, buyers, sellers, importers, exporters of all varieties of plant based products, from soil or grown in water through the process of aquaculture, hydroponics, tissue culture, plant biotechnology and in any other manner either in their original form produced naturally or artificially through green house or any other methods or manipulated and by any process of manufacture, extraction, curing, powdering and mixing and also carry out research in any of the plant based products and processes.

(iv) To carry on the business of manufactures, producers, processors, extractors, importers, exporters, agents, buyers, sellers, stockists, suppliers, distributors, wholesalers, retailers and dealers of all kinds of veterinary and human medicines, animal feeds, formulations, incenses, essential oils, resonoids, spices, oleoresins and cosmetics concentrates from organic, inorganic, herbal, bacterial, mycological, agricultural, horticultural, tissue culture, biochemical and genetic sources in solid, liquid, gaseous and semi solid forms and states.

(v) To carry on the business as manufacturers, producers, processors, importers, exporters, agents, dealers, stockists and distributors for all kinds of medicines, equipment, apparatus, instruments, meters, gadgets, packaging equipments and machineries used in the manufacture and processing of all kinds of veterinary and human medicines, feed supplements, nutrients, basic and crude drugs, chemicals, enzymes, antibodies, antibiotics and pharmaceuticals, cosmetics and colours.

(vi) To carry on research and development work in the field of nutrients, food supplements, feeds, chemical formulations, liquid extracts from herbal, horticultural and agricultural, sources, crude drugs, basic drugs, enzymes, antibiotics, antibodies, antigens, research and development work in tissue culture, genetic engineering, biotechnology, immunology and other areas of medicines for animal and human consumption and treatments including cosmetics and natural colours.

(vii) To act as consultants in all its branches including contract research and application in the field of horticulture, bio-technology, plant-genetics, tissue culture, genetic engineering, plant breeding, micro propagation, seed multiplication, plant protection, agronomy and soil sections.

15. Manufacture, sale and marketing of all kinds of food products, other products.

(i) To carry on the business of processing, farming, manufacturing, distributorship, agency, broker, factor, stockiest, importer, exporter, mix, pack, preserve, freeze, extract, refine and otherwise deal in all kinds of organic and inorganic processed foods, health foods, protein foods, food products, agro foods, fast foods, packed foods, poultry products, sea foods, milk foods, health and diet drinks, extruded foods, frozen foods, dehydrated foods, precooked foods, canned foods, preserved foods, bakery products and confectionery items.

(ii) To carry on the business of manufacturing and trading of all kinds of consumer products including but not limited to herbally treated sugar, salt, rice, wheat, all pulses including dal, fresh and packaged, sweets, juices, jams, ketchups, food supplements, substitutes, cereals, mixes, processed foods.

(iii) To carry on the business of manufacturing and trading of all kinds of siddha, ayurveda, naturopathy, herbal products, raw materials, including herbal medicines.

(iv) To research and develop new consumer products, pharmaceuticals, formulations for diabetic friendly products and for general health and wellness.

(v) To manufacture, process, refine, buy, sell, deal, barter, import or export, whether as wholesalers or retailers or as principals or agents or brokers or otherwise, all kinds of personal care products beauty products, cosmetic products, cleansing compounds, baby care products, health care products, sanitary products, personal wash products, home care products etc., and such other products and substances whether herbal, medicated, antiseptic or not, ingredients, by-products or accessories thereof and other materials required for the process, manufacture and use of the aforesaid products.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Mr.S.Suresh, Managing Director, Mr. S.Rameshkumar, Chief Financial Officer and Mr. Biswa Mohan Rath, Company Secretary be and are hereby severally authorised on behalf of the Company, to do all such acts, deeds, matters and things as may be deemed necessary, proper or desirable and to sign and execute all necessary documents, applications and returns as may be necessary in this connection."

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

Place : Chennai — Biswa Mohan Rath
Date : June 11, 2020 — Company Secretary

Registered Office:
'Dare House', Parrys Corner, Chennai - 600 001.
CIN: L24211TN1975PLC006989
Tel. : +91-044-25306789
Fax.: +91-044-25341609
E-mail: investorservices@parry.murugappa.com
Website: www.eidparry.com

NOTES

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted for holding the Annual General Meeting through VC / OAVM, In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations") and MCA Circulars, the e-AGM of the Company is being held through VC / OAVM.
2. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the e-AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.eidparry.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of KFin Technologies Private Limited https://evoting.karvy.com/public/Downloads.aspx.
3. Members attending the e-AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
4. Company has appointed KFin Technologies Private Limited (KFin), Registrars and Transfer Agent, to provide Video Conferencing facility for the e-AGM and the attendant enablers for conducting of the e-AGM.

5. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the e-AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this e-AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the e-AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
6. Corporate Members (i.e. other than individuals / HUF, NRI, etc.) intending to send their authorised representatives to attend the meeting are requested to send to the Company a scanned copy of the Board or governing body Resolution/Authorization etc., authorising their representatives to attend the e-AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through registered email address to rsaevoting@gmail.com with a copy marked to evoting@kfintech.com.
7. Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Item Nos. 4 and 5 to be transacted at the Annual General Meeting as set out in the Notice, is annexed hereto.
8. The Register of Members and Share Transfer Books of the Company will remain closed from July 29, 2020 to August 5, 2020 (both days inclusive).
9. The Company is providing facility for voting by electronic means (e-voting) through an electronic voting system which will include remote e-voting as prescribed by the Companies (Management and Administration) Rules, 2014 as presently in force and the businesses set out in the Notice will be transacted through such voting. Information and instructions relating to user id and password for e-voting are provided in the Notice.
10. Members holding shares in electronic mode are requested to keep their e-mail addresses updated and intimate immediately any change in their address, telephone/ mobile numbers, bank mandates such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., 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 KFin Technologies Private Limited, (KFin), Selenium, Tower B, Plot number 31 & 32, Financial District, Gachibowli, Hyderabad-500 032 quoting their folio number(s).
11. As per Regulation 40 of the SEBI (LODR) Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or KFin for assistance in this regard.
12. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or KFin, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
13. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote through remote e-voting.
14. The Company has transferred the unpaid or unclaimed dividends declared from time to time upto the financial year 2012-13 to the Investor Education and Protection Fund (IEPF) established by the Central Government. The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on July 29, 2019 (date of last Annual General Meeting) on the website of the Company (www.eidparry.com). The said details have also been uploaded on the website of the IEPF Authority and same can be accessed through the link www.iepf.gov.in.
15. In terms of Section 152 of the Companies Act, 2013, Mr.M.M.Venkatachalam, Director retires by rotation at the Meeting and being eligible, offers himself for reappointment. Details of Directors to be appointed at the ensuing meeting are provided in the "Annexure" to the Notice pursuant to the provisions of (i) SEBI (LODR)Regulations, 2015 and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.
16. 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 KFin. In respect of shares held in demat form, the nomination form may be filed with the concerned Depository Participant.
17. 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 KFin.
18. Members who wish to inspect, 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 and relevant documents referred to in the proposed resolutions, can send an email to investorservices@parry.murugappa.com.
19. 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.
20. Further, pursuant to the Scheme of Arrangement (Demerger) between Parrys Sugar Industries Limited and the Company and Scheme of Amalgamation of Parrys Sugar Industries Limited with the Company, the fractional entitlement of the member(s) of the Transferor Company were consolidated and equity shares arising out of such consolidation were allotted to a Trustee, during the year 2013 and 2017 as per the Court Order. The Trustee in turn had sold the said shares in the open market at the prevailing market prices and transferred the net sale proceeds thereof to the Company and the Company had in turn distributed the said proceeds to respective members in the ratio of their fractional entitlements by permitted mode during the year 2013 and 2017. The details of the members for whom fractional entitlements paid during July 2017 and lying unclaimed with the Company is uploaded on the website of the Company at http://www.eidparry.com.
21. Since the e-AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
22. **Procedure for registering the email addresses and obtaining the Annual Report, e-AGM notice and e-voting instructions by the shareholders whose email addresses are not registered with the Depositories (in case of shareholders holding shares in Demat form) or with RTA (in case the shareholders holding shares in physical form):**

    Those members who have not yet registered their email addresses are requested to get their email addresses registered by following the procedure given below:

    a) Members holding shares in demat form can get their e-mail ID registered by contacting their respective Depository Participant.
    b) Members holding shares in physical form may register their email address and mobile number with Company's Registrar and Share Transfer Agent, KFin Technologies Private Limited by sending an e-mail request at the email ID: einward.ris@kfintech.com along with signed scanned copy of the request letter providing the email address, mobile number, self-attested PAN copy and copy of share certificate for registering their email address and receiving the Annual report, e-AGM Notice and the e-voting instructions.
    c) Those members who have not registered their email addresses with the Company / Depository Participants, as the case may be, are requested to visit the website of the Company http://www.eidparry.com/shareholders-meeting and click on 'Temporary registration of email id of Members for 45th AGM' and follow the process as mentioned on the landing page to receive the Annual Report, e-AGM Notice and Voting Instructions.
    d) In case of any queries, shareholder may write to einward.ris@kfintech.com.
    e) Those members who have registered their e-mail address, mobile nos., postal address and bank account details are requested to validate/update their registered details by contacting the Depository Participant in case of shares held in electronic form or by contacting KFin Technologies Private Limited, the Registrar and Share Transfer Agent of the Company, in case the shares held in physical form.
23. **Instructions to the Members for attending the e-AGM through Video Conference:**
    a) Attending the e-AGM: Member will be provided with a facility to attend the e-AGM through video conferencing platform provided by KFin Technologies Private Limited. Members may access the same at https://emeetings.kfintech.com and click on the "video conference" and login by using the remote e-voting credentials. The link for e-AGM will be available in 'shareholders'/'members' login where the EVENT and the Name of the Company can be selected.
    b) The Members can join the e-AGM 15 minutes before and after the scheduled time of the commencement of the Meeting.
    c) Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the instructions provided in remote e-Voting in Note No. 24 below.
    d) Members are encouraged to join the Meeting through Laptops with Google Chrome for better experience.
    e) Further Members will be required to allow access to the Camera, if any, and are requested to use Internet with good speed to avoid any disturbance during the meeting.
    f) Please note that participants using Mobile Devices or Tablets or Laptops and are accessing the internet via "Mobile Hotspot" may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
    g) Shareholders holding shares as on cut-off date may also visit https:// emeetings.kfintech.com and click on the tab "Post Your Queries" to post their queries/ views/questions in the window provided, by mentioning their name, demat account number/folio number, email ID, mobile number. The posting of the questions by the shareholders/members shall commence from Friday, July 31, 2020 at 9.00 a.m. and shall close on Sunday, August 2, 2020 at 5.00 p.m.

Please note that, members questions will be answered only if the shareholder continues to hold the shares as of cut-off date.

h) **Speaker Registration before e-AGM:** Shareholder who wish to register as speakers are requested to visit https://emeetings.kfintech.com/ and click on "Speaker Registration". Mention the demat account number / folio number, city, email id, mobile number and register yourself as speaker. The speaker registration shall commence from Friday, July 31, 2020 and shall close on Sunday, August 2, 2020. Shareholders shall be provided with a 'queue number' before the e-AGM. Shareholders are requested to remember the same and wait for their turn to be called by the Chairman of the meeting during the Question Answer Session. Due to limitations of transmission and coordination during the e-AGM, the Company may have to dispense with or curtail the Speaker Session, hence shareholders are encouraged to send their questions etc. in advance as mentioned above.

24. Information on Remote e-voting and other information:

Remote e-voting: In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and the provisions of Regulation 44 of the SEBI (LODR) Regulations, 2015 the Members are provided with the facility to cast their vote remotely on all resolutions set-forth in this notice through remote e-voting platform provided by KFin Technologies Private Limited ('remote e-voting').

i. The remote e-voting facility will be available during the following period:

   a. Day, date and time of commencement of remote e-voting: Sunday, August 2, 2020 (9.00 A.M. IST).

   b. Day, date and time of end of remote e-voting beyond which remote e-voting will not be allowed: Tuesday, August 4, 2020 at 5:00 p.m.

ii. Details of Website: https://emeetings.kfintech.com

iii. The voting rights of the Members holding shares in physical form or in dematerialized form, in respect of e-voting shall be reckoned in proportion to their share in the paid-up equity share capital as on the cut-off date being Wednesday, July 29, 2020. A person who is not a Member as on the cut-off date should treat Notice of this Meeting for information purpose only.

iv. The Company is sending through email, the e-AGM Notice and the Annual Report to the shareholders whose name is recorded as on in the Register of Members or in the Register of Beneficial Owners maintained by the depositories. Any person who acquires Shares of the Company and becomes Member of the Company after Friday, July 3, 2020 being the date reckoned for the dispatch of the e-AGM Notice & Annual Report and who holds shares as on the cut-off date i.e. Wednesday, July 29, 2020, 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./ DPID Client ID, the Member may send SMS:

      MYEPWD<SPACE>EVEN Number (5379) + Folio number

      or

      MYEPWD<SPACE>DPIDCLIENTID

      to + 91- 9212993399

      Example for:

      Physical : MYEPWD<SPACE>53791234567890

      NSDL : MYEPWD<SPACE>IN12345612345678

      CDSL : MYEPWD<SPACE>1402345612345678

      If e-mail address or mobile number of the Member is registered against Folio No./ DPID Client ID, then on the home page of https://emeetings.kfintech.com, the Member may click "Forgot Password" and enter Folio No. or DPID Client ID and PAN to generate a password.

   b. Member may call KFin's Toll free number 1-800-3454-001.

   c. Member may send an e-mail request to evoting@kfintech.com.

v. The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by KFin Technologies Private Limited upon expiry of aforesaid period.

vi. Details of persons to be contacted for issues relating to e-voting:

Mr. Sri Sai Karthik Tikkisetti - Manager - Corporate Registry, KFin Technologies Private Limited, Unit: E.I.D.- Parry (India) Limited, Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032. Contact No. 040-6716 2222/ 7961 1000 Toll Free No.: 18003454001, E-mail: karthik.tikkisetti@kfintech.com

vii. Details of Scrutinizer: Mr. R. Sridharan, Company Secretary (Membership No. FCS 4775) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

viii. The procedure and instructions for remote e-Voting facility are as follows:

1. Open your web browser during the remote e-voting period and navigate to 'https://emeetings.kfintech.com'.
2. Enter the login credentials (i.e. User ID and password mentioned in the email). Your Folio No. or DP ID /Client ID will be your User ID. However, if you are already registered with KFin for e-voting, you can use your existing User ID and password for casting your vote.

3. After entering these details appropriately, click on "LOGIN". You will now reach password change menu wherein you are required to mandatorily change your login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (like *, #, @, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc., on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
4. You need to login again with the new credentials.
5. On successful login, the system will prompt you to select the E- Voting Event Number for E.I.D.-Parry (India) Limited.
6. If you are holding shares in Demat form and had logged on to https:// emeetings.kfintech.com and casted your vote earlier for any other Company, then your existing login id and password are to be used.
7. On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date i.e. Wednesday, July 29, 2020 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.
8. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.
9. Members holding multiple folios/ demat accounts shall choose the voting process separately for each of the folios/ demat accounts.
10. 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.
11. 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.
12. During the voting period, Members can login any number of times till they cast their vote on the Resolution(s).
13. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRIs, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/ Authority Letter, etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at e-mail ID: rsaevoting@gmail.com with a copy to evoting@kfintech.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 "EIDPARRY_ 5379".
14. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting User Manual for Members available at the download section of https://emeetings.kfintech.com or contact Mr. Sri Sai Karthik Tikkisetti of KFin Technologies Private Limited at 040- 6716 1509 or at 1800-3454-001 (toll free).

OTHER INSTRUCTIONS

a. Mr.R.Sridharan, M/s. R. Sridharan & Associates, Company Secretaries, Chennai is appointed as scrutinizer to scrutinise the remote e-voting and voting at the e-AGM venue in a fair and transparent manner.

b. The scrutiniser's decision on the validity of the vote shall be final.

c. Once the vote on a resolution stated in this notice is cast by Member through remote e-voting, the Member shall not be allowed to change it subsequently and such e-vote shall be treated as final.

d. The scrutinizer after scrutinizing the votes cast at the meeting and through remote e-voting, will not later than 48 hours of conclusion of the meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the company www.eidparry.com and on the website of KFin Technologies Private Limited, https://emeetings.kfintech.com. The results shall simultaneously be communicated to the stock exchanges.

e. Subject to the receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the meeting, viz., August 5, 2020.

25. Instructions for members for Voting during the e-AGM session:

a. The e-voting window shall be activated upon instructions of the Chairman during the e-AGM.

b. E-voting during the e-AGM is integrate with the VC platform and no separate login is required for the same. The shareholders shall be guided on the process during the e-AGM.

c. Members / shareholders, attending the e-AGM through Video Conference and who have not cast their vote on resolutions through Remote e-Voting shall be eligible to cast their vote through e-voting system available during the e-AGM.

d. Members who have voted through Remote e-Voting will be eligible to attend the e-AGM, however, they shall not be allowed to cast their vote again during the e-AGM.

Statement pursuant to Section 102 of the Companies Act, 2013 ("Act")

Item No. 4

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. Narasimha Murthy & 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, 2021. 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.4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2021.

The Board recommends the Ordinary Resolution at Item No.4 for approval by the Members.

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. 4 of the Notice.

Item No. 5

The Company propose to realign its object Clause in line with its present business activities and possible future businesses which can be conveniently carried out along with its existing business. Hence, to enable the Company to capitalize on the business opportunities and to explore the possible revenue streams of the main objectives which are not specifically covered under the main objects of the Company, the Board of Directors of the Company in its meeting held on February 6, 2020 has approved, subject to the consent of the shareholders, amendment in the Object Clause of the MOA of the Company in the manner as set out in the Special Resolution of this Notice. The alteration in the Object Clause of the MOA, as set out in the resolution, is to facilitate Company's entry into new business areas as defined therein. Most of the proposed activities can be carried out, under the existing circumstances, conveniently and advantageously along with the existing activities of the Company. These will enable the Company to carry on its business economically and efficiently. Pursuant to the provisions of Sections 4, 13, 110 and all other applicable provisions, if any, of the Act, read with applicable Rules and Regulations made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), alteration of the Object Clause of the MOA of the Company requires the approval of the members by means of a Special Resolution.

Members wish to inspect copy of the existing MOA, indicating the proposed amendments and other allied documents, if any, being referred in this resolution, can send an email to investorservices@parry.murugappa.com.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise in the said resolution except to the extent of their shareholding, if any.

The Board recommends the resolution for approval of the members as a Special Resolution.

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

Place : Chennai
Date : June 11, 2020

Biswa Mohan Rath
Company Secretary

ANNEXURE TO THE NOTICE DATED JUNE 11, 2020

DETAILS PERTAINING TO DIRECTORS AS REQUIRED UNDER REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Particulars	Mr. M. M. Venkatachalam
DIN	00152619
Age	61
Date of first appointment on the Board	07.02.2018
Qualifications	Graduated from The University of Agricultural Sciences, Bangalore and also holds an MBA Degree from The George Washington University, USA.
Expertise (including expertise in specific functional area) / Brief Resume / Experience	Mr. M. M. Venkatachalam serves on the Board of several Companies including the Board of Parry Agro Industries Limited, Coromandel International Limited, Ramco Cements Limited, Ramco Systems Limited and USV Private Limited.
Terms and Conditions of Appointment / Re-appointment	As per the resolution at Item No. 3 of the Notice convening Annual General Meeting on August 05, 2020 read with explanatory statement thereto, Mr. M. M. Venkatachalam is proposed to be appointed as Non-Executive Director liable to retire by rotation.
Remuneration last drawn (including sitting fees, if any)	₹ 4.00 lakh
Remuneration proposed to be paid (except sitting fees and commission)	Nil
Shareholding in the Company as on March 31, 2020	Nil
No. of meetings of the Board attended during the year	5
Directorship in other Board as on March 31, 2020	1. Coromandel International Limited 2. The Ramco Cements Limited 3. Ramco Systems Limited 4. Coromandel Engineering Company Limited 5. Parry Agro Industries Limited 6. USV Private Limited 7. Alampara Hotels And Resorts Private limited 8. New Ambadi Estates Private Limited 9. Ambadi Enterprises Limited 10. Ambadi Investments Limited 11. M M Muthiah Sons Private Limited 12. M.M.Muthiah Research Foundation 13. Ootacamund Club

Particulars	Mr. M. M. Venkatachalam
Chairman/Member of the Committees of the Boards of which he is a Director	**The Ramco Cements Limited** **Member** - Audit Committee **Member** - Nomination & Remuneration Committee **Chairman** - Stakeholders Relationship Committee **Chairman** - CSR Committee **Member** - Risk Management Committee **Coromandel International Limited** **Member** - Audit Committee **Member** - Nomination & Remuneration Committee **Member** - CSR Committee **Parry Agro Industries Limited** **Member** - Audit Committee **Member** - Nomination & Remuneration Committee **Chairman** - Stakeholders Relationship Committee **Chairman** - CSR Committee **Ambadi Investments Limited** **Member** - CSR Committee **Ramco Systems Limited** **Member** - Audit Committee **Chairman** - Nomination & Remuneration Committee **Chairman** - Allotment Committee **Member** - Fund Raising Committee **Member** - Rights Issue 2013 Committee **Member** - CSR Committee **Coromandel Engineering Company Limited** **Member** - Nomination & Remuneration Committee **Member** - Risk Management Committee **Ambadi Enterprises Limited** **Member** - CSR Committee **USV Private Limited** **Member** - Audit Committee **Member** - CSR Committee
Inter-se relationship with any Director / Key Managerial Personnel	Nil

BOARD'S REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS

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

Dear Shareholders,

Your Directors have pleasure in presenting the Forty Fifth Annual Report together with the audited financial statements for the year ended March 31, 2020.

FINANCIAL PERFORMANCE

₹ in Crore

Particulars	Standalone		Consolidated	
	2019-20	2018-19	2019-20	2018-19
Revenue from operations	1,874.88	1,845.17	17,128.92	16,555.53
Gross Revenue	2,015.57	2,046.44	17,147.80	16,517.82
Profit Before Interest and Depreciation (EBITDA)	235.18	414.21*	2,015.69	1,533.79
Depreciation	119.56	113.77	318.96	272.33
Profit Before Interest and Tax (EBIT)	115.62	300.44	1,696.73	1,261.46
Finance Charges	135.66	113.43	430.49	424.51
Net Profit Before Tax	(20.04)	187.01	1,266.24	836.95
Tax Expenses	(21.87)	23.88	377.36	399.30
Net Profit After Tax Before Non-controlling interest	**1.83**	**163.13**	**888.88**	**437.65**
Non-controlling interests	NA	NA	421.01	284.16
Net Profit After Tax and Non-controlling interest	**1.83**	**163.13**	**467.87**	**153.49**

* includes profit on sale of Bio-pesticides division and investment in Parry America of ₹ 243.92 crore

DIVIDEND AND RESERVES

The Board has not recomended any Dividend for the year ended March 31, 2020.

The Company has not transferred any amount to the reserves for the year ended March 31, 2020.

SHARE CAPITAL

The Paid-up Equity Share Capital of the Company as on March 31, 2020 was ₹ 17.70 Crore.

CONSOLIDATED OPERATIONS

Consolidated Revenue from operations for the year was ₹ 17,129 Crore, as against ₹ 16,556 Crore in the previous year. Overall expenses for the year was ₹ 15,879 Crore as against ₹ 15,657 Crore in the previous year. Operating Profit (EBITDA) excluding Exceptional items was ₹ 2,016 Crore as against ₹ 1,558 Crore in the previous year. Profit after Tax and minority interest for the year was ₹ 468 Crore, as against ₹ 153 Crore in the previous year.

STANDALONE OPERATIONS

Standalone Revenue from operations of your Company for the year was ₹ 1,875 Crore as against ₹ 1,845 Crore in the previous year. Operating Profit (EBITDA) was ₹ 235 Crore, as against ₹ 170 Crore (excluding profit from the sale of Bio Division & Sale of shares in Parry America) in the previous year. Profit after Tax for the year was at ₹ 2 Crore as against profit of ₹ 4 Crore (excluding profit from the sale of Bio Division & sale of shares in Parry America) in the previous year.

Your Company's performance during the year marginally improved over the previous year despite a challenging operating environment. The Sugar Business, impacted by stock holding restrictions under the new Regulatory regime, a subdued price, sharpened its focus on cost optimisation and retail sales, delivering quality products thereby consolidating its market share. The better realisation from sugar retail sales and alcohol sales facilitated in improving the Company's bottom line to a large extent amidst a subdued demand environment. The business grew reasonably recording modest growth in revenue and profitability despite heightened competition and elevated input costs.

Like last year, this year was an equally challenging year for the Company as the sugar surplus situation continued both at the global and domestic level. The downward spiral in sugar prices, which begun in 2018-19, continued to have its impact and presence felt during the year affecting the entire industry. The Government which came out with a slew of measures in the year 2018-19 to rescue the beleaguered industry including the Minimum Selling Price (MSP), sustained most of the measures and incentives to maintain a systemic balance between demand and supply and to maintain the prices. These measures initiated by the Government though with a noble objective keeping in mind of the interest of farmers and Industry, could only have a short-term impact to contain an adverse situation and ultimately the natural forces of demand and supply will rule the sugar prices.

Against the backdrop of a challenging operating environment as stated above, your Company sustained its position as one of the top sugar producing Company in south India, leveraging a robust portfolio of brands, a slew of products customised to address regional tastes and preferences like Parry's Jaggery and Parry's Amrit Brown Sugar along with an efficient supply chain and distribution network. During the year, the Business implemented several initiatives encompassing cost management, supply chain optimisation, smart procurement, alternative fuel usage and productivity improvement which helped in absorbing the escalation in input costs. During the year, the business migrated from erstwhile SAP ECC 6 system to SAP HANA which successfully went live effective from October 03, 2019.

The exponential surge in demand for hand sanitizers in view of the coronavirus (COVID-19) outbreak and the clarion call by the Government to step up production has led the Company to commence manufacture of sanitizers. The Company has introduced hand sanitizers under its Brand HandKleen and STERISAFE in the market. The Company has also stepped in offering to use its supply of extra neutral alcohol (ENA) used to make sanitizers amid an increasing need for the product. The growing awareness towards personal hygiene and the increased prevalence of frequent viral outbreaks in several geographies have propelled the demand for hand cleaners and your Company is well poised to enter this arena.

Your Company is constantly aligning its products, processes and strategies to the changing market conditions to stay ahead of competition and leveraging technology to further develop and build new capabilities to redesign the key business processes across functions. The focus on customer centricity and service excellence will be a source of our business competitiveness. We continue to improve our consumer-relevant quality standards, thereby enhancing customer delight and overall consumer experience. We are reducing costs as well as uncovering new and innovative ways of working and have an enterprise-wide savings programme, driven through cross-functional teams. The Company will constantly work towards driving efficiencies across the value chain to grow the business further. Our People are our biggest strength and are fully empowered to excel in our fast-changing environment marked by uncertainty. We are creating a more flexible and agile mindset in the organisation and striving to develop the right capabilities and skills needed for different ways of working and new leadership qualities through collaboration and experimentation.

ECONOMY & INDUSTRY SCENARIO

Global Outlook

Global growth decelerated markedly in 2019, with continued weakness in global trade and investment. This weakness was widespread, affecting both advanced economies – particularly the Euro Area – and Emerging Market and Developing Economies (EMDEs). Various key indicators of economic activity declined in parallel, approaching their lowest levels since the global financial crisis, in particular, global trade in goods was in contraction for a significant part of 2019, and manufacturing activity slowed markedly over the course of the year.

Near-term projections for global growth masked different contours in advanced economies and EMDEs. Growth in advanced economies was projected to slow to 1.4% this year, below previous projections, in part reflecting lingering weakness in manufacturing, and was expected to improve slightly over the rest of the forecast horizon. In contrast, after decelerating to an estimated weaker-than-expected 3.5% last year, growth in EMDEs was projected to increase to 4.1% in 2020. Nonetheless, the recovery in aggregate EMDE growth this year, which assumed continued monetary policy support in many economies, no major swings in commodity prices, and generally benign borrowing costs, was not envisioned to be broad-based.

During the end of the last quarter of the financial year 2019-20, COVID-19 outbreak brought considerable human suffering and major economic disruption. Growth prospects remain highly uncertain. Annual global GDP growth is projected to drop to 2.4% in 2020 as a whole, from an already weak 2.9% in 2019, with growth possibly even being negative in the first quarter of 2020. The adverse impact on confidence, financial markets, the travel sector and disruption to supply chains contributes to the downward revisions in all G20 economies in 2020, particularly ones strongly interconnected to China.

The World Trade Organization (WTO) predicts that the world trade is expected to fall by 13% to 32% in 2020 as the COVID-19 pandemic has disrupted normal economic activity and life around the world. The WTO economists believe the decline will likely exceed the trade slump brought by the global financial crisis of 2008-09. Estimates of the expected recovery in 2021 are equally uncertain, with outcomes depending largely on the duration of the outbreak and the effectiveness of the policy responses. The unavoidable declines in trade and output will have painful consequences for households and businesses, on top of the human suffering caused by the disease itself.

Indian Economy

Global headwinds and challenges in the domestic financial sector moderated the growth of Indian economy in 2019-20. The real GDP growth moderated to 5.0% in 2019-20 as compared to 6.8% in 2018-19. Despite a temporary moderation in the Gross Domestic Product (GDP) growth in 2019-20, the fundamentals of Indian economy remained strong and it was expected that GDP growth would rebound from the first quarter of 2020-21. Fiscal situation remained close to the consolidation path and consumer price inflation was within the targeted limits set by the monetary policy committee of Reserve Bank of India (RBI). Despite continuing sluggishness in global demand, the Current Account Deficit (CAD) narrowed to 1.5% of GDP in first half of 2019-20 from 2.1% in 2018-19. Global confidence in the Indian economy improved as reflected in growing inflows of net Foreign Direct Investment (FDI) and an all-time high accumulation of foreign exchange reserves of US$ 457.5 billion as in end December, 2019. India moving up by 14 positions to 63rd rank in 2019 World Bank's Ease of Doing Business 2020 Report, has among others, contributed to the increase in global confidence in Indian economy. India has emerged as an important player in the world on the back of high GDP growth and announcement/implementation of critical measures in the current year and last few years.

The measures announced / implemented in 2019-20 include reduction in corporate tax rate; policy initiatives for development of textiles & handicrafts and electric vehicles; outreach programme for growth, expansion and facilitation of micro, small and medium enterprises; incentives for start-ups in India; recapitalization of public sector banks, relaxation of ECB guidelines for affordable housing; and streamlining of many labour laws at the central government level. Government has also taken various measures from time to time to stabilize prices of essential food items through, inter-alia, trade and fiscal policy instruments like customs duty, minimum export price, export restrictions, imposition of stock limits besides advising States for effective action against hoarders & black marketers to regulate domestic availability and moderate prices.

Prior to the outbreak of COVID-19, the outlook for growth for 2020-21 was looking up. First, the bumper rabi harvest and higher food prices during 2019-20 provided conducive conditions for the strengthening of rural demand. Second, the transmission of past reductions in the policy rate to bank lending rates had been improving, with favourable implications for both consumption and investment demand. Third, reductions in the goods and services tax (GST) rates, corporate tax rate cuts in September 2019 and measures to boost rural and infrastructure spending were directed at boosting domestic demand more generally. However, the COVID-19 pandemic has drastically altered this outlook.

As per the Reserve Bank of India, COVID-19, the accompanying lockdowns and the expected contraction in global output in 2020 weigh heavily on the growth outlook. The actual outturn would depend upon the speed with which the outbreak is contained, and economic activity returns to normalcy. Significant monetary and liquidity measures taken by the Reserve Bank and fiscal measures by the government would mitigate the adverse impact on domestic demand and help spur economic activity once normalcy is restored. Risks around the inflation projections appear balanced at this juncture and the tentative outlook is benign relative to recent history. But COVID-19 hangs over the future, like a spectre.

Policy initiatives post COVID-19

The Government of India has initiated a slew of policy initiatives to tackle the sluggish economy post COVID-19. This includes a number of stimulus and reform measures including announcement of a ₹ 20 Lakh Crore package. A highlight of the stimulus package was the legal reforms proposed for agriculture. It has been likened to the 1991 reforms which transformed industry and financial markets. Agriculture remains shackled by antiquated laws and moreover, progress in creation of a national market for agricultural produce has been slow. Therefore, proposals to amend Essential Commodities Act (ECA), create a central law to expand marketing options through interstate trade and electronic trading platforms, and introduce a facilitative legal framework to enhance farmer engagement with retailers and aggregators have drawn praise from various quarters. Similarly, the APMC Act created monopsony powers and erected entry barriers for new agents. A functioning market needs many buyers and sellers, making the Centre's plans to create a legal architecture to facilitate it is important. But laws alone will not unlock agriculture's full potential and the Government needs to play a more proactive role, as it did in the 1991 reforms, to create market infrastructure. The Government launched e-NAM four years ago, an electronic pan-India link of wholesale markets and the aim was to connect the existing mandi system to create a national market for farmers. However, only about 9% of about 6,946 markets are linked to e-NAM since the Market infrastructure for quality assessment, dispute redressal mechanism and logistics infrastructure are inadequate. Government needs to take a more proactive role and the lead here as markets evolve only when legal changes come with a complementary ecosystem.

Global Sugar

According to Platts Kingsman, global sugar balance moved from a surplus of 3.98 Million Metric Tonne (MMT) in Sugar Year (SY) 2018-19 to a deficit of 3.35 MMT in SY 2019-20. 2019-20 started against a backdrop of record production in India and Thailand, increased global stocks and falling raw sugar prices in international exchanges. Global prices were under a great deal of pressure, ultimately bottoming out in September, 2019. However, Weather Gods came to the rescue of the industry. Indian production dropped due to floods whilst Thailand losts more than 35% of its record crop of last year, due to unprecedented drought. Brazil's focus on ethanol for the second successive year meant that their sugar production remained capped at previous year levels. International raw sugar prices continued to climb from 10.68 c/lb in September, 2019 to over 15.5 c/lb in February, 2020. Dry weather in US added to the tightness especially of refined sugar, triggering a rally in refining white premiums. Due to sudden fall in oil prices in March, 2020, the raw sugar market plunged again to 10 c/lb levels.

As per estimates made by Platts Kingsman, global deficit for the SY 2020-21 is expected to narrow down to 1.7 MMT. An explosive combination of falling oil prices and weakening Brazilian Real has led to Brazilian mills maximising their sugar production. Brazil is estimated to produce 7 to 8 MMT of additional sugar in 2020-21 when compared to 2019-20. A normal monsoon predicted for India should mean a sugar production of more than 30 MMT. Thailand is the only major producer which is expected to have lower production due to dry weather. Initial estimates indicate that the sugar consumption growth could be flat in 2020-21 due to loss of demand due to COVID-19 pandemic related lockdowns, although a lot will demand on the nature of recovery of economic activities in 2020-21.

Indian Sugar Market

India has of late became the world's largest sugar producer beating Brazil and is also the largest sugar consumer. Excess sugar production in the last couple of years has resulted in surplus sugar. The primary reason for this exponential rise in sugar production is the introduction of an early maturing cane variety, the Co 0238 (Karan 4). This cane variety gives very high cane yield and sugar recovery. This variety was released in 2009-10. and currently, in Uttar Pradesh, the plantation of this variety is above 90%, which has increased the sugar production upto 12 to 13 MMT per year. This coupled with increase in Fair & Remunerative Price (FRP) over the years has contributed to the highest ever sugar production in India during the past few seasons. In fact Sugarcane is the most profitable crop for farmers in India as the return is assured and 50-60% higher than the return from any other crop. The increase in the FRP of sugarcane in the last 10 years has outpaced the increase in the MSP of other crops like wheat, paddy, coarse grains, cotton etc., causing a distortion in the farm economics. This, along with the fact that sugarcane has an assured buyer, is a sturdy crop and gets the promised assured price, is the main reason why sugarcane is one of the most preferred crop in the country.

Indian Sugar Production has historically been cyclical in nature with 3-4 years of bumper crop usually followed by 2 years of shortfall. The shortage years helped restore Mills' health by liquidating excess stocks and lifting market prices for Sugar thereby benefiting farmers. However, this cyclical pattern has been broken lately, with Sugar production outpacing consumption since the Year 2010-11 except the Year 2016-17 when Sugar production dipped to the level of just 20.3 MMT mainly due to drought conditions.

According to ISMA, the production in the sugar season 2019-20 is expected to be 26.5 MMT. The season started in October, 2019 with 14.5 MMT of opening stock. The domestic consumption in 2019-2020 is estimated to be 26 MMT and exports nearly 5 MMT. The closing stock on September 30, 2020, is expected to be nearly 10 MMT.

The sugar industry is going through transformational changes through various Government & Industry efforts to make business models more sustainable by increasing the ethanol-blending target to 10% by 2022 & 20% by 2030. Moreover, with the introduction of the concept of MSP for sugar, losses in the sugar business expected to be avoided to a large extent. With new biofuel policy introducing ethanol production through 'B' heavy & syrup route, most sugar companies are expanding their distillery capacity. Also, the government has approved a Ethanol Blending Program (EBP) loan with interest subvention @ 6% per annum or 50% of rate of interest charged by banks, whichever is lower, for nearly 114 projects. This would lead to building of more than 200 Crore litre of annual capacity by 2023. These measures can be a long-term solution to escape the sectoral cyclicity and reinstate sustainable earnings for sugar companies.

Government of India Sugar Policies

The Central Government came out with a slew of corrective measures and supportive mechanisms during the year 2018-19, providing much needed succor to the sugar industry reeling under pressure to be rescued from the mounting cane arrears and the high debt burden. Most of these measures continued during 2019-20 with the Government continued to cap the quantity of sugar, which mills in the country could sell and at a minimum selling price. These measures stabilized sugar price in the country with greater degree of transparency, discipline and accountability. Some of the important policy directions issued pertaining to the sugar industry are as follows:

Maximum Admissible Export Quantity (MAEQ): In view of the high inventory levels with the sugar industry and to facilitate achievement of financial liquidity, mill-wise MAEQ of 60 Lakh Metric Tonne (LMT) have been fixed for the sugar season 2019-20. Sugar mills are required to export their MAEQ entitlement by September 30, 2020. The Government vide notification dated September 12, 2019 has notified a scheme for providing a lump sum assistance at ₹ 10,448 / MT to sugar mills to facilitate the export during the sugar season 2019-20.

Scheme for creation and maintenance of Buffer stock: In order to maintain demand supply balance in the domestic market and to stabilize sugar prices, the Government has notified a scheme on July 31, 2019 for creation of buffer stock of 40 LMT of sugar for a period of one year from August 01, 2019 to July 31, 2020. The Government to reimburse the carrying cost of ₹ 1,674 Crore to sugar mills for maintaining such buffer stock.

Soft Loan : On March 02, 2019, the Central Government announced a scheme of soft loan of ₹ 10,540 Crore with interest subvention of 7% on actual rate of interest charged by bank, for a period of one year. The Government also said that all loans sanctioned & disbursed by May 31, 2019 would be covered by the scheme. Vide notification dated July 24, 2019, the Government stated that all loans sanctioned by July 31, 2019 and disbursed by August 31, 2019 by lending banks, would now be covered under the scheme.

Government of Tamil Nadu (TN) G.O. - reimbursement of freight cost: The Tamil Nadu Government on April 03, 2020 issued a G.O. allowing reimbursement of freight cost incurred by mills for transporting cane from field to mill for SY 2018-19. The salient features of the G.O. include the following:

a. Transport cost will be reimbursed to mills only if they have settled FRP.

b. Transport cost reimbursement will be restricted to ₹ 100 / MT or actual cost incurred, whichever is lower.

c. Non own cane not eligible for reimbursement.

Budget Allocation by TN Government: The Tamil Nadu Government has made a budgetary allocation for the year 2020-21 of ₹ 165 Crore towards Transitional Production Incentive, which is the difference between erstwhile State Advise Price (SAP) of ₹ 2,750 / MT and FRP of ₹ 2,612.50 / MT for 9.50%. The Government has further allocated ₹ 110 Crore towards Transport subsidy, up to ₹ 100 / MT of cane for the SY 2019-20.

Cogeneration of Power: On 28th June 2019, Ministry of Power, Government of India issued an order directing Regional Load Despatch Centres (RLDC) and State Load Despatch Centres (SLDC) to open Letter of Credit (LC) in favour of power generating companies for the agreed quantum of power supply. The order provides for encashment for LC by the generating company after the agreed credit period of 45 or 60 days as the case may be. This was a welcome move by the GOI to facilitate timely collection of debtors, which has come into effect from 01.08.2019.

Ethanol

Molasses is a viscous by-product obtained from raw sugar during the manufacturing process. Cane-based ethanol can be produced in three different ways directly from cane juice, and from B-heavy and C molasses. In 2003, the Government of India (GOI) had launched the Ethanol Blending Programme (EBP) on a pilot basis, which was subsequently extended to the Notified 21 States and 4 Union Territories to promote the use of alternative and environment-friendly fuels. The programme is a part of the long-term strategy to reduce India's dependency on crude imports and insulate the nation from global oil price volatility as well as give the domestic sugar sector a boost by diverting excess sugar stocks towards ethanol manufacture. While the programme initially targeted a 10% blending of petrol with the biofuel by 2022, later the target was enhanced to achieve 20% ethanol blending with petrol by 2030.

The Ministry of Petroleum & Natural Gas have released Ethanol Procurement Policy on a Long-Term Basis under Ethanol Blended Petrol (EBP) Programme. The salient features of this policy include the annual procurement quantity as estimated by OMCs to remain firm for ESY (Ethanol Supply Year: Dec to Nov). A mechanism to be introduced by OMCs for change in transportation rates with the change in fuel rates.

Currently, sugar companies are able to supply 230-240 Crore litre to OMCs. With the opening up of the B heavy and Syrup route, sugar companies, in totality, can supply maximum 500-550 Crore litre. However, current capacities are insufficient to utilise the B heavy route with optimum potential. This has led the government to offer soft loans of ₹ 15000 Crore to companies wanting to create greenfield/ brownfield ethanol capacity.

Though the government seems to be serious about its 10% and 20% ethanol blending programme, historically it has faced multiple issues like lack of capacity, lower feedstock availability, lower crude prices and OMC resistance to adopt 10% ethanol blending. Hence, any change in government policy can derail the EBP and negatively impact sugar millers. However, this looks unlikely as the government has approved a soft loan to 114 projects for increasing distillery capacity.

During the year, the Central Government announced that no separate environmental clearance will be required to produce additional ethanol from B-heavy molasses as it does not contribute to the pollution load. To obviate the need for undertaking fresh Environmental Impact Assessment (EIA) or public consultation in all such cases of increase in production capacity, the Government has given a clarification relating to issuance of environmental clearance in order to facilitate the sugar mills to undertake additional production of ethanol from B-Heavy Molasses in place of using C-Heavy Molasses without any increase in the total pollution load.

Cogeneration

Bagasse is the fibrous matter that remains after sugarcane stalks are crushed to extract their juice and is a by-product generated in the process of manufacture of sugar. It can either be sold or be captively consumed for generation of steam. It is currently used as a biofuel and in the manufacturing of pulp and paper products and building materials. The bagasse produced in a sugar factory is however used for generation of steam which in turn is used as a fuel source and the surplus generation is exported to the power grids.

For each 10 tonnes of sugarcane crushed, a sugar factory produces nearly 3 tonnes of wet bagasse. Since bagasse is a by-product of the cane sugar industry, the quantity of production in the country is in proportion to the quantity of sugarcane produced.

The power produced through co-generation substitutes the conventional thermal alternative and reduces greenhouse gas emissions. In India, interest in high-efficiency bagasse-based cogeneration started in the 1980s when electricity supply started falling short of demand. High-efficiency bagasse cogeneration was perceived as an attractive technology both in terms of its potential to produce carbon neutral electricity as well as its economic benefits to the sugar sector. In the present scenario, where fossil fuel prices are shooting up and there is a shortage and non-availability of coal, co-generation appears to be a promising development. The thrust on distributed generation and increasing awareness for cutting greenhouse gas emissions increases the need for cogeneration.

The electricity production through cogeneration in sugar mills in India is an important avenue for supplying low cost, non-conventional power. However, several financial, regulatory, and technical challenges are required to be overcome for realizing this potential.

BUSINESS OVERVIEW

Sugar

Sustained growth and profitability of sugar business depends upon continuous availability of high-quality sugarcane. During the year, the sugarcane availability in TN was lower, due to the widespread drought affecting major section of the command area, however, the cane crushed was better than the previous year. The Cane area in TN has seen considerable decline during the last few years caused by deficit rain and farmers shifting to other competing crops. This has adversely affected the Company's TN operations, where most of its plant capacity continued to remain idle. The continuous non-availability of sugarcane forced the Company to close down its Factory operations at Pudukottai after completing the main season in May, 2019. The Company could resume its operation at Pugalur from July, 2019, after a gap of nearly 2 years, only after the cane availability in the said area shown modest improvement. Due to decrease in Cane availability in TN year after year, several mills have shut down their operations during the last few years significantly affecting the sugar production in TN.

During the year, the Company was allotted additional cane area at Kammapuram, Vridhaclalam South Firkas and also 15 villages in Pennadam Firka to its Nellikuppam unit on a temporary basis. The Company has initiated cane development activities in these areas to increase the area under sugarcane cultivation.

In TN, despite lower cane availability, there was an improvement in cane crushed by the Units at 13.77 LMT @ 8863 TCD per day as against 12.46 LMT @ 8097 TCD per day in the previous year. The average recovery recorded was at 8.69% as against 8.82% in the previous year. The recovery would have been better if the plants would have operated continuously during the peak period of March, 2020. Due to the outbreak of COVID-19, the plants were stopped for a short duration during the last week of March 2020.

In Karnataka (KN), majority of the farmers depend on the canal water for irrigation. During April - July, 2019, there was severe drought in the area in and around the Company's unit at Ramdurg & Bagalkot and the crop was estimated to be lower by around 40% as compared to previous year. In August, the heavy rainfall caused floods across the entire North Karnataka, which was the highest in last 5 years. This helped in the revival of the crop and the crop condition improved and finally the crop estimated to be 18 - 20% lower than last year. Since good rainfall received across all KN Units, the plantation this year expected to increase by 12 - 15% as compared to previous year. In KN, the cane crushed was lower at 17.62 LMT as compared to 19.68 LMT in the previous year. The average recovery was at 11.35 % as against 11.15% in the previous year.

During the year, the Company took a number of initiatives to streamline and improve the KN cane procurement and management function reeling under the pressure of a heightened competition and the menace of unauthorized cane poaching. Efforts were made to reduce the harvesting & transportation (H &T) advance and to ensure accurate booking of gangs so as to decrease yard balance, vehicle waiting hours and to improve recovery. Early start of the units helped the Company to ensure adequate reporting of H&T gangs. Centralized H&T planning and execution facilitated smooth inter-unit movement and reduced yard balance. Deployment of mechanical harvesters was increased to cover a large part of the area to counter the shortage of harvesting labour. Prompt Cane payment even before the statutory deadline of 14 days also helped the Company to procure cane till end of the season across all KN Units.

During the year, despite stiff resistance from various quarters, the Company's unit in KN stuck to its stand of paying only the statutory mandated FRP while a few neighbouring mills reportedly paid higher price. In spite of competition paying higher price than the FRP , the Company procured maximum cane till the end of the season across all the KN units. This was made possible by timely payment to all the farmers without any arrears. We are proud to say that our stand of paying our valuable suppliers, the farmers on time over the years has helped us in building trust and credibility in the minds of the farmers.

With respect to the Andhra Pradesh (AP) unit, the cane crushed was at 5.33 LMT as compared to 5.05 LMT in the previous year. The average recovery was at 8.83% as against 9.23% in the previous year. In AP at the state level, there has been a substantial dip in recovery due to the changing weather patterns.

The overall cane crushed by the Company as a whole, was at 36.72 LMT as against 37.19 LMT in the previous year. The average sugar recovery was at 9.99% as against 10.11% in the previous year.

The sustained availability of cane being a major concern, a number of initiatives are being taken up by the Company including, supply of clean seed, providing resources for drip and micro irrigation and facilitating the various agronomy services through agencies and agri service providers. As part of the farmer centric and inclusive strategy, the Company operates soil testing labs which provide 'soil health cards' to farmers for improving soil health and fertility. These initiatives will help in increasing the yield per acre which in turn will increase the income per acre to the farmer. To interact with the farmers throughout the life cycle of cane crop, Farmer Connect App has been effectively utilised in TN, AP & KN and a large number of farmers have been registered by using the Farmers App. By this, the cane and extension team are in regular touch with the farmers during the entire life cycle of the crop and assist the farmers immediately as and when the need arises. To improve mechanised farming, the Company has also practised aggregator model for farm implement services. To mitigate the impact of drought, around 65 borewell recharges are established around the unit at Pugalur, TN. Since Pugalur was the affected area due to low rainfall, the company has also desilted 7 Ponds and continuing the initiative further to improve the ground water resources.

The Company has been working closely with the Government on a number of subsidy schemes to promote drip irrigation, Sustainable Sugarcane Initiative (SSI) etc. The company has embarked on a program of ensuring clean seed for planting. In TN and AP, the 3-Tier nursery programme has been strengthened and varietal purities are being improved through quality seed sourcing from Breeding Institutes and Company's own tissue culture seedling production centres. In TN and AP, seedling production through shade nets were effectively utilised. All these activities will pave the way for yield improvement and ensure sustained sugarcane availability.

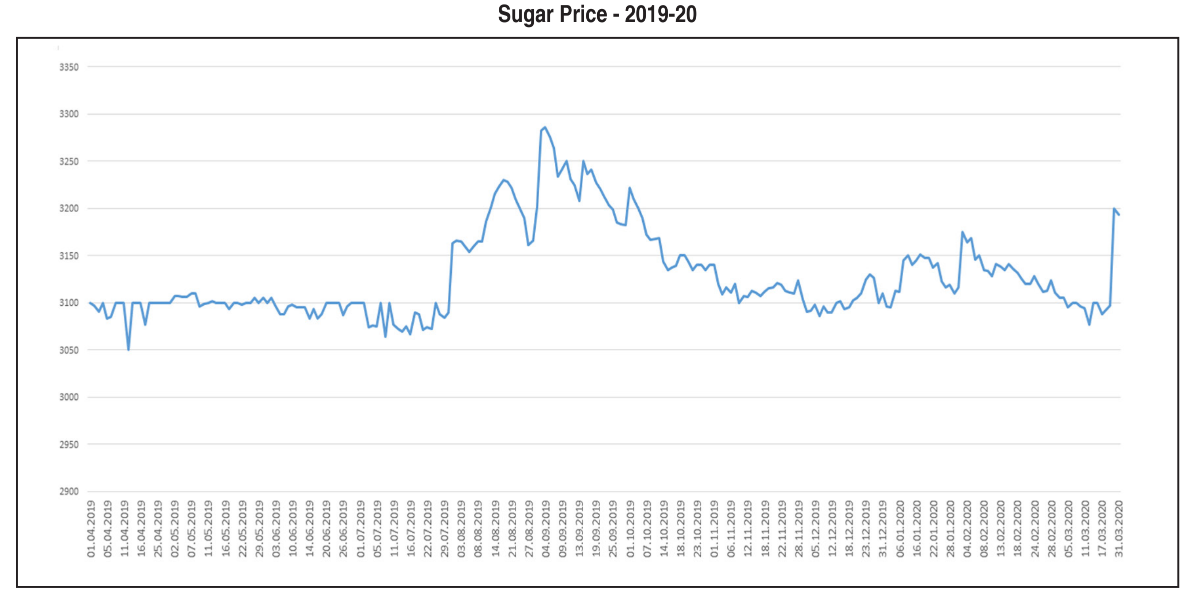
To ensure continuous supply of water for the farmers, the Company is working towards getting the maximum benefit from the key irrigation projects being implemented by the Government in Haliyal, Sankili and Bagalkot, which would prove beneficial in the long term.

Price - Sugarcane & Sugar

For the Sugar Season 2019-20, the Department of Food and Public Distribution, Ministry of Consumer Affairs, Food and Public Distribution, fixed the FRP for sugarcane at ₹ 275 per quintal for a basic recovery of 10.00% and a premium of ₹ 2.75 for every 0.1% increase in the recovery rate, as recommended by the Commission of Agricultural Costs and Prices (CACP). Also for 9.5% and less recovery, the FRP was fixed at ₹ 261.25.

The 2018-19 season started with a record opening stocks of 14 MMT. The production during the season touched 32.6 MMT. This was almost at par with the production in previous season. With high production of sugar, the GOI continued the controls on sales and pricing with the Release Order mechanism and enforcement of MSP at ₹ 31 per kg in order to support the industry and cane farmers. The other measures taken by the Central Government were in the form of soft loans, cane production subsidy, transport subsidy on sugar exports and interest subvention scheme for setting up of ethanol capacities. The various State governments also granted incentives in the form of soft loans and cane subsidies which provided some respite to the sugar industry, which was reeling under supply pressures. While the announcement of cane production subsidy towards the end of September, 2019, along with sugar exports of 6 MMT resulted in some improvement in sugar prices to around ₹ 32,500 / MT in October, 2019, with the commencement of the cane crushing, price declined to around ₹ 31,500 / MT in November, 2019 and then gradually to around ₹ 31,000 / MT in December, 2019 and continued to remain at that level till the end of the year.

Sugar Price - 2019-20



Manufacturing Operation

The Company continues its expedition towards achieving manufacturing excellence and achieve better efficiencies in steam, energy and chemicals consumption besides reduction of total losses. The Company has accelerated its cost optimisation drive across the value chain to further improve its operational efficiency. The execution excellence initiatives pursued to optimise efficiencies, reduce cost and eliminate wastage has been adopted across functions and processes. TPM deployment has been aggressively pursued and initiatives on safety, environment and quality under TPM helped the Company to achieve manufacturing excellence, operational safety and higher level of quality awareness. During the year, the CII – TPM Strong Commitment audit has been completed at Bagalkot and also FSSC-22000 Version 5.0 Certificate has been received. Your Company continues to accord the highest priority to manufacturing excellence. Several manufacturing units of your Company competing with both the best within and outside the industry, received various awards and accolades during the year bearing testimony to your Company's focus on manufacturing excellence, safety and quality.

During the year, the Sankili Unit has begun setting up of an incineration boiler in place of the existing IE & ATFD systems, which will increase the number of operating days of the distillery by 70 days per year from 2020-21 and will also address the key environmental issues associated with handling of effluent. The boiler is expected to be commissioned in the current year.

The Company has ensured compliance with stipulated parameters with respect to emission and effluent generation with stringent online monitoring systems which are hooked up to the SPCB/ CPCB monitoring systems.

The Company has enhanced its production capacity of Parry Amrit Natural Brown Sugar to 40 TPD at Nellikuppam Plant and has erected machinery & equipment to cater to the increased production.

The Company continued to source Molasses for its Tamil Nadu Distilleries. During the year, the Company sourced 79,750 MT Molasses thus improving the operating days of its distilleries. The Company has enhanced the alcohol production capacity at Sankili to 48 KLPD from 40 KLPD and In this regard, Fed Batch Fermenters have been commissioned at Sankili in January, 2020. Post stabilization of the plant, the Unit is expected to achieve 48 KLPD.

Consequent to closure of the sugar factories at Pondicherry and Pudukkottai, the Company is exploring various options for better utilization of the said assets at other locations including sale of the remaining surplus assets including land as may be deemed necessary and appropriate.

During the year in March, 2020, the nationwide lockdown on account of outbreak of COVID-19 impacted the cane crushing, sale of alcohol and export of power. Nellikuppam, Pugalur and Sankili mills were stopped for a short duration on 25th March 2020 due to imposition of Section 144 of the Indian Penal Code.

Manufacturing Initiatives: The Company pursued its 'go beyond' strategies to optimise efficiencies, reduce cost, eliminate wastage and achieve stretch targets for growth. The following were some of the initiatives, which were undertaken during the year:

- Feb batch Fermentation system has been commissioned at Sankili and effluent generation reduced from 9m^3 / ltr of alcohol to 7.5m^3 / ltr of alcohol on running with B-Heavy molasses and alcohol % was increased from 8% to 10.5%.
- First in AP to produce Ethanol from Sugar syrup and to receive validation report from the NSI Kanpur for the production of ethanol from B-Heavy molasses and sugar syrup.
- Bagasse Pellet machine commissioned at Sankili and the fine-tuning works are in progress. In Bagalkot, the civil works are under progress for Bagasse Pellet Plant erection.
- Obtained EC from the State Environment Impact Assessment Authority, Karnataka for distillery project at Bagalkot.
- Utilisation of the excess condensate instead of raw water reduced the raw water consumption from 678 m^3 / day to 533 m^3 / day at Ramdurg. Totally around 776 m^3 / day excess condensate water cooled and utilized for cooling and process use and reduced the effluent generation below 60 litres per ton of cane crushed.
- ESP Revamping of 120TPH Boiler has been done at Haliyal Unit to maintain the emission standards.
- ICT – Spentwash treatment technology trials under progress in Nellikuppam and the resin replacement has been planned and methanol recovery is under progress to the expected level.

Sales and Marketing

The Company's strategy continues to de-risk itself from the cyclicality of sugar business by way of value addition and in the process the company has been diligently working towards several strategies to meet the changing needs and aspirations of the consumers. The Company continues to strengthen its presence in the branded sugar market in view of the higher realisation, healthy long-term prospects, low levels of per capita consumption, rising disposable incomes, increasing urbanisation and growing consumer preference for different value-added products. Your Company is well positioned to seize the opportunities, in whatever form it comes and continues to invest in creation of vibrant brands, consumer-centric products and a robust supply chain to emerge as a important player in this space. Technology and rapid digitisation are changing the consumer landscape around the world. Consumers today are taking newer paths for purchasing brands. We are constantly innovating across our portfolio and creating categories of the future to address the evolving needs of our consumers. Your Company seeks to significantly scale up the retail businesses leveraging its institutional strengths viz. deep consumer insight, proven brand building capability, strong rural linkages, a deep and wide channel-tailored distribution network.

The Company's retail brand of brown sugar, 'Amrit', has made significant strides and is well accepted by the consumers. During the year, the Company launched Parry's Amrit Jaggery powder to meet the changing needs of consumers, who are health conscious. Parry's Amrit Jaggery Powder undergoes rigorous tests during the manufacturing process to prove that it's the purest and safest form of jaggery that benefits consumer. Prepared using state-of-the-art technology, with no harmful chemicals or added artificial flavours, the Company ensure that the consumers get pure, ready-to-use, factory packed jaggery that is untouched by hand. With no impurities, it requires no straining or melting and is ready to use by consumers in their favourite recipes.

Post March 2020, the Company forayed into the disinfectants market with the launch of its brand Handkleen and Sterisafe sanitizer. Owing to its large population, the country is highly exposed to infections and several pandemics such as COVID-19. A lot of initiatives have been taken across the country for increasing awareness of hygiene practices and solutions owing to the frequent hardship involved in the day-to-day activities. Improving hand hygiene is considered a core strategy to decrease the incidence of healthcare associated infection in the country and the Company is fully geared up to cash on this opportunity.

During the year, the Company sold 2.91 LMT of sugar in the domestic market as against 3.58 LMT in the previous year 2018-19. The drop-in sales quantity was mainly due to the release mechanism of the Government (Release Quota). The Company focused on achieving better price realisation through targeting select Institutional customers and increased the market share in the retail segment significantly and introducing value added products.

Institutional Sales

The Company has established a benchmark brand across sugar industry with its strong product customisation expertise, stringent quality systems, global certification standards and timely deliveries. Due to the said factors and the strategic locations, the Company has gained the position of a major supplier of sugar to various institutional customers across country. The customer base includes institutions across sectors ranging from pharmaceutical, soft drinks, beverage, food, Juices, confectionery, modern trade, sweets, dairy, ice cream and biscuit manufacturers.

During the year, the company sold sugar directly to institutions, accounting for nearly 59% of its domestic sales as against 41% of the previous year. The Company increased the focus on premium refined sugar sales to pharma and food companies to deliver higher realizations. Like last year, the Company continued to sell Bonsucro certified sugar, produced from sustainable sugarcane both from TN and KN Units. With large multinationals focusing on sustainability and sustainable raw materials, the Company's Bonsucro certified sugar is gaining a competitive advantage and will continue to do so in the long run as well.

Retail Sales

In the retail segment, the Company sold sugar contributing nearly 18% of the annual domestic sales as against 9% in the previous year, achieving a 75% growth in volumes over the previous year. Its strategy of expanding market presence and market penetration has worked positively in gaining market share of retail sugar.

Brand Building

The Company invested in building the brand Parry in the consumer market by building the portfolio of value-added products. The value-added product portfolio witnessed a sharp growth of 60% after it was supported on media. The media exposure given in TN and Bangalore has strengthened the brand further.

Quality

During the year, the Company continued to focus on the retail and institutional segment with quality product and processes. During the year, the Bagalkot Unit got accredited with FSSC 22000 version 5 for the first time and became the third unit of the Company to obtain this from the DNV GL Certification Body. Further, as per the Customer requirements, two of its Units in TN and KN were qualified to receive Kosher certifications.

In addition to the above new certifications, the Company's units in Nellikuppam and Haliyal qualified in the recertification audits of FSSC 22000 and ISO 9001:2015. The Company's refinery Unit in Nellikuppam successfully qualified in sustaining its GMP certifications to continue to supply Drug Manufacturing Customers and other Pharmacopeia accreditations of Indian Pharmacopeia, European, United States, Japanese and British.

During the year, the Company in its endeavour to provide quality products to customers, started producing refined sugar by adoption of sulphur free process. The Unit in Haliyal, KN has sustained the production of Sulphur free process sugar with Quality.

Quality Initiatives

- Nellikuppam and Haliyal Units qualified for Kosher Certification.
- Sankili unit successfully recertified for Integrated Management system certifications which includes, Quality Management System ISO 9001:2015, Environmental Management System ISO 14001:2015 and OH & S ISO 45001:2018
- Nellikuppam and Haliyal Units upgraded to Food Safety System Certifications ISO 22000 Version 5.
- Haliyal Units recertified for Quality Management System ISO 9001: 2015 Version.
- Nellikuppam and Haliyal qualified for SMETA 6.0 (Sedex Members Ethical Trade Audit).

Research & Development and Extension Services

The company has a pioneering vision to improve the yield and reduce the cost of sugarcane cultivation for farmers and to improve the sugarcane quality for efficient factory operation. To attain this vision, a robust and business aligned R&D and extension function is in operation with state-of-the-art Research laboratories and farms. The R&D wing operates with focused mid-term and long-term strategies that are bound to reap rich dividends in terms of capacity and quality of raw material supply from farmers within stipulated timelines.

The year witnessed many varieties that were developed and launched, and new initiatives pursued in line with the business strategy through in-house product research and collaborations with leading institutions, NGO's and supply chain partners. Notable achievement in developing new varieties were the launch of two new "super early maturing varieties" for commercial cultivation by farmers in Sankili and Nellikuppam. A project titled "P240" was chartered in 2017-18 to develop varieties that can mature in 8-9 months and enable farmers to reap three harvests in two years instead of the conventional two crops in two years coupled with increase in sugar recovery by 0.5%. The two varieties occupy 22% of the plant area in Sanklili and 35% of plant area in Nellikuppam. The company has currently developed the highest area of the new varieties in the country.This initiative done in a span of just two years was fostered through a collaborative project with Sugarcane Breeding Institute (ICAR) and Indian Sugar Mills Association (ISMA), in-house varietal development program and augmented with rapid seed multiplication through In-house Tissue Culture technology and captive seed farms is well received by farmers and lauded by the Government.

In the field of crop agronomy, notable achievement was the development of IOT enabled automatic soil moisture recorder in farmer fields linked to the cane management system. This soil moisture based harvest scheduling which is expected to maximize sugar recovery by 0.5% as evinced in trials, is being taken up for large scale application. Soil mapping based fertilizer prescription through integration with cane management system has been carried out to enable need based and precision nutrient recommendation as health cards and application by farmers resulting in significant cost savings for farmers and enhancing sugarcane quality.

The company has pioneered in initiating R&D on a novel ICT based system of autonomous irrigation in sugarcane for the first time in the country in partnership with Companies in Israel and UK and aided by its supply chain partner. The system will transform the way irrigation water is applied, where precise quantities of water with intervals is solely decided by the crop based on its own requirement and without any intervention by the farmer. This technology will pave the way for water savings up to 35% especially in sugarcane, which is considered as a water intensive crop, and with added benefits of crop yield and quality maximization.

In the field of pest and disease management, novel products launched in 2018-19 elicited excellent reception amongst farmers and hence the technology was adopted in around 3000 acres during the financial year. The company is also in the process of evaluating alternate crops like tropicalized sugar beet and sweet sorghum for sugar and ethanol production as intercrop and relay crops to maximize farmer income. To foster sustainability in business, the company has signed an Memorandum of Understanding (MOU) with World Wide Fund (WWF), India and Rabo Bank for developing an integrated Decision Support Tool (DST) by March, 2022 for the farmers. This tool will foster complete IOT enabled solutions to the new generation farmers for precision farm management. Pilots have been initiated across two factories with promising results and is under the process of development.

As a testimony to our stewardship in R&D and Extension services, the company was conferred the Agriculture Leadership Award for 2019 in the 9th Agricultural Leadership Conclave by the Hon'ble Union Minister of Agriculture.

Value Added Projects

- In India most of the distilleries have installed incineration boiler and started operation. The ash generated from the boiler contains potash between 5 to 12%. As per FCO norm, the potash content in potash fertilizer should be 14.5% as water soluble potash. The Company has undertaken a pilot study to establish the extraction of potash from ash. As the opportunity for potash fertilizer availability in India is plenty and since the Company is already a pioneer with established technology & product, the Company propose to carry out a pilot study on this concept.
- The Company is exploring opportunities to convert Sugar, Distillery & Nutra By-products (waste) into value added Product suitable for Aquaculture, Poultry & Animal Husbandry.
- The Company has developed nutrient rich eco-friendly soil less media from sugar cane bagasse for the international and domestic market. The company has developed green grow media from bagasse by a mechanical process by sustaining EC and PH, suitable to grow all kinds of plants and to conserve soil and water and to improve fertility of the soil and productivity. The Company has already designed the pilot scale plant and started trial production. Green grow media samples of 100 MT in different combinations has been produced and demonstration plots have been laid out in tea, pepper, sugarcane, avocado, mushroom, vegetable, ornamental crops, avenue tree crops and cut flower nurseries in India. This has also been demonstrated to improve soil & water conservation in neem, avocado and pomegranate plantations.
- The Company has developed mineralised salt lick for small ruminants from Nutra process waste with the collaboration of Tamil Nadu University of Veterinary and Animal Sciences, Madhavaram (TANUVAS).
- The Company has signed MOU with TANUVAS to develop nutrient rich dry fodder block for cattle. Animal adaptation trial completed.
- Project to develop Bioplastic i.e degradable mulching sheet and poly bags from Bagasse is under progress.
- The Company has started Scientific field trial and demonstration in Organic and Inorganic Tea plantation with UPASI, Coonor.

SUGAR DIVISION - PERFORMANCE

Operational Performance

Particulars	2019-20	2018-19
Cane Crushed (LMT)	36.72	37.19
Recovery (%)	9.99	10.11
Sugar Produced (LMT)	3.60	3.76
Power Generated (Lakh Units)	3572	3274
Alcohol Produced (Lakh Litres)	634	647
Sugar sold (LMT)	3.73	4.04

Cogeneration- Power

The Company has an aggregate saleable co-generation capacity of 160 megawatts. Of the total power generated, the Company exports nearly 52% to the state electricity grid. The cogeneration segment accounted 7% of the Company's revenues during the year, same as in 2018-19. Revenues from the segment during 2019-20 stood at ₹ 131 Crore as against ₹ 125 Crore in 2018-19.

Tamilnadu: The units in Tamilnadu generated 1,554 units and exported 793 Lakh units of power during the year as against 1,338 Lakh units and 652 Lakh units respectively in the previous year. The increase was mainly on account of higher cane crushing.

Financial Performance

₹ in Crores

Particulars	Sugar		Cogen		Distillery		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Revenue	1,377	1,386	131	125	357	317	1,865	1,828
EBITDA**	53	(30)	(5)	(2)	79	44	127	12

** Earnings before interest, tax, depreciation and amortization.

Segment wise Performance & Operational Highlights

Sugar

The sugar segment constituted the largest share of the Company's revenues. The segment contributed 73% of the Company's revenue from operations during 2019-20 as against 75% in 2018-19. Revenues from the sugar segment during 2019-20 was at ₹ 1,377 Crore as against ₹ 1,386 Crore in 2018-19.

The Company has eight sugar plants with a combined capacity of 43800 TCD. During the year, the total cane crushed in Tamilnadu plants increased to 13.77 LMT as against 12.46 LMT in the previous year. There was a decline in overall recovery in Tamil Nadu from 8.82% in 2018-19 to 8.69% in 2019-20. Crushing in the Company's Sankili plant at Andhra Pradesh also increased to 5.33 LMT as compared to 5.05 LMT in the previous year with recovery of 8.83% as against 9.23% in the previous year. In AP, at the state level, there has been a substantial dip in recovery due to the changing weather patterns.

The total cane crushed by the units in Karnataka was at 17.62 LMT against 19.68 LMT in the previous year. The average recovery was at 11.35% as against 11.15% in the previous year.

The overall cane crushed by the Company was 36.72 LMT in 2019-20 as against 37.19 LMT during the previous year. Overall recovery of all the units of the Company went down from 10.11% to 9.99% in the current year. While the recovery was better in KN, it was lower in TN and AP.

During the year the Company produced 3.60 LMT of Sugar and sold 3.72 LMT of sugar.

During the year, the Company obtained in-principal approval for sale of power under open access-bilateral from TANGEDCO and accordingly it commenced third party power sale from January 01, 2020, in addition to sale of power through exchange, from its Nellikuppam generation plant. This initiative fetched an additional realization of ₹ 0.75 - ₹ 1.00 per unit of export.

Karnataka: The cumulative power generated and exported by the Karnataka Plants stood at 1653 Lakh units and 960 lakh units as against 1615 Lakh units and 887 Lakh Units respectively in the previous year.

Andhra Pradesh: The unit in Sankili generated 364 Lakh units and exported 121 Lakh units as against 321 Lakh unit and 97 Lakh units respectively during the last year.

Distillery

The Company has four distilleries located at Sankili, Haliyal, Nellikuppam and Sivaganga engaged in the production of industrial alcohol and ethanol with a cumulative capacity of 234 kilolitres per day. Almost the entire distillery capacity of the Company is dedicated towards ethanol & ENA (Extra Nutral Alcohol). In addition, 90 KLPD new distillery at Bagalkot is under construction.

The distillery segment contributed to 19% of the Company's revenue from operations during the year under review as against 17% in 2018-19. Revenues from the distillery segment during 2019-20 stood at ₹ 357 Crore as against ₹ 317 Crore in 2018-19.

The Company's alcohol production from molasses, a by-product of sugar, saw a downward dip at 634 Lakh liters in 2019-20 as against 648 Lakh liters in 2018-19, a decrease of 2% over the previous year.

Ethanol

The Company has mapped out expansion plans for Ethanol production at its integrated Plants. The Company is setting up a 60 / 90 KLPD Molasses based distillery with production volume of 60 KLPD ENA from C – Molasses, 90 KLPD Ethanol from B heavy molasses / sugar cane syrup at Bagalkot, Karnataka. Expansion of the existing distilleries at Nellikuppam, Haliyal and Sankili and the commissioning of a new distillery at Bagalkot are part of the strategies for growing the ethanol stream as a revenue earner subject to sustained availability of molasses.

During the year, the Company secured approval from the Government of Andhra Pradesh, to use sugar syrup for the manufacture of Ethanol. The Sankili plant is the first unit to get such approval in Andhra Pradesh.

The Company has already obtained approval from the Department of Food & Public Distribution, for its expansion projects under the Central Government Scheme, extending financial assistance to mills for Enhancement & Augmentation of Ethanol Production Capacity.

During the year, the Company secured permission from the Government of Tamil Nadu to utilize 10,000 MT of molasses for production of Ethanol for manufacturing of alcohol-based sanitizers, for combating the outbreak of COVID-19 epidemic. Similarly, the Company secured license to manufacture Ethanol Hand Sanitizer at its Haliyal Plant for a period of 5 years from March 26, 2020. The Company's Sankili Unit also has been permitted to produce hand sanitizer, to the tune of 1 lakh liter.

Performance Analysis, Opportunity & Threats

The Company is a large integrated sugar producer and among the top five sugar producers in South India. It has the capacity to crush 43,800 MT per day (TPD) of sugarcane, co-generation units of 160 megawatt and distilleries with capacity of 234 Kilo litres per day. Besides, it operates a sugar refinery of 3000 TPD through its wholly owned subsidiary, Parry Sugars Refinery India Private Limited (PSRIPL). Large scale integrated operations with power and distillery business along with nutraceuticals provide modest cushion to the Company from the sugar business cyclicality. Sugar crushing in Tamil Nadu has continuously declined over the past 3-4 years, and is expected to marginally improve in the current sugar season. Lower cane availability and volatile sugar prices have led to moderation in the Company's performance in recent past. However, co-generation and distillery business have partially stemmed the impact of weak performance of sugar businesses. While the input prices are driven by the Government, sugar prices oflate are also controlled by the Government through MSP and regulating the export of sugar leading to volatility in sugar business profitability. The Government has also been regulating the domestic demand-supply through restrictions on imports and exports, and stock holdings. Regulatory mechanisms and dependence on monsoons have rendered the sugar industry cyclical.

While the Company's operating profitability may improve marginally due to cost reduction initiatives and shut down of non-operating plants in Tamil Nadu due to inadequate cane, operating profitability will be impacted by reduction in industrial usage of sugar, lower demand for ethanol and fall in exports of sugar.

The industrial usage of sugar, which accounts for nearly two-thirds of the annual demand of around 26 MMT, may be impacted as several food manufacturing units including soft beverages, chocolates, confectionery, bakeries, hotels, restaurants and cafes are either shuttered or running at low capacities. As a result, overall domestic demand is expected to be lower by 1.5 - 2 MMT in the current sugar season (SS) 2020 as reflected in the trend in softening sugar prices.

Further, oil marketing companies may reduce the ethanol off-take since the lockdown due to the COVID-19 pandemic has lowered the demand for petrol and diesel. Besides, they have also limited storage capacity. Production of potable alcohol from ethanol may also be impacted due to lower demand from distillers.

In the milieu, sugar inventory becomes the key monitorable. India had started the SS 2020 with an opening stock of 14.5 MMT. However, despite around 20% lower production, the closing inventory is likely to be at 10 - 11 MMT, which is equal to approximately five to six months' consumption because of slack industrial demand and exports.

The saving grace for domestic sugar mills is the MSP of ₹ 31 per kg fixed by the government. But for this, sugar realisations would have fallen further, given the high stock levels. Consequently, lower accruals and higher inventory, are expected to elevate debt levels, especially on working capital front, for most sugar producers. With sugar output expected to increase by at least 15-20% in SS 2021, performance for most sugar players is expected to remain subdued in the financial year 2021- 22.

The Company's financial performance moderated in the financial year 2019-20 as cash accruals were impacted following subdued performance of the sugar business. Further, stockholding restrictions imposed by the Government led to piling up of inventory, a large portion of which was funded through bank borrowings. However, the financial risk profile has gradually recovered with better realisations from domestic sugar and distillery businesses.

The Company is expected to incur a capex of about ₹ 160 Crore during the financial year 2020-21, towards setting up of new ethanol capacities by availing soft loans announced by the Government and expansion projects at its Haliyal unit and other replacement capex on need basis. The expected dividend flows from subsidiaries and possible proceeds from sale of surplus assets are expected to help lower the volatility in operational cash flows. While short term debt levels of the Company were expected to remain range bound and long term debt repayments of around ₹ 330 Crore during 2021 and 2022, were expected to lower consolidated debt levels by around 5-10% over the medium term at year end, the position changed significantly in the first quarter of 2020-21, after the company prepaid its debt of ₹ 365 Crore from the proceeds of the sale of 1.99% shares held in its subsidiary, Coromandel International Ltd. The long-term debts of the Company are now at a comfortable level which will allow the Company to substantially reduce its interest costs and will leverage its borrowing power further.

Outlook

The Company expects to register marginal growth in the financial year 2020-21 due to better realisation from sugar and alcohol. Retail and institutional segments are expected to register modest growth over last year and exports quotas are expected to be fulfilled with better price. However, institutional sales which account for 20 - 25% of the company's sugar volumes may be affected by lower demand from end-user industries due to reduction in sugar consumption following the Covid-19 pandemic. Besides, revenues from distillery operations too are expected to to be slightly affected due to lower offtake for blending of ethanol with petrol by oil refining companies and for manufacture of potable alcohol, though the sale of ethanol for manufacture of sanitisers may increase.

During the financial year 2020-21, due to higher expected sugar output in the country, sugar price will remain under pressure. Despite flattish sugar and distillery revenues, the closure of loss making plants in Tamil Nadu, the cost reduction measures including rationalization of work-force, reduction of debt along with the expectation that there will not be any increase in cane procurement cost, is expected to support the operating profitability over the medium to long term.

The performance of the Company's subsidiary, PSRIPL is expected to be better in the financial year 2020-21 as spreads have been locked in for substantial volumes at higher than current trending rates. Earlier in the previous two financial years, PSRIPL reported sub-par performance due to weak global sugar prices coupled with delay in off-take by its customers owing to falling spreads.

The Company's established market position in sugar business, derived from integrated nature of operations with diversified revenue profile and financial flexibility are partially offset by the susceptibility of its business performance due to cyclicity of the sugar business and regulatory changes in the sugar industry.

Impact of COVID-19 Pandemic

The spread of COVID-19 has severely impacted businesses around the globe. In many countries, including India, there has been severe disruption to regular business operation due to lock downs, disruptions in transportation, supply chain, travel bans, quarantines, social distancing and other emergency measures.

The Company's significant business is sugar and it has been identified as an essential service. The Company's factories were operating during the lockdown by strictly adhering to the laid down safety guidelines and norms and the Company was able to complete the crushing of entire sugar cane available albeit with slight delay. However, there were delays in dispatches on account of logistical issues. We hope that the pandemic is going to be a temporary phenomenon and we expect the economy recovers quickly and the normalcy is restored.

NUTRACEUTICALS DIVISION

Industry Overview

The nutraceutical ingredients market was valued at US$ 36.75 Bn in 2019 and is projected to grow at a CAGR of 7.3%, to reach US$ 62.06 Bn by 2027. This constitutes around 8% of the total Nutraceuticals market (US$ 459 Bn). World demand for minerals and vitamins consumed in nutraceutical applications was US$ 7.8 Bn in 2019, growing at an annual rate of 6 - 7%, fuelled by growth in food and beverage fortification, adult and paediatric nutritionals and dietary supplements. Rising consumer awareness and an increase in purchasing power due to economic developments, widespread acceptance of health and wellness benefits will keep minerals and vitamins among the most widely used nutraceutical ingredients.

By Region, Asia-Pacific is projected to be the fastest-growing market for nutraceutical ingredients during this period. While USA and Europe are going to drive innovations, APAC will drive the volumes. Based on projected investment levels in these industries and rising consumer incomes, China is expected to evolve as the largest global producer and consumer of nutraceutical ingredients and may surpass the United States and Western Europe. Japan is the fastest-growing country market in the Asia-Pacific region. This is due to the rapidly aging population in Japan. Global microalgae-based nutraceutical ingredient market, currently valued at US$ 0.8 Bn, is expected to grow at a healthy CAGR 7% in the next 8 years.

Business Overview

The Company's Spirulina volumes was subject to more pressure due to commoditisation across markets. The business proposes to stick to its value proposition as a quality player and work on expanding markets in Europe and the US in selective niches. For more price sensitive markets in Asia, the business aims to adopt a more aggressive approach in the coming year in order to be competitive with global rivalries.

Chlorella is gaining importance as an essential micro-algae supplement along with Spirulina. With the increase in popularity and adoption of vegan diets across evolved health-oriented consumers, Chlorella is seen as a powerful detox agent with rich vitamin profile. In 2019-20, the Company started scaling up of commercial production of Chlorella and achieved reasonable success in stabilizing the cultivation and harvesting processes. In 2020-21, it has been envisaged to double the volume of production over the prior year.

The launch of the Phycocyanin product will further strengthen the company's product portfolio and add another pillar of growth.

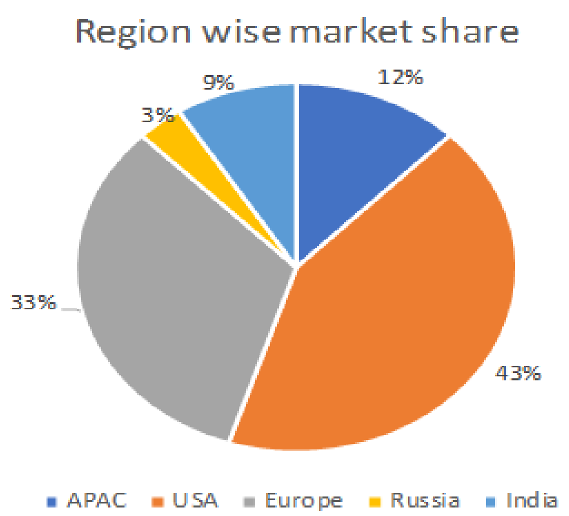
The business, in addition to the Organic and USFDA approval, has embarked on a journey to upgrade its overall Quality Management System, from supplier to end consumer. During the year, various projects such as laboratory control, batch traceability, facility and equipment qualification, QMS and training were implemented as part of the process and will be further extended to all Good Manufacturing Practice (cGMP), procedures and norms. In addition, as a part of clean label program, Organic Spirulina and Chlorella received the Non-GMO verification.

The Company continued its Compliance journey by putting in place cGMP processes across its Units. There is also a big focus on Sustainability from a Waste, Water and Energy perspective. The Company believes that this is its first responsibility towards society and the environment and will also strengthen its business operations and efficiencies over time.

During the financial year 2019-20, the US Nutraceuticals Inc. (Valensa) gained higher Saw Palmetto based products sales by applying better supply chain strategy. Alimtec had produced with sustainable quality and yield with profit of 449 K US$ as against 478 K US$ of the previous year.

Micro - Algae Market Share – Regions

The Company continues to be a leading player in the EU markets for organic grade spirulina and over the last 3 years the business in this region has doubled.



Operating Results

During the year, the Nutraceuticals Division of the Company achieved a revenue from operations of ₹ 58 Crore, about 79% of which represents exports, as against ₹ 69 Crore during the previous year representing 3% of the Company's revenue. Loss before interest and tax for the year stood at ₹ 8 Crore as against a profit of ₹ 2 Crore during the previous year. The overseas wholly owned subsidiary, US Nutraceuticals Inc. achieved sales of US$ 21.52 million against US$ 20.19 million of previous year. On a consolidated basis, revenue remained flat at ₹ 210 Crore for the years 2019-20 and 2018-19.

The sales of Spirulina and Chlorella affected across all the regions 6 to 9% over last year due to continuous price pressure and Chinese competition. The business was impacted in Q4 2019-20 due to the outbreak of the Pandemic, Globally.

Outlook

Global trends in nutraceutical ingredients will result in developing regions achieving much faster growth in both consumption and production than developed regions. The Company's Joint venture with Synthite Industries (Algavista Greentech Private Limited) launched Natural Blue colour (Phycocyanin) in the global colour market during the year after successfully commenced its operation. This will propel growth for value-added products from Spirulina. The Company's R&D efforts would be focused on 3 broad areas – Green foods, Protein and Algal Omega 3. The Company expects to launch products under these categories in the coming years. Further, the business is embarking on a journey of sustainability in the areas of Water, Waste and Energy. Water will be a big area of focus with the Company aiming at conservation and recycling as two primary objectives.

COMPANY FINANCIAL PERFORMANCE (STANDALONE)

Revenue **₹ in Crore**

BUSINESS SEGMENTS	2019-20	2018-19
Sugar	1,377	1,386
Cogen	131	125
Distillery	357	318
Sugar Total	1,865	1,829
Nutraceuticals	58	69
Total	1,923	1,898

Note: Above includes inter segmental revenue.

EBIDTA

The Earnings before Interest, Depreciation, Tax and Amortization for the year was ₹ 235 Crore representing 12% of total revenue as against ₹ 414 Crore representing 20% of total revenue in the previous year 2018-19.

EBIT

EBIT for the year 2019-20 was ₹ 116 Crore as against ₹ 300 Crore in the previous year 2018-19.

Finance Charges

The finance charges was ₹ 136 Crore for the year 2019-20 as against ₹ 113 Crore in the previous year 2018-19.

DEPRECIATION

Depreciation was ₹ 120 Crore for the year 2019-20, as compared to ₹ 114 Crore in the previous year 2018-19.

PBT

Loss Before Tax for the year 2019-20 stood at ₹ 20 Crore as against profit before tax of ₹ 187 Crore in the previous year 2018-19.

PAT

Profit After Tax for the year 2019-20 stood at ₹ 2 Crore as against ₹ 163 Crore in the previous year 2018-19.

FINANCIAL OVERVIEW

Networth

The Networth as on March 31, 2020 was ₹ 1,714 Crore, same as on March 31, 2019.

Borrowing

The borrowings of the Company increased from ₹ 832 Crore in 2018-19 to ₹ 1,035 Crore in 2019-20. The Long-Term Debt is 0.32 times of equity as against 0.27 times of equity in the previous year. Working capital borrowing utilized was ₹ 492 Crore as on March 31, 2020 as against ₹ 375 Crore as on March 31, 2019.

Fixed Assets

The Company has incurred ₹ 93 Crore (₹ 52 Crore during the previous year) on Capital expenditure during the year.

Investments

The total investment of the Company as at March 31, 2020 was ₹ 1,003 Crore (Gross) as against ₹ 979 Crore as on March 31, 2019. The following investments were made during the year:

- ₹ 15 Crore in Parry Sugars Refinery India Private Limited
- ₹ 4 Crore in Algavista Greentech Pvt Ltd, a Joint Venture Company
- ₹ 4 Crore in US Nutraceuticals Inc.

Sale of Holdings

The Company on June 02, 2020 sold 58,50,000 equity shares (Fifty Eight Lakh and Fifty Thousand Shares) of ₹ 1/- each held in its subsidary, Coromandel International Limited (CIL) in the open market. Post the abovementioned sale, the Company holds 17,13,05,580 shares of ₹ 1/- each representing 58.48% of the paid-up capital of CIL.

Rating

During the year, rating agency CRISIL has reaffirmed its credit rating to the Company's Long-Term Rating to "CRISIL AA-/ Stable" and reaffirmed Short Term Rating as "CRISIL A1+" for its Short Term borrowings.

Book Value and Earnings per Share

Book Value of shares of the Company remained flat at ₹ 97 per share for the year ended March 31, 2020 and March 31, 2019. Earnings per share decreased to ₹ 0.10 per share for the year ended March 31, 2020, from ₹ 9.21 per share for the year ended March 31, 2019.

RATIOS

Particulars	2019-20	2018-19
Key Profitability Ratios		
EBIDTA / Sales % (Operating Profit Margin)	12.54	22.44
PAT / Sales %	0.10	8.84
PAT / Networth % (ROE)	0.11	9.52
Key Capital Structure Ratios		
Debt / Equity Ratio	0.60	0.49
Outside Liabilities / Networth	1.38	1.28
Net Fixed Assets / Networth	0.80	0.78
Debt Service Coverage Ratio	0.96	0.91
Interest Service Coverage Ratios	1.73	3.65
Liquidity Ratios		
Current Ratio	0.81	0.79
Inventory Turnover (days)	188	207
Receivables (day gross sales)	31	34
Earnings and Dividend Ratios		
Dividend %	-	300
Earnings Per share (₹)	0.10	9.21
Book Value Per share (₹)	97	97
P / E Multiple	1,390.50	22.22

In accordance with the SEBI (Listing Obligations and Disclosure Requirements (Amendment) Regulations, 2018, the Company is required to give details of significant changes (change of 25% and more as compared to the immediately previous financial year) in key financial Ratios.

Ratios where there has been significant change from financial year 2018-19 to financial year 2019-20

Reduction in operating profit margin, net profit margin, return on networth, Interest Service Coverage Ratio (ISCR) and Earning Per Share

Though the sugar business performed better as compared to last year due to increase in Minimum Selling Price (MSP) by the Government, the operating profit margin, net profit margin, return on networth, Interest Service Coverage Ratio (ISCR) and earnings per share were reduced on account of one time profit accounted in the previous year from the sale of Bio-Pesticides Business and sale of investments in Parry America Inc coupled with reduction in Dividend income from the Subsidiary and increase in Finance cost.

P/E Multiple:

Though the market price of the share has declined, PE ratio has increased because of decrease in net profit (reason explained above) and the EPS being less than a rupee.

RISK MANAGEMENT

The Fourth Industrial Revolution fuses various technologies such as Artificial Intelligence (AI), the Internet of things (IoT), 5G telephony, Nanotechnology, Robotics, Quantum computing and many more. Risks are becoming increasingly complex and interconnected. The need for increased collaboration among all functions cannot be overemphasized. A black swan event like the COVID-19 pandemic has turned our traditional understanding of risk on its head. A clear and comprehensive Risk Management framework which is understood by all is paramount to eliminate blind spots to risk. Establishing a Risk Management framework with a clear understanding of the risk landscape and a clearly identified Risk appetite and ensuring that all the business functions are aligned to this is important to avoid disconnects.

The Company follows a well-defined Risk Management policy which requires the organisation to identify the risks, the businesses are exposed to and categorise them based on the impact and probability of occurrence. Mitigation plans are laid out for each risk along with frequency of risk monitoring and identification of the risk owner thereof. The Company endeavors to continuously improve its systems, processes and controls to mitigate the risks.

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 Company's Risk Management framework defines the risk management approach across the enterprise at various levels, including documentation and reporting.

Risk Category	Risk	Mitigation Plan
Business and disruption Risk	Global pandemic with no predictable end point has resulted in revenue shortfalls, changing regulator expectations, health risk of workforce, possibility of decline in product quality.	The Company has ventured into the business of Hand Sanitisers which offers a good opportunity till the COVID-19 Pandemic subsides. Essential visitors are only allowed in our facilities, reinforcement of frequent use of hand sanitation stations throughout the plant, Enhanced cleaning efforts using certified sanitation products and Anti-bacterial wipes in breakrooms and common areas are being strictly enforced. Employees with flu-like symptoms are advised to stay at home and inform HR and also to advise, if family member have flu-like symptoms.
	Institution and Trade business would be impacted in the first half of the financial year 2020-21.	Digital media is being used to highlight the hygiene aspects of packed retail sugar and jaggery. Continuous dialogues are held with customers to allay their concerns. Stress testing of financials is being done to understand the various scenarios and steps are being taken to improve the situation, where necessary.
	Availability of Migrant Labour for cane harvesting could be impacted.	Deployment of local harvesting labour and self-harvesting is being focussed upon. Farmers are being encouraged for wider row planting and for increasing the share of mechanised harvesting.
	Product quality risk due to contamination.	Strengthening Good Manufacturing Practices (cGMP) and Quality Management Systems (QMS). Adequate insurance cover for liability on product quality issues is in place. Sensorial panels are established to track and stabilize quality.

Risk Category	Risk	Mitigation Plan
	Possibility of increased fraud risks due to possible Segregation of Duties (SOD) conflicts, Manuals/SOPs not updated with relevant Business Continuity Plan and Disaster Recovery (BCPDR) procedures, non-maintenance of paper/digital trail, lack of awareness and clarity of cyber security risks, management override of controls, etc.	Controls are being reviewed in the revised scenario. Management override checks are being monitored regularly. Awareness is being created and importance of cyber security risks is being frequently communicated and explained to the employees.
Sugar Price Risk	Due to domestic surplus, there could be a softening in the sugar prices affecting the profitability.	The Company is focusing on increasing retail volumes by increasing retail outlet placements and expanding retail infrastructure. The Company is making efforts to increase the market share of Institutional business though robust quality systems, obtaining customer certifications and retaining the existing customers.
Raw Material Availability Risk	Due to the adverse weather conditions, availability of water, pests and diseases outbreak and farmers switching to alternate crops for higher remuneration etc., availability of sugarcane may be impacted thereby diminishing profitability.	The Company connects with the farmers continuously by educating them on scientific and sustainable sugarcane cultivation methods besides providing them high yielding sugarcane seeds / saplings that give better yield. The Company also promotes mechanised harvesting for timely harvesting and making sugarcane a profitable crop. Cane team is working on reducing the cost of cultivation, increasing the yield per acre and thereby the income per acre. The Company launched "Farmers Connect" app for better interaction and to support the farmers instantly. The Company enjoys a good brand value and trust amongst the farmer community by ensuring timely payments and is thus a preferred partner for sugarcane supply. The R&D initiatives of the Company takes control measures to mitigate and contain pests and diseases.
	Water availability is a critical requirement of Nutra Business.	For the Nutra business, measures have been taken to treat wastewater, maintain downstream water quality and minimise groundwater infiltration to minimise damage to aquatic ecosystems. Water conservation project has been taken up with AMM foundation.
Raw Material Pricing	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 the Sugar division.	The Company is a member of Indian Sugar Mill Association (ISMA) and the South Indian Sugar Mills Association (SISMA) and works closely with them towards developing appropriate policy recommendations to represent the industry needs to the government.

Risk Category	Risk	Mitigation Plan
Investment Risk	The company has invested in Parry Sugars Refinery India Private Limited and Valensa, all wholly owned subsidiaries. Any non- performance of the invested entities will have a risk of sub-optimal return on investment.	Periodical review mechanism is in place to monitor the investment risk of the portfolio of assets and to oversee the strategic decision. There is an emphasis on entering new customers segments, increased spreads, low process loss by the subsidiary, Parry Sugars Refinery India Pvt Ltd.
Cyber Security Risk	The Company may encounter non-availability of service or failure of multiple systems which may lead to disruption in business operation due to lack of adequate processes, cyber security, backup and disaster recovery systems. Risks may be encountered in the COVID-19 scenario due to remote workforce, work-from-home options (WFH), unsecure platforms, network connectivity threats, risks due to increased VPN and mobile device usage for work, etc.	Information Systems, Backup and Disaster Recovery Policies and periodical review of the same are in place. Robust Firewall and Security Event Information Management Systems are in place to monitor all types of Security breaches and take corrective measures. Further, user awareness about cyber security risks are being spread by periodical training/information through emails etc. Provided rental / own device systems with adequate software installed. Secure connection (VPN – Virtual Private Network) is made mandatory for accessing applications from remote location. All servers are monitored through SIEM tool (Security Information and Management Tool). Logs are analysed by Murugappa group information security team. All meetings/conferences are being conducted through licensed secured collaboration tool (Microsoft Office 365). Blocked freeware tools like ZOOM etc., Phishing emails are getting monitored by security team, if any such incidents are identified.
Non-compliance to changing statutory regulations	As a listed organization, the company has to comply with laws such as Companies Act, SEBI (Listing Obligations and Disclosure Requirements), Contract labour, Taxation, Foreign Exchange & Export Controls, Health Safety and Environment (HSE) regulations etc. Failure to comply with these regulations could result in penalties and reputational damage. COVID-19 could bring about regulatory changes which could result in operational interruptions, business restrictions.	A comprehensive e-compliance management system has been deployed across the company to manage the compliance to all the applicable statutory regulations. Further, respective functional teams track the changes to applicable regulations across various jurisdictions and functional areas and update the e-compliance management system and also create awareness of the changes across the respective functions.

INTERNAL FINANCIAL CONTROLS

The Company has aligned its current systems of Internal Financial Control (IFC) with the requirement of the Companies Act 2013. The Company has established a robust framework of IFC which includes entity level policies, processes and operating level standard operating procedures. The Company has a well-established processes and clearly- defined roles and responsibilities for people at various levels.

The Company's internal controls are adequate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing consistent financial and operational information, complying with the applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization, and ensuring compliance with policies. Processes for formulating and reviewing annual and long-term business plans have been laid down. The Company uses a state-of- the-art enterprise resource planning (ERP) system SAP as a business enabler to record data for accounting, consolidation and management information purposes. During the year, the business migrated from erstwhile SAP ECC 6 system to SAP HANA and successfully went live effective from 03.10.2019.

In the post-COVID scenario, the company propose to increase the use of technology, data analytics, rely on electronic work paper and adopt an agile Internal Audit plan. To further strengthen, assess and report on the internal financial control, an in-house Management Audit Division has been established by the Company which is ISO 9001:2015 certified. The internal audit is conducted based on the Annual Audit Plan which is reviewed and approved by the Audit Committee. The Internal Audit reports are presented to the Audit Committee on a quarterly basis for review and deliberation. The Company Management has assessed the effectiveness of the Company's internal control over financial reporting as of March 31, 2020 and found the same to be adequate and effective. Going forward, your company has decided to have a blend of both in-house and outsourced Internal Audit team which will help us to leverage our business knowledge and process and combine it with the expertise of the outsourced auditors in specialised areas.

SUBSIDIARY COMPANIES

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 forms part of the Annual Report. A statement containing the salient features of the financial statements of the Subsidiary Companies, Joint ventures and Associates are given in **Annexure-A** to this Report.

In accordance with the provisions of Section 136(1) of the Companies Act, 2013, the Annual Report of the Company containing standalone and consolidated financial statements has been placed on the website of the Company, www.eidparry.com/financials/. Further, the audited accounts of the Subsidiary Companies and the related detailed information have also been placed on the website of the Company www.eidparry.com/financials/. 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.

Parry Sugars Refinery India Private Limited (PSRIPL)

During 2019-20, global sugar market turned from a surplus to deficit due to lower sugar production in key producing nations such as Brazil (due to better ethanol prices) and India (due to weather). An unprecedented drought in world's largest white sugar exporter, Thailand, reduced its sugar production resulting in tight supply of refined sugar. Consequently, the white premiums and refining spreads improved significantly in 2019-20. Refined sugar demand was particularly strong in the second half of the year. Capitalising on this market opportunity, PSRIPL established its position as one of the globally renowned re-export refiner of sugar, offering a range of quality products for international trade and institutions.

During the year, despite competition from subsidised exports from Indian mills (under MAEQ scheme), the company's sugar export volume grew by more than 40% from 5.35 LMT in 2018-19 to 7.59 LMT in 2019-20. Consequently, the turnover increased from ₹ 1,434 Crore in 2018-19 to ₹ 2,009 Crore in 2019-20. During the year, the company increased its sales through containers by more than 50% and also scaled up its exports to prestigious institutional customers. Company's refining operations continues to set new records in throughput and efficiencies.

During the year, Parry International DMCC (a wholly owned subsidiary based out of Dubai) successfully continued its sugar trading operations and recorded a revenue of AED 19.5 Million.

Due to steep fall in oil prices and depreciation of Brazilian Real, Brazilian mills are expected to maximise their sugar production in 2020-21. This coupled with a normal monsoon predicted for India, is expected to move the global sugar market to a small surplus in 2020-21. However, continuing dry weather in Thailand is helping to keep refined sugar supply tight with higher spreads for refining. Impact of Covid-19 pandemic seems to be muted on global sugar consumption. PSRIPL with well hedged spreads, is better positioned to grow its sales with increasing focus on value added segments whilst making further improvements in refining costs during the year 2020-21.

US Nutraceuticals Inc

During the year, the Company's wholly owned subsidiary, US Nutraceuticals Inc achieved sales of US$ 21.52 million against US$ 20.19 million of previous year. The Ingredients segment grew at 24% over previous year. The drop-in formulation segment sales were due to lower sales of prostrate and joint health products. The business faced margin loss in the year due to stiff competition. During the year, the business launched its B2C channel with the brand called "Flomentum®" in the local market. The response has been a very positive since its launch and from the end consumers. Through this the Company expects to grow in significant way in the coming years. The company has been investing a lot in clinical trials for developing new formulations which would improve the business significantly in the coming years. During the year, US Nutraceuticals Inc acquired the balance stake of 51% in its Associate, Labelle Botanics LLC at a cost of US$ 6,50,000 strengthening the supply chain of its saw palmetto business.

Alimtec SA

Alimtec SA, Chile, the wholly owned subsidiary of the company has seen another significant year in terms of sustainable production with better quality and yield during the year. The company has been constantly working towards bringing good manufacturing practices which will improve productivity with lower cost of production. Also, from the investments made in the prior years on water quality improvements and arsenic filtration system has resulted in better productivity levels without any contamination in the product during the year.

Coromandel International Limited (CIL)

The country witnessed an above normal south west and north east monsoon during the year resulting in improved crop sowing and consumption of agri input products. CIL had a good performance in financial year 19-20. During the year, the company made an all-round progress by improving its customer engagement, branding capabilities and furthering its operational efficiencies. Phosphatic sales volumes increased by 4% to 31.4 lakh tons. Consumption as reflected through point of sales from retailers to the farmers, increased by 12% to 31.6 lakh tons. Sales of manufactured products went up by 11% to 30.7 Lakh tons. Market share for primary sales marginally came down to 15.7% from 16.3%. The company however, maintained its market share for PoS sales at 15.8%. The Fertilizer business relaunched GroSmart which has been well-received by the customers and has created a niche in the market. A second Phosphoric Acid plant was successfully commissioned during the third quarter of the year and is running smoothly. With this, CIL's vizag plant is now self-sufficient for its Phos Acid requirement.

Crop Protection Business registered a decline of 6% in revenue impacted by lower production from its Sarigam facility. Sarigam facility resumed operations in July, 2019. The business introduced 6 new products including two inhouse manufactured technical - Pymetrozine and Pyrozosulfuron, and 4 formulated products in the market. All the new products have received encouraging response from the market. CIL has also commissioned 3 new plants in the crop protection segment for manufacture of Pymetrozine, Pyrozosulfuron, and Mancozeb WDG. Warehouse and other infrastructure upgrades were done at Dahej and Sarigam plants.

CIL continues to focus and invest in its R&D and product development initiatives. The CIL Lab at IIT Bombay in collabration with the Monash Academy has made significant progress. A collaborative project has been initiated with IIT Kharagpur for the rapid testing of soil and petioles. The R&D facilities at Hyderabad and Thyagavalli focuses on crop protection & bio pesticide products and applications. Company's large retail network continues to promote balanced nutrition and yield improvements. Retail business strengthened its technology interventions in the areas of crop diagnostics, farm advisory and farm mechanization. With the increased focus on organic products, bio pesticides, bio stimulants and bio surfactants, CIL continues to promote greener solutions in improving soil health and farm productivity.

During the year, the employee engagement levels have improved across the functions and relevant actions have been initiated based on the survey findings. CIL's social and environment commitment remains firm and it continues to work towards upliftment of society in areas of health, education, community development and environment. CIL's revenue from operations for the year was at ₹ 13,117 Crores vs ₹ 13,204 Crore in the previous year. The Profit before Interest, Depreciation and Taxation grew by 22% to ₹ 1,763 Crore from ₹ 1,450 Crore in the previous year.

CIL's response to COVID: CIL has prioritized the safety of its employees and the sustainability of its operations. All the plants are operating as per government guidelines with utmost care for the safety and social distancing. Retail centres are following social distancing norms while dealing with customers and utilizing digital tools to fulfil customer requirements. To ensure business continuity and swift response to any situation, a "Rapid response team" has been formed across business units, and functions.

JOINT VENTURE COMPANY

Algavista Greentech Private Limited (AGPL)

The Company's Joint Venture AGPL is a leader in clean extraction and by crafting optimal processes in terms of performance, product safety, and environmental concerns,AGPL guarantee an organic product of unparalleled quality. AGPL's certified spirulina extract, rich in phycocyanin, is a viable alternative for companies considering a transition from synthetic food dyes like the 'Brilliant Blue'. AGPL's new plant at Oonaiyur, Tamil Nadu was commissioned during the year and the Commercial Production started w.e.f January 1, 2020. AGPL has obtained Halal and Kosher certification for all their Product variants including Organic Variants. AGPL have also obtained Organic certifications for US-NOP, EU Organic and India NPOP. During the year, AGPL achieved sales of 698 Kg of Phycocyanin amounting to ₹ 96 Lakh. AGPL has been engaging with majority of Colour houses and CPG companies based in USA and Europe.

HUMAN RESOURCES

The Company believes that the people are its key assets and focuses on nurturing and developing human talent that delivers quality products, manufacturing excellence, continued growth, customer delight and business leadership. Company's HR vision of "Building Organizational Capability to deliver superior business performance", is delivered by a high level of policy deployment initiatives and contemporary HR practices focusing on four key imperatives: Capability Development, Talent Management, Employee Engagement and Productivity & Cost.

The Company enables every employee to achieve high standards of performance and take up challenging goals by institutionalizing Competency Development Framework. The Company scales up capabilities across various functions by creating specialist knowledge / subject matter experts in Sugar, Distillery, Cogeneration & Value Added Products to enhance the internal efficiencies. A lot of interventions have been rolled out in terms of enhancing the capabilities of executives, especially the leadership team through individual development plans, leadership coach accreditation program, etc.

The Company is committed to build the 'Best Employer' brand for the organisation and most importantly, provide a happy, nurturing ecosystem for the employees. An ecosystem, that is not only empowering, but also builds capabilities to help them to meet the challenges of a fast changing, dynamic, world environment. The company believes that a motivated employee with a passion for innovation in a given environment of learning & growth would engage and succeed in all initiatives.

What began as 'Project Smile' in August 2017, really spread its positivity with a winning culture across the Company, bringing laurels, earning accolades and creating an environment of happiness. Smiles travelled across miles, across locations, as team members applauded excellence, expressed their appreciation and registered their satisfaction through a number of 'smileys'. The 'My SMILE App', tracked the smiles, culminating in the SMILE Awards, for members who had earned the largest number of 'Smiles' within a span of 18 months, have crossed 1 million SMILES across the organisation.

The number of permanent employees on the rolls of the Company as on March 31, 2020 was 2251. Industrial relations remained cordial at all the Company's units during the year under review.

AWARDS & ACCOLADES

During the year, the Company received the following Awards:

a) The South Indian Sugarcane & Sugar Technologists' Association (SISSTA), have chosen Nellikuppam distillery as the Best Distillery for 2018-19 in Tamil Nadu region. The Plant received Platinum Award from SISSTA at a function held on 28.6.2019.

b) SISSTA, have chosen the Sivaganga distillery as the Best Distillery for 2018-19 in Tamil Nadu region. The Plant received Golden Award from SISSTA at a function held on 28.6.2019.

c) Sankili unit received "Silver award" from SISSTA, for being Best Distillery for 2018-19 in AP & Telangana Region.

d) In the 35th Kaizen Competition conducted by CII Institute of Quality, Nellikuppam plant presented the following kaizens under the category of Breakthrough: Process breakthrough through change of technology:

   a. Biofuel from impure alcohol

   b. Zero effluent discharge

e) For its kaizen on 'Bio-fuel from impure alcohol', Nellikuppam Plant won the First Prize.

f) Ramdurg unit received the National Safety Award from the Regional Labour Institute, Government of India, Ministry of Labour & Employment for the performance year 2017, at a function held on 17th, September 2019.

g) In the 20th National Award Contest for Excellence in Energy Management held by CII, Nellikuppam unit was declared as "Excellent Energy Efficient Unit". The award was given for the plant's works in the following areas:

   I. Cooling tower pumps reduction

   II. Sulphur station waste heat recovery

   III. Increase in no. of nozzles in roller to reduce bagasse moisture.

h) During September 2019, Nellikuppam Plant received 6 awards from the Government of Tamilnadu on safety as given below:

Award year	Ranking	Award received for
2014	1st Prize	Highest reduction in accident rate during the award year when compared with the previous year.
	2nd prize	Lowest Weighted Frequency Rate during the award year when compared with other industries coming under the same classification and same group.
	3rd Prize	The Longest Accident Free Period in Man – hours during the award year.
2015	1st prize	Highest reduction in accident rate during the award year when compared with the previous year.
	1st prize	Lowest Weighted Frequency Rate during the award year when compared with other industries coming under the same classification and same group.
2016	2nd prize	Highest reduction in accident rate during the award year when compared with the previous year.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year, there was no change in the composition of Board.

As per the provisions of Section 152 of the Companies Act, 2013 read with the Articles of Association of the Company, Mr. M. M. Venkatachalam, Director retires by rotation at this Annual General Meeting and being eligible offers himself for reappointment and the requisite details in this connection is contained in the notice convening the meeting and in the Corporate Governance Report.

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 also comply with Regulations 16 & 25 of the SEBI (LODR) Regulations.

Mr. S. Suresh, Managing Director, Mr. S. Rameshkumar, Chief Financial Officer and Mr. Biswa Mohan Rath, Company Secretary are the Key Managerial Personnel of the Company as per Section 203 of the Companies Act, 2013.

Number of Meetings of the Board

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

Board Evaluation

In accordance with the Companies Act, 2013 and SEBI (LODR) Regulations, the Board has carried out an evaluation of its own performance, the performance of Committees of the Board and also the directors individually. The manner in which the evaluation was carried out and the process adopted has been given in the Corporate Governance Report.

Policy on Directors' Appointment and Remuneration and Other Details

The Board has on the recommendation of the NRC framed a policy for selection and appointment of Directors, Senior Management and fixing 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 available on the Company's website at http://www.eidparry.com/investors/Policies-Codes.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3) of the Companies Act, 2013, your Directors to the best of their knowledge, 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, 2020, the applicable accounting standards have been followed and there are no material departures from the same;
- they 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, 2020 and of the profit of the Company for the year ended on that date;
- they 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;
- they have prepared the annual accounts on a going concern basis;
- they have laid down proper internal financial controls to be followed by the Company and such controls are adequate and operating effectively and
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

AUDITORS AND AUDITORS' REPORT

Statutory Auditors, M/s. Price Waterhouse Chartered Accountants LLP, (FRNo.012754N/N500016) Chennai were appointed as Statutory Auditors of the Company by the shareholders at the 42nd Annual General Meeting held on August 4, 2017 to hold office up to the conclusion of the 47th Annual General Meeting.

There are no qualifications, reservations or adverse remarks or disclaimers made by the Statutory Auditors in their report for the year 2019-20. The Auditors have included an emphasis of matter para relating to COVID-19 in their auditor report, which has been duly explained in notes to the financial statements.

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. Narasimha Murthy & Co, Cost Accountants, as the Cost Auditors to audit the cost accounting records maintained by the Company for the financial year 2020-21 on a remuneration of ₹ 8,50,000/- plus applicable tax and reimbursement of out of pocket expenses. A resolution seeking members' ratification 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 2018-19 was filed with the Ministry of Corporate Affairs on September 6, 2019. The cost audit report for the financial year 2019-20 would be filed with the Ministry of Corporate Affairs on or before September 30, 2020 as per the provisions of the Companies Act, 2013.

Secretarial Auditors

The Board appointed M/s. R Sridharan & Associates, Practicing Company Secretaries, Chennai as the Secretarial Auditors to undertake the Secretarial Audit of the Company for the year 2019-20. The Report of the Secretarial Auditors is provided in **Annexure-B** to this Report.

There are no qualifications, reservations or adverse remarks or disclaimers made by the Secretarial Auditors in their respective reports.

The Secretarial Auditors have not reported any incident of fraud during the year under review to the Audit Committee of the Company.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company's CSR initiatives primarily focus on improving the quality of life of the communities where it operates, through socio welfare initiatives. The various CSR initiatives undertaken by the Company during the last financial year include the following:

- **Healthcare**

The Company pursues a well-managed Health Care programme across its units, providing medical amenities for people living in neighbouring villages. 'Hospital on Wheels', a well-equipped mobile unit with diagnostic and medical intervention amenities makes emergency care possible for people living in remote areas. In addition, mobile medical units cater to the needs of the elderly in the cane growing villages around the Units.

In addition to the comprehensive health and medical care programs for employees across the different Units, medical camps were conducted offering health check- ups and free medicines for cane growers, harvesting and transport labourers.

- **Education**

As an important part of its CSR program, the Company promotes education in the neighbouring villages near its units. Besides contributing to infrastructure building and facility upgradation at schools, the Company provides educational assistance to cane growers children and participates in their developmental needs. Baby care centres, mid-day meals for Balawadi school children of labourers, training programme for employees' children are few of the ongoing initiatives.

- **Community Welfare**

The Company has always played a key role in extending relief support to villagers during natural calamities and helping the Government in its disaster management initiatives. Drought relief measures were extended to farmers in TN, KN and AP, to mitigate crop loss. Community development works were also undertaken in the villages in and around the units. As part of its community welfare programs, the Company undertook the desilting of ponds and canals, to augment the water supply to villages and schools. Tree planting across schools and neighbourhoods were conducted as part of the green environment initiatives.

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 can be accessed on the Company's website at www.eidparry. com.

As per the provisions of the Companies Act, 2013, the Company was not required to spend any amount towards CSR activities for the year 2019-20. However, the Company has been actively involved in various CSR activities and an amount of ₹ 88.81 Lakh was spent during the year. The Annual Report on CSR activities is given in **Annexure-C** to this Report.

RELATED PARTY TRANSACTIONS

All contracts / arrangements / transactions entered into by the Company 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 foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are placed before the Audit Committee for their review on a quarterly basis. The policy on Related Party Transactions as approved by the Board is available at the web link: www.eidparry.com/policies-codes/.

EMPLOYEE STOCK OPTION SCHEME

The Company has introduced Employee Stock Options Scheme, 2016 during the year 2016-17 as approved by the shareholders. The details of the Options granted upto March 31, 2020 and other disclosures as required under the SEBI (Share Based Employee Benefits) Regulations, 2014 is available on the Company's website at www. eidparry.com.

CORPORATE GOVERNANCE

The report on corporate governance along with certificate from a practicing Company Secretary as required under the SEBI (LODR) Regulations is annexed to this Report. The report also contains the details required to be provided on the board evaluation, remuneration policy, implementation of risk management policy, whistle-blower 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 Regulation 17(8) read with Schedule II of Part B of the SEBI (LODR) Regulations.

TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") all dividends, which remains unpaid or unclaimed for a period of seven years are required to be transferred by the Company to the IEPF established by the Central Government. Further, according to the IEPF Rules, the shares in respect of which dividend has not been encashed by the shareholders for seven consecutive years or more are also required to be transferred to the demat account created by the IEPF Authority. Accordingly, the Company has transferred the unclaimed and unpaid dividends as well as the corresponding shares as per the requirements of the IEPF Rules, details of which are provided on our website, at http://www.eidparry.com/Unpaid- Unclaimed-Dividend.

During the year, the Company has transferred an amount of ₹ 75,21,674/- being the unclaimed dividend for the year 2011-12 and ₹ 1,27,84,608/- being the unclaimed dividend for the year 2012-13 to the IEPF established by the Central Government. The Company has also transferred 4,66,186 Equity Shares in respect of which dividend has not been paid or claimed for seven consecutive years or more as enunciated under Section 124 (6) of the Companies Act, 2013. Out of 4,66,186 Equity Shares, 3,20,983 Equity Shares of Re.1/- each were transferred to IEPF on April 24, 2020.

DISCLOSURES

Audit Committee

The Audit Committee comprises of Mr. V. Manickam, Independent Director as the Chairman, Dr. (Ms) Rca Godbole, Independent Director, Mr.M.M.Venkatachalam, Non- Executive Non- Independent Director and Mr. Ajay B. Baliga, Independent Director 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. S. Suresh, 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.

Business Responsibility Report (BRR)

The SEBI (LODR) Regulations mandate the inclusion of the BRR as part of the Annual Report for top 1,000 listed entities based on market capitalisation. In compliance with the SEBI (LODR) Regulations, the BRR forms part of this Annual Report.

Dividend Distribution Policy

Pursuant to Regulation 43A of SEBI (LODR) Regulations, the top 500 listed Companies are required to formulate a Dividend Distribution Policy. The Company's Dividend Distribution Policy as approved by the Board is available on the Company's website at www.eidparry.com/investors/Policies-Codes.

Prevention of Sexual Harassment at Workplace Policy

The Company has in place a policy on prevention of sexual harassment in line with the requirements of the Sexual Harassment of women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) is in place to redress complaints received regarding sexual harassment. All employees are covered under this policy. No complaints were received and disposed of during the year under review.

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 is given in **Annexure - D** to this Report.

Loans, Guarantees and Investments

During the financial year, the Company has given guarantees and made investments in subsidiaries/Joint venture within the limits as prescribed under Sections 185 and 186 of the Companies Act, 2013. Details of Guarantees and investments are given in **Annexure - E** to this Report.

Particulars of Employees and Related Disclosures

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names of the top ten employees in terms of remuneration drawn and names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules forms part of this Report. Having regard to the provisions of the second proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the members of the Company. Any member interested in obtaining such information may write to the Company to email id – investorservices@parry.murugappa.com.

The disclosure with regard to remuneration as required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached and forms part of this Report as **Annexure - F.**

Extract of Annual Return

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

Compliance of Secretarial Standard

The Company has complied with the Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Central Government as required under Section 118(10) of the Companies Act, 2013.

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 ESOP and sweat equity shares) to employees of the Company under any scheme.

The Managing Director of the Company does not receive any remuneration or commission from any of the Company's subsidiaries.

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, farmers, suppliers, employees, government authorities, banks and other business associates.

On behalf of the Board

Place : Chennai
Date : June 11, 2020

V. Ravichandran
Chairman

ANNEXURE - A 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.

₹ in Lakh except Exchange rate

S.No	Name of subsidiary company	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-20	-	2,930	4,35,974	5,82,872	10,21,776	13,15,488	1,37,136	31,219	1,05,917	35,160	33,464	60.47
2	Parry Chemicals Limited	INR	31-Mar-20	-	1,000	655	5	1,660	94	54	18	36	-	-	60.47
3	CFL Mauritius Ltd	USD	31-Mar-20	75.58	10,281	(10,081)	15	215	*	(26)	-	(26)	-	4,804	60.47
4	Coromandel Brasila Ltda	BRL	31-Mar-20	14.48	471	(474)	86	83	312	69	-	69	-	-	60.47
5	Sabero Europe BV	EURO	31-May-19	77.84	19	(19)	-	-	-	-	-	-	-	-	60.47
6	Sabero Australia Pty.Ltd	AUD	31-Mar-20	46.24	41	(36)	5	10	60	4	-	4	-	1	60.47
7	Sabero Organics America SA	BRL	31-Dec-19	17.76	888	(756)	107	239	242	4	1	3	-	-	60.46
8	Sabero Argentina SA	ARS	31-Mar-20	1.17	18	(10)	2	10	-	-	-	-	-	-	57.45
9	Parry Infrastructure Co. Pvt Ltd	INR	31-Mar-20	-	500	839	837	2,176	166	36	5	31	-	1,036	100.00
10	Parrys Investments Limited	INR	31-Mar-20	-	180	215	37	432	10	9	5	4	-	431	100.00
11	Parry America Inc	USD	31-Mar-20	75.58	38	2,873	836	3,747	5,960	376	43	333	-	-	60.47
12	Parrys Sugar Limited	INR	31-Mar-20	-	150	177	5	332	26	25	11	14	-	316	100.00
13	US Nutraceuticals Inc	USD	31-Mar-20	75.48	9,653	(1,961)	7,660	15,352	15,715	(104)	116	(220)	-	1,543	100.00
14	Labelle Botanics LLC	USD	31-Mar-20	75.48	677	(131)	41	587	22	(336)	(24)	(312)	-	-	100.00
15	Parry Agrochem Exports Ltd	INR	31-Mar-20	-	5	26	1	32	2	1	-	1	-	31	100.00
16	Parry Sugars Refinery India Pvt Ltd	INR	31-Mar-20	-	34,559	(38,170)@	1,48,009	1,44,398	2,04,585	(1,889)	-	(1,889)	-	2,278	100.00
17	Alimtec S A	CHP	31-Mar-20	0.09	5,176	(2,944)	777	3,009	1,645	354	5	349	-	-	100.00
18	Parry International DMCC	AED	31-Mar-20	20.56	1,532	(614)	2,500	3,418	3,675	(940)	-	(940)	-	-	100.00
19	Coromandel Agronegocious De Mexico S.A De C.V.	MXN	31-Dec-19	3.77	29	108	64	201	312	25	-	25	-	-	60.47
20	Liberty Pesticides and Fertilisers Ltd	INR	31-Mar-20	-	75	201	4	280	15	15	5	10	-	-	60.47
21	Dare Investments Ltd	INR	31-Mar-20	-	500	(219)	14	295	-	(1)	-	(1)	-	295	60.47
22	Coromandel International (Nigeria) Limited	NGN	31-Dec-19	0.23	23	(23)	10	10	-	(23)	-	(23)	-	-	60.46
23	Coromandel Mali SASU	USD	31-Mar-20	75.58	6	2	-	8	-	-	-	-	-	-	60.47

* (Non-current liabilities + Current liabilities)
\# (Non-current assets + Current Assets)
@ Includes cash flow hedge reserve of ₹ 4,056 Lakh

PART B: JOINT VENTURE & ASSOCIATES

Name of the Entity	Coromandel SQM (India) Pvt. Ltd.	Yanmar Coromandel Agrisolutions Pvt. Ltd.	Algavista Greentech Private Limited	Sabero Organics Phillipines Asia Inc.
Relationship	Joint Venture	Joint Venture	Joint Venture	Associate
Latest audited/unaudited balance sheet	March 31, 2020	March 31, 2020	March 31, 2020	March 31, 2020
Number of shares held	50,00,000	16,00,00,000	1,07,00,000	320
Amount of Investment (₹ in lakh)	500	1,600	1,070	*
% of shareholding	30.24	24.19	50.00	24.19
Networth attributable to the Company (₹ in lakh)	1,253	824	786	2
Profit/(loss) considered in consolidation (₹ in lakh)	16	58	(225)	4

* less than a lakh

Notes:

1. All the joint ventures/associates have been considered for consolidation.
2. In case of Sabero Organics Philippines Asia Inc., an Associate there is significant influence due to percentage of voting share capital.

For and on behalf of Board of Directors

S Suresh
Managing Director

V. Ravichandran
Chairman

Place : Chennai
Date : June 11, 2020

Biswa Mohan Rath
Company Secretary

S. Rameshkumar
Chief Financial Officer

ANNEXURE - B TO THE BOARD'S REPORT

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

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

The Members
E.I.D. - PARRY (INDIA) LIMITED
"Dare House",
Parrys Corner,
Chennai – 600001

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 [Corporate Identification Number: L24211TN1975PLC006989] (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-process 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, 2020 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(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 there under;

(iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investment. 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, 2015;

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (not applicable to the company during the audit period);

d) The Employee Stock Option Plan, 2016 approved under the Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Employee Stock Option Scheme, 2007 approved under the Securities 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) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable to the company during the audit period); and

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (not applicable to the company during the audit period);

(vi) The Management has identified and confirmed the following Laws as being applicable to the Company –

- The Factories Act, 1948;
- Acts and Rules relating to Sugar industries including The Sugarcane (Control) Order, 1966, Sugar(Control) Order, 1966,The Sugar (Packing and Marking) Order, 1970 and The Sugar Development Fund Act, 1982;
- 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 and Regulation) Act, 1951;
- Acts relating to consumer protection including The Competition Act, 2002;
- Acts and Rules relating to 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 and Standards Act, 2006;
- Land revenue laws and
- Other local laws as applicable to various plants and offices.

We believe that the audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion. In our opinion and to the best of our information and according to explanations given to us, we believe that the compliance management system of the Company is adequate to ensure compliance of laws as mentioned above.

With respect to the applicable financial laws such as direct and indirect tax laws, based on the information & explanations provided by the management and officers of the Company and certificates placed before the Board of Directors, we report that adequate systems are in place to monitor and ensure compliance.

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

(i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

(ii) The Uniform Listing Agreement entered with BSE Limited and National Stock Exchange of India Limited pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We have not verified the correctness and appropriateness of financial records and books of accounts of the company.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors, Woman Independent Director and Independent Directors. There is no change in the composition of the Board of Directors during the period under review.

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. Notes on agenda which are circulated less than the specified period, the necessary compliances under the Companies Act, 2013 and Secretarial Standards on Board Meeting are complied with. During the year under review, directors have participated in the committees/ board meetings through video conferencing, such meetings were properly convened and recorded in compliance with the provisions of Section 173 (2) of the Act read with Rule 3 & 4 of Companies (Meetings of Board and its Powers) Rules, 2014.

Based on the verification of the records and minutes, the decisions were carried out with the consent of the Board of Directors / Committee Members and no Director / Member dissented on the decisions taken at such Board / Committee Meetings. Further, in the minutes of the General Meeting, the number of votes cast against the resolutions has been recorded.

We further report that based on review of compliance mechanism established by the Company, we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws including labour laws, rules, regulations and guidelines.

We further report that the above mentioned Company being a Listed entity this report is also issued pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and circular No.CIR/CFD/CMD1/27/2019 dated 8th February, 2019 issued by Securities and Exchange Board of India.

We further report that during the audit period, the Company has

1. Obtained the approval of the Board of Directors at their meeting held on 8th May, 2019

   - For issuance of Counter Guarantee with the enhancement line of credit limit not exceeding USD 10.00 Million in favour of any bank in connection with availing of working capital facility by US Nutraceuticals Inc., a wholly owned foreign subsidiary.

- To make an investment upto USD 2.5 Million in the equity share capital of US Nutraceuticals Inc., a wholly owned foreign subsidiary.

2. Obtained the approval of the Shareholders at the 44th Annual general meeting held on 29th July, 2019 under Section 42 and Section 71 of the Act to offer, invite and issue secured /unsecured redeemable non-convertible debentures, aggregating upto ₹ 300 Crore on a private placement basis 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.

3. Obtained the approval of the Board of Directors at their meeting held on 29th July, 2019.

- To borrow an amount not exceeding ₹ 100 Crore through term loan from banks / issuance of Non-Convertible Redeemable Debentures in one or more tranches to various prospective investors.
- To make an investment upto USD 6,50,000 in the equity share capital of US Nutraceuticals Inc., a wholly owned foreign subsidiary company.
- Closure of the Sugar Unit at Pudukottai which was not in operation due to continuous non-availability of adequate sugar cane.
- To borrow through commercial paper or short term unsecured loans from time to time, an amount upto ₹ 1,200 Crores.

4. Obtained the approval of the Board of Directors at their meeting held on 6th November, 2019.

- For Incorporating a Wholly owned Subsidiary in Netherlands with an investment not exceeding Euro - 28250 in one or more tranches.

5. Obtained the approval of the Board of Directors at their meeting held on March 24, 2020.

- To make an investment upto ₹ 15 Crore in the equity share capital of Parry Sugars Refinery India Private Limited, wholly owned subsidiary at a price of ₹ 20/- per equity share.
- To dispose of the equity shares of Coromandel International Limited (CIL), up to 5853301 equity shares representing 2% of the paid up share capital of CIL.

Place: Chennai
Date: June 11, 2020

For R.Sridharan & Associates
Company Secretaries

CS R.Sridharan
CP No. 3239
FCS No. 4775
UIN : S2003TN063400
UDIN: F004775B000328331

ANNEXURE - C TO THE BOARD'S REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES FOR THE FINANCIAL YEAR 2019-20

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 programs:

   E.I.D. - Parry (India) Limited (EID Parry) believes 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 long time through AMM Foundation (AMM) 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 program 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. S.Suresh, Managing Director are its members.

3. Average net profit/ (loss) of the company for last three financial years (excluding dividend received from subsidiary Company): ₹ (2,355.67) Lakh

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

5. Details of CSR spent during the financial year:

   Total amount spent for the financial year: The Company has voluntarily spent an amount of ₹ 88.81 Lakh on CSR activities for the year.

   Amount unspent, if any: NA

   As per the provisions of Section 135(5) of the Companies Act, 2013, Company is not required to spent any amount on CSR activities for year 2019-20 since the average net profit made during the three immediately preceding financial years is negative.

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

CSR Project or Activity identified	Sector in which the Project / activity is covered	Projects or programs		Amount outlay (Budget) - Project or Programs wise (₹ in Lakh)	Amount spent on the Projects or programs		Cumulative expenditure upto the reporting period (₹ in Lakh)	Direct or through implementing Agency
		Local area or other	Specify the State and district where Projects or programs was undertaken		Direct expenditure on Projects or programs (₹ In Lakh)	Over heads (₹ in Lakh)		
Medical camps	Health Care	Local Areas of Nellikuppam	Tamilnadu Cuddalore	0.50	NA	NA	NA	Direct
Medical camps	Health care	Local Areas of Pugalur	Tamilnadu Karur	0.25	NA	NA	NA	Direct
Dengue Fever awareness rally, Eye medical camp, Diabetics camp, Cardiology camp, Blood donation camp, Medical Camps for Harcesting Labourers	Health care	Local Areas of Kurumbur, Pudukottai	Tamilnadu Pudukottai	0.50	NA	NA	NA	Direct

CSR Project or Activity identified	Sector in which the Project / activity is covered	Projects or programs		Amount outlay (Budget) - Project or Programs wise (₹ in Lakh)	Amount spent on the Projects or programs		Cumulative expenditure upto the reporting period (₹ in Lakh)	Direct or through implementing Agency
		Local area or other	Specify the State and district where Projects or programs was undertaken		Direct expenditure on Projects or programs (₹ In Lakh)	Over heads (₹ in Lakh)		
Awareness rally along with district health administration, Eye camp for public & Blood Donation Camp and General medical health check up	Health care	Local Areas of Sivagangai Factory	Tamilnadu Sivagangai	1.50	NA	NA	NA	Direct
Wellness on wheels - Mobile Health Van	Healthcare	Local Areas of Haliyal	Karnataka Uttara Kannada	33.50	35.00	NA	35.00	AMM
Health Camps / Pulse Polio	Health care	Local Areas of Ramdurg Factory	Karnataka Belagavi	0.15	NA	NA	NA	Direct
General Medical Camp for all Company employees. Eye Camp for nearby village people. Vaccination for H&T gangs children and Bullocks	Health care	Local Areas of Bagalkot / H&T gangs from local & other areas	Karnataka Bagalkot	0.50	NA	NA	NA	Direct
Wellness on wheels - Mobile Health Van for providing basic health care for elderly and poor people in and around Rajam, Srikakulam District, Andhra Pradesh	Health care	Local Areas of Sankili	Andhra Pradesh Srikakulam	22.00	20.00	NA	20.00	Helpage India
General Health / Eye-checkup camps for local community and provide eyewear	Health care	Local Areas of Oonaiyur	Tamilnadu Pudukottai	0.50	1.554	NA	1.554	Direct
Total (A)				**59.40**	**56.554**	**NA**	**56.554**	

CSR Project or Activity identified	Sector in which the Project / activity is covered	Projects or Programs		Amount outlay (Budget) - Project or Programs wise (₹ in Lakh)	Amount spent on the Projects or Programs		Cumulative expenditure upto the reporting period (₹ in Lakh)	Direct or through implementing Agency
		Local area or other	Specify the State and district where Projects or Programs was undertaken		Direct expenditure on Projects or Programs (₹ In Lakh)	Over heads (₹ in Lakh)		
Books distribution to nearby school students	Education	Local Areas of Nellikuppam	Tamilnadu Cuddalore	0.50	NA	NA	NA	Direct
Educational excellence Award for Xth and XIIth students of nearby Schools	Education	Local Areas of Sivagangai	Tamilnadu Sivagangai	0.50	NA	NA	NA	Direct
Financial Support to Balavadi School	Education	Local Areas of Haliyal	Karnataka Uttara Kannada	1.50	5.32	NA	5.32	Direct
Distribution of study materials for nearby schools children	Education	Local Areas of Ramdurg	Karnataka Belagavi	0.25	0.37	NA	0.37	Direct
Distribution of study materials for nearby schools children	Education	Local Areas of Bagalkot	Karnataka Bagalkot	0.15	NA	NA	NA	Direct
Reimbursement of school fees for children of sugar cane growers studying in DAV School, Palakonda	Education	Local Areas of Sankili	Andhra Pradesh Srikakulam	11.00	9.35	NA	9.35	Direct
Provide education related study materials (or) deploy an English language training teacher for the primary school at Panangudi	Education	Local Areas of Oonaiyur	Tamilnadu Pudukottai	0.50	NA	NA	NA	Direct
Total (B)				**14.40**	**15.04**	**NA**	**15.04**	

CSR Project or Activity identified	Sector in which the Project / activity is covered	Projects or Programs		Amount outlay (Budget) - Project or Programs wise (₹. In Lakh)	Programs Sub-heads		Cumulative expenditure upto the reporting period (₹ In Lakh)	Direct or through implementing Agency
		Local area or other	Specify the State and district where Projects or Programs was undertaken		Direct expenditure on Projects or Programs (₹ In Lakh)	Over heads (₹ In Lakh)		
a) Providing furniture and supply of painting materials to the nearby schools b) Provision of food materials & clothes for the community living around the factory towards flood relief c) Provision of street lights for the nearby community d) Supply of materials support to municipal corporation, Nellikuppam for construction of public toilets in the nearby villages	Infrastructure Development	Local Areas of Nellikuppam	Tamilnadu Cuddalore	3.00	0.305	NA	0.305	Direct
a) Providing dust bin for public use from factory to elayuthampalayam b) Providing furniture to PSF aided school c) Providing two computers & one printer to Pugalur sugar factory aided school	Infrastructure Development	Local Areas of Pugalur	Tamilnadu Karur	2.00	NA	NA	NA	Direct
Providing Infrastructure for Kurumbur Primary school, Maraimadaki school and Community hall at Annanagar nearby the factory	Infrastructure Development	Local Areas of Kurumbur, Pudukottai	Tamilnadu Pudukottai	1.50	NA	NA	NA	Direct

CSR Project or Activity identified	Sector in which the Project / activity is covered	Projects or Programs		Amount outlay (Budget) - Project or Programs wise (₹. In Lakh)	Programs Sub-heads		Cumulative expenditure upto the reporting period (₹ In Lakh)	Direct or through implementing Agency
		Local area or other	Specify the State and district where Projects or Programs was undertaken		Direct expenditure on Projects or Programs (₹ In Lakh)	Over heads (₹ In Lakh)		
Sivagangai District Development - Public Tank / Public area renovation work. Nearby rain water diversion construction, Road to Oyyavandhan re-laying along with Local Panchayat. Solar lighting in the road near the factory location	Infrastructure Development	Local Areas of Sivagangai Factory	Tamilnadu Sivagangai	4.00	6.37	NA	6.37	Direct
Providing LED Street Lights 10 Nos to Sankili & Devadala villages and Supply of study table for Children at Goverment School, Sankili	Infrastructure Development	Local Areas of Sankili	Andhra Pradesh Srikakulam	1.00	NA	NA	NA	Direct
Providing water pipeline and drinking water purification system for Anganwadi located in Mallupatti village. Solar Lighting provision for surrounding village.	Infrastructure Development	Local Areas of Oonaiyur	Tamilnadu Pudukottai	1.50	NA	NA	NA	Direct
Supply of Appliances/Smart class materials for nearby schools	Infrastructure Development	Local Areas of Ramdurg	Karnataka Belagavi	1.00	NA	NA	NA	Direct
Supply of Appliances/Smart class materials for nearby schools	Infrastructure Development	Local Areas of Ramdurg	Karnataka Belagavi	0.75	NA	NA	NA	Direct
Total (C)				**14.75**	**6.675**	**NA**	**6.675**	

CSR Project or Activity identified	Sector in which the Project / activity is covered	Projects or Programs		Amount outlay (Budget) - Project or Programs wise (₹. In Lakh)	Programs Sub-heads		Cumulative expenditure upto the reporting period (₹ In Lakh)	Direct or through implementing Agency
		Local area or other	Specify the State and district where Projects or Programs was undertaken		Direct expenditure on Projects or Programs (₹ In Lakh)	Over heads (₹ In Lakh)		
Providing drinking water facility to nearby villages	Sustainable Livelihood	Local Areas of Sankili	Andhra Pradesh Srikakulam	1.00	NA	10.54	NA	Direct
Canal de-silting	Sustainable Livelihood	Local Areas of Nellikuppam	Tamilnadu Cuddalore	8.00	0.71	NA	0.71	Direct
a) Contibution to extension of Popular Mudalier Canal b) Desilting of existing Canals for irrigation c) Rain water harvest - Borewell direct recharge d) Drinking water supply	Sustainable Livelihood	Local Areas of Pugalur	Tamilnadu Karur	12.75	9.45	NA	9.45	Direct
Planting Trees / other sustainable activities	Sustainable Livelihood	Local Areas of Ramdurg	Karnataka Belagavi	0.1	0.38	NA	0.38	Direct
Donation for deaf and dumb students and orphanage	Sustainable Livelihood	Local Areas of Bagalkot	Karnataka Bagalkot	0.6	NA	NA	NA	Direct
Total (D)				**22.45**	**10.54**	**NA**	**10.54**	
Grand Total (A+B+C+D)				**111.00**	**88.81**		**88.81**	

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.

Chennai
June 11, 2020

S. Suresh
Managing Director

V. Manickam
Chairman, CSR Committee

ANNEXURE - D 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

Energy Conservation Initiatives:

The Company's focus on energy and resource conservation has made its Co-gen and the sugar factories the best in its class with respect to efficiency and environment friendly operations. Various energy conservation projects has been carried out across the plants like:

- Replacement of tubular heaters with DCH and replacement of tubular shell and tube heaters with PHE for better recovery has resulted in saving 1.3% steam on cane in Haliyal.
- Bagalkot plant installed and commissioned Plate type heat exchangers for juice heating to reduce the steam consumption by 1%.
- Plate heat exchangers for raw juice heating brought 2% reduction in steam% cane in Pugalur thereby reducing the coal consumption by 11Tons per day.

Electrical Energy Conservation:

- As the Market rates for electrical energy have dropped over the last year, Company has managed the Cogen plants to run for meeting heat requirement and saved on electrical energy excess generation and internal consumption.

B. TECHNOLOGY ABSORPTION

The efforts made towards technology absorption and benefits derived:

- In its continued effort towards sustainable water utilisation, the Company has embarked on a Zero Liquid Discharge project at Nellikuppam sugar factory. The condensate polishing system had enabled recycling of 15 Crore Litres of water. Based on the outcome, a condensate polishing unit commissioning is under progress in Sankili Plant. All equipment and pipeline works completed and culture preparation under progress.
- 6m3 per hour of rinse water is generated from IER system and rinse water recovery system is installed at Haliyal to recover 100MT of pure water and the reject is sent to BRS for salt recovery, thus making the system zero liquid discharge.
- Additional RO membrane in Process RO at Sivagangai for additional 5% reject water saving thus increasing the recovery from 85% to 90% and the same has been re-used in fermentation.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

₹ in Lakh

	2019 – 20	2018 – 19
Foreign exchange earned	12,770	17,570
Foreign exchange outgo :		
(i) Towards expenditure	695	1,730
(ii) Towards dividend	-	11.13

ANNEXURE - E TO THE BOARDS REPORT

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

DETAILS OF LOAN GIVEN

₹ in Lakh

Name of the entity	Alimtec S.A
Loans outstanding as on 1st April, 2019	51
Loan given during the year	-
Loans repaid including foreign exchange difference during the year	51
Converted into Equity Shares during the year	-
Converted into Preference Shares	-
Loans outstanding as on 31st March, 2020	-
Purpose for the loan given	Expansion & working capital requirement

DETAILS OF GUARANTEES PROVIDED

Name of the entity	Particulars	Amount (₹ In Lakh)	Purpose
Parry Sugars Refinery India Private Limited	Long Term guarantee given to Debenture Trustee - IDBI Trusteeship Services Limited	11,000	Issue of Debentures for repaying the high cost loans availed by Parry Sugars Refinery India Private Limited.
Parry Sugars Refinery India Private Limited	Long Term guarantee given to ICICI Bank Limited	10,000	For Term Loan availed by Parry Sugars Refinery India Private Limited for repaying the Debentures.
Alimtec S.A.	Standby Letter of Credit (USD 1.4 Million) to BANCO DE CHILE	942	Capital expenditure and Working Capital requirement.
US Nutraceuticals Inc.	Standby Letter of Credit / USD 10.0 Million to Wells Fargo Bank N.A, USA	7,084	Working Capital Requirement.

DETAILS OF INVESTMENTS

The details of investments made by the Company have been given in Note no. 5A, 5B, 6 & 14 of the Standalone financial statements.

ANNEXURE - F TO THE BOARD'S REPORT

PARTICULARS OF EMPLOYEES

Disclosure of Remuneration Under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The details of remuneration during the financial year, 2019-20 as per Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, as amended, are as follows:

1. The ratio of Remuneration of each Director to the median remuneration of the employees of the Company for the fnancial year 2019-20:

Name of Director	Designation	Ratio #
Mr. Ravichandran V	Chairman	1.59
Mr. Suresh S	Managing Director	61.24
Mr. Ajay B Baliga	Director	1.22
Mr. Manickam V	Director	1.86
Mr. Ramesh K B Menon	Director	1.22
Mr. Ranganathan C K	Director	0.91
Dr. (Ms) Rca Godbole	Director	1.60
Mr. Venkatachalam M M	Director	1.39

Note: Remuneration including sitting fees

- Number of times the median remuneration

2. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year 2019-20:

Name of Director	Designation	% increase in remuneration
Mr. Ravichandran V	Chairman	31.88
Mr. Suresh S	Managing Director	15.73
Mr. Ajay B Baliga	Director	100.00
Mr. Manickam V	Director	35.44
Mr. Ramesh K B Menon	Director	37.25
Mr. Ranganathan C K	Director	126.09
Dr. (Ms) Rca Godbole	Director	43.75
Mr. Venkatachalam M M	Director	37.93
Mr. S. Rameshkumar	Chief Financial Officer	NA#
Mr. Biswa Mohan Rath	Company Secretary	NA#

Appointed on January 1, 2019, hence not comparable

The remuneration to the Non-Executive Directors comprises of sitting fees paid for attending the Board / Committee meeting. During the year Sitting fees for the Board meeting were increased from ₹ 25,000 to ₹ 50,000 and for the Committee meetings were increased from ₹ 15,000 to ₹ 30,000. The increase was approved at the Board meeting held on November 6, 2019. The actual payment of sitting fee is based on the number of meetings attended by the Director.

During the year, the Company has not paid any commission to the Non-Executive Directors due to inadequate profit as per the provisions of Section 197 read with Section 198 of the Companies Act, 2013.

3. The percentage increase in the median remuneration of employees in the financial year: 8.97%
4. The number of permanent employees on the rolls of the Company: 2251

5. Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and comparison with the percentile increase in the managerial remuneration and justification thereof. Whether there are any exceptional circumstances for increase in the managerial remuneration.

Parameters	
Average % increase in the salaries of employees other than managerial personnel viz., Managing Directors in the financial year, 2019-20	9.68%
Average % increase in the managerial remuneration in the financial year, 2019-20 viz., Managing Director's remuneration	15.73%
Remarks	The Managing Directors' remuneration comprises of fixed and variable component. The annual increment in salary for the financial year, 2019-20 is determined by the Nomination & Remuneration Committee on the basis of Company financials, level of responsibility, experience and scales prevailing in the industry.

6. Affirmation:

The Company affirms that the remuneration paid to the employees during the financial year 2019-20 is as per the Remuneration policy of the Company.

On behalf of the Board

Place : Chennai
Date : June 11, 2020

V. Ravichandran
Chairman

ANNEXURE - G TO THE BOARD'S REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN
as on the financial year ended 31st March, 2020
[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', Parrys 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	KFin Technologies Private Limited Selenium Tower B, Plot number 31 & 32, Gachibowli, Financial District Hyderabad – 500 032 Tel : 040 6716 2222 Fax : 040 2342 0814 E-Mail : einward.ris@kfintech.com

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 / service	NIC Code of the Product / Service	% to total turnover of the company
1	Sugar	10721	73
2	Alcohol	1101	19

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

Sl. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate / Joint Venture	% of shares held	Applicable Section
1	Coromandel International Limited, Coromandel House, Sardar Patel Road, Secunderabad 500 003	L24120TG1961PLC000892	Subsidiary	60.47	2 (87)
2	Liberty Pesticides & Fertilizers Limited, Coromandel House, 1-2-10, Sardar Patel Road, Secunderabad – 500 003	U24124RJ1978PLC001807	Subsidiary	60.47	2 (87)
3	Parry Chemicals Limited, Office No. 302, A Wing, 3rd Floor Rutu Business Park, Near Rutu Park, Majiwade, Thane - 400601	U74999MH1995PLC088809	Subsidiary	60.47	2 (87)

Sl. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate / Joint Venture	% of shares held	Applicable Section
4	CFL Mauritius Limited, IFS Court, Bank Street, Twenty Eight Cybercity, Ebene, Republic of Mauritius 72201	081272C1/GBL	Subsidiary	60.47	2 (87)
5	Sabero Europe BV, De Boelelaan 1083 HJ, Amsterdam	–	Subsidiary	60.47	2 (87)
6	Sabero Australia Pty Ltd, Level 6, 110-116 Sussex Street, Sydney, NSW – 2000	–	Subsidiary	60.47	2 (87)
7	Sabero Organics America S.A., Avenida Raja Gabaglia 1492/605, Gutierrez, Belo Horizont, MG, CEP 30441-194	04-016-649/0001-51	Subsidiary	60.46	2 (87)
8	Sabero Argentina SA, Marcelo T, DeAlevar 1430, Argentina	–	Subsidiary	57.45	2 (87)
9	Coromandel Agronegocios de Mexico SA de CV, (earlier sabero Organics Mexico S.A. de C.V.) Campos Eliseos 219,2, Palmas Polanco,Miguel Hidalgo, Didtrito Federal-11560	–	Subsidiary	60.47	2 (87)
10	Coromandel Brasil Ltda, Rua Jorge Caixe,132, Sala 01, Jd Nomura Cotia Sao Paulo,Brazil	10.599.435/0001-58	Subsidiary	60.47	2 (87)
11	Coromandel SQM (India) Private Limited, Coromandel House, 1-2-10, Sardar Patel Road Secunderabad – 500 003	U24100TG2009PTC065404	Joint venture	30.24	2 (6)
12	Coromandel Mali Sasu, West Africa, Bamako (Mali), s / c AAA Mali SA Hamdallaye ACI 2000 DFA building, rue 317-porte 249 BP 3040 Bamako (Mali)	-	Subsidiary	60.47	2(87)
13	Coromandel International (Nigeria) Limited, KPMG Tower, 33 Bishop Aboyade Cole Street, Victoria Island, Lagos – 100 272 Nigeria	-	Subsidiary	60.46	2(87)
14	Dare Investments Limited, Coromandel House, 1-2-10 Sardar Patel Road, Secunderabad 500 003	U65110TG2012PLC080296	Subsidiary	60.47	2 (87)
15	Yanmar Coromandel Agrisolutions Private Limited, Coromandel House, 1-2-10, Sardar Patel Road Secunderabad 500 003	U29253TG2014PTC094854	Joint venture	24.19	2 (6)
16	Sabero Organics Philippines Asia Inc., 2005B 20th Floor West Tower, Philippine Stock Exchange, Exchange Road, Ortigas Center, Pasig City 1605	–	Associate	24.19	2 (6)
17	Parry America Inc., 1521 N Cooper St. Ste 350 Arlington TX 76011	–	Subsidiary	60.47	2 (87)
18	Parry Sugars Refinery India Private Limited, 'Dare House', Parrys Corner, Chennai - 600 001.	U15421TN2006PTC058579	Subsidiary	100	2 (87)
19	Alimtec S.A., Almirante Latorre	–	Subsidiary	100	2 (87)
20	US Nutraceuticals Inc., (Valensa International) 2751 Nutra Lane, Eustis, FL 32726	–	Subsidiary	100	2 (87)
21	Parry Infrastructure Company Private Limited, 'Dare House', Parrys Corner, Chennai - 600 001.	U45203TN2006PTC058518	Subsidiary	100	2 (87)
22	Parry Agrochem Exports Limited, 'Dare House', Parrys Corner, Chennai - 600 001.	U24131TN1996PLC035030	Subsidiary	100	2 (87)
23	Parrys Sugar Limited, 'Dare House', Parrys Corner, Chennai - 600 001.	U15421TN2005PLC058106	Subsidiary	100	2 (87)
24	Parrys Investments Limited, 'Dare House', Parrys Corner, Chennai - 600 001.	U65993TN1983PLC009910	Subsidiary	100	2 (87)
25	Labelle Botanics LLC, 604, 1st Ave NE, PO. Box:226, Jasper, FL-32052.	–	Subsidiary	100	2 (87)
26	Algavista Greentech Private Limited, 'Dare House', No. 2 (Old No. 234) N.S.C. Bose Road, Chennai - 600001	U011177N2018PTC121215	Joint Venture	50	2 (6)
27	Parry International DMCC, Unit No: AG--PF-04 AG Tower, Plot No: JLT-PH1-I1A. Jumeirah Lakes Tower, Dubai, United Arab Emirates.	–	Subsidiary	100	2(87)

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

i) Category-wise Shareholding :

Category Code	Category of Shareholders	No. of Shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	**PROMOTER**									
(1)	**INDIAN**									
(a)	Individual /HUF	3560275	-	3560275	2.01	2463920	-	2463920	1.39	(0.62)
(b)	Central Government/State Government(s)	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	72089444	-	72089444	40.73	72089444	-	72089444	40.73	-
(d)	Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
(e)	Others - Partnership Firm*	-	-	-	-	17010	-	17010	0.01	0.01
Sub-Total A(1) :		**75649719**	-	**75649719**	**42.74**	**74570374**	-	**74570374**	**42.13**	**(0.61)**
AA. Promoter Group										
(a)	Individual/ HUF	1989936	-	1989936	1.12	1986051	-	1986051	1.12	-
(b)	Central Government	-	-	-	-	-	-	-	-	-
(c)	State Government(s)	-	-	-	-	-	-	-	-	-
(d)	Bodies Corp.	199920	-	199920	0.11	199920	-	199920	0.11	-
(e)	Banks / FI									
(f)	Any Other - Trust	1397975	-	1397975	0.79	2270807		2270807	1.28	0.49
	Partnership Firm	170500	-	170500	0.10	170500		170500	0.10	-
Sub-total (AA)		**3758331**	-	**3758331**	**2.12**	**4627278**	-	**4627278**	**2.61**	**0.49**
(2)	**FOREIGN**									
(a)	NRI - Individuals	12100	-	12100	0.01	12100	-	12100	0.01	-
(b)	Others - Individuals	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(d)	Institutions	-	-	-	-	-	-	-	-	-
(e)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(f)	Others	-	-	-	-	-	-	-	-	-
Sub-Total A(2) :		**12100**	-	**12100**	**0.01**	**12100**	-	**12100**	**0.01**	-
Total A=A(1)+(AA)+A(2)		**79420150**	-	**79420150**	**44.87**	**79209752**	-	**79209752**	**44.75**	**(0.12)**
(B)	**PUBLIC SHAREHOLDING**									
(1)	**INSTITUTIONS**									
(a)	Mutual Funds	1607199	-	1607199	0.91	1518376	-	1518376	0.86	(0.05)
(b)	Financial Institutions /Banks	344219	25156	369375	0.21	1571534	25156	1596690	0.90	0.69
(c)	Central Government / State Government(s)	-	-	-	-	-	-	-	-	-
(d)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(e)	Insurance Companies	5368297	-	5368297	3.03	1694755	-	1694755	0.96	(2.08)
(f)	Foreign Portfolio Investors	11298999	-	11298999	6.38	10654999	-	10654999	6.02	(0.36)
(g)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(h)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(i)	Alternate Investment Funds	-	-	-	-	-	-	-	-	-
(j)	Others	-	-	-	-	-	-	-	-	-
Sub-Total B(1) :		**18618714**	**25156**	**18643870**	**10.53**	**15439664**	**25156**	**15464820**	**8.74**	**(1.79)**
(2)	**NON-INSTITUTIONS**									
(a)	Bodies Corporate									
	i) Indian	16018983	57265	16076248	9.08	14536018	42749	14578767	8.24	(0.84)
	ii) Overseas	-	-	-	-	-	-	-	-	-
(b)	Individuals									
	(i) Individuals holding nominal share capital upto ₹ 2 lakh	26871374	1832338	28703712	16.22	26897334	1637360	28534694	16.12	(0.10)
	(ii) Individuals holding nominal share capital in excess of ₹ 2 lakh	28931951	-	28931951	16.35	33594464	-	33594464	18.98	2.63
(c)	Qualified Foreign Investor									
(d)	NBFCs Registered with RBI	77138	-	77138	0.04	90538	-	90538	0.05	0.01
(e)	Others (specify)									
	i) Trusts	134740	-	134740	0.08	128775	-	128775	0.07	(0.01)
	ii) Non Resident Indians	1713399	187139	1900538	1.07	1651057	180997	1832054	1.04	(0.03)
	iii) NRI Non Repartiation	1982643	-	1982643	1.12	2181293	-	2181293	1.23	0.11
	iv) Foreign National	560	216680	217240	0.12	560	216680	217240	0.12	-
	v) Clearing Members	69112	-	69112	0.04	127742	-	127742	0.07	0.03
	vi) Alternate Inverstment Fund	-	-	-	-	52500	-	52500	0.03	0.03
	vii) I E P F	762199	-	762199	0.43	906902	-	906902	0.51	0.08
	viii) Overseas Corporate Bodies	-	5040	5040	-	-	5040	5040	-	-
	Sub-Total B(2) :	**76562099**	**2298462**	**78860561**	**44.56**	**80167183**	**2082826**	**82250009**	**46.47**	**1.91**
	Total B=B(1)+B(2) :	**95180813**	**2323618**	**97504431**	**55.09**	**95606847**	**2107982**	**97714829**	**55.21**	**0.12**
	Total (A+B) :	**174600963**	**2323618**	**176924581**	**99.96**	**174816599**	**2107982**	**176924581**	**99.96**	-
(C)	Shares held by Custodians for GDRs and ADRs (Public)	70400	-	70400	0.04	70400	-	70400	0.04	-
	GRAND TOTAL (A+B+C) :	**174671363**	**2323618**	**176994981**	**100.00**	**174886999**	**2107982**	**176994981**	**100.00**	-

* Change in Partner- Reconstitution of Partnership Firm

ii) Shareholding of Promoters:

Sl. No.	Name of the Promoters	Shareholding at the beginning of the year			Shareholding 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	Ambadi Investments Limited	68058444	38.45	-	68058444	38.45	-	-
2	Ambadi Enterprises Limited	4030000	2.28	-	4030000	2.28	-	-
3	S Vellayan	620810	0.35	-	-	-	-	(0.35)
4	Arun Alagappan	408820	0.23	0.01	408820	0.23	0.01	-
5	Arun Venkatachalam	348540	0.20	-	348540	0.20	-	-
6	A Vellayan	344540	0.19	-	344540	0.19	-	-
7	M V Murugappan*	17010	0.01	-	-	-	-	(0.01)
8	A Venkatachalam	320220	0.18	0.01	320220	0.18	-	-
9	M A M Arunachalam	316000	0.18	0.01	316000	0.18	0.01	-
10	M V Subbiah	334670	0.19	-	-	-	-	(0.19)
11	V Narayanan	235610	0.13	-	235610	0.13	-	-
12	V Arunachalam	220320	0.12	-	220320	0.12		-
13	M M Venkatachalam	123865	0.07	-	-	-	-	(0.07)
14	M M Murugappan	27670	0.03	-	27670	0.03	-	-
15	M M Murugappan	20000	0.01	-	20000	0.01	-	-
16	M.A.Alagappan	210000	0.12	0.01	210000	0.12	0.01	-
17	M V Subbiah	6000	-	-	6000	-	-	-
18	Carborundum Universal Limited	1000	-	-	1000	-	-	-
19	M V Murugappan HUF	6200	-	-	6200	-	-	-
20	Murugappa & Sons*	-	-	-	17010	0.01	-	0.01
	Total	75649719	42.74	0.04	74570374	42.13	0.03	(0.61)

* Change in Partner- Reconstitution of Partnership Firm

(iii) Change in Promoters' Shareholding

S. NO.	NAME OF THE SHAREHOLDER	SHAREHOLDING AT THE BEGINNING OF THE YEAR (01.04.2019) / AT THE END OF THE YEAR (31.03.2020)		DATE OF PURCHASE / SALE	NO. OF SHARES ACQUIRED / SOLD	TRANSFER	CUMULATIVE SHAREHOLDING DURING THE YEAR	
		NO. OF SHARES	% OF TOTAL SHARES				NO. OF SHARES	% OF TOTAL SHARES
1	S VELLAYAN	620810	0.35				620810	0.35
				03/06/2019	(620810)	DISPOSED BY WAY OF GIFT TO SHAMBO TRUST	-	-
		-	-				-	-
2	M V MURUGAPPAN	17010	0.01				17010	0.01
				04/03/2020	(17010)	DUE TO DEMISE OF MR. M V MURUGAPPAN, PARTNER, PARTNERSHIP FIRM RECONSTITUTED	-	-
		-	-				-	-
3	M V SUBBIAH	334670	0.19				334670	0.19
				03/06/2019	(109008)	DISPOSAL BY WAY OF GIFT IN FAVOUR OF SARASWATHI TRUST.	225662	0.13
				03/06/2019	(54504)	DISPOSAL BY WAY OF GIFT IN FAVOUR OF SHAMBHO TRUST.	171158	0.10
				28/06/2019	(54504)	DISPOSAL BY WAY OF GIFT IN FAVOUR OF MR. ARUNACHALAM NATESAN	116654	0.07
				28/06/2019	(54504)	DISPOSAL BY WAY OF GIFT IN FAVOUR OF MR. ARUNACHALAM NATESAN.	62150	0.04
				28/06/2019	(33425)	DISPOSAL BY WAY OF GIFT IN FAVOUR OF MS. SEETHA NATESAN.	28725	0.02
				28/06/2019	(28725)	DISPOSAL BY WAY OF GIFT IN FAVOUR OF MR.ARUNACHALAM NATESAN	-	-
		-	-				-	-
4	M M VENKATACHALAM	123865	0.07				123865	0.07
				27/09/2019	(123865)	DISPOSAL BY WAY OF SETTLEMENT IN FAVOUR OF MRS. LAKSHMI VENKATACHALAM	-	-
		-	-				-	-
5	MURUGAPPA & SONS	-	-				-	-
				04/03/2020	17010	DUE TO DEMISE OF MR. M V MURUGAPPAN, PARTNER, PARTNERSHIP FIRM RECONSTITUTED	17010	0.01
		17010	0.01				17010	0.01

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

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the Year		Date	Increase/ Decrease in Share holding	Reason	Cumulative Shareholding during the Year	
		No. of Shares	% of total shares of the Company				No of Shares	% of total shares of the company
1	Govindlal M Parikh	3533436	2.00	01/04/2019			3533436	2.00
				18/10/2019	14,407	Transfer	3547843	2.00
				25/10/2019	6,707	Transfer	3554550	2.01
				01/11/2019	11,000	Transfer	3565550	2.01
				21/02/2020	21,666	Transfer	3587216	2.03
				28/02/2020	11,405	Transfer	3598621	2.03
				31/03/2020			3598621	2.03
2	Life Insurance Corporation of India	3427377	1.94	01/04/2019			3427377	1.94
				03/05/2019	(12,351)	Transfer	3415026	1.93
				10/05/2019	(50,665)	Transfer	3364361	1.90
				17/05/2019	(4,556)	Transfer	3359805	1.90
				24/05/2019	(10,000)	Transfer	3349805	1.89
				31/05/2019	(3,28,052)	Transfer	3021753	1.71
				07/06/2019	(48,747)	Transfer	2973006	1.68
				14/06/2019	(37,286)	Transfer	2935720	1.66
				11/10/2019	(40,196)	Transfer	2895524	1.64
				18/10/2019	(1,28,412)	Transfer	2767112	1.56
				25/10/2019	(5,44,000)	Transfer	2223112	1.26
				01/11/2019	(4,32,000)	Transfer	1791112	1.01
				08/11/2019	(6,82,813)	Transfer	1108299	0.63
				15/11/2019	(3,88,548)	Transfer	719751	0.41
				22/11/2019	(96,669)	Transfer	623082	0.35
				29/11/2019	(56,310)	Transfer	566772	0.32
				06/12/2019	(16,000)	Transfer	550772	0.31
				27/12/2019	(75,000)	Transfer	475772	0.27
				31/12/2019	(1,50,000)	Transfer	325772	0.18
				03/01/2020	(1,25,691)	Transfer	200081	0.11
				10/01/2020	(2,00,081)	Transfer	-	-
				31/03/2020			-	-
3	Hitesh Satishchandra Doshi	3292471	1.86	01/04/2019			3292471	1.86
				02/08/2019	3,00,000	Transfer	3592471	2.03
				02/08/2019	(2,60,000)	Transfer	3332471	1.88
				30/09/2019	9,43,646	Transfer	4276117	2.42
				04/10/2019	2,50,000	Transfer	4526117	2.56
				04/10/2019	(1,99,066)	Transfer	4327051	2.44
				11/10/2019	(2,40,000)	Transfer	4087051	2.31
				25/10/2019	(2,61,700)	Transfer	3825351	2.16

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the Year		Date	Increase/ Decrease in Share holding	Reason	Cumulative Shareholding during the Year	
		No. of Shares	% of total shares of the Company				No of Shares	% of total shares of the company
				01/11/2019	3,87,297	Transfer	4212648	2.38
				08/11/2019	2,86,741	Transfer	4499389	2.54
				15/11/2019	67,000	Transfer	4566389	2.58
				29/11/2019	7,356	Transfer	4573745	2.58
				06/12/2019	100	Transfer	4573845	2.58
				13/12/2019	4,22,544	Transfer	4996389	2.82
				20/12/2019	90,015	Transfer	5086404	2.87
				27/12/2019	(4,10,000)	Transfer	4676404	2.64
				03/01/2020	1,05,762	Transfer	4782166	2.70
				10/01/2020	2,20,000	Transfer	5002166	2.83
				31/01/2020	5,70,000	Transfer	5572166	3.15
				07/02/2020	8,60,000	Transfer	6432166	3.63
				07/02/2020	(8,60,000)	Transfer	5572166	3.15
				14/02/2020	15,000	Transfer	5587166	3.16
				21/02/2020	2,25,000	Transfer	5812166	3.28
				21/02/2020	(2,05,965)	Transfer	5606201	3.17
				28/02/2020	2,00,000	Transfer	5806201	3.28
				28/02/2020	(2,40,149)	Transfer	5566052	3.14
				06/03/2020	75,247	Transfer	5641299	3.19
				13/03/2020	49,826	Transfer	5691125	3.22
				20/03/2020	29,980	Transfer	5721105	3.23
				27/03/2020	3,50,600	Transfer	6071705	3.43
				31/03/2020	8,778	Transfer	6080483	3.44
				31/03/2020			6080483	3.44
4	Sattva Organisers LLP	3200000	1.81	01/04/2019			3200000	1.81
				31/03/2020			3200000	1.81
5	Ketan Shantilal Shah	2280750	1.29	01/04/2019			2280750	1.29
				30/09/2019	6,00,000	Transfer	2880750	1.63
				31/03/2020			2880750	1.63
6	Sudarshan Fiscal Services Private Limited	776000	0.44	01/04/2019			776000	0.44
				02/08/2019	1,08,500	Transfer	884500	0.50
				20/03/2020	12,19,500	Transfer	2104000	1.19
				31/03/2020			2104000	1.19

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the Year		Date	Increase/ Decrease in Share holding	Reason	Cumulative Shareholding during the Year	
		No. of Shares	% of total shares of the Company				No of Shares	% of total shares of the company
7	Nemish S Shah	2079531	1.17	01/04/2019			2079531	1.17
				31/03/2020			2079531	1.17
8	Vinod M Shah	2046886	1.16	01/04/2019			2046886	1.16
				31/03/2020			2046886	1.16
9	Sandhya G Parikh	424179	0.24	01/04/2019			424179	0.24
				17/05/2019	34,253	Transfer	458432	0.26
				24/05/2019	27,427	Transfer	485859	0.27
				31/05/2019	65,152	Transfer	551011	0.31
				07/06/2019	80,000	Transfer	631011	0.36
				14/06/2019	29,459	Transfer	660470	0.37
				21/06/2019	35,947	Transfer	696417	0.39
				28/06/2019	50,344	Transfer	746761	0.42
				12/07/2019	328	Transfer	747089	0.42
				26/07/2019	83,273	Transfer	830362	0.47
				02/08/2019	1,40,000	Transfer	970362	0.55
				04/10/2019	22,217	Transfer	992579	0.56
				11/10/2019	57,351	Transfer	1049930	0.59
				01/11/2019	79,336	Transfer	1129266	0.64
				08/11/2019	1,00,000	Transfer	1229266	0.69
				14/02/2020	76,759	Transfer	1306025	0.74
				28/02/2020	81,074	Transfer	1387099	0.78
				06/03/2020	38,051	Transfer	1425150	0.81
				13/03/2020	23,152	Transfer	1448302	0.82
				20/03/2020	44,695	Transfer	1492997	0.84
				27/03/2020	42,547	Transfer	1535544	0.87
				31/03/2020			1901004	1.07
10	Gothic Corporation	1859896	1.05	01/04/2019			1859896	1.05
				31/03/2020			1859896	1.05
11	Rekha N Shah	960000	0.54	01/04/2019			960000	0.54
				30/09/2019	7,00,000	Transfer	1660000	0.94
				31/03/2020			1660000	0.94
12	Bharati Vinod Shah	1462114	0.83	01/04/2019			1462114	0.83
				31/03/2020			1462114	0.83
13	Zafar Ahmadullah	1426715	0.81	01/04/2019			1426715	0.81
				31/03/2020			1426715	0.81

(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
Mr. M M Venkatachalam				
At the beginning of the year	1,23,865	0.07	-	-
Purchase/ Sale during the year			(1,23,865)	0.07
At the end of the year	-	-	-	-
Mr. Biswa Mohan Rath				
At the beginning of the year	1	-	1	-
Purchase / Sale during the year	-	-	-	-
At the end of the year	1	-	1	-

V. INDEBTEDNESS

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

Particulars	Secured Loans excluding deposit	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	782	50	-	832
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	43	24	-	67
Total (i+ii+iii)	**825**	**74**	**-**	**899**
Change in Indebtedness during the financial year				
• Addition	510	202	-	712
• Deletion	(465)	(55)	-	(520)
Net Change	**45**	**147**	**-**	**192**
Indebtedness at the end of the financial year				
i) Principal Amount	840	195	-	1,035
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	30	26	-	56
Total (i+ii+iii)	**870**	**221**	**-**	**1,091**

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. S. Suresh, 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	175.22 0.53
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission - as % of profit - Others	-
5.	Others	-
	Total	**175.75**
	Ceiling as per the Act @ 5% of the Net Profit*	Nil

* During the year the Company has inadequate profit as per the provisions of Section 197 of the Companies Act, 2013. The remuneration paid to Managing Director is in compliance with the provisions of Part II, Section II of Schedule V of the Companies Act, 2013. The Company has obtained requisite approval of the shareholders at the Annual General Meeting held on July 29, 2019.

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. Ajay B Baliga	3.50	-	-	3.50
	Mr. V. Manickam	5.35	-	-	5.35
	Dr. Rca Godbole	4.60	-	-	4.60
	Mr. C K Ranganathan	2.60	-	-	2.60
	Total (1)	**16.05**	**-**	**-**	**16.05**
2.	**Other Non-Executive Directors**				
	Mr. V. Ravichandran	4.55	-	-	4.55
	Mr. M M Venkatachalam	4.00	-	-	4.00
	Mr. Ramesh K B Menon	3.50	-	-	3.50
	Total (2)	**12.05**	**-**	**-**	**12.05**
	Total Managerial Remuneration (1+2)	**28.10**	**-**	**-**	**28.10**
	Ceiling as per the Act @1% of the Net Profit**		Nil		

**During the year the Company has inadequate profit as per the provisions of Section 197 of the Companies Act, 2013.

C. Remuneration to Key Managerial Personnel other than Managing Director.

(₹ in lakh)

Sl. No.	Particulars of Remuneration	Company Secretary	Chief Financial Officer	Total
		Mr.Biswa Mohan Rath#	Mr. S. Rameshkumar#	
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	54.54 0.22	81.63 0.29	136.17 0.51
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - Others	-	-	-
5.	Others	-	-	-
	Total	**54.76**	**81.92**	**136.68**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended March 31, 2020.

REPORT ON CORPORATE GOVERNANCE

Pursuant to Regulation 34 read with Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["SEBI (LODR) Regulations"]

1. 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. The board recognizes that governance expectations are constantly evolving and it is committed to its standards of transparency and dissemination of information to meet both letter and spirit of the law and its own demanding levels of business ethics. The Company 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.

2. BOARD OF DIRECTORS

2.1 Composition and Changes during the Year

Composition

The Board of Directors of the Company ("Board") consists of an optimum number of Executive, Non Executive, Independent Directors and Non Executive Independent Directors having expertise in the fields of business strategy, finance, marketing and business management. All the Independent Directors satisfy the criteria of Independence specified in the Companies Act, 2013 ("Act"), Regulation 16 (1) (b) of the SEBI (LODR) Regulations and meet the criteria for appointment formulated by the Nomination and Remuneration Committee ("NRC") as approved by the Board.

NRC has formulated a policy on criteria for Board Nominations. It ensures diversity of qualification, experience, expertise and gender in the composition of the Board. The board members are appointed through a transparent process and the Independent Directors are issued appointment letters. The format of the terms and conditions of appointment of Independent Directors is displayed on the website of the Company www.eidparry.com/about-us/independent-directors/. Each independent director is familiarized with the Company, business, industry, roles and responsibilities, the details of which are available on the website of the Company. www.eidparry.com/about-us/independent-directors/.

Independent Directors are appointed for a specific term based on the recommendations of the NRC by the Board and the members at their respective meetings. Non independent Directors are appointed as per the provisions of the Act and SEBI (LODR) Regulations.

The strength of the Board as on March 31, 2020 was eight directors, consisting of one Non Executive Non Independent Chairman, a Managing Director, two Non Independent Directors, one of them is a promoter and four Independent Directors including a woman director. The composition of the Board is in conformity with the Act and SEBI (LODR) Regulations.

The Composition of the Board, the number of directorship, membership and chairmanship held by each Director on the Board/ Committees of the Board of other Companies as on March 31, 2020 are as under

S. No	Name of the Directors	DIN	Category	Position	No. of Directorships & Committee membership in Public Companies (excluding EID)				Directorship in other Listed Entity	Category of Directorship
					Board*		Committee**			
					Director	Chairman	Member	Chairman		
1.	Mr. V. Ravichandran	00110086	NE, NI	Chairman	4	-	1	-	1. Coromandel International Ltd 2. Cholamandalam Financial Holdings Ltd (Formerly known as TI Financial Holdings Limited)	NE,NI NE,NI
2.	Mr. S. Suresh	06999319	E	Managing Director	1	-	-	-	-	-
3.	Mr. V. Manickam	00179715	NE, I	Director	2	1	2	1	1. The India Cements Capital Limited	Chairman & NE,I
4.	Mr. Ramesh K B Menon	05275821	NE, NI	Director	4	1	2	-	1. Tube Investments of India Limited	NE,NI
5.	Mr. C.K.Ranganathan	00550501	NE, I	Director	2	-	-	-	1. Matrimony.Com Limited	NE, I
6.	Mr.M.M.Venkatachalam	00152619	NE, NI	Director	7	1	7	2	1. Ramco Systems Limited 2. The Ramco Cements Limited 3. Coromandel International Limited 4. Coromandel Engineering Company Limited	NE,I NE,I NE,NI Chairman & NE,NI
7.	Dr. (Ms) Rca Godbole	07306268	NE, I	Director	-	-	-	-	-	-
8	Mr. Ajay B Baliga	00030743	NE, I	Director	-	-	-	-	-	-

Non Executive ("NE"), Executive ("E"), Non Independent ("NI") and Independent ("I")

* Excludes directorship in Foreign Companies, Private companies, and Section 8 companies.

**Represents memberships of Audit and Stakeholders Relationship Committees in Public Limited Companies & Private Limited Companies which are subsidiaries of Public Limited Companies.

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 as required under Regulation 26 (1) of SEBI (LODR) Regulations.

None of the Independent Directors on the Board is an Independent Director in more than seven Listed Companies as required under Regulation 25 (1) of SEBI (LODR) Regulations.

None of the Directors are related to each other.

Changes in the Board during the year

There is no changes in Composition of Board during the Financial Year 2019-2020

2.2 Board Process

The Board meets at least once in each quarter to review, the matters specifically reserved for its attention to ensure that it exercises full control over significant strategic, financial, operational and compliance matters. Additional board meetings are held to approve the Business Plan of the Company and other specific purposes. The board is regularly briefed and updated on the key activities of the business and is provided with presentations on operations, quarterly financial statements, subsidiary performance, and other specific matters concerning the Company.

The maximum time gap between two meetings does not exceed 120 days. The dates of Board meetings for the financial year are generally decided in advance. Notice and detailed notes on agenda of each Board Meeting are given to all the directors in advance of the meetings in compliance with Secretarial Standard on Meeting of the Board of Directors (SS-1) issued by The Institute of Company Secretaries of India. Where it is not possible to enclose any document to the agenda, the same is tabled at the Meeting. The Company uses a software namely, Digiboard for sending Notice and detailed notes on agenda of each Board Meeting, seeking and obtaining further information and clarifications on the agenda items before the Meeting and for meaningful participation at the meeting. The paperless Board meeting facilitates free flow and exchange of information with the Board and ensures smooth conduct of the meeting.

The Board periodically reviews 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 is also free to recommend inclusion of any matter for discussion in consultation with Chairman. All the discussions and decisions taking place in every meeting of the Board are entered in the Minute Book. The draft minutes are circulated within the specified time to the Board and suggestions or comments for changes, if any, are suitably incorporated in the minutes and the minutes are signed by the Chairman of the same meeting or by the Chairman of the succeeding meeting within the prescribed time period. The important decisions taken at the Board Meeting are communicated to the concerned department of the Company and an action taken report is placed at each Board Meeting.

The process specified for the Board meeting above are followed for the meetings of all the Committees constituted by the Board, to the extent possible. The minutes of the meetings of the Committees of the Board are placed before the Board for noting. The minutes of the subsidiary Companies are placed before the Board on a quarterly basis.

Pursuant to the provisions of the Act and SEBI (LODR) Regulations, evaluation of the performance of the Board, Committees of the Board and individual directors was carried out by the Board for the year 2019-20. The questionnaires were prepared in a structured manner taking into consideration the guidance notes on Board Evaluation issued by the SEBI. The performance of each of the Individual Directors was 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 all the independent directors was done by the entire Board excluding the concerned independent director based on the criteria of performance evaluation laid down by the NRC.

The performance evaluation of the Chairman and the Non Independent Directors were carried out by the Independent Directors.

During the year, all the recommendations made by the Committee of the Board were accepted by the Board of Directors.

2.3 Board meeting and attendance of directors

Five Board meetings were held during the year ended March 31, 2020 ("Year") i.e., May 08, 2019, July 29, 2019, November 06, 2019, February 06, 2020 and March 24,2020 and the maximum gap between any two Board meetings did not exceed one hundred and twenty days during the Year.

The attendance of Directors at Board Meeting ("BM") and last AGM are as under:

Sl. No	Name of the Directors	Position	Attendance	
			BMs	AGM held on July 29, 2019
1	Mr. V. Ravichandran	Chairman	5	Present
2	Mr. S. Suresh	Managing Director	5#	Present
3	Mr. V. Manickam	Director	5#	Present
4	Mr. Ramesh K B Menon	Director	5	Present
5	Mr. C.K.Ranganathan	Director	5#	Present
6	Mr. M.M.Venkatachalam	Director	5#	Present
7	Dr. (Ms) Rca Godbole	Director	5#	Present
8	Mr. Ajay B Baliga	Director	4#	Present

includes attendance through video conference

2.4 Details of shares held by non-executive directors as on March 31, 2020:

None of the directors hold any equity shares and convertible securities in individual capacity in the Company.

2.5 Meeting of Independent Directors

As per the requirement under Regulation 25 (3) of the SEBI (LODR) Regulations and Schedule IV of the Act, the independent directors of the listed entity shall hold at least one meeting in a year, without the presence of non-independent directors and members of the management and all the independent directors shall strive to be present at such meeting.

A meeting was held by Independent Directors on March 24, 2020 for the Financial year 2019-20.

2.6 The Board has identified the following skills / expertise / competence fundamental for the effective functioning of the Company which are currently available with the Board.

- Corporate Strategy, Business Strategy
- Marketing, Sales, Supply Chain Management, Product Development and Branding
- Operations
- Finance / Financial Management
- Leadership experience and understanding of significant organisations, their process, strategies, planning etc.
- Auditing, Taxation, Risk Advisory
- Governance Practices, Compliance
- Agriculture

The Boards current skills matrix includes the following attributes:

Skills description	Mr. V Ravi-chandran	Mr.S.Suresh	Mr.V. Manickam	Mr.C.K.Ranganathan	Mr. Ramesh K B Menon	Mr. M M Venkatachalam	Dr. Rca Godbole	Mr.Ajay B Baliga
Corporate Strategy, Business Strategy	✓	✓	✓	✓	✓	✓	✓	✓
Marketing, Sales, Supply Chain Management, Product Development and Branding	✓	✓		✓		✓		✓
Operations	✓	✓		✓		✓		✓
Finance/ Financial Management	✓	✓	✓	✓				
Leadership experience and understanding of significant organisations, their process, strategies, planning etc.	✓	✓	✓	✓	✓	✓	✓	✓
Auditing, Taxation, Risk Advisory	✓		✓					✓
Governance, Practices & Compliance	✓	✓	✓	✓	✓	✓	✓	✓
Agriculture						✓	✓	

3. Committees of the Board

The Board has constituted different committees as required under the Companies Act, 2013 and SEBI (LODR) Regulations. Details of the Committees and their terms of reference are given below.

3.1 Audit Committee

The Audit Committee has been constituted as required under Section 177 of the Act and Regulation 18 of the SEBI (LODR) Regulations.

3.1.1 Brief Description of the Terms of Reference

Audit Committee

Oversight of the Company's financial reporting process and disclosure of financial information;

Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval.

Evaluation of internal financial controls and risk management systems.

Recommendations for appointment, remuneration and terms of appointment of auditors of the Company.

Monitoring the usage of funds from issue proceeds, to grant approvals for related party transactions which are in the ordinary course of business and on arm's length basis.

3.1.2. Composition of the Committee and attendance

The Audit Committee comprises of three independent directors and one non independent Director. The Committee met five times during the year on May 7, 2019, July 29, 2019, November 6, 2019, February 6, 2020 and March 24, 2020. The details of the composition of the Committee and attendance of the members were as follows:

Name of the Directors	Position	Category	No of meetings attended
Mr. V. Manickam	Chairman	NE,I	5#
Dr. (Ms) Rca Godbole	Member	NE,I	5#
Mr.M.M.Venkatachalam	Member	NE,NI	5#
Mr. Ajay B Baliga	Member	NE,I	4#

Non Executive ("NE"), Non Independent ("NI") and Independent ("I")

includes attendance through video conference

The Company Secretary acts as the Secretary to the Committee. The Managing Director, Head of Internal Audit, Chief Financial Officer Senior Management team members and the Statutory Auditors are invited to attend all the meetings of the Committee. The Cost Auditors are invited to the meeting as and when required.

The Committee members have separate discussions with the Statutory Auditors as well as internal auditors without the presence of the management team. During the year 2019-20, the Audit Committee had such a meeting on February 6, 2020.

3.2 Nomination & Remuneration Committee

The Nomination & Remuneration Committee has been constituted as required under Section 178 of the Act and Regulation 19 of the SEBI (LODR) Regulations.

3.2.1 Brief description of the Terms of Reference

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- Identifying 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 of directors their appointment and removal.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.

3.2.2 Composition of the Committee and attendance

The Nomination & Remuneration Committee met three times during the Year on May 8, 2019, July 29, 2019 and November 6, 2019. The details of the composition of the Committee and attendance of the members are as follows:

Name of the Directors	Position	Category	No of meetings attended
Mr. C.K. Ranganathan	Chairman	NE,I	3
Mr V. Ravichandran	Member	NE,NI	3
Dr. (Ms) Rca Godbole	Member	NE,I	3
Mr. Ramesh K B Menon	Member	NE,NI	3

Non Executive (“NE”), Non Independent (“NI”) and Independent (“I”)

3.3 Stakeholders Relationship Committee

The Stakeholders Relationship Committee has been constituted as required under Section 178 of the Act and Regulation 20 of the SEBI (LODR) Regulations.

3.3.1 Brief description of Terms of Reference

- Formulation of shareholders servicing plans and policies in line with the Company’s Corporate Governance plans and policies and develop the standards therefor.
- Monitoring and reviewing the mechanism of share transfers, dematerialisation process, sub- divisions, consolidations, issue of duplicate certificates etc. and to determine and set standards for processing of the same.
- Determining the standards for resolution of shareholders grievance.
- Resolving the grievances of the security holders.
- Review of measures taken for effective exercise of voting rights by shareholders.

3.3.2 Composition of the Committee and attendance

The Stakeholders Relationship Committee met four times during the year on May 8, 2019, July 29, 2019, November 6, 2019 and February 6, 2020. The details of the composition of the Committee and attendance of the members are as follows:

Name of the Directors	Position	Category	No of meetings attended
Mr. V Ravichandran	Chairman	NE,NI	4
Mr. V Manickam	Member	NE,I	4
Mr. S Suresh	Member	E,NI	4
Mr. Ramesh K B Menon	Member	NE,NI	4

Non Executive (“NE”), Executive (“E”), Non Independent (“NI”) and Independent (“I”)

Mr.Biswa Mohan Rath, Company Secretary is the compliance officer.

3.3.3 Number of complaints received and redressed during the year are given below:

Opening Balance	Received during the financial year 2019-20	Redressed during the financial year 2019-20	Closing Balance
Nil	4	4	Nil

3.4 Risk Management Committee

The Risk Management Committee has been constituted as required under Regulation 21 of the SEBI (LODR) Regulations by the Company.

3.4.1 Brief description of Terms of reference

- Assisting the Board in effective operation of risk management system by performing specialised analysis and quality reviews and report to the Board the details on risk exposures and the action taken to manage the exposures.
- Review and assess the adequacy of Risk Management policies and framework for identifying, measuring, monitoring and controlling risks as well as the extent to which these are operating effectively.
- Periodically review the Company’s Risk Management Policy and associated Guidelines and approve any revisions thereto before recommending adoption by the Board;
- Review the Company’s Risk Profile across business, cyber security and support functions and advises the Board with regard to risk management decisions in relation to strategic and operational matters such as Corporate Strategy and related matters.

3.4.2 Composition of the Committee and attendance

A meeting of the Risk Management Committee was held on March 24, 2020 during the year. The details of composition of the committee and attendance of the members are as follows:

Name of the Directors	Position	Category	No of meetings attended
Mr. V Manickam	Chairman	NE,I	1#
Mr. V Ravichandran	Member	NE,NI	1
Mr. S Suresh	Member	E,NI	1#

Non Executive (“NE”), Executive (“E”), Non Independent (“NI”) and Independent (“I”)

includes attendance through video conference

3.5 Corporate Social Responsibility (CSR) Committee

The Corporate Social Responsibility Committee has been constituted as required under Section 135 of the Act.

3.5.1 Brief Description of the Terms of reference

- To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken as specified under schedule VII of Companies Act, 2013.
- To recommend the amount of expenditure to be incurred on the CSR activities.
- To monitor the CSR Policy of the Company from time to time
- To prepare a transparent monitoring mechanism for ensuring implementation of the projects/programs/ 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.

3.5.2 Composition of the Committee and attendance

The Corporate Social Responsibility Committee met once during the year, on May 7, 2019. The details of the composition of the Committee and attendance of the members are as follows:

Name of the Director	Position	Category	No of meetings attended
Mr.V Manickam	Chairman	NE,I	1
Mr. V Ravichandran	Member	NE,NI	1
Mr. S Suresh	Member	E,NI	1

Non Executive (“NE”), Executive (“E”), Non Independent (“NI”) and Independent (“I”)

4. Remuneration of Directors

4.1 Remuneration Policy

This Remuneration Policy provides the framework for remuneration of the members of the Board of Directors, Key Managerial Personnel, Senior Management and other employees of E.I.D.-Parry (India) Limited (Company).

This Policy is guided by the principles and objectives as enumerated under Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of the SEBI (LODR) Regulations, 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.

4.2 Remuneration of Non-Executive Directors

Non-Executive Directors (“NEDs”) are paid remuneration by way of Sitting Fees and Commission. The remuneration/ commission/ compensation to the NEDs is decided by the Board in accordance with this policy and subject to applicable conditions of the Companies Act, 2013 and the SEBI (LODR) Regulations.

As approved by the shareholders at the shareholders meeting, commission is paid at a rate not exceeding 1% per annum of the profits of the Company computed in accordance with the provisions of Section 198 of the Companies Act, 2013. The Commission paid annually is restricted to a fixed sum within the above limit on the basis of their tenure in office during the financial year.

The payment of Commission to the NEDs is placed before the Board every year for its consideration and approval, subject to availability of profit as computed under Section 198 of the Act.

The sitting fee payable to the NEDs for attending the Board and committee meetings is fixed subject to the statutory ceiling. The sitting fees/commission is reviewed periodically taking into consideration the various factors such as performance of the Company, time spent by the directors for attending to the affairs and business of the Company and the extent of responsibilities cast on directors under general law and other factors as may be relevant for the purpose. 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.

Where the annual remuneration payable to a single Non-Executive Director exceeds 50% of the total annual remuneration payable to all Non-Executive Directors, the approval of the shareholders in the manner as specified under applicable laws/ regulations is obtained.

Independent Directors are not eligible to receive stock options under the employee stock option scheme/plan ("ESOP") of the Company.

4.3 Remuneration of Executive Director

The elements of the total compensation are approved by the Nomination and Remuneration Committee within the overall limits specified under the Act. The compensation paid to the Managing Director is within the scale approved by the Shareholders.

The fees or compensation payable to an Executive Director who is a Promoter or member of Promoter Group, shall be subject to the approval of shareholders in the manner as prescribed under the applicable regulations, if the annual remuneration payable to such Executive Director exceeds the threshold limits and the approval so granted shall be valid till the expiry of the term of such Director.

4.4 The sitting fees paid to the non-executive directors during the Year are given below.

₹ in Lakh

S. No	Name of the Directors	Category	Position	Sitting fees for attending meetings
1.	Mr. V. Ravichandran	NE,NI	Chairman	4.55
2.	Mr. V. Manickam	NE,I	Director	5.35
3.	Mr. Ajay B Baliga	NE,I	Director	3.50
4.	Dr (Ms) Rca Godbole	NE,I	Director	4.60
5.	Mr. Ramesh K B Menon	NE,NI	Director	3.50
6.	Mr. C K Ranganathan	NE,I	Director	2.60
7.	Mr. M.M. Venkatachalam	NE,NI	Director	4.00

Non Executive ("NE"), Non Independent ("NI") and Independent ("I")

Sitting fees for Board and Audit Committee meetings was paid at ₹ 50,000 and for other Committees at ₹ 30,000 per meeting. Non-Executive Directors are not entitled to stock options under ESOP Scheme.

During the year, the Company has not paid any commission to the non executive Directors due to inadequate profit as per the provisions of Section 197 read with Section 198 of the Companies Act, 2013.

4.5 The Remuneration paid to the Executive Director during the Year are given below.

S. No	Name of the Director	Category	Position	Salary, Allowances & Perquisites (₹)	No of Stock Options granted
1.	Mr. S. Suresh	E,NI	Managing Director	1,75,75,128	-

Executive ("E") and Non Independent ("NI")

4.6. Disclosures as per Clause IV, Section II, Part II of Schedule V of the Act:

i. All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of the Managing Director is given below:

DESCRIPTION	2019-20	
Salary		
Basic	68,21,955	
House Rent Allowance	28,84,680	
Other Benefits & Perks	25,30,491	1,22,37,126
Incentive		31,63,163
Retirement Benefits		
Contribution to Provident Fund	8,18,635	
Contribution to Superannuation Fund	10,23,293	
Contribution to Gratuity	3,32,911	21,74,839
TOTAL		**1,75,75,128**

ii. Details of fixed component. and performance linked incentives:-

As stated above:

iii. Performance criteria for performance linked incentives:-

Criteria framed as per Company Rules read with policy and the performance against the same was evaluated by the Nomination and Remuneration Committee.

iv. Service Contracts - 5 years

v. Notice Period – 3 Months

vi. Severance Fees - Nil

vii. Number of stock option granted – Nil

viii. Whether the same has been issued at a discount as well as the period over which accrued and over which exercisable. - NA

5. GENERAL BODY MEETINGS

5.1 The date, time and venue of last three Annual General Meetings ("AGMs") and Extraordinary General Meetings ("EGMs") held are as follows.

Year ended 31st March	Day	Date	Time	Venue
2017	Friday	August 4, 2017	3.30 p.m	The Music Academy, Madras New No. 168 (Old No. 306), T.T.K. Road, Royapettah, Chennai - 600014
2018	Wednesday	August 8, 2018	3.30 p.m	
2019	Monday	July 29, 2019	3.30 p.m	

5.2 Details of Special Resolutions passed during the last three AGMs are given below:

Date of AGM	Particulars
August 4, 2017	Issue of Non Convertible Debentures for an amount not exceeding ₹ 300 Crore during a period of one year.
August 8, 2018	Issue of Non Convertible Debentures for an amount not exceeding ₹ 300 Crore during a period of one year.
July 29, 2019	Issue of Non Convertible Debentures for an amount not exceeding ₹ 300 Crore during a period of one year. Re-appointment of Mr.V.Manickam as an Independent Director w.e.f. July 30, 2019 for a term of three years. Ratification of Payment of remuneration to Mr.S.Suresh, Managing Director. Payment of Commission to Non-Wholetime Directors

5.3 During the year, no postal ballot was conducted.

6. MEANS OF COMMUNICATION

The Communication with shareholders and Investors by the Company were through multiple channels of Communications such as publication in daily newspapers, disclosure to National Stock Exchange of India Limited and BSE Limited and display on the Company's website at www.eidparry.com.

As per the requirements of the Regulation 46 of the SEBI (LODR) Regulations, the quarterly audited / unaudited and yearly audited financial results of the Company were published in newspaper in Business Standard (English) and in Dinamani (Tamil) within 48 hours of conclusion of the Board Meetings at which respective financial results were approved and results are placed on the Company's Website at www.eidparry.com/financials/

Details of Investor / Analysts / Brokers meetings / Concall transcripts, whenever held and official news releases are also posted on the Company's Website. The web link is www.eidparry. com/investors-meet-analysts-call/

The Company has a designated e-mail address, viz., investorservices@parry.murugappa.com exclusively for investor services.

7. GENERAL SHAREHOLDER INFORMATION

A separate section has been included in the Annual Report furnishing details as required under the SEBI (LODR) Regulations.

8. OTHER DISCLOSURES & AFFIRMATIONS

8.1 Related Party Transactions

During the year, there were no materially significant related party transaction considered to have potential conflict with the interest 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 available on the web link www.eidparry.com/ Policies-Codes.

8.2 Details of non- compliance, penalties and strictures imposed.

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.

8.3 Whistle Blower Policy and Vigil Mechanism

The company has established a whistle blower mechanism to provide an avenue for reporting concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy for the directors / employees / customers by providing adequate safeguards against victimisation of directors / employees/ customers who avail this mechanism and also for appointment of an ombudsperson to deal with the complaints received.

The Company has laid down a Whistle Blower policy which contains the process to be followed for dealing with complaints and in exceptional cases, also provides for direct access to the Chairperson of the Audit Committee. The Company affirms that no person has been denied access to the Audit Committee.

The policy is available on the Company's website at www.eidparry.com.

8.4 Compliance with mandatory requirements

The Company has complied with all mandatory requirements as laid down under the SEBI (LODR) Regulations.

8.5 Compliance with Accounting Standards

The Company has followed the Guidelines of Accounting Standards as laid down by the Institute of Chartered Accountants of India (ICAI) and Ministry of Corproate Affairs in preparation of its financial statements and notes to accounts of this Annual Report.

8.6 Disclosure from Senior Management

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.

8.7 Commodity price risk and commodity hedging activities

The Company enters into Derivative Contracts such as Forwards, Swaps, etc., to hedge its foreign currency fluctuation risks for underlying assets/liabilities and high probable transactions at appropriate times, as per policy.

8.8 During the year under review, the Company has not raised any funds from public issue, rights issue, preferential issue or through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the SEBI (LODR) Regulations.

8.9 A certificate has been received from R Sridharan & Associates, Practising Company Secretary, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority. The said certificate is annexed to this Report.

8.10 Total Fees for all services paid by the listed entity and its subsidiaries on a consolidated basis to the Statutory Auditor and all entities in the network firm/network.

S. No	Name of the Company	Fees (Excluding out of pocket expenses) (₹ in Lakh)
1.	E.I.D.- Parry (India) Limited	70
2.	Parry Sugars Refinery India Private Limited	13
	Total Fees	**83**

9. Subsidiary Companies

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 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/policies-codes/.

10. Prevention of Insider Trading

The Company has formulated a Code of practices and procedures for fair disclosure of unpublished price sensitive information in accordance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 read with the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 and the same has been published on the Company's website http://www.eidparry. com/ Policies-Codes. A Code of Conduct to regulate, monitor and report trading by insiders in securities of the Company has also been formulated.

11. 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 forms part of this report. The Code is available on the Company's website at www.eidparry.com.

12. Compliance with Corporate Governance Norms

The Company has complied with the Corporate Governance requirements as specified under Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (LODR) Regulations.

M/s. R Sridharan & Associates Company Secretaries have certified that the Company has complied with the conditions of corporate governance as stipulated under the SEBI (LODR) Regulations. The said certificate is annexed to this Report .

13. Non-mandatory requirements

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

13.1 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.

13.2 There are no audit qualifications on the Company's financial statements. The Auditors have given an emphasis of matter para relating to COVID-19 which is duly disclosed in the financial statements.

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

On behalf of the Board

V. Ravichandran
Chairman
DIN: 00110086

Place : Chennai
Date : June 11, 2020

CORPORATE GOVERNANCE CERTIFICATE

The Members
E.I.D- PARRY (INDIA) LIMITED
Dare House
Parrys Corner
Chennai - 600 001

We have examined documents, books, papers, minutes, forms and returns filed and other relevant records maintained by of **E.I.D- PARRY (INDIA) LIMITED**, (CIN: L24211TN1975PLC006989) having its Registered Office at Dare House, Parrys Corner, Chennai – 600 001, for the purpose of certifying compliance of the conditions of Corporate Governance under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2020. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification.

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

In our opinion and on the basis of our examination of the records produced, explanations and information furnished, we certify that the Company has complied regarding the conditions of Corporate Governance as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended for the financial year ended 31st March, 2020.

This Certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For R.Sridharan & Associates
Company Secretaries

Place: Chennai
Date: June 11, 2020

CS R.Sridharan
FCS No. 4775
CP No. 3239
UIN : S2003TN063400
UDIN: F004775B000328362

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

Pursuant to Regulation 34 (3) read with Schedule V Para-C Sub clause (10) (i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Members,
E.I.D.-PARRY (INDIA) LIMITED
CIN: L24211TN1975PLC006989
"DARE HOUSE",
Parrys Corner,
Chennai- 600001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of E.I.D.-PARRY(INDIA) LIMITED (CIN: L24211TN1975PLC006989) having its Registered Office at "DARE HOUSE", Parrys Corner, Chennai- 600001 (hereinafter referred to as “The Company”) produced before us by the Company for the purpose of issuing this certificate, in accordance with Regulation 34 (3) read with Schedule V Part-C Sub clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

In our opinion and to the best of our knowledge and according to the verifications (including Director Identification Number (DIN) Status at the portal www.mca.gov.in) and based on such examination as well as information and explanations furnished to us, which to the best of our knowledge and belief were necessary for the purpose of issue of this certificate and based on such verification as considered necessary, we hereby certify that none of the Directors as stated below on the Board of the Company as on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India /Ministry of Corporate Affairs or any such other statutory authority.

S.No	DIN	Name of the Director	Designation	Date of Appointment
1.	00110086	V Ravichandran	Non-Executive – Chairman	30/10/2009
2.	06999319	S Suresh	Managing Director	01/07/2016
3.	00179715	V Manickam	Non-Executive - Independent Director	30/01/2013
4.	07306268	Rca Godbole	Non-Executive - Independent Director	01/11/2015
5.	00550501	C K Ranganathan	Non-Executive - Independent Director	08/11/2017
6.	05275821	Ramesh K B Menon	Non-Executive – Non-Independent Director	08/11/2017
7.	00152619	M M Venkatachalam	Non-Executive – Non-Independent Director	07/02/2018
8.	00030743	Ajay Bhaskar Baliga	Non-Executive - Independent Director	09/05/2018

Ensuring the eligibility of, for the appointment/ continuity of, every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate 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 R.Sridharan & Associates
Company Secretaries

Place: Chennai
Date: June 11, 2020

CS R.Sridharan
CP No. 3239
FCS No. 4775
UIN : S2003TN063400
UDIN: F004775B000328384

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT WITH THE COMPANY'S CODE OF CONDUCT

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

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 March 31, 2020.

Chennai
June 11, 2020

S. Suresh
Managing Director

GENERAL SHAREHOLDER INFORMATION

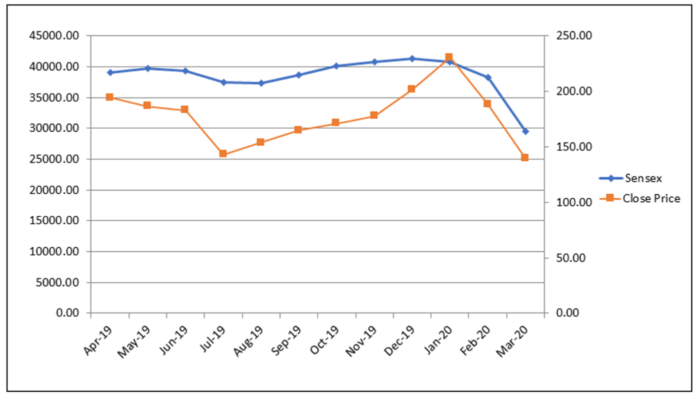
i. **Annual General Meeting**		
Day, Date and Time	Wednesday, August 5, 2020 at 3.30 p.m. IST	
Venue	The e-AGM will be held through Video Conference (VC) / Other Audio Visual Means (OAVM) in compliance with General Circular No. 20/2020 dated May 5, 2020 issued by the Ministry of Corporate Affairs, Govenment of India.	
ii. **Financial Year**	April 1, 2019 to March 31, 2020	
iii. **Date of Book closure**	July 29, 2020 to August 5, 2020 (both days inclusive).	
iv. **Dividend Payment Date**	Not Applicable	
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.	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. The Non-Convertable Debentures (NCD) and Commercial Papers (CP) of the Company are also listed on BSE Ltd.
vi. **Stock Code**		
Name of the Stock Exchange/Depository	**Code/ISIN**	
National Stock Exchange of India Limited. (NSE)	EIDPARRY	
BSE Limited (BSE)	500125	
ISIN	INE126A01031	
vii. **Debenture Trustees**	IDBI Trusteeship Services Limited, Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai – 400 001.	

viii. Market Price Data – Monthly high, low and trading volume for equity shares

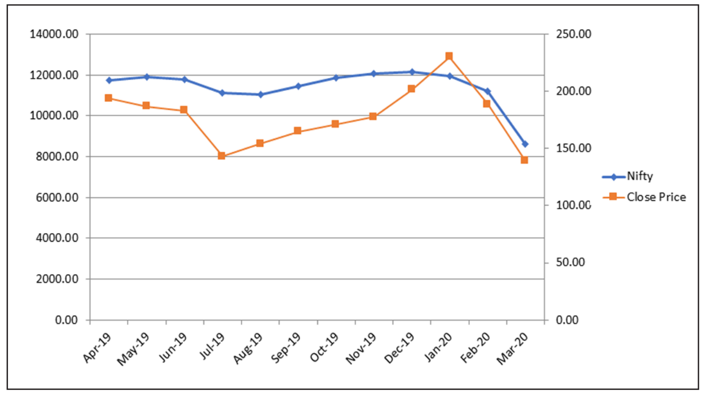
Period	Bombay Stock Exchange (BSE)			National Stock Exchange (NSE)			(BSE & NSE)
	High ₹	Low ₹	Volume (No. of shares)	High ₹	Low ₹	Volume (No. of shares)	Total volume (No. of shares)
Apr-19	215.00	193.05	1,63,943	214.00	192.30	12,78,127	14,42,070
May-19	205.00	173.00	3,26,474	203.35	172.75	29,89,216	33,15,690
Jun-19	193.40	163.00	2,49,237	193.60	162.35	23,45,686	25,94,923
Jul-19	189.85	135.40	5,43,676	189.90	135.05	25,36,298	30,79,974
Aug-19	161.65	140.30	7,70,703	161.75	140.30	13,73,013	21,43,716
Sep-19	175.00	147.55	8,10,563	175.00	147.50	44,96,807	53,07,370
Oct-19	174.50	151.00	2,37,808	174.30	150.45	26,60,418	28,98,226
Nov-19	203.35	160.35	7,96,602	203.70	161.10	81,38,544	89,35,146
Dec-19	209.65	177.70	7,33,078	210.00	177.30	96,00,019	1,03,33,097
Jan-20	243.45	202.00	7,72,594	243.45	201.65	91,04,356	98,76,950
Feb-20	245.35	184.15	5,18,439	245.00	184.00	48,92,824	54,11,263
Mar-20	197.80	100.00	12,55,483	198.00	102.15	39,71,097	52,26,580

ix. 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



x. Investor Contacts

(a) Registrar and Transfer Agents

KFin Technologies Private Limited,
Unit: E.I.D.-Parry (India) Ltd.,
Selenium Tower B,
Plot number 31 & 32, Gachibowli,
Hyderabad – 500 032
Tel : 040 6716 2222
Fax : 040 2342 0814
E-Mail : einward.ris@kfintech.com;
karthik.tikkisetti@kfintech.com;

Contact Person: Mr. T. Karthik, Manager

(b) Company

E.I.D.-Parry (India) Limited,
Secretarial Department,
3rd Floor, Dare House,
Parrys Corner,
Chennai – 600 001.
Tel : +91-044-25306789
Fax : +91-044-25341609
E-Mail : investorservices@parry.murugappa.com;

Contact Person : Mr. Biswa Mohan Rath, Company Secretary

xi. Share Transfer System

Share Transfers in Physical Form

Share transfers are approved by Stakeholders Relationship Committee.

Managing Director / 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 Dividend, Issuance of Duplicate Share Certificate and fresh Share Certificate and Transmission of shares	4	4

There were no complaints remaining pending at the beginning and end of the financial year 2019 - 20.

xii. Distribution of shareholding as on March 31, 2020

No. of equity shares held	No. of shareholders	%	No. of shares	%
upto 5000	48,987	97.34	1,31,20,010	7.41
5001 - 10000	654	1.30	47,92,670	2.71
10001 - 20000	314	0.62	44,71,050	2.53
20001 - 30000	112	0.22	27,20,923	1.54
30001 - 40000	29	0.06	10,09,133	0.57
40001 - 50000	32	0.06	14,38,707	0.81
50001 - 100000	70	0.14	49,16,288	2.78
100001 & above	126	0.25	14,45,26,200	81.66
Total	**50,324**	**100.00**	**17,69,94,981**	**100.00**

Shareholding Mode *	No. of shareholders	%	No. of shares	%
Physical	12,081	23.01	21,07,982	1.19
Demat/Electronic	40,428	76.99	17,48,86,999	98.81
Total	**52,509**	**100.00**	**17,69,94,981**	**100.00**

* Based on Folio & DP ID / Client ID

Shareholding Pattern as on March 31, 2020 #

Sl. NO	Category	No. of share holders	No. of Shares	% to paid-up Capital
(A)	**Shareholding of Promoter and Promoter Group**			
(1)	Indian	54	7,91,97,652	44.74
(2)	Foreign	1	12,100	0.01
	Total Shareholding of Promoter and Promoter Group	**55**	**7,92,09,752**	**44.75**
(B)	**Public Shareholding**			
(1)	Institutions	104	1,54,64,820	8.74
(2)	Non-Institutions	50,164	8,22,50,009	46.47
	Total Public Shareholding	**50,268**	**9,77,14,829**	**55.21**
(c)	**Shares held by Custodian and against which Depository Receipts have been issued**			
(1)	Promoter and Promoter Group	-	-	-
(2)	Public	1	70,400	0.04
	Total (A) + (B) + (C)	**50,324**	**17,69,94,981**	**100.00**

Based on PAN

xiii. Dematerilisation of Shares and Liquidity

The Company's shares are compulsorily traded in dematerialized 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 98.81% of the Company's share capital are dematerialized as on March 31, 2020. The Company's shares are regularly traded on National Stock Exchange of India Limited and the BSE Limited, in electronic form.

xiv. Details of all credit Ratings obtained by the company along with any revisions thereto during the year 2019-20

Facility Rated	Credit Rating Agency	Rating
Bank loan facilities – Long term Rating	CRISIL	CRISIL AA-/Stable
Bank loan facilities – Short term Rating	CRISIL	CRISIL A1+
Non Convertible Debentures	CRISIL	CRISIL AA-/Stable
Commercial Paper	CRISIL, CARE	CRISIL A1+, CARE A1+

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

As on March 31, 2020, 70,400 (0.04%) GDR are outstanding. Each GDR represents one underlying equity share.

xvi. Plant Locations

Sugar

1 Sugar and Distillery Factory
138, Keel Arungunam Road,
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 Distillery Factory
Udaikulam Village, Koothandan Post,
Sivagangai Taluk,
Sivagangai District - 630 561
Tamilnadu

5 Sugar Factory & Distillery
Hullatti Village
Haliyal Mandal - 581 329
Uttara Kannada
Karnataka

6 Sugar Factory & Distillery
Sankili Village
Regidi Amadalavalasa Mandal Srikakulam District - 532 440
Andhra Pradesh

7 Sugar Factory
NH-13, Nagarlal Post,
Nainegali – 587 207
Bagalkot Taluq & District
Karnataka

8 Sugar & Co-generation Power
(leased unit)
Khanpet village, PO Toragall,
Ramdurg Taluk,
Belgaum District, Karnataka.

Nutraceuticals

9 Nutraceuticals Factory
Kadiapatti, Nemathanpatti Road
Panangudi (P.O), Thirumayam Taluk
Oonaiyur - 622 505
Pudukottai District, Tamilnadu

10 Nutraceuticals Factory
Saveriyarpuram Area
Oonaiyur (P.O), Thirumayam Taluk,
Oonaiyur - 622 505
Pudukottai District, Tamilnadu

11 Nutraceuticals Factory (Lycopene Business)
Gat No-399/1/2/3b
Plot No-9 &10,
At-Bhare, Tal-Mulashi
Pune District – 412 115

R & D Facility

12 Sugarcane R&D Centre
43, Annai Nagar
Pugalur – 639 113
Karur Dt., Tamil Nadu

13 Sugarcane R&D Centre
D.No.23, Morai Campus
Nellikuppam – 607 105
Cuddalore Dt., Tamil Nadu

14 Research Farm
Edayanvalli
Melpattambakkam Post – 607 104
Cuddalore Dt., Tamil Nadu

15 Nutraceuticals R&D Centre
655, T.H. Road
Thiruvottiyur
Chennai – 600 019

xvii. Address for correspondence

E.I.D.-Parry (India) Limited,
Secretarial Department,
3rd Floor, Dare House, Parrys Corner, Chennai - 600 001.
Tel:+91-044-25306789, Fax : +91-044-25341609
E-Mail :investorservices@parry.murugappa.com;

OTHER INFORMATION FOR SHAREHOLDERS

DIVIDENDS

Pursuant to Section 124 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), all unclaimed / unpaid dividend remaining unclaimed / unpaid for a period of seven years from the date they became due for payment, are required to be transferred to the Investor Education & Protection Fund (IEPF). Accordingly, dividends remaining unclaimed for a period of 7 years will be transferred by the Company to the IEPF. Shareholders who have not encashed their dividend warrants (for earlier periods) may approach our Registrar and Transfer Agent, M/s. KFin Technologies Private Limited, Hyderabad for electronic transfer of the proceeds in lieu of dividend warrants quoting the Folio Number / Client ID.

During the year an amount of ₹ 75,21,674/- being the unclaimed dividend for the year 2011-12 and ₹ 1,27,84,608/- being the unclaimed dividend for the year 2012-13 were transferred to the IEPF in accordance with the provisions of Section 124(5) of the Companies Act, 2013 in respect of which dividend amounts have remained unclaimed for seven years.

In line with Section 124(6) of the Companies Act, 2013, 4,66,186 Equity Shares in respect of which the dividend amounts have remained unclaimed for seven consecutive years were transferred to IEPF. Out of 4,66,186 Equity Shares, 3,20,983 Equity Shares of ₹ 1/- each were transferred to IEPF on April 24, 2020 within the extended time limit as prescribed by the Ministry of Corporate Affairs. The Company has published an advertisement with regard to transfer of equity shares to IEPF pertaining to unclaimed dividend which was due for transfer on May 24, 2019 and April 7, 2020 in the newspapers viz., Business Standard and Makkal Kural. The Company has also sent communication to the concerned shareholder individually with regard to transfer of their shares along with the details of unclaimed dividend proceeds.

Due dates on which the unclaimed dividends would be transferred to IEPF are given below:

Year	Dividend Type	Amount of Dividend Per share (₹.)	Due for transfer to the Investor Education and Protection Fund
2014 –15	Interim	2.00	25.04.2022
2014 – 15	Final	1.00	10.09.2022
2016 – 17	Interim	4.00	30.03.2024
2017 – 18	Final	3.00	14.09.2025
2018 – 19	Interim	2.00	10.03.2026
2018 – 19	Interim	1.00	28.04.2026

UNCLAIMED FRACTIONAL SHARES PROCEEDS

The Company had, in July 2017, distributed the sale proceeds of fractional shares arising out of issuance of shares, pursuant to the Scheme of Amalgamation of Parrys Sugar Industries Limited with the Company, to the eligible shareholders as per their respective fractional entitlements. Fractional Entitlements in respect of few shareholders is lying unclaimed with the Company, details thereof is uploaded on the website of the Company at http://www.eidparry.com is due for transfer on July 7, 2024. Accordingly, fractional proceeds remaining unclaimed for a period of 7 years will be transferred by the Company to the IEPF. Further, the Company transferred the unclaimed fractional proceeds issued during the year March 2013 transferred to IEPF on March 30, 2020. Details of the unclaimed proceeds transferred to IEPF is uploaded on the website of the Company at http://www.eidparry.com.

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 this facility.

BENEFITS OF DEMATERIALISATION

1.19% 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 Regulation 39(4) read with Schedule VI of the SEBI (LODR) Regulations, the Company has demated all physical shares which remained unclaimed by shareholders to an "Unclaimed Suspense Account" 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 whose shares are lying in unclaimed suspense account 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 Regulation 34(3) read with Clause F of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015.

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	1,605 *	9,81,495
	Less: Number of shares transferred to Investor Education Protection Fund	245	3,29,570@
		1,360	**6,51,925**
(ii)	Number of shareholders who approached the issuer for transfer of shares from the unclaimed suspense account during the year	12	5,82,798
(iii)	Number of shareholders to whom shares were transferred from the unclaimed suspense account during the year	12	5,82,798
(iv)	Aggregate number of shareholders and the outstanding shares lying in the unclaimed suspense account at the end of the year	1,348	69,127

* In respect of a transmission case, claim of one of the Legal heirs of the deceased shareholder has been settled. Since balance shares still remains unclaimed, it continues to appear in both no. of shareholders and no. of shares.

@ 2,68,210 no. of equity shares of ₹ 1/- each were transferred to IEPF on April 24, 2020 in respect of unclaimed dividend paid to IEPF on March 31, 2020.

BUSINESS RESPONSIBILITY REPORT

About this report

Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 [SEBI (LODR) Regulations] prescribe that top 1,000 companies based on market capitalisation as per NSE / BSE as on March 31 of every financial year, are required to have "Business Responsibility Report" (BRR) as part of their Annual Report. Following is the Fourth Business Responsibility Report of your Company as the Company is amongst the top 1,000 listed entities as per the market capitalisation at NSE/ BSE as on March 31, 2020. The report has been prepared as prescribed and in accordance with Regulation 34 of the SEBI (LODR) Regulations.

About E.I.D.- Parry (India) Limited

E.I.D.-Parry (India) Limited, a leading player in sugar with interests in promising areas of nutraceuticals, is one of the oldest companies in India and one of the top five sugar producers in South India. E.I.D. Parry has eight sugar plants including one standalone distillery and three plants for nutraceutical products spread across India. Most of the sugar plants are integrated sugar complexes comprising of sugar, cogeneration and distillery. The integrated sugar units have been designed to optimize process efficiencies, increase sugarcane recovery and increase energy efficiency through reduced steam and power consumption. E.I.D. Parry continues to be one of the leading producers of international quality sugar, through its innovative processes and farmer centric practices.

SECTION A:

GENERAL INFORMATION ABOUT THE COMPANY

1. **Corporate Identity Number (CIN) of the Company:**
   L24211TN1975PLC006989
2. **Name of the Company:**
   E.I.D.-Parry (India) Limited
3. **Registered address:**
   Dare House, Parrys Corner, Chennai - 600 001
4. **Website:**
   www.eidparry.com
5. **E-mail id:**
   investorservices@parry.murugappa.com
6. **Financial Year reported:**
   April 1, 2019 – March 31, 2020
7. **Sector(s) that the Company is engaged in (industrial activity code-wise):**

NIC Code	Description
10721	Sugar
1101	Distillery
35106	Cogeneration
03213	Nutraceuticals

8. **List three key products/services that the Company manufactures/provides (as in balance sheet):**
   - Sugar
   - Distillery
   - Nutraceuticals
9. **Total number of locations where business activity is undertaken by the Company :**
   a. Number of International Locations - The Company operates through three overseas subsidiaries and sells its products across nearly 40 countries with manufacturing units in U.S.A and Chile. Major geographies, where the Company operates are:
      i. USA
      ii. Europe
   b. Number of National Locations: The Company has its registered office in Chennai and 11 manufacturing units located across India.
10. **Markets served by the Company – Local/State/National/ International :**
    The company is predominantly in sugar business and serves the Indian market. The Nutra business is predominantly export oriented and they serve the international geography as stated above

SECTION B: FINANCIAL DETAILS OF THE COMPANY

Sl. No	Particulars	FY 19-20 Standalone ₹ in Crore
1	Paid up Capital (INR)	17.70
2	Total Turnover (INR)	18.75
3	Total profit after taxes (INR)	1.83
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)*	48.53%

* The Company spent an amount of ₹ 88.81 Lakh on CSR activities though the Company was not required to spend any amount on the basis of average net profits for the immediately preceding three financial years as specified under Section 135 of the Companies Act, 2013.

5. List of activities in which expenditure in 4 above has been Incurred:-

(a)	Health Care	Details of the projects undertaken are given in Annual Report on CSR Activities enclosed as Annexure "C" to the Board's Report
(b)	Education	
(c)	Rural development	
(d)	Sustainable livelihood	

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?

Yes. Refer to Annexure A to the Board's Report.

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such Subsidiary Company(s)?

Yes, E.I.D.- Parry (India) Limited encourages its Subsidiary Companies to participate in its group wide Business Responsibility (BR) initiatives on various activities. All subsidiary Companies are aligned to the activities under the aegis of Murugappa Group.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%,30-60%,More than 60%]

We do not mandate that our suppliers and partners participate in the Company's BR initiatives. However, they are encouraged to do so.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of the Director / Director responsible for implementation of the BR policy/policies

- DIN Number : 06999319
- Name : S.Suresh
- Designation : Managing Director

(b) Details of the BR head

Sl. No	Particulars	Details
1	DIN Number	06999319
2	Name	S.Suresh
3	Designation	Managing Director
4	Telephone number	044-25306789
5	e-mail id	sureshs@parry.murugappa.com

2. Principle-Wise BR Policy/Policies

As per Regulation 34 of the SEBI (LODR) Regulations read with SEBI Circular No CIR/CFD/CMD/10/2015 dated 4th November 2015, the nine areas of Business Responsibilities are as follows:

P1 Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

P2 Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

P3 Businesses should promote the well-being of all employees.

P4 Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

P5 Businesses should respect and promote human rights.

P6 Businesses should respect, protect, and make efforts to restore the environment.

P7 Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

P8 Businesses should support inclusive growth and equitable development.

P9 Businesses should engage with and provide value to their customers and consumers in a responsible manner.

Details of compliance (Reply in Y/N)

Sl.No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for...	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	http://www.eidparry.com/investors/policies/codes								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

All the policies are signed by the Managing Director. All the policies in E.I.D Parry are based on its guiding principles and core values. These policies are mapped to each principle hereunder:

Principle	Applicable Policies
Principle1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.	Values and Beliefs, called the 'Five Lights' Whistle Blower Policy, Code of Conduct
Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.	Safety, Health and Environmental Policy Food Safety & Quality Policy TPM Policy, Sustainable Sugarcane Production and Processing Policy
Principle 3: Businesses should promote the well-being of all employees.	Safety, Health and Environmental Policy Prevention of Sexual Harassment Policy
Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized	CSR Policy
Principle 5: Businesses should respect and promote human rights.	Values and Beliefs, called the 'Five Lights' Whistle Blower Policy Code of conduct
Principle 6: Businesses should respect, protect, and make efforts to restore the environment.	Safety, Health and Environment Policy Sustainable Sugarcane Production and Processing Policy. TPM Policy

Principle	Applicable Policies
Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner	Values and Beliefs, called the 'Five Lights'.
Principle 8 Businesses should support inclusive growth and equitable development.	CSR Policy.
Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.	Values and Beliefs, called the 'Five Lights' Food Safety & Quality Policy TPM Policy Sustainable Sugarcane Production and Processing Policy.

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the Principles	Not Applicable								
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (Please specify)									

3. Governance related to BR

a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

The BR performance revolves around a number of policies which is assessed by the BR Head monthly, quarterly and annually based upon its importance and impact on the Company's operations and activities.

b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

This is the Fourth Business Responsibility Report of the Company for FY 2019-20 which forms part of the Company's Annual Report for FY 2019-20. The same can be accessed at: http:// www.eidparry.com/investors/Financials.

SECTION E: PRINCIPLE-WISE PERFORMANCE

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY

The Company lays strong emphasis on ethics and establishment of good governance culture. The Company believes that since organisations employ societal and environmental resources, governance processes must ensure that they are utilised efficiently to meet the aspirations and expectations of all stake holders. The Company believes in high standards of governance and adheres to good corporate practices and is constantly striving for improvement and adoption of 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. The Company has always given its best efforts to uphold and nurture these core values across all operational aspects. These values and the commitment to ethical business practices are reflected in the Spirit of the Murugappa Group which is inspired by a set of enduring values and beliefs called the 'Five Lights' – a guide to everyday excellence. It clearly defines a way of life, and is demonstrated by these strong values we live by: Integrity, Passion, Quality, Respect and Responsibility. These five Core Principles of the Murugappa Group of which the Company is a part, inspire the Company to set standards which not only meet the requirements of applicable legislations but go beyond, in many areas of its functioning.

1. Does the policy relating to ethics, bribery and corruption cover only the company? Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/ NGOs / Others?

The Company has a Whistle blower Policy which aims to deter and detect actual or suspected misconduct. It has been established to ensure that genuine concerns of misconduct/ unlawful conduct, which an individual believes may be taking place within the organisation, are raised at an early stage in a responsible and confidential manner. This mechanism also provides for adequate safeguards against victimisation of employees who avail of the mechanism. Any employee can report such incident without fear to the ombudsman.

The Company, as part of the Murugappa Group, is guided by its five core principles governing the group to remain consistently vigilant and ensure ethical conduct of its operations. All internal and external stakeholders of the Company are expected to work within the framework of these principles. The Company ensures selection of vendors and contractors, who maintain and follow ethical standards. The Company endeavours to impart periodical training on ethics to its employees and relevant stakeholders are also made aware of the same from time to time.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

During the year 2019-20, 3 Complaints were received from various stakeholders of the Company. All the complaints have been resolved satisfactorily.

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE

Sustainability is a part of the Company's DNA. The Company has two different business lines i.e. Sugar and Nutraceuticals and they are all governed by the same principle of Sustainability - Enshrined in the tenets of conserving, preserving, enhancing and creating each business in sync with Nature. The Company has been a pioneer in promoting sustainable farming practices. Some of the Sugar Plants of the Company are certified by BONSUCRO, a multi stake holder organisations which fosters sustainability of the sugarcane sector. The Company is the first Sugar Company in Asia and amongst a select few across the Globe to be certified as adhering to the sustainability standards and also for the new standard for the small holder farmers (2019).

The Company has Environmental and Safety Accreditations of EMS 14001 across its Units and OHSAS 18001 across some of its Units, to drive business sustainability. In order to move towards world class manufacturing, few factories started practicing the Total Productive Maintenance (TPM) Tools. During the year, the CII – Strong Commitment audit has been completed at Bagalkot unit. In order to serve the Customers with better Quality and food safety, three of the factories of the Company are certified for FSSC 22000 System and QMS ISO 9001. These plants serve as benchmarks for Traceability, Quality and Reliability. The FSSC 22000 Version 5.0 Certificate has been received by Bagalkot unit. In order to address Social and Ethical Standards, two factories of the Company have been qualified under the Sedex Members Ethical Trade Audit (SMETA) for its Customers. The SMETA programme lists parameters to assess Social and Ethical Standards. The Company is the world leader in micro algae technology comprising organic spirulina and natural Beta Carotenoids-Dunaliella Salina and Haematococcus pluvialis (Astaxanthin). Nutraceuticals are food or part of food that provides medical or health benefits including the prevention and/or treatment of a disease and Nutraceutical has advantage over the medicine because they avoid side effects and are naturally dietary supplements. The Nutraceuticals division having its facility for organic microalgae cultivation and processing located in Oonaiyur and Saveriyarpuram have received the U.S. Food and Drug Administration (US-FDA) approval. The Company undertakes multi-centre field/ clinical trials to ensure that its products do not have an untoward impact on users. With a growing shift towards natural and organic products, the Company has positioned itself strongly in the field of human health and wellness.

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

- **Sugar**- The company adheres to a sustainable sugarcane production and processing policy framework in line with the BONSUCRO standards with special reference to the social, economic and environmental aspects by actively managing biodiversity and ecosystem services.To foster sustainability in business, the company has signed an MOU with WWF , India and Rabo Bank for developing an integrated Decision Support Tool (DST) for the farmers . This tool will foster complete IOT enabled solutions to the new generation farmers for precision farm management. and thereby increasing their water and input use efficiency significantly.

Sugarcane contains 30% of solids and 70% of water. The water generated from sugarcane is reused in sugar plants, which helps in conserving ground water. Several sustainability collaborative initiatives with leading institutes, NGO's, supply chain partners and as a part of own group company CSR initiatives, are in place for optimize the use of water in the Company's command area of operation besides significant ground water recharge initiatives.

The company has pioneered in initiating R&D on a novel ICT based system of "Autonomous Irrigation in sugarcane" for the first time in the country. The system will transform the way irrigation water is applied. The system ensures precise quantities of water and with intervals solely decided by the crop based on its own requirement and without any farmer intervention in irrigation. This technology will pave the way for water savings of upto 35% especially in sugarcane, which is considered as a water intensive crop across the country.

The Company has eliminated the use of chemical pesticides by advocating an integrated pest and diseases management system combining clean seed concept through Tissue culture technology for disease elimination and use of Bio- control agents for pest management. Pressmud, a by-product of sugarcane, is used as organic manure in sugarcane fields which contains essential nutrients and organic carbon to improve and sustain the soil quality.

- **Power**- Bagasse, a by-product of sugarcane, is used as bio- fuel to generate power and export to grid as a green product. The ash generated is used as a filler during manure production. Bagasse is a CO2 neutral renewable energy source and it qualifies for Clean Development Mechanism certification.
- **Distillery Products**- Molasses, a by-product of sugarcane, is used to manufacture Ethanol and is being blended with gasoline by the Oil Marketing Companies for use in automobiles. This helps in reduction of greenhouse gases as against fossil fuels. In the process of manufacturing Ethanol, CO2 is generated, which is being bottled and used for industrial & potable purpose. The effluent generated from molasses based process, is rich in NPK which is being extracted through advanced technology and reused as fertilizer thus helping to reduce the use of chemical fertilizer in fields.
- **Nutraceuticals:** Sludge that is generated out of pond cleaning is properly stored and transported and used as manure in the agricultural activities, thereby protecting the surrounding environment. The Company has also developed from ETP sludge, a product called "Salt Lick" for the animal feed by engaging an external research Institute, ensuring generation of revenue from waste.

2. For each such product, provide the following details in respect of resource use (Energy, water, raw material etc.) per unit of product (optional):

- **Sugar** – For crushing of sugarcane, the resources required are water, steam and power. As sugarcane contains 70% of water, Most of the factories draw minimum ground water for sugar production. The Company is one of the few to work towards achieving ZLD for the sugar operations. The Company has commissioned a condensate polishing unit at Sankili factory which has enabled recycling of water. This water recycling facility is also proposed to be replicated across other units. The factories have installed advanced energy conservation systems like vapour conditioners, vacuum system and VFD, which conserve energy. The average Industry norm on steam required for sugar process is 45.0% / ton of cane whereas the Company's factories operate between 32 to 39% / ton of cane. Various steam consumption initiatives like replacement of tubular heat exchangers with Plate type heat exchangers has been carried out.The Industry norm on power required is 38 kw / ton of cane whereas all factories operate between 24 to 30 kw / ton of cane.
- **Power** – The Industry norm of steam to fuel ratio is 2.0 to 2.2 where as all factories operate between 2.4 to 2.7.
- **Distillery Products** – The best fermentation and distillation efficiencies are achieved with overall efficiency at 89% to 90% as against the norm of 86%. In case of Alcohol, water required is 25 ltr / ltr of alcohol, whereas all factories of the Company operate between 10 -13 ltr / ltr of alcohol.
- The Company's carbon footprints of sugar and ethanol are very negligible, when compared with other foods and fuels. The carbon footprint of sugar is expected to be in the range of 200 to 500 kg Co-equivalent per tonne of sugar. Apart from liquid CO2 production, Dry ice production has also been started at Nellikuppam factory to meet the market demands/requirements.
- **Nutraceuticals** - Microalgae products, Spirulina and Chlorella, are being grown in the ponds wherein water is the main source for cultivation of the products. Water being precious part for human life, the Company has taken up various measures like Installation of Lagoon water treatment system, rain water collection etc during the year to make sure that water drawl is kept at minimum. The Company is embarking upon the journey towards no ground water drawl in the future. The Company is committed to make necessary investments to safeguard the environment and surrounding people.

3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

The Company is the first Company in Asia to obtain BONSUCRO Certification for sustainable sugar production. In order to align its operations and supply to its customers on sustainable sourcing, the Company has adopted BONSUCRO certification. Incidentally, the Company was the first Company in Asia to obtain BONSUCRO Certification for its unit, producing sugar from cane. The company has taken several initiatives to increase the farmer base substantially in future for sustainable sugar cane cultivation. Also the company has started supplying BONSUCRO Certified sugar to its customers.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company is predominantly engaged in the business of manufacture of sugar and sugar cane is the primary raw material for its operations. The Company procures sugar cane from farmers who are located within its local command area and whose livelihood is directly dependent upon the Company. The Company has taken a number of initiatives to improve the yield through adoption of sustainable cultivation practices. A number of farmers are currently certified as adopting sustainable practices by conforming to the latest BONSUCRO small holder farmer standards. The company also supports the farmers with subsidies for adopting sustainable practices like intercropping, trash mulching, single bud planting and biocontrol technology under the National Agricultural Development Program (NADP) in the state of Tamil Nadu.The farmers are continually engaged with the Company in a number of initiatives, like clean seed development programs, program promoted by the state government, integrated bio based crop protection programs, drip irrigation etc., which has a direct co-relationship in improving their economic well-being. The company also promotes many rural entrepreneur amongst its farmers for mechanised cultivation, nursery seeding production and production of biocontrol agents and this has brought about a significant economic transformation of the predominantly agrarian economy. Women farmer training programs and empowerment have brought women into the forefront of agriculture thus encompassing all genders in business chain management. The Company supports the communities around the place of work by seeking contractual arrangements for handling and transportation of its products and in-plant services.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

The production of Sugar from Sugarcane is indeed an eco-friendly virtuous cycle. All joint and by products generated during the process of sugar manufacture are productively utilised viz. bagasse is utilised for power generation, molasses is utilised to produce distillery products and other wastes generated like press mud are utilised for manufacture of organic manure. The Company has laid down comprehensive guidelines on waste management for all its units, which cover hazardous as well as non-hazardous waste and monitoring of performance for each unit, is carried out on a regular basis. Yeast sludge sales, boiler ash dispatch for brick manufacture, filter press mud sales as manure to farmers are some of the initiatives carried out across the factories. The Company is one of the few sugar factories to work towards achieving ZLD for the sugar operations. The Company has commissioned a condensate polishing unit at its Sankili factory which has enabled recycling of waste water. In order to reduce the effluent generation and inturn increase the alcohol production, fed-Batch fermentation system is commissioned at Sankili. In Sankili, the Company has commissioned Incineration boiler which supports ZLD of Distillery plant in which Concentrated spent wash is burnt along with Coal to generate steam for distillery operations along with power generation. The Company has adopted management practices detailed under the international standards such as ISO 9001, ISO 14001, OHSAS. Some of the manufacturing units of the Company are already certified and are working towards improvement in energy efficiency.

PRINCIPLE 3: BUSINESSES SHOULD PROMOTE THE WELLBEING OF ALL EMPLOYEES

The Company ensures a work environment that promotes well-being of all its employees. Focusing on health, safety and preventing discrimination are part of the Company's guiding principles on Employees' well-being. The Company provides equal employment opportunities to all irrespective of their caste, creed, gender, race, religion, disability etc., The Company respects the right of employees to freedom of association, participation, and collective bargaining and provides access to appropriate grievance redressal mechanisms. The Company is committed to provide a work environment which ensures that every woman employee is treated with dignity, respect and equality. The Company has instituted processes and mechanisms to ensure that issues relating to sexual harassment are effectively addressed. In terms of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, Internal Complaints Committees have been constituted in all units. These Committees are intended to facilitate open and structured discussions on sexual harassment complaints, and to ensure their resolution in a fair and just manner. The Company has strengthened its performance-driven orientation through robust competence mapping, gap identification, training and development. The Company contributes to the medical insurance of its employees and also organises health check-ups for employees.

The Company also enhances employee engagement through various initiatives on an ongoing basis. The Company is deeply committed to safety of its Employees at workplace and regularly organises mock fire drills and Fire Safety training classes at all its locations.

1. **Please indicate the Total number of employees.**

   The total number of permanent Employees is 2251 as on March 31, 2020.

2. **Please indicate the Total number of employees hired on temporary/contractual/casual basis.**

   The Total number of employees hired on temporary/contractual/casual basis is 2398 as on March 31, 2020.

3. **Please indicate the Number of permanent women employees**

   The total number of Women Employees is 47 as on March 31, 2020.

4. **Please indicate the Number of permanent employees with disabilities**

   The number of permanent employees with disabilities is 5.

5. **Do you have an employee association that is recognized by management?**

   Yes. We have employees associations for Non-Management Employees which are recognised by the Management.

6. **What percentage of your permanent employees is members of this recognized employee association?**

   Percentage of Permanent employees in recognised employees association - 77%.

7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

Sl. No	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the previous year?**

   - Permanent Employees: 2251 Employees – 85%
   - Permanent Women Employees – 47 Women Employees – 86%
   - Casual/Temporary/Contractual Employees – 2398 – 100%
   - Employees with Disabilities – 5 – 0.00%

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF, AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALIZED.

The Company is responsive to the requirements of all its Stakeholders and this is enshrined in our Corporate Values & Beliefs of Integrity, Passion, Quality, Respect and Responsibility. These values require that the Company acts as a responsible corporate citizen and change lives for the better and this is to be done in a manner that reflects humility. These values require us to provide everyone equal opportunities to progress and grow. The Company considers its employees, business associates (network of farmers, suppliers, stockists and dealers), customers, shareholders/investors and communities surrounding its operations and regulatory authorities as its key stakeholders. The Company continues its engagement with them through various mechanisms such as consultations with local communities, small farmer training, women empowerment in agriculture, supplier/vendor meets, customer/employee satisfaction surveys, investor forums, etc. The Company's website, www.eidparry.com, contains comprehensive information for the stakeholders about the Company. The Company also has designated an exclusive email-id for investor services – investorservices@parry.murugappa.com. The Company also promptly intimates the Stock Exchanges about all price-sensitive information or such other matters which in its opinion are material and of relevance to the stakeholders of the Company.

1. **Has the company mapped its internal and external stakeholders?**

   Yes. The Company has mapped its internal and external stakeholders. It uses both formal and informal mechanisms to engage with various stakeholders to understand their concerns and expectations.

2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.**

   The Company identifies underprivileged communities around its business locations as disadvantaged, vulnerable and marginalised stakeholders and continuously engages with all such stakeholders identifying their needs and priorities so as to serve these needs accordingly.

3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**

   The Company has always engaged itself in special initiatives with the disadvantaged, vulnerable and marginalized stakeholders. Special targeted small farmer development collaborative projects with leading institutions are underway to entail inclusive growth and development of marginal and women farmers. The company has a dedicated state of the art and integrated R&D function with facilities recognised by the Department of Scientific & Industrial Research (DSIR), Ministry of Science & Technology, Government of India. The R&D facilities promote soil test based nutrient management, production of low cost eco-friendly bio-products and plant tissue culture facility for production of quality seed for farmers. Many rural entrepreneurs are nurtured to inclusively enable technology transfer among marginalised farming communities. Farmer entrepreneurs have been developed to produce direct transplantable sugarcane seedlings, bioagents for sugarcane pest control and also to render mechanisation services to nurture rural business, live hoods and economic development. Small, marginal and women farmers are trained at their doorstep with a state of the art mobile van, a "Mobile Village Theatre" for inclusive reach of technologies and information and this concept is the first of its kind in the sugar industry.

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

The Company respects the rights and dignity of all individuals and upholds the principles of human rights. The Company's commitment to human rights and fair treatment is set out in its code of conduct and the Five Principles governing the Company. The policy provides conduct of operations with honesty, integrity and openness with respect for human rights and interests of employees. The Company believes that a sustainable organisation rests on a foundation of ethics and respect for human rights.

1. **Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/Others?**

   The Company's Policy on Human Rights covers not only the Company but extends to its subsidiaries. The Company encourages its suppliers, contractors and others to follow the principles laid down in the five principles of its values and beliefs. Respecting human rights is fundamental to the Company's policies and business dealings and the Company is equally focussed on building awareness around promotion of human rights with every associate and supply chain partners. All employees and contractors are required to respect the human rights of fellow workers and communities where we operate. The Company does not employ child labour and does not permit any occurrence of forced or compulsory labour, conducts proper checks and audits to ensure that our contractors follow the same. The Company's business relationship with its Vendors/ contractors encourages its vendors to comply with the relevant laws safeguarding labour rights and human rights.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   The Company has not received any Complaints pertaining to violation of Human rights during the financial year 2019-20.

PRINCIPLE 6: BUSINESS SHOULD RESPECT, PROTECT, AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT

The Company places its highest priority to ensure that best practices and procedures relating to environment protection are followed. For sugarcane cutivation, the Company has taken soil moisture based irrigation for large scale application and a novel automated soil moisture meter has been developed for the purpose. Soil mapping based fertilizer prescription through integration to the cane management system has been carried out for all factories to enable need based and precision nutrient recommendation as health cards. Both the initiatives have resulted in significant improvements in water and fertilizer use efficiency. The by-products of sugar after necessary process are efficiently recycled as pressmud or enriched compost to implement the concept of waste to wealth creation. These value added by-products ensure soil health through increase in soil organic matter. Further, the Company does not use ground water for process in any of the sugar units. Sugarcane contains 70% of water which is extracted and recycled in process as well as used back for irrigation in fields. For improving value realisation of Bagasse, the company has developed green grow media from bagasse by a mechanical process by sustaining Electrical Conductivity (EC) and Power of Hydrogen (PH), suitable to grow all kinds of plants and to conserve soil and water and to improve fertility of the soil and productivity. Bagasse Pellet machine has been commissioned at the unit at Sankili for producing Bagasse Pellets, which can be used in Incineration boilers in place of imported coal. Bagasse is also used as fuel in boilers which does not emit any obnoxious gases like So2. Bagasse is a CO_2 neutral fuel and is a source of renewable energy. All the factories of the Company have installed online effluent and air mission monitoring systems, which are connected to the websites of CPCB/ SPCB for online monitoring.

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/others.**

   Sustainability is built into Company's business processes. As on date, the Company is encouraging all its external stakeholders to strictly adhere to safety and restoration of the environment.

2. **Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

   All factories of the Company have a green belt to an extent of 40% of plant area. The Company has promoted through training and demonstrations large scale adoption of trash mulching and shredding with machines for preventing air pollution arsing out of trash burning and has one of the highest area in the country under sugarcane where sugarcane trash is not burnt. Carbon and water footprinting exercise has been carried out with National and International Institutions. Bagasse is the predominant fuel used in the factories and this is an environment friendly renewable energy source.

3. **Does the company identify and assess potential environmental risks? Y/N**

   Yes, the Company has a mechanism to identify and assess potential environmental risks in its plants, projects and operations. Environmental risk identification and mitigation is ingrained in the Company's risk management system.

4. **Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

   The Company uses Bagasse as the primary fuel to generate both thermal and electrical energy requirements of the plants. Bagasse is a CO2 neutral fuel, qualifying for Clean Development Mechanism. The spent wash used in Bio-Digester produces bio-gas (60% Methane) which in-turn is used in Distillery Boiler for steam production at our Nellikuppam Plant.

   All major locations are certified for requirements under ISO 14001 (Environmental Management System) and OHSAS 18001(Occupational Health and Safety System). The system requirements are broad based by incorporating internal standards. Layered audits are carried out to check the level of compliance. Deviation management system ensures that the corrective actions are close looped and issues are addressed within a reasonable time frame.

5. **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

   The Company has adopted clean technology to ensure Zero water drawl from ground/river/canals for the operation of the sugar factory. The distilleries of the Company are ZLD compliant and the solids recovered from the effluent, are recycled as a manure. The Company has undertaken a number of measures for energy efficiency as follows:

   - Variable frequency drive installation to reduce power consumption.
   - The Company has installed and commissioned Plate type heat exchangers in place of Tubular heat exchangers for juice heating to reduce the steam consumption at its Bagalkot Unit.
   - Replacement of tubular heaters with Direct contact heaters and Replacement of shell and tube heaters with Plate heaters for better heat recovery during Juice heating at its Haliyal Unit.
   - Plate heat exchangers for raw juice heating brought reduction in steam % cane in Pugalur thereby reducing coal consumption.
   - Energy audits and reviews to optimize the usage of thermal and electrical energy.

   All factories of the Company have installed the advanced energy conservation systems like vapour conditioners, vacuum system and VFD, which conserve energy. The industry norm on steam required for sugar process is 45% per ton of cane whereas all factories operate between 32 to 39% per ton of cane. The industry norm on power required is 37 kw per ton of cane whereas all factories operate between 24 to 30 kw per ton of cane. The industry norm of steam fuel ratio is 2.0 to 2.2 where as our units operate between 2.4 to 2.7. In the area of Renewable energy, the bio-gas generation from effluent reduce the fossil fuel use. The Effluent used as fuel in incineration boiler generates steam and power.

6. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   Yes, the emissions / waste generated by the Company are within the permissible limits given by CPCB/ SPCB. Besides the Company's manufacturing units are connected on line with the CPCB, which monitors on a regular basis the norms laid down under the applicable environment protection laws.

7. **Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

   There were no pending or unresolved show cause/legal notices from CPCB/SPCB as at the end of 2019-20.

PRINCIPLE 7: BUSINESSES, WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER

The Company believes that being in an industry, which is one the most regulated sectors, significant improvement can be achieved, if the Company works together with the Government, legislators, trade bodies and regulators to create positive policies affecting the industry especially cane pricing and sustainable cultivation affecting millions of farmers. The Company has always been at the forefront and strived to create a positive impact in the business eco-system and communities by practicing proactive advocacy not for securing certain benefits for industry, but also advocating certain best practices for the benefit of the community at large who are affected by its business. The Company engages with a number of industry bodies and associations to influence public and regulatory policy in a responsible manner.

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

   The Company is a member of various trade and chamber associations.The Indian Sugar Mills Association (ISMA) and South Indian Sugar Mills Association (SISMA) are the prime bodies that represent the interests of the private sugar mills and is the interface between the industry and Government on policy matters relating to sugar industry. The Company actively participates in the functioning of ISMA and SISMA in the matter of advancing the cause of the Industry and policy matter concerning the industry as well as vital issues concerning the industry.

   Besides, the Company is a member of the following Associations.

   a) CII (Confederation of Indian Industry)

   b) FICCI (Fedaration of Indian Chamber of Commerce & Industry)

   c) HCC (Hindustan Chamber of Commerce)

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes, specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

   The Company through ISMA, SISMA and various other industry associations, participates in advocating matters for advancement of the industry's interest and public good. It supports various initiatives of the Government which include farmers welfare, environment, customer information and education.

PRINCIPLE 8: BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

The Murugappa Group is known for its tradition of philanthropy and community service. The Group's philosophy is to reach out to the community by establishing service-oriented philanthropic institutions in the field of education and healthcare which has been identified as the core focus areas. The Company has been upholding the Group's tradition by earmarking a part of its income for carrying out its social responsibilities. The Company believes that social responsibility is not just a corporate obligation that has to be carried out but it is one's dharma. The Company has been carrying out Corporate Social Responsibility (CSR) activities for a long time through AMM Foundation, an autonomous charitable trust, in the field of education and healthcare, while also pursuing CSR activities for the benefit of local communities around the factories in the States of Tamil Nadu, Andhra Pradesh and Karnataka.

The Company has always believed to ensure protection of interests of all its stakeholders in tandem with its growth. The Company believes not only in value-added business, but also in discharging its responsibilities to various sections of society and in providing opportunities to learn, contribute, advance, recognize and reward initiative, innovativeness and creativity. It believes in not only making customers delighted, but the community around also, by establishing service-oriented philanthropic institutions in the field of Education and Medicare. The Company has leveraged its 100 years old experience in cane procurement and sugar manufacturing in satisfying the needs of its principal stake holders, the farmers and the consumers. The most important stakeholder of the Company are farmers and rural communities with whom the Company has forged long and enduring partnerships through crop development, protection and procurement activities. The Company has the distinction of being the only sugar Company in India in making prompt payment to farmers even in the most difficult times. Timely payment to farmers is not only one of the critical and most enduring practices practiced by the Company but it is the hallmark of its existence and operations. The stakeholder communities face the challenge of securing sustainable livelihoods, which is addressed through the Company's multi-pronged approach to address these issues at several levels and methods. Besides prompt payment, the Company helps the farmers in a number of ways to meet their crop protection needs, improvement of yield and recovery and adoption of best cultivation practices.

1. Does the Company have specified programs/initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof.

Inclusive growth is at the core of the Company's community development strategy. As mandated by the Companies Act, 2013 and based on recommendation of the CSR Committee, the Board of Directors have adopted a CSR Policy. The CSR policy, inter-alia, deals with the objectives of the Company's CSR initiatives, the guiding principles, the thrust areas of CSR, the responsibilities of the CSR Committee, the implementation plan and reporting framework:

The thrust areas of the Company's CSR activities are:

- 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 & upliftment of 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 program.

2. Are the programs/projects undertaken through in-house team/own foundation/external NGO/government structures/ any other organization?

The Company undertakes CSR project/programs identified by the CSR Committee and approved by the Board of Directors, in line with the CSR Policy.

Thereafter the Company implements its CSR programs/projects:

a) Through an implementation partner that can be a public charitable trust or a society registered under applicable Acts or a Company registered under Section 8 of the Companies Act, 2013 or

b) On its own

3. Have you done any impact assessment of your initiative?

Yes, the CSR committee internally performs a review and an impact assessment of its initiatives at the end of each year to understand the effectiveness of the programme in terms of delivery of desired benefits to the community and to gain insights for improving the design and delivery of future initiatives.

4. What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

During the year 2019-20, the Company has spent an amount of ₹ 88.81 lakh on CSR activities encompassing various community development projects. As per Section 135 of the Companies Act, 2013, the Company was not required to spend any amount on CSR Activities during the year 2019-20 considering its average net profits for the preceding three financial years.

Details of the projects undertaken are given in Annual Report on CSR Activities enclosed as Annexure 'C' to the Board's Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

The CSR Committee of the Board of Directors identifies and implements all CSR projects/ programs and periodic reports are provided for review by the committee.

The Company has a well-defined, transparent monitoring and review mechanism to ensure that each CSR projects/ program has:

1) Clear sustainable objectives developed out of the societal needs that may be determined through need assessment studies and research (secondary or primary);

2) Clear targets, time lines and measurable indicators, wherever possible;

3) A progress monitoring and reporting framework that is aligned with the requirements of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER

The Company is committed to delivering Quantity products combined with Quality. This provides a value proposition to the customers and meet their expectations. The Company produces its products by working closely with the Customers and understanding their requirements. The company has derived a Food Safety and Quality Policy to drive its business. In order to provide the first time right product to its customers, the plants follow either TPM or interventions such as FSSC 22000 and QMS ISO 9001:2015 system. Being involved in the business of providing food products, it is of paramount importance to align products with stringent qualitative and performance related parameters. The products of the Company undergo quality checks at different levels and well-defined SOPs and procedures have helped to identify and eliminate bottlenecks in the processes and systems. The Company's overall approach on this aspect is guided by its quality policy, food safety policy and TPM Policy. The Company's food safety management system is based on various practices and codes for food safety, including HACCP, good manufacturing practices, Codex, Alimentarius commission guidelines, ISO 22002-1:2009, Food Safety and Standards Authority of India & other similar food safety standards issued from time to time. Across Plants, surveillance audits and certifications are conducted for Quality, Environment, Food Safety and Occupational Health & Safety (OHSAS 18001). Focused quality enhancement initiatives are rolled out to enable the Company to benchmark with the best-in-class and be future ready. to meet the challenges of a globally competitive market. The major plants of the Company have Food Safety Systems Certification (FSSC 22000) and certification for Supplier's Guiding Principles (SGP) compliance and SEDEX 6.0.

Some of its Units are regularly audited by Customers to verify and validate to qualify to their required standards.

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

The Company has addressed all Customer complaints received during the Financial Year 2019-20. There were no customer complaints pending with the Company as on 31st March 2020. A robust system of handling customer complaints exist within the company and each of the complaint received were handled by respective Units and its expert teams meticulously. The Company records all the complaints in SAP platform. Each of the complaints immediately on receipt undergoes a thorough investigation. Root Cause Analysis is carried out to have correction or corrective or preventives actions taken. These actions are communicated back to the Customer. In the FY 2019-20, a total of 60 Customer Complaints from Institutional, Trade and Retail Customers were registered in SAP system with the Company. All the complaints were resolved with appropriate Corrections, Counter measures/ Corrective / Preventive Actions based on the root Cause Analysis/Why Why Analysis carried out at the respective Units of the Company. Also, proactively several Standard Operation Procedures (SOPs) were strengthened / revised / developed for the required Quality and Food Safety requirements across the Units and deployed horizontally.

2. Does the company display product information on the product label, over and above what is mandated as per local laws?

The Company displays all the requisite product information and safety guidance on the product label as may be required under the Food Safety and standards Act, 2006, Legal Metrology Act, 2011, Drugs and Cosmetics Act,1940, Fertiliser (Control) Order,1985, Sugar (Packing and Marking) Order, 1970, and other applicable laws and as may be applicable and relevant for its products. Over and above the mandatory requirements, the Company also subscribes to various customer information requirements. Product Information about the physical dimensions and/or compositions/nutrient content is provided through the product labels/pack declaration and/or catalogues.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

There have been no cases relating to unfair trade practices, irresponsible advertising and / or anti-competitive behaviour against the Company.

4. Did your company carry out any consumer survey/consumer satisfaction trends?

To understand its quality of product, process, packing and services, the company conducts periodical customer surveys/ feed backs at planned intervals. The core objective is to establish the level of satisfaction amongst customers of E.I.D Parry and to identify areas of improvement in its services. In addition to these, the Company also carries out market research surveys to understand markets, customer trends and expectations.

STANDALONE IND AS FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

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

Report on the audit of the Standalone Indian Accounting Standards (Ind AS) Financial Statements

Opinion

1. We have audited the accompanying standalone Ind AS financial statements of E.I.D. - Parry (India) Limited ("the Company"), which comprise the balance sheet as at March 31, 2020, and the statement of profit and loss (including other comprehensive loss), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("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, 2020, and total comprehensive income (comprising of profit and other comprehensive loss), changes in equity and its cash flows for the year then ended.

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. We draw your attention to Note 40 to the standalone Ind AS financial statements which explains the management's assessment of the financial impact due to the lock-downs and other restrictions and conditions related to the Covid-19 pandemic situation, for which definitive assessment of the impact in the subsequent period is highly dependent upon the circumstances as they evolve. Further, our attendance at the physical verification of inventories done by the management was impracticable under the lockdown restriction imposed by the government and we have therefore, relied on related alternate audit procedures to obtain comfort over the existence and condition of the inventory at the year end. Our opinion is not modified in respect of this matter.

Key audit matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the key audit matters
Impairment assessment of carrying value of Investment in Parry Sugars Refinery India Private Limited (PSRIPL) and carrying value of Property Plant and Equipment, goodwill and intangible assets of certain factories located at various location of the Company: (Refer Note 2, Note 3A, Note 4 and Note 5A to the standalone Ind AS financial statements) a) The Company's investment in PSRIPL, a wholly owned subsidiary of the Company, aggregates to ₹ 58,371 Lakhs as at March 31, 2020. PSRIPL is engaged in the business of manufacture and sale of refined sugar. The carrying value of investment is greater than the net worth of the subsidiary as at March 31, 2020 which is an indicator of potential impairment of this investment and accordingly an impairment assessment has been performed by the Management. b) Certain factories of the company, involved in the manufacture of sugar, have been incurring losses in the past. This factor is an indicator of potential impairment of the assets of the Sugar Divisions and accordingly the Management has performed an impairment assessment for those factories that have an impairment indicator. The assessment for impairment involves significant Management judgement, including identification of the Cash Generating Units, impairment indicators etc. Management considers each sugar factory to be a cash generating unit ('CGU') and has calculated its recoverable amount in accordance with Ind AS-36. This is a key audit matter as the investment in PSRIPL and carrying value of assets of each CGU is significant to the financial statements and management/management expert judgement is required in certain key areas such as discount and growth rates in estimating future cash flows prepared by the Company (the Model) to support the carrying value of the assets.	Our audit procedures includes the following: • Understanding and evaluating the design and testing the operating effectiveness of key controls in relation to the impairment testing Model. • Assessing the Model and evaluating the independence, competence, capabilities and objectivity of the management's valuer. • Assessing the historical accuracy of the Company's forecasts by comparing the forecasts used in the prior year models with the actual performance in the current year. • Testing the mathematical accuracy of the underlying calculations and agreeing the forecasts for the ensuing year with the latest Board approved budgets. • Evaluating, along with the auditor's experts, the key assumptions such as discount rate and growth rate used in the Model. • Performing sensitivity tests on the Model for a range of certain assumptions, such as discount rate and growth rate. • Evaluating adequacy of the disclosures made in the financial statements. Based on the procedure performed, we did not identify any material exceptions in the impairment assessment carried out by the management in respect of the carrying value of its investment in Parry Sugars Refinery India Private Limited and carrying value of Property Plant and Equipment, goodwill and intangible assets of certain factories located at various location of the Company.

Key audit matters	How our audit addressed the key audit matters
Business application system migration to the SAP S/4 Hana System. (Refer Note 54 to the standalone Ind AS financial statements) The company's financial reporting process is reliant on the design and operating effectiveness of its IT systems. The company used SAP ECC 6.0 as the key financial application system for the periods between April 01, 2019 and October 03, 2019; and migrated to SAP S/4 Hana, an advanced version on October 03, 2019. The company used SAP S/4 Hana as the key financial application system for the periods between October 03, 2019 and March 31, 2020. This is a key audit matter because migration to SAP S/4 Hana involved significant program and configuration changes; and migration of financially significant data from SAP ECC 6.0 to SAP S/4 Hana.	We performed the following procedures: • Evaluated the project governance and the management oversight of the new system implementation; • Evaluated the design and tested the operating effectiveness of the IT General Controls (ITGCs), business process controls (both automated and manual) and tested the completeness and accuracy of key reports in SAP ECC 6.0 for the periods between April 01, 2019 and October 03, 2019. • Evaluated the design and tested the operating effectiveness of key controls over the new system implementation, which includes the overall project implementation plan; project roles and responsibilities; approval for new system requirements; testing documentation and test results; and inspection of formal sign-offs for each phase of the migration including authorization for go-live. • Evaluated the design and tested the operating effectiveness of the ITGCs, business process controls (both automated and manual) and tested the completeness and accuracy of key reports in SAP S/4 Hana for the period October 03, 2019 to March 31, 2020. • Tested a sample of the general ledger balances, balances of the modules within the financial systems from old system to the new system. The results of the procedures performed as above supported our ability to place reliance on ITGCs, business process controls (both automated and manual) and key reports in SAP ECC 6.0 and SAP S/4 Hana for the whole audit period.

Other Information

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report together with the annexure thereto, Report on Corporate Governance and Business Responsibility Report but does not include the standalone Ind AS financial statements and our auditor's report thereon.

   Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the Standalone Ind AS financial statements

7. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the Standalone Ind AS financial statements

9. Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

14. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

15. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive loss), the Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to financials statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(g) 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, if any, of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 53 to the standalone Ind AS financial statements.

ii. The Company has made provisions as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 21 to the standalone Ind AS financial statements.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2020.

16. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016
Chartered Accountants

Baskar Pannerselvam
Partner
Membership Number: 213126
UDIN No: 20213126AAAADD4922

Place: Chennai
Date: June 11, 2020

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 15(f) of the Independent Auditor's Report of even date to the members of E.I.D.-Parry (India) Limited on the standalone Ind AS financial statements as of and for the year ended March 31, 2020.

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of E.I.D. – Parry (India) Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. Also refer paragraph 4 of the main audit report.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016
Chartered Accountants

Baskar Pannerselvam
Partner
Membership Number: 213126
UDIN No: 20213126AAAADD4922

Place: Chennai
Date: June 11, 2020

ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 14 of the Independent Auditor's Report of even date to the members of E.I.D.-Parry (India) Limited on the standalone Ind AS financial statements as of and for the year ended March 31, 2020

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of property, plant and equipment and intangible assets.

(b) The property, plant and equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the property, plant and equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) According to the information and explanations given to us and based on the examination of the registered title deeds provided to us, we report that the title deeds of all the immovable properties of land and buildings as disclosed in Note 2, 3 and 14 to the standalone Ind AS financial statements are held in the name of the Company as at the Balance Sheet date other than those immovable properties which are yet to be registered in the name of the company consequent to the Scheme of Arrangement(Demerger) of Haliyal and Sankili units of Parry Sugar Industries Limited with the Company and Scheme of Amalgamation of Sadashiva Sugars Limited with the Company.

Immovable properties of land and buildings whose title deeds have been pledged as security for loans, guarantees, etc. are held in the name of the Company as per the Memorandum of Entry executed by the Company and confirmed by the banker as on the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and included in Investment Property or Right-of-use Assets in the financial statement, the lease agreements are in the name of the Company where the Company is a lessee in the agreement.

ii. The physical verification of inventory excluding stock with third parties have been conducted at reasonable intervals by the Management during the year (in some of the locations post the year end consequent to COVID-19 lock down). In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not material. Our attendance at the physical inventories done by the management was impracticable under the lockdown restriction imposed by the government and we have therefore, relied on related alternate audit procedures to obtain comfort over the existence and condition of the inventory at the year end. Our opinion is not modified in respect of this matter.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and securities provided by it.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund and professional tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess , goods and service tax and other material statutory dues, as applicable, with the appropriate authorities. Also refer Note 29 to the standalone Ind AS financial statements regarding management's assessment on certain matters relating to provident fund.

(b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax, sales tax, service tax and duty of excise duty and value added tax as at March 31, 2020 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (In Lakh)*	Period to which the amount relates	Forum where the dispute is pending
The Finance Act,1994	Service Tax	164	2005-06 to 2016-17	Central Excise and Service Tax Appellate Tribunal
The Central Excise Act, 1944	Excise duty	1,250	1977-78, 2004-2017	Assistant Commissioner, Commissioner (Appeals)/CESTAT/ Honorable High Court/Honorable Supreme Court
Sales Tax Act of various states/ Central Sales Tax Act, 1956	Sales Tax	264	1981-2016	Deputy Commissioner/ Joint Commissioner/ Tribunal/High Court/ Honorable Supreme court
Income Tax Act, 1961	Income Tax dues	7,870	1984-85 to 2016-17	Income Tax Appellate Tribunal / CIT Appeals / Honorable High Court

*net of amount paid under protest

viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.

ix. In our opinion, and according to the information and explanations given to us, the moneys raised by way of term loans have been applied for the purposes for which they were obtained. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments).

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Ind AS financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016
Chartered Accountants

Baskar Pannerselvam
Partner
Membership Number: 213126
UDIN No: 20213126AAAADD4922

Place: Chennai
Date: June 11, 2020

STANDALONE BALANCE SHEET AS AT MARCH 31, 2020

₹ in Lakh

S.No	Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
A	**ASSETS**			
	Non-current Assets			
	(a) Property, plant and equipment	2	1,22,767	1,24,912
	(b) Right-of-use asset	2A	5,873	-
	(c) Capital work in progress	2	1,932	1,008
	(d) Investment property	3	2,489	2,271
	(e) Goodwill	3A	1,452	1,452
	(f) Other intangible assets	4	274	95
	(g) Intangible assets under development	4	-	137
	(h) Financial assets			
	(i) Investments			
	a) Investments in subsidiaries	5A	81,625	80,132
	b) Investments in joint venture	5B	1,070	660
	c) Other investments	6	17,250	17,059
	(ii) Loans	8	800	1,200
	(iii) Other financial assets	9	387	465
	(i) Deferred tax assets (net)	44	8,161	8,262
	(j) Income tax assets (net)	15	6,996	6,565
	(k) Other non-current assets	10	1,629	1,684
	Total non-current assets		**2,52,705**	**2,45,902**
	Current Assets			
	(a) Inventories	11	95,681	97,272
	(b) Financial assets			
	(i) Trade receivables	7	16,178	16,175
	(ii) Cash and cash equivalents	12	1,054	70
	(iii) Bank balances other than (ii) above	13	446	2,388
	(iv) Loans	8	400	451
	(v) Other financial assets	9	18,349	6,496
	(c) Other current assets	10	19,566	18,821
			1,51,674	**1,41,673**
	Assets classified as held for sale	14	3,380	3,686
	Total current assets		**1,55,054**	**1,45,359**
	TOTAL ASSETS		**4,07,759**	**3,91,261**
B	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Equity share capital	16	1,770	1,770
	(b) Other equity	17	1,69,605	1,69,580
	Total equity		**1,71,375**	**1,71,350**
	Liabilities			
	Non-current Liabilities			
	(a) Financial liabilities			
	(i) Borrowings	18	41,000	35,206
	(ii) Lease liability	2A	4,408	-
	(b) Deferred tax liabilities (net)	44	864	2,800
	(c) Long term provisions	23	862	721
	(d) Other non-current liabilities	22	661	944
	Total non-current liabilities		**47,795**	**39,671**
	Current Liabilities			
	(a) Financial liabilities			
	(i) Borrowings	19	49,232	37,522
	(ii) Lease liability	2A	1,062	-
	(iii) Trade payables	20		
	a. total outstanding dues of micro and small enterprises		180	-
	b. total outstanding dues other than (iii)(a) above		43,447	40,807
	(iv) Other financial liabilities	21	90,837	98,822
	(b) Short term provisions	23	1,548	1,541
	(c) Other current liabilities	22	2,283	1,548
	Total current liabilities		**1,88,589**	**1,80,240**
	Total liabilities		**2,36,384**	**2,19,911**
	TOTAL EQUITY AND LIABILITIES		**4,07,759**	**3,91,261**

The accompanying notes are an integral part of these standalone Ind AS financial statements

In terms of our report attached

For Price Waterhouse Chartered accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants

Baskar Pannerselvam
Partner
Membership No: 213126

Chennai
Date: June 11, 2020

For and on behalf of the Board of Directors

S. Suresh
Managing Director
DIN: 06999319

V. Ravichandran
Chairman
DIN: 00110086

Biswa Mohan Rath
Company Secretary

S. Rameshkumar
Chief Financial Officer

Chennai
Date: June 11, 2020

STATEMENT OF STANDALONE PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

₹ in Lakh

S.No	Particulars	Note No.	Year ended March 31, 2020	Year ended March 31, 2019
I	Revenues from operations	24	1,87,488	1,84,517
II	Other income	25	14,069	20,127
III	**Total income (I+II)**		**2,01,557**	**2,04,644**
IV	**Expenses:**			
	Cost of materials consumed	26	1,26,046	1,24,003
	Purchases of stock-in-trade	27	351	780
	Changes in inventories of finished goods,by products,work-in-progress and stock-in-trade	28	1,208	12,879
	Employee benefits expense	29	15,961	14,544
	Finance costs	30	13,566	11,343
	Depreciation and amortisation expense	31	11,956	11,377
	Other expenses	32	34,473	35,409
	Total Expenses (IV)		**2,03,561**	**2,10,335**
V	Profit/(loss) before tax from continuing operations and exceptional items (III-IV)		(2,004)	(5,691)
VI	Exceptional item		-	3,516
VII	**Profit before tax from continuing operations (V+VI)**		**(2,004)**	**(2,175)**
VIII	Tax expense:			
	(1) Current tax	45	(89)	-
	(2) Deferred tax	45	(2,098)	(4,907)
			(2,187)	**(4,907)**
IX	**Profit/(loss) for the year from continuing operations after tax (VII-VIII)**		**183**	**2,732**
	Profit/(loss) for the year from discontinued operations before tax		-	20,876
	Tax expense of discontinued operations		-	7,295
X	**Profit/(loss) for the year from discontinued operations after tax**		**-**	**13,581**
XI	**Profit/(loss) for the year (IX+X)**		**183**	**16,313**
	Other comprehensive income			
	A. i) Items that will not be reclassified to profit or loss			
	a) Remeasurements of defined benefit plans		(213)	(205)
	b) Equity instruments through other comprehensive income		192	2,359
			(21)	**2,154**
	ii) Income tax relating to items that will not be reclassfied to profit or loss		(263)	(462)
	B. i) Items that will be reclassified to profit or loss			
	a) Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge		-	(15)
	ii) Income tax relating to items that will be reclassfied to profit or loss		-	5
XII	**Total other comprehensive income/(loss) (A(i-ii)+B(i-ii))**		**(284)**	**1,682**
XIII	**Total comprehensive income/(loss) (XI+XII)**		**(101)**	**17,995**
XIV	Earnings per equity share (nominal value per share ₹ 1)			
	- For continuing operations			
	(a) Basic	48	0.10	1.54
	(b) Diluted	48	0.10	1.54
	- For discontinued operations			
	(a) Basic	48	-	7.67
	(b) Diluted	48	-	7.67
	- For continuing and discontinued operations			
	(a) Basic	48	0.10	9.21
	(b) Diluted	48	0.10	9.21

The accompanying notes are an integral part of these standalone Ind AS financial statements

In terms of our report attached

For Price Waterhouse Chartered accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants

Baskar Pannerselvam
Partner
Membership No: 213126

Chennai
Date: June 11, 2020

For and on behalf of the Board of Directors

S. Suresh
Managing Director
DIN: 06999319

V. Ravichandran
Chairman
DIN: 00110086

Biswa Mohan Rath
Company Secretary

S. Rameshkumar
Chief Financial Officer

Chennai
Date: June 11, 2020

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

₹ in Lakh

Particulars	Share capital	Reserves and surplus								Other reserves		Total
		Capital redemption reserve	Capital reserve on amalgamation	Securities premium reserve	Debenture redemption reserve	Capital reserve	General reserve	ESOP reserve	Retained earnings	Equity Instruments through other compehensive income	Effective portion of cash flow hedges	
Balance at April 01, 2018	**1,770**	**4,288**	**688**	**6,174**	**2,500**	**5,718**	**88,680**	**183**	**42,294**	**11,508**	**10**	**1,63,813**
Movement during 2018-19												
Profit for the year	-	-	-	-	-	-	-	-	16,313	-	-	16,313
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	-	(134)	1,826	(10)	1,682
Amount transferred within reserves	-	-	-	-	(1,667)	-	-	-	1,667	-	-	-
Transactions with owners in their capacity as owners:												
Shares issued during the year	-	-	-	-	-	-	-	-	-	-	-	-
Recognition of share based payments	-	-	-	-	-	-	-	162	-	-	-	162
Payment of dividends	-	-	-	-	-	-	-	-	(10,620)	-	-	(10,620)
Balance at March 31, 2019	**1,770**	**4,288**	**688**	**6,174**	**833**	**5,718**	**88,680**	**345**	**49,520**	**13,334**	**-**	**1,71,350**
Movement during 2019-20												
Profit for the year	-	-	-	-	-	-	-	-	183	-	-	183
Other comprehensive loss for the year, net of income tax	-	-	-	-	-	-	-	-	(138)	(146)	-	(284)
Amount transferred within reserves	-	-	-	-	(833)	-	-	-	833	-	-	-
Transactions with owners in their capacity as owners:												
Shares issued during the year	-	-	-	-	-	-	-	-	-	-	-	-
Recognition of share based payments	-	-	-	-	-	-	-	126	-	-	-	126
Payment of dividends	-	-	-	-	-	-	-	-	-	-	-	-
Balance at March 31, 2020	**1,770**	**4,288**	**688**	**6,174**	**-**	**5,718**	**88,680**	**471**	**50,398**	**13,188**	**-**	**1,71,375**

The accompanying notes are an integral part of these standalone Ind AS financial statements

In terms of our report attached

For Price Waterhouse Chartered accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants

Baskar Pannerselvam
Partner
Membership No: 213126

Chennai
Date: June 11, 2020

For and on behalf of the Board of Directors

S. Suresh
Managing Director
DIN: 06999319

V. Ravichandran
Chairman
DIN: 00110086

Biswa Mohan Rath
Company Secretary

S. Rameshkumar
Chief Financial Officer

Chennai
Date: June 11, 2020

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020

₹ in Lakh

Particulars	For the Year ended March 31, 2020		For the Year ended March 31, 2019	
A. Cash flow from operating activities				
Net profit before tax from continuing and discontinued operations		**(2,004)**		**18,701**
Adjustments for:				
Depreciation and amortisation	11,956		11,377	
Finance costs	13,566		11,343	
Profit from discontinued operations	-		(20,876)	
Gain on sale of investment in subsidary (exceptional item)	-		(3,516)	
Dividend income	(6,219)		(11,534)	
Profit on sale of investment property and fixed assets (net)	(363)		(228)	
Net (gain)/loss arising on FVTPL transaction	(169)		(531)	
Interest income (including government grant interest income)	(2,435)		(1,082)	
Liabilities/provisions no longer required written back	(190)		(986)	
Bad debts written off and provision for doubtful debts	716		945	
Provision for employee benefits	274		92	
Rental income from investment property net of expense	(1,387)		(1,406)	
		15,749		**(16,402)**
Operating profit before working capital changes		**13,745**		**2,299**
Changes in operating assets & liabilities				
Adjustments for increase/(decrease) in				
Trade Receivables	(641)		(3,517)	
Inventories	1,591		12,490	
Bank balances considered as other than cash and cash equivalent	33		397	
Other assets	(988)		(1,562)	
Other financial assets	(10,578)		(4,753)	
Trade payable	3,010		(15,065)	
Other liabilties	385		(479)	
Other financial liabilties	1,472		125	
Cane bills due	(9,243)		11,186	
		(14,959)		**(1,178)**
Cash (used in)/generated from operations		(1,214)		1,121
Income tax paid net of refund		(342)		(1,508)
Net cash used in operating activities		**(1,556)**		**(387)**

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020

₹ in Lakh

Particulars	For the Year ended March 31, 2020		For the Year ended March 31, 2019	
B. Cash flow from investing activities				
Purchase of property, plant and equipment and intangible assets	(10,099)		(5,777)	
Proceeds from sale of investment property and fixed assets	665		652	
Sale of investments and Investment income	169		531	
Investments in subsidiary companies (refer note no 5.2)	(1,888)		(7,000)	
Investments in joint venture (refer note no 5.3)	(410)		(660)	
Intercorporate loan	451		397	
Operating lease rental received from investment property net of expenses	1,387		1,406	
Interest received	349		255	
Proceeds from sale of discontinued operations	-		29,458	
Proceed from sale of investment in subsidary (exceptional item)	-		3,540	
Dividend income received	6,219		16,849	
Net cash (used in)/from investing activities		**(3,157)**		**39,651**
C. Cash flow from financing activities				
Proceeds from long term borrowings	19,104		20,428	
Repayment of long term borrowings	(10,560)		(33,415)	
Net increase/(decrease) in working capital borrowing	11,601		(5,722)	
Finance costs paid	(13,410)		(9,935)	
Lease rent payment under Ind AS 116 (refer note 2A)	(1,038)		-	
Dividends paid Including dividend tax#	-		(10,620)	
Net cash (used in)/from financing activities		**5,697**		**(39,264)**
Net (decrease)/increase in cash and cash equivalents (A+B+C)		**984**		**0**
Reconciliation:				
Cash and cash equivalents as at beginning of the year		70		70
Cash and cash equivalents as at end of the year (refer note No 12)		1,054		70
Net (decrease)/increase in cash and cash equivalents		**984**		**0**

* less than ₹ 1 Lakh

Includes amounts transferred to earmarked dividend accounts.

The accompanying notes are an integral part of these standalone Ind AS financial statements

In terms of our report attached
For Price Waterhouse Chartered accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants

Baskar Pannerselvam
Partner
Membership No: 213126

Chennai
Date: June 11, 2020

For and on behalf of the Board of Directors

S. Suresh
Managing Director
DIN: 06999319

V. Ravichandran
Chairman
DIN: 00110086

Biswa Mohan Rath
Company Secretary

S. Rameshkumar
Chief Financial Officer

Chennai
Date: June 11, 2020

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Corporate Information

E.I.D.-Parry (India) Limited is a significant player in Sugar with interests in promising area of Nutraceuticals. The Company also has a significant presence in Farm Inputs business through it's subsidiary, Coromandel International Limited.

The Company has eight sugar factories having a capacity to crush 43,800 tonnes of cane per day, generate 160 MW of power and four distilleries having a capacity of 234 KLPD. 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 Statement of Compliance

The financial statements have been prepared in accordance with Ind ASs notified under Sec 133 of the Companies Act, 2013 [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

a) The Company has applied the following standards and amendments for the first time for their annual reporting period commencing April 01, 2019:

Ind AS 116, Leases

Appendix C to Ind AS 12, Income Taxes - Uncertainty over Income Tax Treatments

Amendments to Ind AS 19, Employee Benefits - Plan Amendment, Curtailment or Settlement

Amendment to Ind AS 23, Borrowing Costs

Amendment to Ind AS 28, Investments in Associates and Joint Venture - Long-term Interests in Associates & Joint Ventures

Amendments to Ind AS 103, Business Combinations and Ind AS 111, Joint Arrangements

Amendment to Ind AS 109, Financial Instruments

The Company had to change its accounting policies as a result of adopting Ind AS 116. This is disclosed in note 2A. The other amendments listed above did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

1.1 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, defined benefit plan - plan assets measured at fair value, assets held for sale which is measured at lower of cost and fair value less cost to sell and share based payments as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

1.2 Revenue Recognition

The Company had adopted Ind AS 115 in the year 2018-19 from April 01, 2018 and had opted for retrospective application with the cumulative effect of initially applying this standard recognised as an adjustment to the opening balance of retained earnings at the date of initial application. The standard has been applied to all open contracts as on April 01, 2018, and subsequent contracts with customers from that date.

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i. Sale of goods

Revenue is recognised when the performance obligations are satisified and the control of the product is transferred, being when the goods are delivered as per the relevant terms of the contract at which point in time the Company has a right to payment for the asset, customer has legal title of the asset, customer bears significant risk and rewards of ownership and the customer has accepted the asset or the Company has objective evidence that all criteria for acceptance have been satisfied.

Payment for the sale is made as per the credit terms in the agreements with the customers. The credit period is generally short term, thus there is no significant financing component.

Certain products of the Company carry a right of return. The Company based on accumulated experience estimates that the right of return and revenue is recognised only to the extent it is highly probable that a significant reversal in the cumulative revenue recognised will not occur. The validity of this assumption and estimated amount of return are reassessed at each reporting period.

ii. Rendering of services

The performance obligation under service contracts are provision of handling service, business support service and other ancillary services set forth in the contracts. Revenue from rendering of services are recognised over a period of time by reference to the stage of completion as the customer simultaneously receives and consumes the benefit provided by the Company's performance as the Company performs.

Payment for the service rendered is made as per the credit terms in the agreements with the customers. The credit period is generally short term, thus there is no significant financing component.

iii. Dividend and interest income

a). Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

b). Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

iv. 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.

v. Export Incentives

Export incentives are treated as income in the year of export at the estimated realisable value.

vi. Commission

Commissions are accounted as per the terms of the contract and to the extent that the amounts recoverable can be measured reliably and reasonable to expect ultimate collection.

1.3 Leasing

Till Mar 31, 2019:

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Company as Lessee

The Company's significant leasing arrangements are in respect of operating leases for premises that are cancelable in nature. The lease rentals under such agreements are recognised in the Statement of Profit and Loss as per the terms of the lease.

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease or based on the time pattern of user benefit basis. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Company as Lessor

The Company's significant leasing arrangements are in respect of operating leases for premises that are cancelable in nature. The lease rentals under such agreements are recognised in the Statement of Profit and Loss as per the terms of the lease.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

With effect from April 01, 2019

Company as Lessee

From April 01, 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Assets and liabilities arising from a lease are initially measured on present value basis. Lease liability include the net present value of the following payments:

- fixed payments (including in substance fixed payments), less any lease incentives receivable
- variable lease payments that are based on an index or a rate, initially measured using the index or rates at the commencement date
- amounts expected to be payable by the Company under residual value guarantees
- the exercise price of purchase options if the Company is reasonably certain to exercise that option
- payment of penalties for terminating the lease, if the lease term reflects the Company exercising that option

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Company's incremental borrowing rate is used, being the rate the Company would have to pay to borrow fund necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that are dependent on sales are recognised in statement of profit and loss in the period in which the conditions that triggers those payments occurs.

Right-of-use assets are measured at cost comprising the following:

- the amount of initial measurement of lease liability
- any lease payments made at or before the commencement date less any incentives received
- any initial direct costs and
- restoration costs

Right-of-use assets are generally depreciated over the shorter of asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in statement of profit and loss. Short-term leases are leases with a lease term of 12 months or less. Low value assets comprise small items.

Company as Lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as expenses over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature. The Company did not need to make any adjustments to the accounting of assets held as lessor as a result of adopting the new leasing standard.

1.4 Functional and Presentation Currency and Foreign Currency Transactions

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (i.e. the "functional currency"). The financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in statement of profit and loss in the period in which they arise except for:

- Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- Exchange differences on transactions entered into in order to hedge certain foreign currency risks (see note 1.20 below for hedging accounting policies); and
- Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit and loss on repayment of the monetary items.

1.5 Borrowings and related costs

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in statement of profit and loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in statement of profit and loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

1.6 Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in statement of profit and loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the company with no future related costs are recognised in statement of profit and loss in the period in which they become receivable.

Government grant is recognised either as other operating income, or other income or adjusted against expenses depending upon the nature of the grant and the same is followed consistently.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

In respect of government loans at below-market rate of interest existing on the date of transition, the Company has availed the optional exemption under Ind AS 101 - First Time Adoption and has not recognised the corresponding benefit of the goverment loan at below-market interest rate as Government grant.

1.7 Employee Benefits

(a) Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period.

Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- Remeasurement

The company presents the first two components of defined benefit costs in statement of profit and loss in the line item 'Employee benefits expense'.

Past service cost is recognised in statement of profit and loss in the period of a plan amendment.

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to statement of profit and loss.

Curtailment gains and losses are accounted for as past service costs. The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Contributions paid/payable to defined contribution plans comprising of Superannuation (under a scheme of Life Insurance Corporation of India) and Provident Funds for certain employees covered under the respective Schemes are recognised in the statement of profit and loss each year.

The Company makes contributions to Provident Fund Trusts for certain employees, at a specified percentage of the employee's salary. The Company has an obligation to make good the shortfall, if any, between the return from the investments of trust and the notified interest rates.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

(b) Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

Gratuity for certain employees is covered under a Scheme of Life Insurance Corporation of India (LIC) and contributions in respect of such scheme are recognized in the statement of profit and loss. The liability as at the balance sheet date is provided for based on the actuarial valuation carried out as at the end of the year.

1.8 Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 50.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Under the previous GAAP, share based payment costs were accrued on an intrinsic value method. Upon transition to Ind AS, the Company has availed the exemption to apply the fair value to only unvested options.

1.9 Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted EPS

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is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

1.10 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

a. Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

b. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and unused tax losses. Deferred tax assets are generally recognised for all deductible temporary differences and unsued tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences and unused tax losses can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

c. Current and deferred tax for the year

Current and deferred tax are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

1.11 Property, Plant and Equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Estimated useful lives of the assets as per technical evaluation performed by the Company are as follows:

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Asset	Useful lives (in years)
Buildings	3 - 60 years
Plant and equipment (Continuous Process)	1-18 years
Plant and equipment (General)	1-18 years
Vehicles	1- 8 years
Office equipment, furniture and fixtures	1 - 10 years

Assets on leased premises are depreciated on the remaining period of lease or as per the useful life tabulated above whichever is less.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of profit and loss.

Assets costing ₹ 5,000 and below are depreciated over a period of one year.

1.12 Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirement for cost model. Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Estimated useful lives of the assets are as follows:

Asset	Useful lives (in years)
Buildings	10 - 60 years

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property, calculated as the difference between the net disposal proceeds and the carrying amount of the asset, is included in statement of profit and loss in the period in which the property is derecognised.

1.13 Intangible Assets

a. Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

b. Internally-generated intangible assets - research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in statement of profit and loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

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c. Derecognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in statement of profit and loss when the asset is derecognized.

d. Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Asset	Useful lives (in years)
Software & Licenses	1 to 10 years

1.14 Impairment of Tangible & Intangible Assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives, goodwill and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in statement of profit and loss.

1.15 Inventories

Inventories other than by-products are stated at the lower of cost and net realizable value. Inventories of by-products are valued at net realizable value. Cost of raw materials and traded goods comprises cost of purchases after deducting rebates and discounts. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate propotion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Net realizable value represents the estimated selling price in the ordinary course of business, less all estimated costs of completion and costs necessary to make the sale. Cost of inventories are determined on weighted average basis.

1.16 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

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1.17 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in statement of profit and loss.

1.18 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

a. Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortized cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition): the debt instruments carried at amortised cost include deposits, debtors, loans and advances recoverable in cash.

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the impairment policy on financial assets measured at amortized cost, refer note 1.18e.

Investment in subsidiaries are accounted under cost basis.

Impairment on investment in subsidiaries/joint ventures are carried out in accordance with Ind AS 36.

All other financial assets are subsequently measured at fair value.

b. Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in statement of profit and loss and is included in the 'other income' line item.

c. Investments in equity instruments at FVTOCI

The Company has elected to carry investment in equity instruments at Fair value through other comprehensive income. On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to statement of profit and loss on disposal of the investments.

The Company has equity investments which are not held for trading. The Company has elected the FVTOCI irrevocable option for these investments (see note 6). Fair value is determined in the manner described in note 49.8.

Dividends on these investments in equity instruments are recognised in statement of profit and loss when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in statement of profit and loss are included in the 'Other income' line item.

d. Financial assets at fair value through profit or loss (FVTPL)

The Company carries derivative contracts not designated in a hedge

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

relationship at FVTPL. Financial assets at FVTPL also includes assets held for trading.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in statement of profit and loss. The net gain or loss recognised in statement of profit and loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

e. Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information on case to case basis.

f. Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in statement of profit and loss if such gain or loss would have otherwise been recognised in statement of profit and loss on disposal of that financial asset.

g. Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortized cost and FVTPL, the exchange differences are recognised in statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.
- For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortized cost. Thus, the exchange differences on the amortized cost are recognized in statement of profit and loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

1.19 Financial liabilities and equity instruments

a. Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

b. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

c. Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

c.1. Financial liabilities at FVTPL

Financial liabilities at FVTPL includes derivative liabilities. Non-derivative financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL. There are no non-derivative financial liabilities carried at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in statement of profit and loss. The net gain or loss recognised in statement of profit and loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

Fair value is determined in the manner described in note 49.8.

c.2. Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

c.3. Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109;
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

c.4. Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

of the fair value gains or losses and is recognised in statement of profit and loss.

c.5. Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognised in statement of profit and loss.

1.20 Derivative financial instruments & Hedge Accounting

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps. Further details of derivative financial instruments are disclosed in note 49.8

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in statement of profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in statement of profit and loss depends on the nature of the hedging relationship and the nature of the hedged item.

The Company designates certain hedging instruments, which include derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges, cash flow hedges, or hedges of net investments in foreign operations. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Cash Flow Hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recorded in other comprehensive income and are grouped under head of cash flow hedge reseve. The gain or loss relating to the ineffective portion is recognized immediately in the statement of profit and loss, and is included in the 'Other income' line item. The cumulative gain or loss previously recognized in other comprehensive income remains there until the forecast transaction occurs. When the hedged item is a non-financial asset, the amount recognized in other comprehensive income is transferred to the carrying amount of the asset when it is recognized. In other cases the amount recognized in other comprehensive income is transferred to statement of profit and loss in the same period that the hedged item affects statement of 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. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in statement of profit and loss. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognized in the other comprehensive income is transferred to statement of profit and loss, and is included in 'Other income'.

1.21 Offsetting financial instruments

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

1.22 Cash flow statement

Cash flows are reported using the indirect method, whereby profit/(loss) before 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.

Cash and cash equivalents includes balances in current accounts, cash on hand, cheques, drafts on hand. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

1.23 Key sources of estimation uncertainty

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key assumption concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is as given below.

a. Fair value measurement and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in notes 3 and 49.8.

b. Useful life of Property, Plant and Equipment

The Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. During the current year, there has been no significant change in life considered for the assets.

c. Impairment of Tangible Assets, Intangible Assets and Financial Assets

The recoverable amounts have been determined based on value in use calculations which uses cash flow projections or net realisable value. For further details, refer note 1.14, 1.18e, 3A and 5A. Based on the impairment assessment carried out by the Management, it has been determined that no impairment is required.

d. Leases

Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use the underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Company considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term are included in the lease term, if it is reasonably certain that the lessee will exercise the option. The Company reassesses the option when significant events or changes in circumstances occur that are within the control of the lessee.

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.

1.25 Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as deduction, net of tax, from the proceeds.

1.26 Dividend

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period.

1.27 Goodwill

Goodwill on business combination is included under non current assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of the business include the carrying amount of goodwill relating to the business sold. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

1.28 Non-current assets (or disposal groups) held for sale & discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised.

A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

1.29 Rounding off amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakh as per the requirement of Schedule III, unless otherwise stated.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

NOTE 2

PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
Carrying amounts of:		
Freehold land	5,093	5,332
Buildings	20,306	20,299
Plant and equipment	95,750	98,128
Furniture and fixtures	236	223
Office equipment	1,038	494
Vehicles	344	436
	1,22,767	**1,24,912**
Capital Work-in-progress	1,932	1,008
Total	**1,24,699**	**1,25,920**

Particulars	Freehold land	Buildings (refer note 3)	Plant and equipment (refer note 2)	Furniture and fixtures	Office equipment	Vehicles	Total
Cost							
Balance at April 01, 2018	5,815	24,309	1,35,598	339	879	814	1,67,754
Additions	-	309	4,302	-	407	126	5,144
Disposals and adjustments	(41)	(69)	(437)	(2)	(58)	(217)	(824)
Transfer to asset held for sale	(442)	(607)	(3,829)	-	(25)	(17)	(4,920)
Transfer from investment property	-	218	-	-	-	-	218
Balance at March 31, 2019	**5,332**	**24,160**	**1,35,634**	**337**	**1,203**	**706**	**1,67,372**
Additions	-	1,004	7,610	56	360	87	9,117
Disposals and adjustments	(239)	(359)	808	(29)	49	(104)	126
Transfer from asset held for sale	-	25	948	-	4	17	994
Balance at March 31, 2020	**5,093**	**24,830**	**1,45,000**	**364**	**1,616**	**706**	**1,77,609**
Accumulated depreciation and impairment							
Balance at April 01, 2018	-	2,981	28,796	97	556	342	32,772
Disposals and adjustments	-	(12)	(156)	-	(43)	(189)	(400)
Depreciation expense	-	973	9,978	17	217	128	11,313
Transfer from investment property	-	9	-	-	-	-	9
Transfer to asset held for sale	-	(90)	(1,112)	-	(21)	(11)	(1,234)
Balance at March 31, 2019	**-**	**3,861**	**37,506**	**114**	**709**	**270**	**42,460**
Disposals and adjustments	-	(285)	1,507	(21)	(432)	(83)	686
Depreciation expense	-	944	9,963	35	298	164	11,404
Transfer from asset held for sale	-	4	274	-	3	11	292
Balance at March 31, 2020	**-**	**4,524**	**49,250**	**128**	**578**	**362**	**54,842**
Carrying amount as on March 31, 2019	**5,332**	**20,299**	**98,128**	**223**	**494**	**436**	**1,24,912**
Carrying amount as on March 31, 2020	**5,093**	**20,306**	**95,750**	**236**	**1,038**	**344**	**1,22,767**

Note:

1. Details of assets offered as security are provided in note 18 and 19.
2. Additions for the year includes ₹ 55 Lakh (2019 - ₹ 55 Lakh) of Fixed assets additions made in approved In-house R&D Centres
3. Includes Building on leasehold land: Cost: ₹ 915 Lakh (2019 - ₹ 837 Lakh) and Accumulated Depreciation: ₹ 308 Lakh (2019 - ₹ 182 Lakh).
4. Capital work-in-progress primarily represents building, plant and equipment related work.
5. Refer note 52 for cotractual commitments for acquisition of property, plant and equipment.
6. Management considers each sugar factory to be a cash generating unit ('CGU') and has analysed if there is an indicator of impairment. Based on the assessment certain factories of the company have either been incurring losses for the past several years or non-operating which is an indicator for impairment. Accordingly, the Company has performed a detailed impairment assessment for such factories and based on the assessment performed, no impairment provision is deemed necessary.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

NOTE 2A

LEASES

The Company has adopted Ind AS 116, Leases, with the date of initial application being April 01, 2019. Ind AS 116 replaces Ind AS 17, Leases, and related interpretation and guidance. On transition to Ind AS 116, Right-of-Use assets at April 01, 2019 for leases previously classified as operating were recognised and measured at an amount equal to lease liability (adjusted for related payments/accruals). As a result, the comparative information has not been restated. The Company has discounted lease payments using the incremental borrowing rate as at April 01, 2019, which is 9.2% for measuring the lease liability.

On transition to Ind AS 116, the Company recognised right-of-use asset amounting to ₹ 6,354 Lakh and a lease liability of ₹ 5,993 Lakh.

(I) MEASUREMENT OF LEASE LIABILITY UNDER SIMPLIFIED TRANSITION APPROACH

₹ in Lakh

Particulars	Amount
Operating lease commitments disclosed as at March 31, 2019	9,355
Discounted using the Company's incremental borrowing rate at the date of initial application	5,993
Lease liability recognised as at April 01, 2019	**5,993**
Of which	
Current lease liabilities	1,038
Non-current lease liabilities	4,955
Total	**5,993**

(II) AMOUNTS RECOGNISED IN THE BALANCE SHEET

CARRYING AMOUNT OF RIGHT-OF-USE ASSET

Particulars	As at March 31, 2020	As at March 31, 2019
Factory (including ancillary assets)*	5,873	-
Total	**5,873**	**-**

Particulars	Factory (including ancillary assets)*	Total
Cost		
Balance at April 01, 2019	6,354	6,354
Balance at March 31, 2020	**6,354**	**6,354**
Accumulated depreciation		
Balance at April 01, 2019	-	-
Depreciation expenses	481	481
Balance at March 31, 2020	**481**	**481**

*The Company has taken a factory on lease including the building and plant and machinery thereon. The Company pays a consolidated rental and accordingly, the consolidated asset is presented. The useful life of the building and plant and machinery is beyond the lease period, hence the entire asset is depreciated over the lease period.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

CARRYING AMOUNT OF LEASE LIABLITY

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
Current	1,062	-
Non-Current	4,408	-
Total	**5,470**	**-**

(III) AMOUNTS RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS

Particulars	As at March 31, 2020	As at March 31, 2019
Interest expenses (included in finance costs)*	515	-
Expenses relating to short-term leases (included in other expenses)^	367	-
Expenses relating to leases of low-value assets that are not shown above as short-term leases (included in other expenses)^	5	-
Total	**887**	**-**

* Refer Note 30 - Finance cost

^ Refer Note 32 - Other expenses

(IV) EXTENSION AND TERMINATION OPTIONS

Extension and termination options are included in the leases of the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations.

NOTE 3

INVESTMENT PROPERTY

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
Carrying amounts of:		
Completed investment properties	2,489	2,271
Total	**2,489**	**2,271**

Particulars	As at March 31, 2020	As at March 31, 2019
Cost		
Balance at beginning of the year	2,374	2,592
Transfer from/(to) property, plant & equipment	234	(218)
Balance at end of the year	**2,608**	**2,374**
Accumulated depreciation and impairment		
Balance at beginning of the year	103	84
Transfer from/(to) property, plant & equipment	(8)	(9)
Depreciation expense	24	28
Balance at end of the year	**119**	**103**

1. Includes Building on leasehold land: Cost: ₹ 612 Lakh (2019 - ₹ 612 Lakh) and Accumulated Depreciation: ₹ 69 Lakh (2019 - ₹ 55 Lakh).

All of the Company's investment properties are held under freehold interests.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

3.1 Fair value of the Company's investment properties

The following table gives details of the fair value of the Company's investment properties as at March 31, 2020 and March 31, 2019:

₹ in Lakh

Particulars	March 31, 2020	March 31, 2019
i. Land and Buildings in Tamilnadu	31,515	31,051

The fair value of the Company's investment properties as at March 31, 2020 and March 31, 2019 have been arrived at on the basis of a valuation carried out by M/s.Value Assessors & Surveyors Private Limited, independent valuers not related to the Company. M/s.Value Assessors & Surveyors Private Limited are registered with the authority which governs the valuers in India, and they have appropriate qualifications and relevant experience in the valuation of properties in the relevant locations. Fair value was derived using the market comparable approach based on recent market/government guideline prices without any significant adjustments being made to the market observable data.

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

For rental income earned and direct operation expenses incurred in connection with investment property refer note 25 and note 37.1 respectively.

NOTE 3A

(i) Impairment tests for goodwill:

Goodwill of ₹ 1,452 Lakh (March 31, 2019: ₹ 1,452 Lakh) represents the goodwill accounted on the date of acquisition of erstwhile subsidiary Parrys Sugar Industries Limited as reflected in the Consolidated Financial Statements of the Company for the year ended March 31, 2015 which was subsequently merged with the Company (which was a common control entity). The Company has assessed the goodwill for impairment and based on the assessment no impairment has been considered.

The Company has determined each factory location as a cash generating unit (CGU). The entire goodwill is attributable to the Company's factory at Ramdurg.

(ii) Significant estimate: key assumptions used for value-in-use calculation:

The Company tests whether goodwill has suffered any impairment on an annual basis. For the current and previous financial year, the recoverable amount of the CGUs was determined based on value-in-use calculations which require the use of assumptions. The factory at Ramdurg is operated on a leased property. The lease period expires in September 2032 and the arrangement doesn't contain a renewal clause. Therefore, cash flow projections based on financial budgets approved by management covering a twelve-year and six months period upto the end of lease term.

The following table sets out the key assumptions for those Ramdurg CGU to which entire goodwill is allocated are as follows:

Description	Assumption	Approach used to determine values
Sales volume (% annual growth rate)	30.00% reduction in the next financial year and a 32.00% increase in the second financial year. Thereafter, sales volume is expected to vary at a meagre rate.	Based on management's expectations of market development and past performance.
Sales price (% annual growth rate)	2.00% increase in the next financial year. Thereafter, at a rate of 2.00 - 3.00%.	Based on current industry trends, minimum support price announced by government and including long-term inflation forecasts
Post tax discount rate	11.24%	Reflect specific risks relating to the business and geography in which they operate.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(iii) Significant estimate: Impact of possible changes in key assumptions

The recoverable amount of the Ramdurg CGU is estimated to exceed the carrying amount of the CGU as at March 31, 2020 by ₹ 4,345 Lakh (March 31, 2019 - ₹ 2,217 Lakh).

If the post tax discount rate applied to the cash flow projections of this CGU had been higher than management's estimates (12.24% instead of 11.24%), the Ramdurg CGU's recoverable amount will reduce by ₹ 434 Lakh. The recoverable amount of the Ramdurg CGU would equal its carrying amount if a post tax discount rate of 23.61% is considered, instead of 11.24%.

The Directors and management have considered and assessed reasonably possible changes for other key assumptions and have not identified any instances that could cause the carrying amount of the Ramdurg CGU to exceed its recoverable amount.

NOTE 4

INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
Carrying amounts of:		
Software and Licenses	274	95
Total	**274**	**95**
Intangible assets under development	**-**	**137**

Particulars	As at March 31, 2020	As at March 31, 2019
Cost		
Balance at beginning of the year	1,240	1,218
Adjustments	(997)	-
Additions	209	22
Balance at end of the year	**452**	**1,240**
Accumulated depreciation and impairment		
Balance at beginning of year	1,145	1,109
Adjustments	(1,014)	-
Amortisation expense	47	36
Balance at end of the year	**178**	**1,145**
Carrying amount at end of the year	**274**	**95**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

NOTE 5A

FINANCIAL ASSETS: INVESTMENTS IN SUBSIDIARIES

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
I. Quoted Investments		
(a) Investments in Equity Instruments at Cost		
17,13,05,580 (2019 - 17,71,55,580) shares of ₹ 1 each fully paid up in Coromandel International Limited (refer note 14)	11,593	11,989
Total Quoted Investments	**11,593**	**11,989**
Market value of quoted investments	**9,35,671**	**9,14,123**
II. Unquoted Investments		
(a) Investments in Equity Instruments at Cost		
15,00,000 (2019 - 15,00,000) shares of ₹ 10 each fully paid up in Parrys Sugar Limited	150	150
50,00,000 (2019 - 50,00,000) shares of ₹ 10 each fully paid up in Parry Infrastructure Company Private Limited	500	500
1,027 (2019 - 1000) shares of $10 each fully paid up in US Nutraceuticals Inc. (refer note 5.4)	8,179	7,790
34,55,92,105 (2019 - 33,80,92,105) shares of ₹ 10 each fully paid up in Parry Sugars Refinery India Private Limited (refer note 5.2 and 5.5)	58,371	56,871
6,838 (2019 - 6,838) equity shares fully paid up in Alimtec S.A.	2,640	2,640
9,500 (2019 - 9,500) shares of ₹ 10 each fully paid up in Parry Agro Chem Exports Limited	*	*
18,00,150 (2019 - 18,00,150) shares of ₹ 10 each fully paid up in Parry Investments Limited	192	192
Total Unquoted Investments	**70,032**	**68,143**
Total Non-current Investments	**81,625**	**80,132**

NOTE 5B

FINANCIAL ASSETS: INVESTMENTS IN JOINT VENTURES

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
Unquoted Investments		
(a) Investments in Equity Instruments at Cost		
1,07,00,000 (2019 - 66,00,000) shares of ₹ 10 each fully paid up in Alagavista Greentech Private Limited (refer note 5.3)	1,070	660
Total Unquoted Investments	**1,070**	**660**
Aggregate amount of impairment in value of investments	-	-

* less than ₹ 1 Lakh

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

5.1. The details of subsidiaries are given in the note 51 - related party.

5.2. During the year, Company has invested in 75,00,000 Equity Shares of face value ₹ 10 each at a premium of ₹ 10 per share in Parry Sugars Refinery India Private Limited Limited amounting to ₹ 1,500 Lakh.

5.3. During the year, Company has invested in 41,00,000 Equity Shares of face value ₹ 10 each at par per share in Algavista Greentech Private Limited amounting to ₹ 410 Lakh.

5.4. During the year, the Company had invested in 27 Equity Shares of face value $1 each in US Nutraceuticals Inc amounting to ₹ 389 Lakh.

5.5. The carrying value of investments is less than the net worth of the subsidiary which is an indicator of potential impairment. The Company has performed a detailed impairment assessment and based on the assessment performed no impairment is deemed necessary.

NOTE 6

OTHER INVESTMENTS

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
I. Quoted Investments		
(a) Investments in Equity Instruments at FVTOCI		
82,440 (2019 - 82,440) shares of ₹ 10 each fully paid up in State Bank of India	162	264
1965 (2019 - 393 shares of ₹ 10 each) shares of ₹ 2 each fully paid up in Cholamandalam Investment and Finance Company Limited	3	6
42,938 (2019 - 42,938) shares of ₹ 10 each fully paid up in Coromandel Engineering Company Limited	5	13
2,000 (2019 - 2,000) shares of ₹ 1 each fully paid up in Carborundum Universal Limited	4	8
2,50,000 (2019 - 2,50,000) shares of ₹ 2 each fully paid up in Metkore Alloys & Industries Limited	1	2
Total and aggregate market value of quoted investments	**175**	**293**
II. Unquoted Investments		
(a) Investments in Equity Instruments at FVTOCI		
100 (2019 - 100) shares of ₹ 10 each fully paid up in Travancore Sugars and Chemicals Limited	*	*
23,600 (2019 - 23,600) shares of ₹ 10 each fully paid up in Kartik Investments Trust Limited	23	24
18,270 (2019 - 18,270) shares of ₹ 100 each fully paid up in Murugappa Management Services Limited	63	57
125 (2019 - 125) shares of 25 pence each fully paid up in Hawker Siddley Group Limited	*	*
10,000 (2019 - 10,000) shares of Re.1 each fully paid up in Indian Dairy Enterpreneurs Agricultural Company Limited	*	*
266 (2019 - 266) shares of ₹ 10 each fully paid up in Chennai Wellingdon Corporate Foundation	*	*
12,74,400 (2019 - 6,37,200) shares of ₹ 10 each fully paid up in Indian Potash Limited	16,937	16,636
1,00,000 (2019 - 1,00,000) shares of ₹ 10 each fully paid up in Bio Tech Consortium (India) Limited	52	49
2 (2019 - 2) shares of ₹ 10 each fully paid up in Murugappa Morgan Thermal Ceramics Limited	*	*
20 (2019 - 20) shares of ₹ 100 each fully paid up in Kullittalai Cane Farms Private Limited	*	*
Total Unquoted Investments	**17,075**	**16,766**
Total Other Investments	**17,250**	**17,059**
Aggregate amount of impairment in value of investments	-	-
Current	**-**	**-**
Non-current	**17,250**	**17,059**

* less than ₹ 1 Lakh

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

NOTE 7

TRADE RECEIVABLES

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good*	16,178	16,175
Doubtful	2,654	2,619
Allowance for doubtful debts (expected credit loss allowance)	(2,654)	(2,619)
Total	**16,178**	**16,175**
Current	**16,178**	**16,175**
Non-current	-	-

* Debts due by private companies in which the Company's directors are directors is ₹ 290 Lakh (2019 - ₹ 1,766 Lakh)

The trade receivables of the Company do not contain a significant financing component (also refer note 49.5) and accordingly, the Company has adopted the simplified approach under Ind AS 109 for recognition of impairment losses on trade receivables. Consequently, the disclosure of trade receivables into "Trade receivables which have significant increase in credit risk" and "Trade receivables which are credit impaired" has not been given since it is not relevant to the Company.

The Company uses other publicly available financial information and its own trading records before accepting any customer. The Company's exposure is continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Refer Note No 51.5 for receivable from related parties

Of the trade receivables balance, customer balances which represent more than 5% of the total balance of trade receivable are given below.

Customer	As at March 31, 2020	As at March 31, 2019
Mondelez India Foods Limited	2,987	1,905
Hubli Electricity Supply Company Limited	1,186	1,412
AP TRANCO	1,174	759
TNEB Limited	1,356	1,356
Tamil Nadu Newsprint and Papers Limited	970	1,503
Parry Sugars Refinery India Private Limited	26	1,653
Pepsico India Holdings Private Limited	-	805

NOTE 8

LOANS

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
Loans Receivables considered good - Unsecured		
i) Inter corporate loans (refer note 51.5 - for related party information)	-	51
ii) Others	1,200	1,600
Total	**1,200**	**1,651**
Current	**400**	**451**
Non-current	**800**	**1,200**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

NOTE 9

OTHER FINANCIAL ASSETS

₹ in Lakh

Particulars	Non-current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
At Amortised Cost				
(a) Security Deposits	387	465	225	199
(b) Interest receivable*	-	-	1,847	551
(c) Insurance claims	-	-	109	12
(d) Advance recoverable in cash:				
(i) Unsecured and Considered Good	-	-	224	5
(ii) Considered Doubtful	-	-	266	266
Less: Provision for Doubtful Advances	-	-	(266)	(266)
(e) Government subsidy receivable	-	-	14,857	4,900
(f) Other receivable	-	-	1,035	352
At Fair Value				
(a) Fair value of Foreign exchange Forwards	-	-	52	477
Total	**387**	**465**	**18,349**	**6,496**

*Includes interest subsidy receivable of ₹ 1,799 Lakh (March 31, 2019: ₹ 350 Lakh).

NOTE 10

OTHER ASSETS

₹ in Lakh

Particulars	Non-current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31,, 2019
(a) Security Deposit	124	44	8	25
(b) Capital Advances	23	37	-	-
(c) Balance with Government authorities	356	402	3,186	3,371
(d) Advance recoverable in kind or for value to be received*				
(i) Unsecured and Considered Good	1,126	1,201	16,372	15,425
(ii) Considered Doubtful	1,871	1,807	-	-
Less: Provision for doubtful advances	(1,871)	(1,807)	-	-
Total	**1,629**	**1,684**	**19,566**	**18,821**

* Represents majorly advances paid to sugarcane farmers, harvesters and transporters.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

NOTE 11
INVENTORIES

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
At lower of cost and net realisable value		
(a) Raw materials	2,847	3,756
(b) Work-in-process	1,657	1,809
(c) Finished goods	82,042	84,018
(d) Stores and spares	3,213	2,687
(e) By-products	5,922	5,002
Total	**95,681**	**97,272**

The cost of inventories recognised as an expense during the year in respect of continuing operations was ₹ 1,27,605 Lakh (March 31, 2019: ₹ 1,37,662 Lakh).

The cost of inventories recognised as an expense includes ₹ 415 Lakh (2018-19: ₹ 221 Lakh) in respect of write-downs of inventory to net realisable value, and has been reduced by ₹ 221 Lakh (2018-19: Nil) in respect of reversal of such write downs.

Finished goods includes inventories worth ₹ Nil (2018-19: ₹ 17,363 Lakh) carried at fair value less cost to sell.

Finished goods includes goods in transit to the extent of ₹ 112 Lakh (2018-19: ₹ Nil).

The mode of valuation of inventories has been stated in note 1.15.

NOTE 12

CASH AND CASH EQUIVALENTS

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, cheques and drafts on hand. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the balance sheet as follows:

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Balances with banks		
(i) In Current account	1,053	69
(b) Cash on hand	1	1
Total	**1,054**	**70**

NOTE 13
OTHER BANK BALANCES

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Balances with banks in earmarked accounts		
- In Unpaid Dividend account	167	2,076
- In Cane Development/SEFASU Loan No-lien account	-	102
- In Margin Money accounts towards Bank Guarantee	279	210
Total	**446**	**2,388**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

NOTE 14

ASSETS & LIABILITIES CLASSIFIED AS HELD FOR SALE/DISCONTINUED OPERATIONS

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Asset associated with factory held for sale (refer note a below)	2,984	3,686
(ii) Investment in Coromandel International Limited (refer note b below)	396	-
Total	**3,380**	**3,686**

a. The Board of Directors of the Company in their meeting held on February 01,2019 have approved the sale of property, plant and equipment of the Puducherry factory of the Company in next 12 months. The Company has identified potential buyers and is in the process of seeking approvals before concerned authorities. Due to lockdown, there is a delay in obtaining necessary compliance before executing the sale transaction. The directors of the Company expect that the fair value less cost to sell will be higher than the aggregate carrying amount of the related assets.Therefore, no impairment loss were recognised on reclassification of the assets as held for sale as at March 31, 2020.

b. The Board of Directors of the Company in their meeting held on March 24,2020 have approved the sale of 2% stake in Coromandel International Limited in next 12 months. The directors of the Company expect that the fair value less cost to sell will be higher than the aggregate carrying amount of the investment.Therefore, no impairment loss were recognised on reclassification of the assets as held for sale as at March 31, 2020.

NOTE 15
INCOME TAX ASSETS (NET)

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
Tax refund receivable	6,996	6,565
Total	**6,996**	**6,565**

NOTE 16

EQUITY SHARE CAPITAL

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
AUTHORISED:		
Equity Shares:		
2,34,40,00,000 Equity Shares of ₹ 1 each (2019 - 2,34,40,00,000)	23,440	23,440
Preference Shares:		
2,03,10,000 Reedemable Preference shares of ₹ 100/each (2019 - 2,03,10,000)	20,310	20,310
ISSUED, SUBSCRIBED AND FULLY PAID UP		
17,69,94,981 Equity Shares of ₹ 1 each (2019 - 17,69,94,981)	1,770	1,770
	1,770	**1,770**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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

Particulars	2019-20		2018-19	
	No of Shares	₹ Lakh	No of Shares	₹ Lakh
Equity Shares of ₹ 1 each fully paid up				
At the beginning of the period	17,69,94,981	1,770	17,69,94,981	1,770
At the end of the period	**17,69,94,981**	**1,770**	**17,69,94,981**	**1,770**

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

Name of the Shareholder	No of shares held as at			
	March 31, 2020		March 31, 2019	
	Nos.	%	Nos.	%
Ambadi Investment Limited	6,80,58,444	38.45	6,80,58,444	38.45

16.3 Terms attached to Equity Shares:

The Company has 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.

Share options granted under the Company's employee share option plan carry no rights to dividends and no voting rights.

16.4 Details of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

During the year 2017-18, 10,74,861 equity shares of ₹ 1 each fully paid up were alloted to shareholders of Parrys Sugar Industries Limited (PSIL) other than the Company in the proportion of 2 equity shares of ₹ 1 each in the company for every 13 equity shares of ₹ 10 each held in the PSIL pursuant to the Scheme of Arrangement between PSIL and the Company.

16.5 Dividend

On February 01, 2019 and March 22, 2019 a dividend of ₹ 2 per share (total dividend of ₹ 3,540 Lakh) and ₹ 1 per share (total dividend of ₹ 1,770 Lakh) was paid in February 2019 and April 2019 respectively to the holders of fully paid equity shares.

16.6 Refer note 50 for the shares reserved for issue under Employee stock option plans.

NOTE 17

OTHER EQUITY

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
Capital redemption reserve	4,288	4,288
Capital reserve on amalgamation	688	688
Securities premium reserve	6,174	6,174
Debenture redemption reserve	-	833
Capital reserve (as per Scheme of Arrangement of Demerger)	5,718	5,718
General reserve	88,680	88,680
Cash flow hedging reserve	-	-
Share options outstanding reserve	471	345
Reserve for equity instruments through other comprehensive income	13,188	13,334
Retained earnings	50,398	49,520
Total	**1,69,605**	**1,69,580**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

RESERVES AND SURPLUS:

₹ in Lakh

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(a) Capital redemption reserve	**4,288**	**4,288**

The capital redemption reserve is created out of the statutory requirement to create such reserve on buyback of shares. These are not available for distribution of dividend and will not be reclassified subsequently to statement of profit and loss.

(b) Capital reserve on amalgamation	**688**	**688**

Capital reserve on amalgamation is created pursuant to Scheme of Amalgamation with Parrys Sugar Industries Limited.

(c) Securities premium account	**6,174**	**6,174**

Securities premium is used to record the premium on issue of shares.The reserve is utilised in accordance with the provisions of the act.

(d) Debenture redemption reserve		
Opening balance	833	2,500
Add: Addition during the period	-	833
Less: Utilised during the period	833	2,500
Closing balance	**-**	**833**

Debenture redemption reserve is created as per the statutory requirements to maintain funds to repay the debenture liability. These will be subsequently transferred to Retained Earnings on payment of the debenture liability.

(e) Capital reserve (as per Scheme of Arrangement of Demerger)	**5,718**	**5,718**
(f) General reserve	**88,680**	**88,680**

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss except to the extent permitted as per Companies Act, 2013 and rules made thereunder.

(g) Cash flow hedging reserve		
Opening balance	-	10
Add:Deferred taxes	-	5
Less: Utilised/reversed during the year	-	(15)
Closing balance	**-**	**-**

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gains or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to statement of profit and loss only when the hedged transaction affects the statement of profit and loss, or included as a basis adjustment to the non-financial hedged item.

(h) Share options outstanding reserve		
Opening balance	345	183
Add:Addition during the year	126	162
Closing balance	**471**	**345**

The above reserve relates to share options granted by the Company to its employees under its employee share option plan. Further information about share based payments to employees is set out in note 50.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

₹ in Lakh

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(i) Reserve for equity instruments through other comprehensive income		
Opening balance	13,334	11,508
Other comprehensive income for the year net of income tax	(146)	1,826
Closing balance	**13,188**	**13,334**

This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those assets have been disposed off.

(j) Retained earnings		
Opening balance	49,520	42,294
Less: Transfer to Debenture redemption reserve	-	833
Add: Transfer from Debenture redemption reserve	833	2,500
Profit for the year	183	16,313
Remeasurement of defined benefit plans (net of tax)	(138)	(134)
	50,398	**60,140**
Less: Appropriations		
Final dividend for FY 2017-18 (refer note 16.5)	-	5,310
Interim dividend on Equity Shares	-	5,310
Closing balance	**50,398**	**49,520**

The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the standalone financial statements of the Company and also considering the requirements of the Companies Act, 2013. Thus, the amounts reported above are not distributable in entirety.

Total other equity	**1,69,605**	**1,69,580**

NOTE 18

LONG TERM BORROWINGS

₹ in Lakh

Particulars	Non-Current Portion		Current Maturities	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Unsecured - at amortised cost				
i) Deposits	1,729	1,605	-	-
ii) Purchase Tax deferment loan	241	241	-	109
Sub Total	**1,970**	**1,846**	**-**	**109**
Secured - at amortised cost				
i) Bonds/Debentures	19,981	9,989	-	-
ii) Term loans				
- from banks	14,891	17,090	11,299	8,033
- from Government of India - Sugar Development Fund	4,158	6,281	1,968	2,359
Sub Total	**39,030**	**33,360**	**13,267**	**10,392**
Total	**41,000**	**35,206**	**13,267**	**10,501**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

SUMMARY OF BORROWING ARRANGEMENTS

₹ in Lakh

Particulars	March 31, 2020	March 31, 2019	Rate of interest	Security	Terms of repayment
a. 8.00% Secured, Redeemable Non-convertible debentures 2019-20 series.	9,986	-	8.00%	Secured by way of first mortgage/charge on various properties of the company and assets coverage of 1.25 times of the aggregate face value of NCDs outstanding at all times.	Redeemable in January, 2023.
b. 8.25% Secured, Redeemable Non-convertible debentures 2018-19 series.	9,995	9,989	8.25%	Secured by way of first pari passu charge on the movable and/or immovable fixed assets of the Pudukottai unit with minimum fixed asset coverage of 1.25 times of the aggregate face value of NCDs outstanding at all times.	Redeemable in April, 2021.
c. State Bank of India	5,379	-	1 Year MCLR + 0.15%	Secured by pari passu first charge of fixed assets along with other term loan lenders, including mortage over factories land and bulding (both present & future) of the Company.	One year moratorium of repayment. Repayable in 48 equal monthly installments.
d. State Bank of India (Capex Term Loan)	4,994	5,000	1 Year MCLR + 0.15%	Secured by pari passu first charge of fixed assets along with other term loan lenders, including mortage over factories land and bulding (both present & future) of the Company.	One year moratorium of repayment.Repayable in 48 equal monthly installments.
e. HDFC Bank - Soft Loan	-	1,370	1 Year MCLR + 0.05%	Secured by pari passu first charge on movable fixed assets (both present and future) of the company.	Repaid.
f. State Bank of India - Sankili Ethanol Term Loan ₹17.33 Cr	1,631	-	1 Year MCLR + 0.15%	Secured by pari passu first charge of fixed assets along with other term loan lenders, including mortage over factories land and bulding (both present & future) of the Company.	One year moratorium of repayment. Repayable in 48 equal monthly installments.
g. HDFC Bank	6,666	13,329	1Year MCLR + .05%	Secured by pari passu first charge of fixed assets along with other term loan lenders.	Repayable in final annual installment.
h. HDFC Bank - Soft Loan 2019	7,420	5,423	6M MCLR	Secured by pari passu first charge of movable fixed assets along with other term loan lenders.	One year moratorium of repayment. Repayable in 16 equal quarterly installments.
i. HDFC Bank - Bagalkot EBP ₹ 68.12 Cr	100	-	7.75%as on date linked to 3M repo rate, 3 M monthly reset	Secured by pari passu first charge of movable fixed assets along with other term loan lenders.	One year moratorium of repayment. Repayable in 4 equal annual installments.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

₹ in Lakh

Particulars	March 31, 2020	March 31, 2019	Rate of interest	Security	Terms of repayment
j. Sugar Development Fund Loans					
i. Pettavaithalai - Modernisation and Expansion of Sugar and Cogeneration units	-	316	4.00%	Secured by way of a bank guarantee from State Bank of India.	Repaid.
ii. Nellikuppam - Expansion of Sugar and Co-generation Units	432	648	4.00%	Secured by way of a bank guarantee from State Bank of India.	Repayable over 2 yearly Installments.
iii. Nellikuppam - Expansion of Sugar and Co-generation Units	532	791	4.25%	Secured by way of a bank guarantee from State Bank of India.	Repayable over 2 yearly Installments.
iv. Haliyal Modernisation and capacity expansion	103	226	4.25%	Secured by way of a bank guarantee from Indusind Bank Ltd.	Repayable over 5 years in 8 equal half yearly installments commencing from November, 2020.
v.Haliyal Cane Development	113	188	7.00%	Secured by way of a bank guarantee from Indusind Bank Ltd.	Repayable over 2 years in 3 equal half yearly installments.
vi.Haliyal Modernisation and Expansion	1,904	2,380	7.00%	Secured by way of a bank guarantee from Indusind Bank Ltd.	Repayable over 4 years in 8 equal half yearly installments.
vii. Sankili - Modernisation and Expansion of sugar unit and Cane Development Loan Tranche I	99	165	6.75%	Secured by way of a bank guarantee from Indusind Bank Ltd.	Repayable over 2 years in 3 equal half yearly installments.
viii. Sankili - Modernisation and Expansion of sugar unit and Cane Development Loan Tranche II	264	260	4.25%	Secured by way of a bank guarantee from Indusind Bank Ltd.	Repayable in 8 equal half yearly installments commencing from January, 2021.
ix. Bagalkot - Cane Development Loan I	-	30	6.75%	Secured by way of a bank guarantee.	Repaid.
x. Bagalkot - Cane Development Loan II	-	74	8.25%	Secured by way of a bank guarantee.	Repaid.
xi. Bagalkot - Co Generation Loan	61	122	6.25%	Secured by way of a bank guarantee.	Repayable over 1 years in 2 equal half yearly installments.
xii. Bagalkot - Modernisation Loan	592	740	7.00%	Secured by way of a bank guarantee.	Repayable over 4 years in 8 equal half yearly installments.
xiii. Ramdurg - Loan for Expansion unit I	403	538	8.25%	Secured by way of a bank guarantee.	Repayable over 3 years in 6 equal installments.
xiv. Ramdurg - Loan for Expansion unit II	700	900	7.00%	Secured by way of a bank guarantee.	Repayable over 4 years in 7 equal half yearly installments.
xv. Ramdurg - Loan for Expansion unit III	823	1,028	7.00%	Secured by way of a bank guarantee.	Repayable over 4 years in 8 equal half yearly installments commencing from September, 2019.
xvi. Ramdurg - Cane Development Loan I	35	104	6.75%	Secured by way of a bank guarantee.	Repayable over final installment.
xvii. Ramdurg - Cane Development Loan II	65	131	7.00%	Secured by way of a bank guarantee.	Repayable over 1 years in 2 equal half yearly installments.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

₹ in Lakh

Particulars	March 31, 2020	March 31, 2019	Rate of interest	Security	Terms of repayment
k. TNPL Deposit	1,729	1,605	Interest Free	Unsecured.	Repayable in December 2024.
l. Purchase Tax deferment loan:					
i. Purchase Tax deferment loan (2012-13)	-	109	Interest Free	Unsecured.	Repayable on Demand
ii. Purchase Tax deferment loan (2014-15)	80	80	Interest Free	Unsecured.	Repayable in April 2021
iii. Purchase Tax deferment loan (2015-16)	161	161	Interest Free	Unsecured.	Repayable in April 2021
Total	**54,267**	**45,707**			

Breach of Loan agreement:
There is no breach of loan agreement and loan covenant.

Note 19
SHORT TERM BORROWINGS

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured - at amortised cost		
a. Others		
- Pre-shipment Rupee Loan from banks (refer note a)	17,503	3,031
Secured - at amortised cost		
a. Loan repayable on demand		
- from banks (refer note b and c below)	24,295	24,505
b. Others		
- Commercial Paper (refer b and c below)	7,434	9,986
Total	**49,232**	**37,522**

a. Unsecured Loans:
   (i) Interest for Standard Chartered Bank Loan of ₹ 3,000 Lakh is linked to 1 Month T-Bill plus spread with a tenor of one month.
   (ii) ₹ 12,000 Lakh WCDL from HDFC at the rate of 8.00%
   (iii) ₹ 2,500 Lakh WCDL from CTBC Bank at the rate of 6.75%

b. Working Capital Demand Loan availed from State Bank of India of:
   (i) ₹ 10,000 Lakh WCDL from SBI with a tenor of 60 days at the rate of 6.50%
   (ii) ₹ 14,169 Lakh WCDL from State Bank of India, repayable within 5 months, for which 100% Interest subvention is available as per Government Notification
   (iii) ₹ 7,500 Commercial Paper issued with a tenor of 3 months at the rate of 5.70%

c. Working Capital facilities from State Bank of India 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.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

d. Net Debt Reconciliation*

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
Opening net debt	**89,463**	**1,07,496**
Proceeds from long term borrowings	19,104	20,428
Repayment of long term borrowings	(10,560)	(33,415)
Net increase/(decrease) in working capital borrowing	11,601	(5,721)
Interest expenses (excluding interest on lease liability)	13,052	11,343
Interest reimbursement by the government	(2,037)	(733)
Interest paid (net of subsidy received)	(13,410)	(9,935)
Increase in cash equivalents	(984)	-
Closing net debt (refer note a)	**1,06,229**	**89,463**

* Reconciliation excludes cane bills due payable to bank (refer note 21) and lease liability (refer note 2A).

Note a: Net Debt Calculation

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current borrowings (refer note 18)	41,000	35,206
Short term borrowings (refer note19)	49,232	37,522
Current maturities of long-term debt (refer note 18)	13,267	10,501
Interest accrued but not due on borrowings & acceptance (refer note 21)	5,583	6,654
Interest receivable (refer note 9)	(1,799)	(350)
Cash and cash equivalents (refer note 12)	(1,054)	(70)
Net Debt	**1,06,229**	**89,463**

NOTE 20

TRADE PAYABLES

₹ in Lakh

Particulars	Current	
	As at March 31, 2020	As at March 31, 2019
Trade payables	41,002	38,852
of the above		
(i) Total outstanding dues of micro enterprises and small enterprises*	180	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	40,822	38,852
Employee related payables	2,625	1,955
Total	**43,627**	**40,807**

*Dues to enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 which is on the basis of such parties having been identified by the management and relied upon by the auditors.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

NOTE 21

OTHER FINANCIAL LIABILITIES

₹ in Lakh

Particulars	Current	
	As at March 31, 2020	As at March 31, 2019
At Amortised Cost		
(a) Current maturities of long-term debt	13,267	10,501
(b) Interest accrued but not due on borrowings & acceptance	5,583	6,654
(c) Unclaimed dividends (refer note 21.1 and 21.2)	167	306
(d) Unpaid dividend	-	1,770
(e) Other liabilities		
- Cane bill due payable to banks (refer note 21.3)	69,802	79,045
- Other miscellaneous liabilities (includes Retention money and Investment money deposits)	1,258	484
At Fair Value		
(a) Fair value of Forwards	760	62
Total	**90,837**	**98,822**

21.1 These amounts represent warrants issued to the Shareholders which remained unpresented as on March 31,2020 and March 31, 2019 respectively.

21.2 During the year, ₹ 203 Lakh (March 31, 2019: ₹ 23 Lakh) was transferred to the Investor Education and Protection Fund and there are no amount due to be tranferred to Investor Education and Protection Fund.

21.3 Represents amounts payable to the bank for payments made by bank to the farmers for cane supplied to the Company.

NOTE 22

OTHER LIABILITIES

₹ in Lakh

Particulars	Non-current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
a. Statutory remittances (contributions to PF and ESIC, withholding taxes and indirect taxes)	-	-	277	440
b. Advances and deposits from customers and others	-	-	1,869	1,108
c. Deferred revenue arising from interest free deposit and Government grants	661	944	137	-
Total	**661**	**944**	**2,283**	**1,548**

NOTE 23

PROVISIONS

₹ in Lakh

Particulars	Non-current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Provision for compensated absences*	862	721	555	564
Gratuity Payable	-	-	993	977
Total	**862**	**721**	**1,548**	**1,541**

*The provision for compensated absences includes annual leave and vested long service leave entitlements accrued and compensation claims made by employees.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

NOTE 24

REVENUE FROM OPERATIONS

₹ in Lakh

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(a) Sales of Products	1,76,577	1,79,338
(b) Other operating revenues		
- Government subsidy (refer note 24.2)	9,144	3,863
- Sundry Income	1,248	983
- Scrap sales	519	333
Total	**1,87,488**	**1,84,517**

24.1 There are no critical judgements involved in the determination of the amount and timing of revenue. For details of disaggregated revenue refer note 46.

24.2 The Company recognises income based on the export obligation fulfilled. For the year ended March 31, 2020, the export obligation is based on the allocation of 83,484 MT made by the Government (including additional quota of 11,115 MT allocated to other sugar mills undertaken by the Company). The unfulfilled obligation as at March 31, 2020 based on the allocated quantity amounts to 29,728 MT. The Company has time till September 30, 2020 to fulfill the above mentioned obligation.

For the year ended March 31, 2019, the obligation to export is lower of the allocated quantity and 16.7 kg per MT of cane crushed for the sugar season 2018-19. The unfulfilled obligation as at March 31, 2019 based on the allocated quantity amounts to MT 27,830. The obligation has been fulfilled.

24.3 Reconciliation of revenue recognised with contract price:

₹ in Lakh

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Contract price	1,87,589	1,84,923
Adjustments for:		
Rebates and discounts	(101)	(406)
Revenue from operations	**1,87,488**	**1,84,517**

NOTE 25

OTHER INCOME

₹ in Lakh

Particulars	Year ended March 31, 2020		Year ended March 31, 2019	
(a) Interest income earned on financial assets and others that are not designated as fair value through profit or loss				
- On bank deposits (at amortised cost)	58		81	
- On loans and advances to subsidiaries & others (at amortised cost)	98		131	
- On other assets (at amortised cost)	391	547	363	575
(b) Dividend Income				
- From equity investments designated				
As at cost	6,200		11,515	
As at FVTOCI	19	6,219	19	11,534
(c) Other gains or losses				
- Profit on sale of fixed assets (Net)	363		399	
- Net gain arising on financial assets designated as at FVTPL	169		531	
- Net gain/(loss) on foreign currency transaction and translation	(822)	(290)	882	1,812
(d) Other non-operating income				
- Operating lease rental from investment property	1,945		1,832	
- Services	771		1,038	
- Insurance claim received	4		26	
- Government grant income (refer note 25.1)	2,037		733	
- Commission	1,962		1,539	
- Liabilities/provisions no longer required written back	190		986	
- Others	684	7,593	52	6,206
Total		**14,069**		**20,127**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

25.1 The Government grant income represents interest benefit on below market interest rate loans and interest subvention income (Pursuant to Notification no. 1(6)/2018-SP-I).

NOTE 26

COST OF MATERIAL CONSUMED

₹ in Lakh

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(a) Sugarcane*	1,08,637	1,06,870
(b) Others	17,409	17,133
Total	**1,26,046**	**1,24,003**

*Net of reversal of ₹ Nil of certain raw material provisions for the year ended March 31, 2020 (March 31, 2019: ₹ 4,614 Lakh) and ₹ 112 Lakh related to material in transit for the year ended March 31, 2020 (March 31, 2019: Nil).

NOTE 27

PURCHASES OF STOCK-IN-TRADE

₹ in Lakh

Classes of Goods	Year ended March 31, 2020	Year ended March 31, 2019
(a) Sugar	120	197
(b) Nutra Products	231	583
Total	**351**	**780**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

₹ in Lakh

NOTE 28

CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS, BY-PRODUCTS AND STOCK-IN-TRADE

Particulars	Year ended March 31, 2020		Year ended March 31, 2019	
Opening Stock:				
Work-in-progress	1,809		2,594	
Finished goods (including by-products)	89,020		1,01,114	
Stock-in-trade	-	90,829	-	1,03,708
Closing Stock:				
Work-in-progress	1,657		1,809	
Finished goods (including by-products)	87,964		89,020	
Stock-in-trade	-	89,621	-	90,829
Decrease in Stocks		**1,208**		**12,879**

NOTE 29

EMPLOYEE BENEFIT EXPENSE

₹ in Lakh

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(a) Salaries, Wages and Bonus	12,931	11,055
(b) Contribution to Provident and Other Funds (refer note 47)	1,211	1,200
(c) Workmen and Staff Welfare Expenses (refer note below)	1,693	2,127
(d) Share-based payments to employees (refer note 50)	126	162
Total	**15,961**	**14,544**

Note: The Company has evaluated the impact of the recent Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-I/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In this regard, appropiate provision has been made in the Financial Statements.

NOTE 30

FINANCE COST

₹ in Lakh

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(i) Interest costs:		
(a) Debentures	981	1,179
(b) Loans including cane bill due to banks	11,882	9,831
(ii) Lease interest cost (refer note 2A)	515	-
(iii) Other borrowing costs	64	220
(iv) Unwinding of discounts on provisions	124	113
Total	**13,566**	**11,343**

30.1. The weighted average capitalisation rate on funds borrowed generally is 6.05% per annum (2018-19 - 6.30% per annum)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

NOTE 31

DEPRECIATION AND AMORTISATION EXPENSE

₹ in Lakh

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation/amortisation on		
a. Property, plant and equipment	11,404	11,313
b. Right-of-use asset	481	-
c. Investment property	24	28
d. Intangible assets	47	36
Total	**11,956**	**11,377**

NOTE 32

OTHER EXPENSES

₹ in Lakh

Particulars	Year ended March 31, 2020		Year ended March 31, 2019	
(a) Consumption of stores, spares and consumables		2,107		2,503
(b) Power and fuel		4,841		4,055
(c) Rent (includes one-time hire charges)		384		1,439
(d) Repairs and maintenance (refer note 38)				
- Buildings	248		169	
- Plant and machinery	3,874		3,353	
- Others	4,265	8,387	4,463	7,985
(e) Insurance		691		487
(f) Rates and taxes		993		2,432
(g) Packing, despatching and freight*		7,919		6,988
(h) Commission to selling agents		224		297
(i) Auditors' remuneration (refer note 35)		73		56
(j) Directors' fees (refer note 39.2)		28		19
(k) Sales promotion and publicity		1,147		722
(l) Fixed assets scrapped		-		171
(m) Professional charges		3,091		2,896
(n) Provision for doubtful debts and advances**		670		870
(o) Bad debts/advances written off **	617		1,175	
Less: Transfer from provision	(571)	46	(1,100)	75
(p) Cane development expenditure		776		812
(q) General manufacturing, selling and administration expenses (refer note 36)		3,007		3,482
(r) Corporate Social Responsibility expenditure (refer note 34)		89		120
Total		**34,473**		**35,409**

* Net of freight subsidy pursuant to Notification no.1(14)/2018-S.P. - I dated October 05, 2018 amounting to ₹ 656 Lakh for the year ended March 31, 2020 (March 31, 2019 - ₹ 954 Lakh).

** Includes bad debt/provision for doubtful debts pertaining to trade receivables amounting to ₹ 638 Lakh for the year ended March 31, 2020 (March 31, 2019 - ₹ 844 Lakh).

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

NOTE 33

RESEARCH AND DEVELOPMENT EXPENDITURE INCURRED BY THE APPROVED INHOUSE R & D CENTRES

₹ in Lakh

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(i) Revenue expenses (excluding depreciation and fixed assets scrapped):-		
a) Employee benefit expense	288	247
b) Power and fuel	13	23
c) Repairs and maintenance	18	44
d) Miscellaneous expenses	126	150
e) Other Income relating to Research and Development	(56)	(59)
Net Revenue expenses on Research and Development	**389**	**405**
(ii) Fixed Assets additions in R & D Centre made during the year	**55**	**55**

NOTE 34

EXPENDITURE INCURRED FOR CORPORATE SOCIAL RESPONSIBILITY

₹ in Lakh

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(i) Amount required to be spent as per Sec 135 of the Companies Act, 2013	Nil	Nil
(ii) Actual expenditure incurred for Corporate social responsibility	89	120

NOTE 35

PAYMENT TO AUDITORS

₹ in Lakh

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(i) Audit Fees	33	33
(ii) Fees for Limited Reviews and Certificates	37	18
(iii) Reimbursement of out of pocket expenses	3	5
Total	**73**	**56**

NOTE 36

₹ in Lakh

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Amounts contributed to electoral trust during the year	**-**	**400**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

NOTE 37

37.1 DIRECT OPERATING EXPENSES ARISING FROM INVESTMENT PROPERTY

₹ in Lakh

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Direct operating expenses arising from investment property that generated rental income during the year	562	438
Direct operating expenses arising from investment property that did not generate rental income during the year	20	16
Total	**582**	**454**

37.2. MINIMUM LEASE RECEIVABLE ON INVESTMENT PROPERTIES WHERE COMPANY IS A LESSOR

₹ in Lakh

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Within 1 year	1,950	1,945
Total	**1,950**	**1,945**

NOTE 38

₹ in Lakh

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Repairs and maintenance including stores and spare parts consumed	**2,594**	**2,406**

NOTE 39

DIRECTOR'S REMUNERATION:

39.1 Whole time Directors remuneration:

₹ in Lakh

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Short-term benefits	154	133
Post-employment benefits	22	19
Total	**176**	**152**

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.

The Remuneration paid to the Managing Director is in accordance with the provisions of Part II, Section II of Schedule V of the Companies Act, 2013.

39.2 Non Whole time Directors remuneration:

₹ in Lakh

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Directors' sitting fees	28	19
Total	**28**	**19**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

NOTE 40.

IMPACT OF COVID-19 PANDEMIC

The spread of COVID-19 has severely impacted businesses around the globe. In many countries, including India, there has been severe disruption to regular business operation due to lock downs, disruptions in transportation, supply chain, travel bans, quarantines, social distancing and other emergency measures.

The Company's significant business is sugar and it has been identified as an essential service. The Company's factory was operating during the lockdown except for few days in the initial lock down period and was able to complete the crushing of sugar as per the schedule with slight delay.

However, uncertainty caused by the current situation has resulted in delays in dispatches on account of logistical issues. This situation is a temporary phenomenon and is expected to improve in the next few weeks/months.

The Company has made detailed assessment of its liquidity position. The Company has not breached any debt covenants and has sanctioned credit facilities which can be used as and when necessary and has the ability to repay the debts as and when it falls due.

The Company also has assessed recoverability and carrying values of its assets comprising property, plant and equipment, intangible assets, trade receivables, inventory and investments as at balance sheet date, and has concluded that there are no material adjustments required in the standalone Ind AS financial statements. In the case of inventory, management has performed the inventory verification at a date subsequent to the year end in the presence of its internal auditor (an external firm of professionals carried out the work under the supervision of the Company's internal auditors) to obtain comfort over the existence and condition of inventories as at March 31, 2020 including rollback procedures etc.

The Company has also evaluated the internal controls including internal controls with reference to financial statements and all the controls are operating effectively and the Company has not diluted any controls in this regard.

Management believes that it has taken into account all the possible impact of events arising from COVID-19 pandemic in the preparation of the standalone Ind AS financial statements including the ability of the Company to continue as going concern. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions.

The auditors have included an emphasis of matter para in their auditor's report regarding the same.

NOTE 41

BASED ON AND TO THE EXTENT OF INFORMATION AVAILABLE WITH THE COMPANY UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED ACT), THE RELEVANT PARTICULARS AS AT REPORTING DATE ARE FURNISHED BELOW:

₹ in Lakh

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(i) Principal amount due to suppliers under MSMED Act, as at the end of the year	180	-
(ii) Interest accrued and due to suppliers under MSMED Act on the above amount as at the end of the year	-	-
(iii) Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
(iv) Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
(v) Interest paid to suppliers under MSMED Act (under Section 16)	-	-
(vi) Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
(vii) Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (ii) + (vi)	-	-
Total	**180**	**-**

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

NOTE 42

DISCLOSURE AS PER REGULATION 34(3) AND 53(F) OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURES REQUIREMENTS) REGULATIONS, 2015 AND SECTION 186 OF COMPANIES ACT, 2013:

Loans and advances in the nature of loans to subsidiaries (refer note 51): ₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
1. Loan balance	-	51
Maximum balance outstanding during the year	51	54
2. Guarantee	30,026	29,575

Note: The loan was repayable on demand and carried interest of 9%. This loan was given for general business purpose.

NOTE 43

Exceptional items for the year ended March 31, 2019 represents the gain on sale of investments in Parry America Inc. (a wholly owned subsidary to it's subsidary Coromandel International Limited).

NOTE 44

DEFERRED TAX BALANCES

The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax assets	8,161	8,262
Deferred tax liabilities	(864)	(2,800)
Total	**7,297**	**5,462**

₹ in Lakh

2019-20	Opening balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Deferred tax (liabilities)/asset in relation to				
Property, plant and equipment	(24,160)	969	-	(23,191)
Leases	-	34	-	34
Provision for doubtful debts, provision for compensated absences and others	3,752	(8)	-	3,744
Financial assets at FVTOCI	(3,625)	-	(338)	(3,963)
Defined benefit obligation	189	-	75	264
	(23,844)	**995**	**(263)**	**(23,112)**
Tax losses	21,044	1,204	-	22,248
Net Deferred Tax Assets/(Liability)	**(2,800)**	**2,199**	**(263)**	**(864)**
MAT Credit entitlement	8,262	(101)	-	8,161
Net Deferred Tax Asset	**5,462**	**2,098**	**(263)**	**7,297**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

₹ in Lakh

2018-19	Opening balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Deferred tax (liabilities)/asset in relation to				
Property, plant and equipment	(24,808)	648	-	(24,160)
Provision for doubtful debts, provision for compensated absences and others	3,976	(224)	-	3,752
Cash flow hedges	(5)	-	5	-
Financial assets at FVTOCI	(3,092)	-	(533)	(3,625)
Defined benefit obligation	118	-	71	189
	(23,811)	**424**	**(457)**	**(23,844)**
Tax losses	23,856	(2,812)	-	21,044
Net Deferred Tax Assets/(Liability)	**45**	**(2,388)**	**(457)**	**(2,800)**
MAT Credit entitlement	6,783	1,479	-	8,262
Net Deferred Tax Asset	**6,828**	**(909)**	**(457)**	**5,462**

Note 45

INCOME TAXES RELATING TO CONTINUING OPERATIONS

45.1 Income tax recognised in profit or loss

₹ in Lakh

Particulars	2019-20	2018-19
Current tax		
In respect of current year	-	-
In respect of prior years	(89)	-
Deferred tax		
In respect of current year	(2,320)	(4,785)
In respect of prior years	121	(122)
MAT Credit availed	101	-
Total income tax gain recognised in the current year relating to continuing operations	**(2,187)**	**(4,907)**

The income tax expense for the year can be reconciled to the accounting profit as follows:

₹ in Lakh

Particulars	2019-20	2018-19
Profit before tax from continuing operations	(2,004)	(2,175)
Income tax expense calculated at 34.944%	(700)	(760)
Effect of income that is exempt from taxation	(2,123)	(4,177)
Effect of concession	(380)	(81)
Effect of expenses that are not deductible in determining taxable profit	36	233
Effect on deferred tax balance due to remeasurement	847	-
	(2,320)	**(4,785)**
Adjustments recognised in respect of previously unrecognised/unused tax losses	133	(122)
Income tax expense recognised in profit or loss (relating to continuing operations)	**(2,187)**	**(4,907)**

The tax rate used for the 2019-20 and 2018-19 reconciliations above is the corporate tax rate of 34.944% payable by corporate entities in India on taxable profits under the Indian tax law.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

45.2 Income tax recognised in other comprehensive income

₹ in Lakh

Particulars	2019-20	2018-19
Deferred tax		
Arising on income and expenses recognised in other comprehensive income:		
Net fair value gain on investments in equity shares at FVTOCI	338	533
Net gain on designated portion of hedging instruments in cash flows hedges	-	(5)
Remeasurement of defined benefit obligation	(75)	(71)
Total income tax recognised in other comprehensive income	**263**	**457**

45.3 Income tax directly recognised in equity

No tax has been recognised directly in equity.

NOTE 46

SEGMENT INFORMATION

Information reported to the chief operating decision maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided, and in respect of the following segments tabulated below. The directors of the Company have chosen to organise the Company around differences in products and services. No operating segments have been aggregated in arriving at the reportable segments of the Company. Specifically the Company's reportable segments under Ind AS 108 are as follows.

Operating Segment:

Sugar	Cogeneration	Distillery	Nutraceuticals
Sugar	Power	Spirits	Nutraceuticals

Geographical information:

The Company operates in the following principal geographical areas:

North America	Europe	Rest of the world	India (Country of domicile)

Revenue and expenses directly attributable to segments are reported under each reportable segment. Other expenses and income which are not attributable or allocable to segments have been disclosed as net unallocable expenses/income.

Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Property, plant and equipment that are used interchangeably among segments are not allocated to reportable segments.

Operating segments represent the products also and therefore separate disclosure of revenue from major products is not made.

Sales to any individual customers is less than 10% of total sales.

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.

46.1. Changes in Accounting Policy

The adoption of new leasing standard described in note 2A had the following impact on the segment disclosures in the current year:

₹ in Lakh

Particulars	Increase	
	Operating profit/(loss)	Depreciation
Sugar	501	433
Cogeneration	56	48
Total	**557**	**481**

46.2. Segment Reporting
OPERATING SEGMENTS REVENUE AND RESULTS:

₹ in Lakh

Particulars	Sugar		Cogeneration		Distillery		Nutraceuticals		Elimination		Overall	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Revenue from Operations:												
External customers	1,37,664	1,38,589	8,268	7,238	35,680	31,748	5,819	6,921	-	-	1,87,431	1,84,496
Other revenue from operation	-	-	-	-	-	-	-	-	-	-	57	21
Revenue from discontinued operation	-	-	-	-	-	-	-	-	-	-	-	-
Inter-segmental Sales	-	-	4,829	5,274	-	-	-	-	(4,829)	(5,274)	-	-
Total	**1,37,664**	**1,38,589**	**13,097**	**12,512**	**35,680**	**31,748**	**5,819**	**6,921**	**(4,829)**	**(5,274)**	**1,87,488**	**1,84,517**
Results:												
Operating Profit/(Loss)	**(786)**	**(8,670)**	**(3,737)**	**(3,496)**	**6,103**	**2,659**	**(816)**	**200**	-	-	**764**	**(9,307)**
Interest income	-	-	-	-	-	-	-	-	-	-	547	575
Dividend income	-	-	-	-	-	-	-	-	-	-	6,219	11,534
Other unallocated income net of expenses	-	-	-	-	-	-	-	-	-	-	4,032	6,366
Finance costs	-	-	-	-	-	-	-	-	-	-	(13,566)	(11,343)
Profit/(loss) before tax from continuing operations	-	-	-	-	-	-	-	-	-	-	(2,004)	(2,175)
Profit/(loss) before tax from discontinued operations	-	-	-	-	-	-	-	-	-	-	-	20,876
Tax expenses	-	-	-	-	-	-	-	-	-	-	2,187	(2,388)
Net Profit after tax for the year	-	-	-	-	-	-	-	-	-	-	**183**	**16,313**
Other information:												
Segment assets of continuing operations	2,03,616	1,95,296	35,071	35,312	28,542	22,595	11,347	12,216	-	-	2,78,576	2,65,419
Unallocated corporate assets	-	-	-	-	-	-	-	-	-	-	1,29,183	1,25,842
Segment assets of discontinued operations	-	-	-	-	-	-	-	-	-	-	-	-
Total Assets	-	-	-	-	-	-	-	-	-	-	**4,07,759**	**3,91,261**
Segment liabilities of continuing operations	1,15,918	1,15,964	2,891	3,417	1,694	1,875	1,667	1,783	-	-	1,22,170	1,23,039
Unallocated corporate liabilities	-	-	-	-	-	-	-	-	-	-	1,14,214	96,872
Segment liabilities of discontinued operations	-	-	-	-	-	-	-	-	-	-	-	-
Total Liabilities	-	-	-	-	-	-	-	-	-	-	**2,36,384**	**2,19,911**
Addition to property, plant and equipment and intangible assets of continuing operations	3,750	3,468	963	137	3,459	393	708	884	-	-	8,880	4,882
Unallocated additions to property, plant and equipment and intangible assets	-	-	-	-	-	-	-	-	-	-	446	284
Addition to property, plant and equipment and intangible assets of discontinued operations	-	-	-	-	-	-	-	-	-	-	-	-
Total additions to property, plant and equipment and intangible assets	-	-	-	-	-	-	-	-	-	-	**9,326**	**5,166**
Depreciation for continuing operations	6,134	5,692	3,194	3,269	1,778	1,748	556	458	-	-	11,662	11,167
Unallocated depreciation	-	-	-	-	-	-	-	-	-	-	294	210
Depreciation for discontinued operations	-	-	-	-	-	-	-	-	-	-	-	-
Total Depreciation	-	-	-	-	-	-	-	-	-	-	**11,956**	**11,377**
Non cash item for continuing operations	152	4,900	131	93	741	791	-18	87	-	-	1,006	5,871
Unallocated non cash item	-	-	-	-	-	-	-	-	-	-	-	4
Non cash item for discontinued operations	-	-	-	-	-	-	-	-	-	-	-	-
Total Non cash item	-	-	-	-	-	-	-	-	-	-	**1,006**	**5,875**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

46.3. Geographical information

₹ in Lakh

Particulars	North America		Europe		Rest of the World		India		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Segment Revenue of continuing operations	2,132	2,592	2,756	2,337	4,277	1,447	1,78,323	1,78,141	**1,87,488**	**1,84,517**
Segment Revenue of discontinued operations	-	-	-	-	-	-	-	-	-	-
Non-current asset*	-	-	-	-	-	-	1,36,416	1,31,559	**1,36,416**	**1,31,559**

*Non-current assets exclude those relating to investments, tax assets and non-current financial assets.

NOTE 47
EMPLOYEE BENEFIT PLANS

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 ₹ 658 Lakh (Year ended March 31, 2019 - ₹ 605 Lakh) for Provident Fund contributions, ₹ 258 Lakh (Year ended March 31, 2019- ₹ 301 Lakh) for Superannuation Fund contributions and ₹ 1 Lakh (Year ended March 31, 2019 - ₹ 1 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:

In respect of Gratuity plan, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as March 31, 2020 by Mr. Khushwant Pahwa, Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method. 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).

The Company is exposed to various risks in providing the above gratuity benefit which are as follows:

Interest Rate risk: The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Investment Risk: The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Salary Escalation Risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liabilty.

Demographic Risk: The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

₹ in Lakh

Particulars	Gratuity (Funded)	
	Year ended March 31, 2020	Year ended March 31, 2019
Present Value of obligations at the beginning of the year	2,764	2,485
Current service cost	221	217
Interest Cost	208	185
Re-measurement (gains)/losses:		
- Actuarial gains and losses arising from change in financial assumption	272	38
- Actuarial gains and losses arising from experience adjustment	(59)	165
Benefits paid	(210)	(222)
Acquisition Adjustment	-	(104)
Present Value of obligations at the end of the year	**3,196**	**2,764**
Change in fair value of plan assets		
Fair value of plan assets at beginning of year	1,787	1,422
Interest Income	134	110
Return on plan assets	-	(2)
Contributions from the employer	500	500
Acquisition Adjustment	-	(21)
Benefits Paid	(218)	(222)
Fair Value of plan assets at the end of the year	**2,203**	**1,787**
Amounts recognized in the Balance Sheet		
Projected benefit obligation at the end of the year	3,196	2,764
Fair value of plan assets at end of the year	2,203	1,787
Funded status of the plans – liability recognised in the balance sheet	**993**	**977**
Components of defined benefit cost recognised in profit or loss		
Current service cost	221	217
Net interest expense	73	75
Net Cost in Profit or Loss	**294**	**292**
Components of defined benefit cost recognised in Other Comprehensive income		
Remeasurement on the net defined benefit liability:		
- Actuarial gains and losses arising from change in financial assumption	272	38
- Actuarial gains and losses arising from experience adjustment	(59)	165
Return on plan assets	-	2
Net Cost in Other Comprehensive Income	**213**	**205**

Particulars	March 31, 2020	March 31, 2019
Assumptions		
Discount rate	6.20%	7.50%
Expected rate of salary increases	6.00%	6.00%
Expected rate of attrition	5.00%	5.00%
Average age of members	40.68	39.10
Average remaining working life	17.03	18.90
Mortality (IALM (2012-2014) Ultimate)	100%	100%*

* IALM (2006-2008) for year ended March 31,2019

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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.

Significant actuarial assumptions for the detemination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

₹ in Lakh

Particulars	March 31, 2020	March 31, 2019
Discount rate		
- 1% increase	215	183
- 1% decrease	(244)	(206)
Salary growth rate		
- 1% increase	(239)	(205)
- 1% decrease	214	185
Attrition rate		
- increase of 50% of attrition rate	(2)	(36)
- decrease of 50% of attrition rate	2	48
Mortality rate		
- increase of 10% of mortality rate	-	-
- decrease of 10% of mortality rate	-	1

Please note that the sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods of assumptions used in preparing the sensitivity analysis from prior years.

Negative represents increase and positive represents decrease in obligation

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

The Company's best estimate of the contribution expected to be paid to the plan during the next year is ₹ 1,221 Lakh (2019: ₹ 1,196 Lakh).

C. Note on Provident Fund:

With respect to employees,who are covered under Providend Fund Trust adminstered by the Company, the Company shall make good deficiency, if any in the interest rate declared by Trust over statutory Limit. Having regards to the assets of the Fund and the return on the investments, the Company does not expect any deficiency in the foreseeable future.

The actuary has assessed the calculations of the Interest Rate Guarantees based on the guidance note issued by the Institute of Actuaries of India. The disclosures required under Ind AS 19 is as set out below:

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Fund and plan asset position are as follows:

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
Accumulated Account Value of Employee's Fund	5,138	4,399
Interest Rate Guarantee Liability	118	87
Present value of benefit obligation at the end of the year	**5,256**	**4,486**
Plan asset at the end of the year	5,593	4,857
Surplus available	**(337)**	**(371)**
Asset recognised in the Balance Sheet	-	-

The plan assets are primarily invested in government securities, corporate bonds & special deposit schemes.

Assumptions for present value of interest rate guarantee are as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Discount rate	6.20%	7.50%
Expected guaranteed rate (%)	8.50%	8.55%
Attrition rate	5.00%	5.00%

Note 48

EARNINGS PER SHARE

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Basic Earnings per share (in ₹)		
From Continuing operations	0.10	1.54
From Discontinued operations	-	7.67
From Continuing and Discontinued operations	0.10	9.21
Diluted Earnings per share (in ₹)		
From Continuing operations	0.10	1.54
From Discontinued operations	-	7.67
From Continuing and Discontinued operations	0.10	9.21

48.1 Basic Earnings per share

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows.

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Earnings used in the calculation of basic earnings per share		
Profit after Taxation (₹ in Lakh)		
From Continuing Operations	183	2,732
From Discontinued Operations	-	13,581
From Continuing and discontinued operations	**183**	**16,313**
Number of equity shares of ₹ 1 each outstanding at the beginning of the year	17,69,94,981	17,69,94,981
Number of equity Shares of ₹ 1 each outstanding at the end of the year	17,69,94,981	17,69,94,981
Weighted Average number of Equity Shares	**17,69,94,981**	**17,69,94,981**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

48.2 Diluted Earnings per share

The earnings and weighted average number of equity shares used in the calculation of diluted earnings per share are as follows:

₹ in Lakh

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Earnings used in the calculation of diluted earnings per share		
From continuing operations	183	2,732
From discontinued operations	-	13,581
From continuing and discontinued operations	**183**	**16,313**

The weighted average number of equity shares for the purposes of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

Weighted average number of equity shares used in the calculation of basic earnings per share	17,69,94,981	17,69,94,981
Shares deemed to be issued for no consideration in respect of employee options	12,963	-
Weighted average number of equity shares used in the calculation of diluted earnings per share	**17,70,07,944**	**17,69,94,981**

NOTE 49

FINANCIAL INSTRUMENTS

49.1 Capital management

The Company's capital management is intended to maximise the return to shareholders for meeting the long-term and short-term goals of the Company through the optimization of the debt and equity balance.

The Company determines the amount of capital required on the basis of annual and long-term operating plans and strategic investment plans. The funding requirements are met through equity and long-term/short-term borrowings. The Company monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

For the purpose of capital management, capital includes issued equity capital, securities premium and all other reserves attributable to the equity shareholders of the Company. Net debt includes all long and short-term borrowings (including current maturities of long term debt) as reduced by cash and cash equivalents.

The following table summarises the capital of the Company:

(₹ in Lakh, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Equity	**1,71,375**	**1,71,350**
Debt	1,03,499	83,229
Cash and cash equivalents	(1,054)	(70)
Net debt	**1,02,445**	**83,159**
Total capital (equity + net debt)	**2,73,820**	**2,54,509**
Net debt to capital ratio	0.37	0.33

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

49.2 Categories of financial instruments

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
Financial assets		
Measured at fair value through profit or loss (FVTPL)		
(a) Mandatorily measured:		
(i) Derivative instruments not designated in hedge accounting relationship	52	477
Measured at amortised cost		
(a) Cash and bank balances	1,500	2,458
(b) Other financial assets at amortised cost	36,062	24,310
Measured at FVTOCI		
(a) Investments in equity instruments designated upon initial recognition	17,250	17,059
Financial liabilities		
Measured at amortised cost	2,29,406	2,12,295
Measured at FVTPL	760	62

49.3 Financial risk management objectives

The Company has adequate internal processes to assess, monitor and manage financial risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks by using financial instruments such as foreign currency forward contracts, interest and currency swaps to hedge risk exposures and appropriate risk management policies as detailed below. The use of these financial instruments is governed by the Company's policies approved by the Board of Directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk and the investment of excess liquidity. The Company does not enter into trade financial instruments, including derivative financial instruments, for speculative purposes.

Item	Primarily affected by	Risk management policies	Refer
Market risk - currency risk	USD balances and exposure towards trade payables, exports, and long-term borrowings	Mitigating foreign currency risk using foreign currency forward contracts, option contracts and currency swaps	Note 49.4.1
Market risk - interest rate risk	Change in market interest rates	Maintaining a combination of fixed and floating rate debt; interest rate swaps for long-term borrowings; cash management policies	Note 49.4.2
Market risk - other price risk	Decline in value of equity instruments	Monitoring forecasts of cash flows; diversification of portfolio	Note 49.4.3
Credit risk	Ability of customers or counterparties to financial instruments to meet contractual obligations	Credit approval and monitoring practices; counterparty credit policies and limits; arrangements with financial institutions	Note 49.5
Liquidity risk	Fluctuations in cash flows	Preparing and monitoring forecasts of cashflows; cash management policies; multiple-year credit and banking facilities	Note 49.6

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

49.4 Market risk

The Company's financial instruments are exposed to market rate changes. The Company is exposed to the following significant market risks:

- Foreign currency risk
- Interest rate risk
- Other price risk

Market risk exposures are measured using sensitivity analysis. There has been no change to the Company's exposure to market risks or the manner in which these risks are being managed and measured.

49.4.1 Foreign currency risk management

The Company is exposed to foreign exchange risk on account of following:

1. Exports and imports

The Company has a forex policy in place whose objective is to reduce foreign exchange risk by deploying the appropriate hedging strategies (forward covers and options) and also by maintaining reasonable open exposures within approved parameters depending on the future outlook on currencies.

a. The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities based on gross exposure at the end of the reporting period is as under:

Currency	Liabilities		Assets	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
USD (in FCY Lakh)	1.20	0.95	18.75	34.75
INR (₹ in Lakh)	91	66	1,419	2,403
EURO (in FCY Lakh)	1.96	-	4.49	5.86
INR (₹ in Lakh)	162	-	372	455
GBP (in FCY Lakh)	-	-	0.31	0.39
INR (₹ in Lakh)	-	-	29	35

The foreign currency risk on above exposure is mitigated by derivative contracts. The outstanding contracts as at the Balance Sheet date are as follows:

b. Foreign currency forward and current and interest rate swaps outstanding as at the Balance Sheet date:

Currency	As at March 31, 2020		As at March 31, 2019	
	Buy	Sell	Buy	Sell
Forward contracts				
USD/INR (in FCY Lakh)	-	308.20	-	90.85
USD/INR (₹ in Lakh)	-	23,317.00	-	6,282.00
EURO/INR (in FCY Lakh)	-	34.10	-	33.28
EURO/INR (₹ in Lakh)	-	2,822.00	-	2,582.00
AED/INR (in FCY Lakh)	-	-	-	45.24
AED/INR (₹ in Lakh)	-	-	-	852.00
Number of contracts	-	211	-	146

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

c. Foreign currency sensitivity analysis

The Company is mainly exposed to fluctuations in US Dollar. The following table details the Company's sensitivity to a 10% increase and decrease against the US Dollar on the outstanding balance. 10% is the sensitivity used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only net outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the Rupee strengthens by 10% against the US Dollar. For a 10% weakening against the US Dollar, there would be a comparable impact on the profit or equity.

₹ in Lakh

Currency USD impact on:	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Profit or loss	2,199	395
Other comprehensive income	-	-
Equity	**2,199**	**395**

In management's opinion the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of reporting period does not reflect the exposure during the year.

49.4.2 Interest rate risk management

The Company issues commercial papers, draws working capital demand loans, cash credit etc. for meeting its funding requirements.

Interest rates on these borrowings are exposed to change in respective benchmark rates. The Company manages the interest rate risk by maintaining appropriate mix/portfolio of the borrowings.

Interest rate sensitivity analysis

The sensitivity analysis below has been determined for borrowings assuming the amount of borrowings outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis points increase or decrease in case of rupee borrowings is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rate were to increase by 50 basis from March 31, 2020, in case of rupee borrowings and all other variables were held constant, additional net annual interest expense on floating rate borrowing would amount to approximately ₹ 131 Lakh (March 31, 2019: ₹ 143 Lakh).

49.4.3 Other price risks

The Company is exposed to equity price risks arising from equity investments. Certain of the Company's equity investments are held for strategic rather than trading purposes. The Company also holds certain other equity investments for trading purposes.

Equity price sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 1% higher/lower other comprehensive income/ equity for the year ended March 31, 2020 would increase/decrease by ₹ 173 Lakh (₹ 171 Lakh for the year ended March 31, 2019) as a result of the changes in fair value of equity investments measured at FVTOCI. The impact of change in equity price on profit or loss is not significant.

49.5 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to the customer credit risk management. The Company uses financial information and past experience to evaluate credit quality of majority of its customers and individual credit limits are defined in accordance with this assessment. Outstanding receivables and the credit worthiness of its counterparties are periodically monitored and taken up on case to case basis. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions representing large number of minor receivables operating in independent markets. There is no material expected credit loss based on the past experience. However, the Company assesses the impairment by specific items of trade receivable and has accordingly created loss allowance on trade receivables.

The Company has issued financial guarantee to its wholly owned subsidiary, Parry Sugars Refinery India Private Limited of ₹ 22,000 Lakh (March 31, 2019: ₹ 25,840 Lakh). Further the company has issued Letter of Credit to its subsidiaries US Nutraceuticals Inc. & Alimtec S.A. to the tune of ₹ 8,026 Lakh (March 31, 2019: ₹ 3,735 Lakh) during the year. Based on the financial performance of subsidiaries, the Company does not expect the guarantee liability to devolve on the Company.

The credit risk on cash and bank balances is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

49.6 Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the contractual maturities of non-derivative financial liabilities including estimated interest payments as at March 31, 2020:

₹ in Lakh

Particulars	Carrying amount	upto 1 year	1-3 year	More than 3 year	Total contracted cash flows
Accounts payable and acceptances	43,627	43,627	-	-	43,627
Borrowings (including interest)	1,06,905	66,910	37,607	9,369	1,13,886
Lease liability	5,470	1,062	2,201	4,553	7,816
Other financial liabilities	73,404	73,404	-	-	73,404
Total	**2,29,406**	**1,85,003**	**39,808**	**13,922**	**2,38,733**

The table below provides details of non-derivative financial assets as at March 31, 2020:

₹ in Lakh

Particulars	Carrying amount
Trade receivables	16,178
Other financial assets	1,21,329
Total	**1,37,507**

The table below provides details regarding the contractual maturities of non-derivative financial liabilities including estimated interest payments as at March 31, 2019:

₹ in Lakh

Particulars	Carrying amount	upto 1 year	1-3 year	More than 3 year	Total contracted cash flows
Accounts payable and acceptances	40,807	40,807	-	-	40,807
Borrowings (including interest)	87,117	51,461	32,699	9,721	93,881
Other financial liabilities	84,371	84,371	-	-	84,371
Total	**2,12,295**	**1,76,639**	**32,699**	**9,721**	**2,19,059**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

The table below provides details of non-derivative financial assets as at March 31, 2019:

₹ in Lakh

Particulars	Carrying amount
Trade receivables	16,175
Other financial assets	1,08,444
Total	**1,24,619**

The following table details the Company's maturity analysis for its derivative financial instruments. The table has been drawn up based on the undiscounted estimated cash flows determined by reference to the projected market rates at the end of the reporting period. A positive amount represents an anticipated cash inflow and a negative amount represents an anticipated cash outflow.

March 31, 2020

₹ in Lakh

Particulars	Less than 1 year	1-3 year	above 3 years
Net settled			
- foreign exchange forward contracts	(623)	(85)	-

March 31, 2019

Particulars	Less than 1 year	1-3 year	above 3 years
Net settled			
- foreign exchange forward contracts	374	41	-

49.7 Financing facilities

The Company has access to financing facilities of which ₹ 63,708 Lakh (as at March 31, 2019: ₹ 99,801 Lakh) were unused at the end of the reporting period. The Company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

49.8 Fair value measurements

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation techniques and inputs used):

(₹ in Lakh, unless otherwise stated)

Financial assets/financial liabilities	Fair Value as at*		Fair value hierarchy	Valuation techniques & key inputs used
	As at March 31, 2020	As at March 31, 2019		
1) Foreign currency forward contracts designated in hedge accounting relationships				
Financial asset	52	477	Level 2	Refer Note 3
Financial liabilities	(760)	(62)	Level 2	Refer Note 3
2) Investments in quoted equity instruments at FVTPL	-	-	Level 1	Refer Note 2
3) Investments in quoted equity instruments at FVTOCI	175	293	Level 1	Refer Note 2
4) Investments in unquoted equity instruments at FVTOCI	17,075	16,766	Level 3	Refer Note 4

*positive value denotes financial asset and negative value denotes financial liability.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Notes:

1. There were no transfers between Level 1 and 2 in the period.
2. The Level 1 financial instruments are measured using quotes in active market.
3. The following table shows the valuation technique and key input used for Level 2:

Financial Instrument	Valuation Technique	Key Inputs used
Foreign currency forward contracts	Discounted Cash Flow	Forward exchange rates, contract forward and interest rates, observable yield curves.

4. The following table shows the valuation technique and key input used for Level 3:

Financial Instrument	Valuation Technique	Key Inputs used	Sensitivity
Investments in unquoted equity instruments at FVTOCI	Market Multiple Approach	Discount for lack of marketability, determined by reference to the share price of listed entities in similar industries, ranging from 30% to 50% (as at March 31, 2019: 30% to 50%)	A 5% increase in the discount for lack of marketability used in isolation would decrease the carrying amount by ₹ 531 Lakh (as at March 31, 2019: ₹ 589 Lakh) and decrease in the discount for lack of marketability would increase the carrying amount by ₹ 531 Lakh (as at March 31, 2019: ₹ 589 Lakh).

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

₹ in Lakh

Particulars	Fair value hierarchy	As at March 31, 2020		As at March 31, 2019	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets:					
Financial Assets at amortised cost:					
- Trade receivables	Level 2	16,178	16,178	16,175	16,175
- Cash and cash equivalents	Level 2	1,054	1,054	70	70
- Bank balances other than cash and cash equivalents	Level 2	446	446	2,388	2,388
- Loans	Level 2	1,200	1,199	1,651	1,610
- Other financial assets	Level 2	18,684	18,684	6,961	6,961

Particulars	Fair value hierarchy	As at March 31, 2020		As at March 31, 2019	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities					
Financial liabilities at amortised cost:					
Borrowings	Level 2	1,06,905	1,07,060	87,117	85,706
Lease liability	Level 2	5,470	5,837	-	-
Trade payables	Level 2	43,627	43,627	40,807	40,807
Other financial liabilities	Level 2	73,404	73,404	84,371	84,371

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

1. In case of trade receivables, cash and cash equivalents, trade payables, short term borrowings and other financial assets and liabilities it is assessed that the fair values approximate their carrying amounts largely due to the short-term maturities of these instruments.

2. The fair values of the financial assets and financial liabilities included above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

Reconciliation of Level 3 fair value measurements for the year ended March 31, 2020:

₹ in Lakh

Particulars	Investments in unquoted equity instruments at FVTOCI	Total
Opening balance	16,766	16,766
Total gains or losses:		
- in profit or loss	-	-
- in other comprehensive income	309	309
Closing balance	**17,075**	**17,075**

Reconciliation of Level 3 fair value measurements for the year ended March 31, 2019:

₹ in Lakh

Particulars	Investments in unquoted equity instruments at FVTOCI	Total
Opening balance	14,453	14,453
Total gains or losses:		
- in profit or loss	-	-
- in other comprehensive income	2,313	2,313
Closing balance	**16,766**	**16,766**

NOTE 50

SHARE BASED PAYMENTS:

50. 1 Employee share option plan of the Company

50.1.1 Details of the employee share option plans of the Company

The Company has share option scheme for executives and senior employees of the Company. As approved by the shareholders at previous annual general meetings, ESOP schemes will be administered by the Nomination and Remuneration Committee of the Board of Directors.

Each employee share option converts into one equity share of the Company on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

The following share-based payment arrangement were in existence during the current and prior years

S.No	Description	Date of grant	Number of Options granted	Expiry date	Fair value on the date of grant as per Black Scholes option pricing model (₹)	Exercise price (₹)
1	Details of options granted	31.08.2007	18,58,200	31.08.2017	29.46	64.80
		29.10.2007	2,32,400	29.10.2017	26.32	75.70
		24.01.2008	4,60,600	28.02.2015	21.98	94.15
		24.04.2008	1,52,200	24.04.2018	24.59	103.60
		28.07.2008	1,30,000	28.07.2018	26.63	92.98
		24.09.2008	3,87,000	31.10.2012	24.11	106.30
		29.10.2008	1,13,600	29.10.2018	30.73	74.95
		20.03.2009	47,800	30.06.2011	32.26	69.13
		28.01.2011	3,29,600	28.01.2021	90.05	225.15
		28.01.2011	36,700	01.04.2014	87.86	225.15
		29.04.2011	41,400	29.04.2015	92.46	240.90
		29.04.2011	34,500	29.04.2015	58.18	240.90
		27.07.2011	1,15,000	27.07.2015	105.80	269.10
		24.10.2011	75,700	24.10.2021	80.86	220.90
		24.10.2011	19,300	30.09.2014	30.21	220.90
		06.02.2017	8,43,220	06.02.2026	107.85	289.50
		06.02.2018	75,420	06.02.2027	125.20	319.45
		06.02.2018	1,36,600	06.02.2026	119.15	319.45
		07.08.2018	18,904	07.08.2026	88.84	233.75
		09.11.2018	59,300	09.11.2027	89.24	224.35
	Total		**51,67,444**			

50.1.2 Fair value of share options granted in a year

A. Grant Registration ID: GT29JUL2019A:

The weighted average fair value of the share options granted during the financial year is ₹ 53.42. Options were priced using Black Scholes model of option pricing. The expected volatility is based on histroical volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility. Inputs into the model is as follows

Particulars	Vest 1	Vest 2	Vest 3
Vest percent (%)	**25%**	**37.5%**	**37.5%**
Grant date share price	159.45	159.45	159.45
Exercise price	159.45	159.45	159.45
Expected volatility	34.23	35.26	34.81
Expected life	3.51	4.51	5.51
Dividend yield	1.88	1.88	1.88

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Risk free interest rate	6.17	6.30	6.40

B. Grant Registration ID: GT29JUL2019B:

The weighted average fair value of the share options granted during the financial year is ₹ 56.23. Options were priced using Black Scholes model of option pricing. The expected price volatility is based on histroical volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility. Inputs into the model is as follows:

Particulars	Vest 1	Vest 2	Vest 3	Vest 4
Vest percent (%)	**20%**	**20%**	**30%**	**30%**
Grant date share price	159.45	159.45	159.45	159.45
Exercise price	159.45	159.45	159.45	159.45
Expected volatility	34.23	35.26	34.81	34.96
Expected life	3.51	4.51	5.51	6.51
Dividend yield	1.88	1.88	1.88	1.88
Risk free interest rate	6.17	6.30	6.40	6.49

C. Grant Registration ID: GT06NOV2019:

The weighted average fair value of the share options granted during the financial year is ₹ 58.46. Options were priced using Black Scholes model of option pricing. The expected price volatility is based on histroical volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility. Inputs into the model is as follows:

Particulars	Vest 1	Vest 2	Vest 3	Vest 4
Vest percent (%)	**20%**	**20%**	**30%**	**30%**
Grant date share price	165.40	165.40	165.40	165.40
Exercise price	165.40	165.40	165.40	165.40
Expected volatility	33.40	35.42	35.09	35.23
Expected life	3.51	4.51	5.51	6.51
Dividend yield	1.81	1.81	1.81	1.81
Risk free interest rate	5.88	6.11	6.31	6.47

50.1.3 Movements in share options during the year

S.No	Particulars	Description	2019-20		2018-19	
			Options (Nos.)	Weighted Average Exercise Price per option	Options (Nos.)	Weighted Average Exercise Price per option
a	Balance at the beginning of the year	Options vested and exercisable	2,89,154	284.89	1,70,950	272.58
		Options unvested	4,58,484	288.48	6,63,236	299.07
		Total	**7,47,638**	**287.09**	**8,34,186**	**293.64**
b	Options granted during the year		92,692	161.87	78,204	226.62
c	Options vested during the year		1,62,539	294.04	1,21,732	300.45
d	Options exercised during the year		-	-	-	-
e	Options lapsed/cancelled during the year		1,02,675	279.69	1,64,752	291.56
f	Options outstanding at the end of the year	Options vested and exercisable	3,95,911	290.54	2,89,154	284.89
		Options unvested	3,41,744	251.36	4,58,484	288.48
		Total (a+b-d-e)	**7,37,655**	**272.39**	**7,47,638**	**287.09**

Weighted Average remaining contractual life for option outstanding as at March 31, 2020 was 1782 days (March 31, 2019: 1944 days)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

50.1.4. No share options were exercised during the year.

NOTE 51

RELATED PARTY DISCLOSURE FOR THE YEAR ENDED MARCH 31, 2020

I) PARTIES WHERE CONTROL EXISTS

51.1.a Subsidiary Companies/Entities

01. Coromandel International Limted
02. Parry Chemicals Limited
03. CFL Mauritius Limited
04. Coromandel Brasil Limitada – LLP, Brazil
05. Liberty Pesticides and Fertilisers Limited
06. Dare Investments Limited
07. Alimtec S.A.
08. Sabero Europe BV, Netherlands
09. Sabero Australia Pty. Ltd.
10. Sabero Organics America S.A., Brazil
11. Sabero Argentina S.A.
12. Coromandel Agronegoious De Mexico S.A. C.V.
13. Parry America Inc.
14. Parrys Investments Limited
15. Parrys Sugar Limited
16. Parry Infrastructure Company Private Limited
17. US Nutraceuticals Inc.
18. Parry Agrochem Exports Limited
19. La Belle Botanics LLC
20. Parry Sugars Refinery India Private Limited
21. Parry International DMCC
22. Coromandel International (Nigeria) Limited

II) OTHER RELATED PARTIES WITH WHOM TRANSACTIONS HAVE TAKEN PLACE DURING THE YEAR

51.1.b Associate & Joint venture

01. Algavista Greentech Private Limited

51.2. Investing Party Group

01. Ambadi Investment Limited (Investing Party)
02. Parry Enterprises India Limited
03. Parry Agro Industries Limited

51.3. Other related parties

01. Parry Group Staff Provident Fund
02. EID Parry Executive Staff Pension & Assurance Scheme

51.4. Key Management Personnel (KMP)

01. Mr. Suresh S, Manging Director

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Note: Related Party Relationships are as identified by the management and relied upon by the auditors.

51.5 Transactions with related parties

₹ in Lakh

Particulars	2019-20			2018-19		
	Subsidiary Companies	Investing Party Group	KMP & Others	Subsidiary Companies	Investing Party Group	KMP & Others
Sale of Goods						
a. Parry International DMCC	3,014	-	-	-	-	-
b. US Nutraceuticals Inc.	301	-	-	328	-	-
c. Coromandel International Limited	399	-	-	525	-	-
d. Parry Agro Industries Limited	-	13	-	-	2	-
e. Parry Sugars Refinery India Private Limited	3,807	-	-	9,399	-	-
f. Algavista Greentech Private Limited	-	-	182	-	-	24
Rendering of services/reimbursements						
a. Coromandel International Limited	658	-	-	408	-	-
b. Parry Sugars Refinery India Private Limited	247	-	-	213	-	-
c. Parry Enterprises India Limited	-	76	-	-	66	-
d. Parry Agro Industries Limited	-	50	-	-	40	-
e. US Nutraceuticals Inc.	77	-	-	17	-	-
f. Alimtec S.A.	-	-	-	5	-	-
g. Algavista Greentech Private Limited	-	-	125	-	-	50
Other income						
a. Algavista Greentech Private Limited	-	-	-	-	-	2
b. Algavista Greentech Private Limited - Sale of Land	-	-	-	-	-	300
Dividend income/share of income						
a. Coromandel International Limited	6,200	-	-	11,515	-	-
Deputation charges received						
a. Parry Sugars Refinery India Private Limited	35	-	-	40	-	-
Purchase/Receipt of goods						
a. Coromandel International Limited	1	-	-	1	-	-
b. Parry Sugars Refinery India Private Limited	6	-	-	214	-	-
c. Parry Enterprises India Limited	-	10	-	-	21	-
d. Alimtec S.A.	-	-	-	6	-	-
Receipt of services						
a. US Nutraceuticals Inc.	236	-	-	247	-	-
b. Algavista Greentech Private Limited	-	-	16	-	-	-
c. Parry Enterprises India Limited	-	242	-	-	261	-

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

₹ in Lakh

Particulars	2019-20			2018-19		
	Subsidiary Companies	Investing Party Group	KMP & Others	Subsidiary Companies	Investing Party Group	KMP & Others
d. Parry Agro Industries Limited	-	1	-	-	-	-
Interest income on ICD loans						
a. Alimtec S.A.	4	-	-	4	-	-
Dividend paid						
a.Ambadi Investment Limited (Investing Party)	-	-	-	-	4,083	-
Sale of Bio pesticides division and Investments in Parry America						
a. Coromandel International Limited	-	-	-	32,998	-	-
Subscription to Equity Shares						
a. Algavista Greentech Private Limited	-	-	410	-	-	660
b. Parry Sugars Refinery India Private Limited	1,500	-	-	7,000	-	-
c. US Nutraceuticals Inc.	389	-	-	-	-	-
Employee related contribution				-	-	-
a. Parry Group Staff Provident Fund	252	-	-	216	-	-
b. EID Parry Executive Staff Pension & Assurance Scheme	262	-	-	335	-	-
Loans and Advances to Subsidiaries Given/(Repaid)						
a. Alimtec S.A.	(51)	-	-	-	-	-
Closing balances - Debit/(Credit)						
a. Coromandel International Limited	405	-	-	97	-	-
b. US Nutraceuticals Inc.	164	-	-	57	-	-
c. Parry Sugars Refinery India Private Limited	20	-	-	1,653	-	-
d. Parry Agro Industries Limited	-	(15)	-	-	(15)	-
e. Alimtec S.A.	-	-	-	46	-	-
f. Parry Enterprises India Limited	-	(10)	-	-	(15)	-
g. Parry Group Staff Provident Fund	-	-	(60)	-	-	1
h. EID Parry Executive Staff Pension & Assurance Scheme	-	-	(26)	-	-	335
i. Algavista Greentech Private Limited	-	-	172	-	-	14
j. Parry International DMCC	346	-	-	-	-	-
Guarantees given						
a. Parry Sugars Refinery India Private Limited	22,000	-	-	25,840	-	-
b. Alimtec S.A.	942	-	-	968	-	-
c. US Nutraceuticals Inc.	7,084	-	-	2,767	-	-

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

₹ in Lakh

Particulars	2019-20	2018-19
52 Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances	8,317	980
53 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/supply of goods	-	1,457
(b) Disputed income tax demands which are under various stages of appeal (out of which ₹ 2,767 lakh (2019 - ₹ 2,732 lakh) have been paid under protest) (refer note 53.3)	8,018	6,428
(c) Disputed indirect taxes demands (out of which ₹ 201 lakh (2019 - ₹ 186.05 lakh) have been deposited under protest) (refer note 53.3)	3,340	1,643
(d) Cane price (refer note 53.1)	254	309
(e) 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.	-	-
(f) Corporate Guarantee/Letter of Credit given in favour of Subsidiaries	30,026	29,575

53.1 The Tamilnadu Government declared State Advisory Price (SAP) for the sugar year 2013-14, 2014-15 and 2015-16. 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.

53.2 Future cash outflows in respect of the above referred matters are determinable only on receipt of judgements/decisions pending at various forums/authorities.

53.3 The Income Tax Department/Commercial Tax Department/Central Excise and Service Tax and GST Authority has filed appeal against the favorable order passed by lower forum in favor of the Company in appropriate appellate forum to the extent of ₹ 4,425 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.

54 The company was using SAP ECC 6.0 as its financial application system. With effect from October 03, 2019 the company has migrated to SAP S/4 Hana financial application system, an advanced version of SAP.

55 Subsequent Events

a) Subsequent to the balance sheet, the Company has sold 58,50,000 number of equity shares representing 2% stake in its subsidiary, Coromandel International Limited at ₹ 629.19 per share aggregating to a value of ₹ 36,808 Lakh.

b) Subsequent to the balance sheet, the subsidiary Company Coromandel International Limited has declared an annual dividend of ₹ 12 per share (estimated dividend inflow for the Comapny would be ₹ 20,557 Lakh), which is subject to approval by the subsidiary's shareholders.

56 The figures for the previous year have been reclassified/regrouped wherever necessary for better understanding and comparability.

57 Approval of Ind AS financial statements

The Ind AS financial statements were reviewed and recommended by the Audit Committee and has been approved by the Board of Directors in their meeting held on June 11, 2020.

In terms of our report attached

For Price Waterhouse Chartered accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants

Baskar Pannerselvam
Partner
Membership No: 213126

Chennai
Date: June 11, 2020

For and on behalf of the Board of Directors

S. Suresh
Managing Director
DIN: 06999319

V. Ravichandran
Chairman
DIN: 00110086

Biswa Mohan Rath
Company Secretary

S. Rameshkumar
Chief Financial Officer

Chennai
Date: June 11, 2020

CONSOLIDATED IND AS FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

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

Report on the audit of the Consolidated Indian Accounting Standards (Ind AS) Financial Statements

Opinion

1. We have audited the accompanying consolidated Ind AS financial statements of E.I.D. - Parry (India) Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associate and joint ventures (refer Note 53 to the attached consolidated Ind AS financial statements), which comprise the consolidated Balance Sheet as at March 31, 2020, and the consolidated statement of Profit and Loss (including Other Comprehensive Loss), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the consolidated Ind AS financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("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, its associate and joint ventures as at March 31, 2020, of consolidated total comprehensive income (comprising of profit and other comprehensive loss), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section of our report. We are independent of the Group, its associate and joint ventures in accordance with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 18 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. We draw your attention to Note 40 to the consolidated Ind AS financial statements which explains the assessment of the management of the Holding Company and one of its's subsidiary Parry Sugars Refinery India Private Company, audited by us, of the financial impact due to the lock-downs and other restrictions and conditions related to the Covid-19 pandemic situation, for which definitive assessment of the impact in the subsequent period is highly dependent upon the circumstances as they evolve. Further, our attendance at the physical inventories verification done by the management was impracticable under the lockdown restriction imposed by the government and we have therefore, relied on related alternate audit procedures to obtain comfort over the existence and condition of the inventory at the year end. Our opinion is not modified in respect of this matter.

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the key audit matters
Impairment of carrying value of property, plant and equipment (PPE) of Parry Sugars Refinery India Private Limited (PSRIPL), a subsidiary of the Holding Company and carrying value of PPE, goodwill and intangible assets of factories located at various location of the Holding Company (Refer Note 1.28 and Note 4 to the consolidated Ind AS financial statements) a) As detailed in the aforesaid Note, Parry Sugars Refinery India Private Limited (PSRIPL), a subsidiary of the Holding Company has incurred losses during the current year and past two years. The fact that the subsidiary is incurring losses is an indicator of potential impairment of the carrying value of PPE of the subsidiary. b) Certain factories of the Holding company have been incurring losses in the past. The above factors are an indicator of potential impairment of the assets of the factory and accordingly the Management has performed an impairment assessment for factories that have an impairment indicator. The assessment for impairment involves significant judgements including identification of the Cash Generating Units, impairment indicators etc. Management considers each sugar factory to be a cash generating unit ('CGU') and has calculated the recoverable amount in accordance with Ind AS-36. This is a key audit matter because PPE is significant to the financial statements, and Management judgement is required in certain areas such as discount and growth rates in estimating future cash flows prepared by the subsidiary (the Model) along with the Management's valuer to support the carrying value of PPE.	Our audit procedures included the following: • Understanding and evaluating the design and testing the operating effectiveness of key controls in relation to the impairment testing Model. • Assessing the Model and evaluating the independence, competence, capabilities and objectivity of the management's valuer. • Assessing the historical accuracy of the Company's forecasts by comparing the forecasts used in the prior year models with the actual performance in the current year. • Testing the mathematical accuracy of the underlying calculations and agreeing the forecasts for the ensuing year with the latest Board-approved budgets. • Evaluating, along with the auditor's experts, the key assumptions such as discount rate and growth rate used in the Model. • Performing sensitivity tests on the Model for a range of certain assumptions, such as discount rate and growth rate. • Evaluating adequacy of the disclosures made in the financial statements. Based on the procedures performed, we did not identify any material exceptions in the impairment assessment carried out by the management in respect of the carrying value of PPE of the subsidiary PSRIPL and carrying value of PPE, intangible assets and goodwill of certain factories of holding company.
Business application system migration to the SAP S/4 Hana: (Refer Note no 54 to the consolidated Ind AS financial statements) The holding company and its subsidiary PSRIPL migrated from SAP ECC 6.0 to SAP S/4 Hana during the year. The Holding Company and PSRIPL's financial reporting process is reliant on the design and operating effectiveness of its IT systems. The company used SAP ECC 6.0 as the key financial application system for the periods between April 01, 2019 and October 03, 2019; and migrated to SAP S/4 Hana an advanced version on October 03, 2019 . The company used SAP S/4 Hana as the key financial application system for the periods between October 03, 2019 and March 31, 2020.	We performed the following procedures: • Evaluated the project governance and the management oversight of the new system implementation; • Evaluated the design and tested the operating effectiveness of the IT General Controls (ITGCs), business process controls (both automated and manual) and tested the completeness and accuracy of key reports in SAP ECC 6.0 for the periods between April 01, 2019 and October 03, 2019. • Evaluated the design and tested the operating effectiveness of key controls over the new system implementation, which includes the overall project implementation plan; project roles and responsibilities; approval for new system requirements; testing documentation and test results; and inspection of formal sign-offs for each phase of the migration including authorization for go-live.

Key audit matters	How our audit addressed the key audit matters
This is a key audit matter because migration to SAP S/4 Hana involved significant program and configuration changes; and migration of financially significant data from SAP ECC 6.0 to SAP S/4 Hana.	• Evaluated the design and tested the operating effectiveness of the ITGCs, business process controls (both automated and manual) and tested the completeness and accuracy of key reports in SAP S/4 Hana for the period October 03, 2019 to March 31, 2020. • Tested for sample of the general ledger balances, balances of the modules within the financial systems from old system to the new system. The results of the procedures performed as above supported our ability to place reliance on ITGCs, business process controls (both automated and manual) and key reports in SAP ECC 6.0 and SAP S/4 Hana for the whole audit period.

6. The following Key Audit Matters were included in the audit report dated May 26, 2020, containing an unmodified audit opinion on the consolidated financial statements of Coromandel International Limited, a subsidiary of the Holding Company issued by an independent firm of Chartered Accountants reproduced by us as under:

Key audit matters	How our audit addressed the key audit matters
Revenue Recognition – Sale of goods Refer to Note 2.6 'Revenue recognition', Note 2.28.1 'Critical judgements in applying accounting policies' and note 2.28.2 'Key sources of estimation uncertainty' to the consolidated financial statements. Revenue from sale of goods is recognised when the control of goods is transferred to the customers. In accordance with the accounting policy, control is transferred either when the product is delivered to the customer's site or when the product is shipped, depending on the applicable terms. The Management has exercised judgement in applying the revenue accounting policy while recognising revenue.	We have performed the following principal audit procedures in relation to revenue recognised by the Parent: • Understood the revenue recognition process, evaluated the design and implementation, and operating effectiveness of internal controls relating to revenue recognised. • Selected samples and tested the operating effectiveness of internal controls, relating to transfer of control. We carried out a combination of procedures involving enquiry, observation and inspection of evidence in respect of operation of these controls. • Tested the relevant information technology general controls, automated controls, and the related information used in recording and disclosing revenue. • In respect of the selected sample of transactions: ▸ Tested whether the revenue is recognised upon transfer of control to customer. ▸ We have evaluated the delivery and shipping terms of the contracts for revenue recognised during the period. ▸ We have also tested the location stock reports from Company warehouses, where applicable, for confirmation on sales quantity made during the year. ▸ Tested that the revenue recorded is after considering the applicable rebates and discounts. ▸ We have tested on a sample basis (including for sales near to the period end) the acknowledgments of customers. In respect of sales of fertiliser products we have also agreed the quantities sold as per the Company books with the customer acknowledgements as per the iFMS portal of the Department of Fertilisers.

Key audit matters	How our audit addressed the key audit matters
Subsidy income / Government subsidies and related receivables Refer to note 2.6 'Revenue recognition' and note 2.28.2 'Key sources of estimation uncertainty' to the consolidated financial statements. Subsidy income pertaining to the Nutrient and other allied business is recognised on the basis of the rates notified from time to time by the Department of Fertilisers, Government of India ('GOI') in accordance with the Nutrient Based Subsidy ('NBS') policy on the quantity of fertilisers sold by the Parent ('the Company') for the period for which notification has been issued and for the remaining period, based on estimates, when there is a reasonable assurance that the Company will comply with all necessary conditions attached to Subsidy including Direct Benefit Transfer ('DBT') System which was introduced by Government of India. For the year ended March 31, 2020, subsidy income of ₹ 325,119 Lakhs is recognised. Recognition and realisability of subsidy income is dependent on GOI Policy and its various initiatives/ schemes	The following principal audit procedures have been performed by us in relation to subsidy income recognition. • We have read the relevant circulars and notifications issued by GOI from time to time with regard to the subsidy policies. • We have had robust interactions with the relevant personnel in the Company with regard to the updates of GOI Policy and their interpretations of the relevant circulars and notifications. • Tested the relevant information technology general controls, automated controls, and the related information used in recording and disclosing subsidy income. • We have tested the NBS rates considered by the Company for the product subsidy with the applicable circulars and notifications. • We have correlated the sales quantity considered for subsidy income with the actual sales made by the Company. • We have also agreed the quantities sold as per the Company books with the customer acknowledgements as per the iFMS portal of the Department of Fertilisers and tested the DBT claims made by the Company. • We have enquired from the Management and discussed with Those Charged With Governance, the appropriateness of the subsidy rates applied to recognise subsidy income. **Valuation of subsidy receivables:** Following are the principal audit procedures performed by us for testing valuation of subsidy receivables: • We have analysed and discussed the status of outstanding subsidy receivables and its realisability with the Management. • We have tested the sanction notes received from the GOI for receipts. • We have tested the credits in the bank statements for the receipts. • We have tested whether the deductions made by the GOI have been adjusted in the books of accounts.
Implementation of new IT system used for accounting/ financial reporting The Parent ('the Company') implemented a new IT system which is an enterprise resource planning application used for accounting/ financial reporting with effect from November 1, 2019 ("Go-Live date"). Matters which required significant audit attention in relation to the above implementation included: i. Complete and accurate migration of relevant financial and accounting data/information/balances from legacy IT system to the new IT system.	We have performed the following principal audit procedures involving our IT Specialists in relation to the new IT system implementation: • We understood the Management's implementation plan of the new IT system and the changes from legacy versus the new IT system insofar as accounting/financial reporting is concerned. • Tested the completeness and accuracy of migration of relevant financial and accounting data/information/balances from legacy IT system to the new IT system. • We tested the IT general controls of the new IT system relevant to financial reporting, including relevant interfaces. • We tested the design and implementation, and operating effectiveness of the relevant business cycle automated controls of the new IT system.

Key audit matters	How our audit addressed the key audit matters
ii. Assessment and evaluation of relevant application systems, programs, processes, interfaces, reports and controls insofar as they relate to accounting and financial reporting. iii. IT general controls relevant for financial reporting	• We tested the completeness and accuracy of information used for controls and also the information produced by the new IT system. The above procedures were in addition to the relevant planned procedures for the legacy IT system used by the Company upto the Go-Live date.

The note 2.6 'Revenue recognition' and note 2.28.1 'Critical judgements in applying accounting policies' and note 2.28.2 'Key sources of estimation uncertainty' as referred above have been reproduced in note 1.6 and 1.28 to the consolidated Ind AS financial statements.

Other Information

7 The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Boards Report together with the annexure thereto, Report on Corporate Governance and Business Responsibility report but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

8. Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

9. In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditors as furnished to us (Refer paragraph 18 below), we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements

10. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group including its associate and joint ventures in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, its associate and joint ventures respectively and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

11. In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its associate and joint ventures are responsible for assessing the ability of the Group and of its associate and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

13. Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

14. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group and its associate and joint ventures has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate and joint ventures to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

15. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

16. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

17. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

18. We did not audit the financial statements/financial information of eight subsidiaries (including their relevant subsidiaries/ joint ventures/ associate), whose financial statements/ financial information reflect total assets of ₹ 1,040,210 Lakhs and net assets of ₹ 445,245 Lakhs as at March 31, 2020, total revenue of ₹ 1,334,872 Lakhs total comprehensive income (comprising of profit and other comprehensive loss) of ₹ 105,359 Lakhs and net cash outflow amounting to ₹ 7,354 Lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of total comprehensive loss (comprising of loss and other comprehensive income) of ₹ 225 Lakhs for the year ended March 31, 2020 as considered in the consolidated Ind AS financial statements, in respect of a joint venture whose

financial statement/ financial information have not been audited by us. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated Ind AS financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiaries and joint venture, is based solely on the reports of the other auditors.

19. Of the above, the financial statements of three subsidiaries located outside India, included in the consolidated Ind AS financial statements, which constitute total assets of ₹ 22,366 Lakhs and net assets of ₹ 11,388 Lakhs as at March 31, 2020, total revenue of ₹ 21,203 Lakhs, total comprehensive loss (comprising of loss and other comprehensive income) of ₹ 676 Lakhs and net cash inflow amounting to ₹ 802 Lakhs for the year then ended, have been prepared in accordance with accounting principles generally accepted in their respective countries and have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from the accounting principles generally accepted in their respective countries to the accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India, including other information, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

20. The following emphasis of matter paragraph was included in the audit report on the consolidated financial statements of US Nutraceuticals Inc., a subsidiary of the Holding Company issued by an independent firm vide its report dated June 03, 2020 reproduced by us as under:

"The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As described in Note 3 to the consolidated financial statements, the Company has an accumulated deficit, incurred a net loss, used siginificant cash for operating activities during fiscal 2020, and determined it is probable that a certain financial covenant will be violated within a year of the date of these financial statements all of which raise substantial doubt about the Company's ability to continue as a going concern. Management's plan in regard to these matters are also described in Note 3. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to this matter."

21. The following emphasis of matter paragraph was included in the audit report on the consolidated financial statements of Algavista Greentech Private Limited a Joint Venture of the Holding Company issued by an independent firm of Chartered Accountants vide its report dated June 4, 2020 reproduced by us as under:

"We draw your attention to Note 36 to the financial statements which explains the management's assessment of the financial impact due to the lock-downs and other restrictions and conditions related to the Covid-19 pandemic situation, for which definitive assessment of the impact in the subsequent period would largely depend upon the circumstances as they evolve. Further, our attendance at the physical inventories done by the management was impracticable under the lockdown restriction imposed by the government and we have therefore, relied on related alternate audit procedures to obtain comfort over the existence and condition of the inventory at the year end.

Our Opinion is not modified in respect of this matter."

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 and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

22. 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 Ind AS financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive loss), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated Ind AS financial statements.

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate and joint ventures incorporated in India, none of the directors of the Group companies, its associate and joint venture incorporated in India is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of internal financial controls with reference to financial statements of the Group, its associate and joint ventures and the operating effectiveness of such controls, refer to our separate report in Annexure A.

(g) 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 Ind AS financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group, its associate and joint ventures - Refer Note 51 and to the consolidated Ind AS financial statements.

ii. The Group, its associate and joint ventures has made provisions as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts. Refer note 24.

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 companies, associate and joint ventures incorporated in India.

iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Group, its associate companies and joint ventures incorporated in India for the year ended March 31, 2020.

23. The Group, its associate and joint ventures has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with with schedule V to the Act.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016
Chartered Accountants

Baskar Pannerselvam
Partner
Membership Number: 213126
UDIN No: 20213126AAAADF2683

Place: Chennai
Date: June 11, 2020

ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 22(f) of the Independent Auditor's Report of even date to the members of E.I.D.-Parry (India) Limited on the consolidated Ind AS financial statements as of and for the year ended March 31, 2020

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2020, we have audited the internal financial controls with reference to the financial statements of E.I.D.-Parry (India) Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies (including its relevant subsidiaries and joint ventures), which are companies incorporated in India, as of that date. Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is not applicable to one joint venture company incorporated in India namely Algavista Green Tech Private Limited, pursuant to MCA notification GSR 583(E) dated June 13, 2017.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding company, its subsidiary companies (including its relevant subsidiaries and joint ventures), to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to the financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the financial statements included obtaining an understanding of internal financial controls with reference to the financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to the financial statements.

Meaning of Internal Financial Controls with reference to the financial statements

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

Inherent Limitations of Internal Financial Controls with reference to the financial statements

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

Opinion

8. In our opinion, the Holding Company, its subsidiary companies (including its relevant subsidiaries and joint ventures), which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to the financial statements and such internal financial controls with reference to the financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. Also refer paragraph 4 of the main audit report.

Other Matters

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to five subsidiary companies (including its relevant subsidiaries and joint ventures), which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016
Chartered Accountants

Baskar Pannerselvam
Partner
Membership Number: 213126
UDIN No: 20213126AAAADF2683

Place: Chennai
Date: June 11, 2020

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2020

₹ in Lakh

S.No	Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
A	**ASSETS**			
	Non-current Assets			
	(a) Property, plant and equipment	2	3,30,700	3,00,581
	(b) Right-of-use asset	2A	47,074	-
	(c) Capital work in progress	2	6,913	18,655
	(d) Investment property	3	2,489	2,271
	(e) Goodwill	4	3,143	2,570
	(f) Other intangible assets	5	2,367	2,311
	(g) Intangible assets under development		1,622	1,661
	(h) Financial assets			
	(i) Investments accounted for using equity method			
	a) Investments in associates	6	2	929
	b) Investments in joint venture	7	2,715	2,159
	(ii) Other Investments	8	36,819	36,236
	(iii) Loans	10	800	1,200
	(iv) Other financial assets	11	472	493
	(i) Deferred tax assets (Net)	34	8,828	8,855
	(j) Income tax assets (Net)	17	7,119	6,683
	(k) Other non-current assets	12	6,560	14,050
	Total non-current assets		**4,57,623**	**3,98,654**
	Current Assets			
	(a) Inventories	13	4,35,405	5,74,342
	(b) Financial assets			
	(i) Investments	8	1,796	2,460
	(ii) Trade receivables	9	2,11,597	2,07,187
	(iii) Government subsidies receivable		2,46,479	2,44,248
	(iv) Cash and cash equivalents	14	10,599	17,060
	(v) Bank balances other than (iv) above	15	3,225	11,070
	(vi) Loans	10	43,257	43,205
	(vii) Other financial assets	11	22,741	10,621
	(c) Other current assets	12	66,696	86,430
			10,41,795	**11,96,623**
	Assets classified as held for sale	16	2,984	3,686
	Total current assets		**10,44,779**	**12,00,309**
	TOTAL ASSETS		**15,02,402**	**15,98,963**
B	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Equity share capital	18	1,770	1,770
	(b) Other equity	19	3,50,178	3,11,020
	Equity attributable to the owners of the Company		**3,51,948**	**3,12,790**
	Non controlling interest	20	1,70,680	1,32,456
	Total equity		**5,22,628**	**4,45,246**
	Liabilities			
	Non-current Liabilities			
	(a) Financial liabilities			
	(i) Borrowings	21	61,000	45,206
	(ii) Lease liability	2A	41,951	-
	(iii) Other financial liabilities	24	198	51
	(b) Long term provisions	26	3,100	2,225
	(c) Deferred tax liabilities (Net)	34	13,864	14,048
	(d) Other non-current liabilities	25	661	944
	Total non-current liabilities		**1,20,774**	**62,474**
	Current Liabilities			
	(a) Financial liabilities			
	(i) Borrowings	22	3,15,563	4,43,255
	(ii) Lease liability	2A	2,917	-
	(iii) Trade payables	23		
	a. total outstanding dues of micro and small enterprises		1,123	1,261
	b. total outstanding dues other than (iii)(a) above		3,98,903	4,84,644
	(iv) Other financial liabilities	24	1,22,716	1,46,298
	(b) Short term provisions	26	3,036	3,364
	(c) Current tax liability (net)	17	4,316	3,846
	(d) Other current liabilities	25	10,426	8,575
	Total current liabilities		**8,59,000**	**10,91,243**
	Total Liabilities		**9,79,774**	**11,53,717**
	TOTAL EQUITY AND LIABILITIES		**15,02,402**	**15,98,963**

The accompanying notes are an integral part of these consolidated Ind AS financial statements

In terms of our report attached
For Price Waterhouse Chartered accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants

Baskar Pannerselvam
Partner
Membership No: 213126

Chennai
Date: June 11, 2020

For and on behalf of the Board of Directors

S. Suresh
Managing Director
DIN: 06999319

V. Ravichandran
Chairman
DIN: 00110086

Biswa Mohan Rath
Company Secretary

S. Rameshkumar
Chief Financial Officer

Chennai
Date: June 11, 2020

STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

₹ in Lakh

S.No	Particulars	Note No.	Year ended March 31, 2020	Year ended March 31, 2019
I	Revenues from Operations	27	17,12,892	16,55,553
II	Other Income	28	1,888	(3,771)
III	**Total Income (I+II)**		**17,14,780**	**16,51,782**
IV	**Expenses:**			
	Cost of materials consumed		10,32,769	10,78,561
	Purchases of Stock-in-trade		1,35,420	2,21,719
	Changes in inventories of finished goods,by products,work-in-progress and stock in trade	29	47,808	(1,04,534)
	Employee benefits expense	30	66,373	59,484
	Finance costs	31	43,049	42,451
	Depreciation and amortisation expense	32	31,896	27,233
	Other expenses	33	2,30,608	2,40,811
	Total Expenses (IV)		**15,87,923**	**15,65,725**
	Share of profit/(loss) of associates		(82)	(2)
	Share of profit/(loss) of joint ventures		(151)	25
	Exceptional items	49	-	(2,385)
V	**Profit before tax (III-IV)**		**1,26,624**	**83,695**
VI	Tax Expense:			
	(1) Current Tax	35	38,278	41,169
	(2) Deferred Tax	35	(542)	(1,239)
			37,736	**39,930**
VII	**Profit for the year after tax (V - VI)**		**88,888**	**43,765**
	Other comprehensive income			
	A. i) Items that will not be reclassified to profit or loss			
	a) Remeasurements of defined benefit plans		(132)	(252)
	b) Fair value movement of cashflow hedge instrument		(11,023)	(619)
	c) Share of OCI as reported by Joint ventures and associate		(1)	2
	d) Equity instruments through other comprehensive income		703	(2,319)
			(10,453)	**(3,188)**
	ii) Income tax relating to items that will not be reclassfied to profit or loss		(690)	(649)
	B. i) Items that will be reclassified to profit or loss			
	a) Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge		102	4,513
	b) Exchange differences in translating the financial statements of foreign operations		370	1,125
			472	5,638
	ii) Income tax relating to items that will be reclassfied to profit or loss		299	15
VIII	**Total other comprehensive income/(loss) (A(i-ii)+B(i-ii))**		**(10,372)**	**1,816**
IX	**Total comprehensive income (VII+VIII)**		**78,516**	**45,581**
	Profit for the year attributable to:			
	Owners of the Company		46,787	15,349
	Non-controlling interests		42,101	28,416
	Other comprehensive income for the year:			
	Owners of the Company		(10,327)	3,423
	Non-controlling interests		(45)	(1,607)
	Total comprehensive income for the year:			
	Owners of the Company		36,460	18,772
	Non-controlling interests		42,056	26,809
X	**Earnings Per Equity Share (Nominal value per share ₹ 1)**			
	(a) Basic	43	26.43	8.67
	(b) Diluted	43	26.34	8.63

The accompanying notes are an integral part of these consolidated Ind AS financial statements

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Membership No: 213126

Chennai
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For and on behalf of the Board of Directors

S. Suresh
Managing Director
DIN: 06999319

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Chairman
DIN: 00110086

Biswa Mohan Rath
Company Secretary

S. Rameshkumar
Chief Financial Officer

Chennai
Date: June 11, 2020

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

₹ in Lakh

Particulars	Share Capital	Reserves and Surplus												Items of other comprehensive income		Total equity attributable to the owners of the company	Non-controlling interest	Total equity
		Capital redemption reserve	Capital reserve on amalgamation	Capital reserve on consolida-tion	Securities premium	Debenture redemption reserve	Capital reserve	Foreign currency translation reserve	Central subsidy	General reserve	ESOP reserve	Statutory reserve	Retained earnings	Equity Instruments through other comprehensive Income	Effective portion of cash flow hedges			
Balance at April 1, 2018	**1,770**	**4,886**	**688**	**6,226**	**44,567**	**3,916**	**5,931**	**4,231**	**7**	**2,10,044**	**728**	**28**	**12,840**	**1,122**	**10**	**2,96,994**	**1,26,648**	**4,23,642**
Movement during 2018-19																		
Profit for the year	-	-	-	-	-	-	-	-	-	-	-	-	15,349	-	-	15,349	28,416	43,765
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	942	-	-	-	-	(147)	(1,288)	3,916	3,423	(1,607)	1,816
Amount transferred within reserves	-	-	-	-	86	(1,667)	-	-	-	18,168	(86)	2	(16,503)	-	-	-	-	-
Recognition of share based payments	-	-	-	-	-	-	-	-	-	-	586	-	-	-	-	586	-	586
Other movements during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	454	454
Transactions with owners in their capacity as owners:																		
On issue of shares	-	-	-	-	273	-	-	-	-	-	-	-	-	-	-	273	-	273
Movement on account of reduction in control percentage without loss of control	-	-	-	-	(4)	-	-	(2)	-	(61)	-	-	(22)	6	-	(83)	83	-
Payment of dividends	-	-	-	-	-	-	-	-	-	-	-	-	(12,800)	-	-	(12,800)	(12,490)	(25,290)
Movement on account of common control transaction	-	-	-	-	-	-	-	-	-	9,048	-	-	-	-	-	9,048	(9,048)	-
Balance at March 31, 2019	**1,770**	**4,886**	**688**	**6,226**	**44,922**	**2,249**	**5,931**	**5,171**	**7**	**2,37,199**	**1,228**	**30**	**(1,283)**	**(160)**	**3,926**	**3,12,790**	**1,32,456**	**4,45,246**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

₹ in Lakh

Particulars	Share Capital	Reserves and Surplus												Items of other comprehensive income		Total equity attributable to the owners of the company	Non-controlling interest	Total equity
		Capital redemption reserve	Capital reserve on amalgamation	Capital reserve on consolida-tion	Securities premium	Debenture redemption reserve	Capital reserve	Foreign currency translation reserve	Central subsidy	General reserve	ESOP reserve	Statutory reserve	Retained earnings	Equity Instruments through other comprehensive Income	Effective portion of cash flow hedges			
Movement during 2019-20																		
Profit for the year	-	-	-	-	-	-	-	-	-	-	-	-	46,787	-	-	46,787	42,101	88,888
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	287	-	-	-	-	(158)	(189)	(10,267)	(10,327)	(45)	(10,372)
Amount transferred within Reserves	-	-	-	-	290	(833)	-	-	-	18,300	(449)	1	(17,309)	-	-	-	-	-
Recognition of share based payments	-	-	-	-	-	-	-	-	-	-	439	-	-	-	-	439	-	439
Other movements during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,730	1,730	742	2,472
Transactions with owners in their capacity as owners:																		
On issue of shares	-	-	-	-	823	-	-	-	-	-	-	-	-	-	-	823	-	823
Movement on account of reduction in control percentage without loss of control	-	(1)	-	-	(12)	-	-	(5)	-	(210)	(1)	-	(86)	21	-	(294)	294	-
Payment of dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(4,868)	(4,868)
Balance at March 31, 2020	**1,770**	**4,885**	**688**	**6,226**	**46,023**	**1,416**	**5,931**	**5,453**	**7**	**2,55,289**	**1,217**	**31**	**27,951**	**(328)**	**(4,611)**	**3,51,948**	**1,70,680**	**5,22,628**

The accompanying notes are an integral part of these consolidated Ind AS financial statements

In terms of our report attached

For Price Waterhouse Chartered accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants

Baskar Pannerselvam
Partner
Membership No: 213126

Chennai
Date: June 11, 2020

For and on behalf of the Board of Directors

S. Suresh
Managing Director
DIN: 06999319

V. Ravichandran
Chairman
DIN: 00110086

Biswa Mohan Rath
Company Secretary

S. Rameshkumar
Chief Financial Officer

Chennai
Date: June 11, 2020

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020

₹ in Lakh

Particulars	For the Year ended March 31, 2020		For the Year ended March 31, 2019	
A. Cash flow from operating activities				
Net profit before tax from continuing and discontinued operations		**1,26,624**		**83,695**
Adjustments for:				
Depreciation and amortisation	31,896		27,233	
Finance costs	43,049		42,451	
Dividend income	(61)		(48)	
Profit on sale of investment property, fixed assets and fixed asset scrapped (net)	115		538	
Net (gain)/loss arising on FVTPL transaction	(183)		(870)	
Interest Income (including government grant interest income)	(6,400)		(4,923)	
Liabilities/provisions no longer required written back	(235)		(1,869)	
Bad debts written off and provision for doubtful debts	1,561		1,595	
Net unrealised exchange gain or loss	15,658		(7,775)	
Net gain arising on derivatives	1,821		113	
Earnings on equity method	233		(23)	
Provision for employee benefits	1,496		1,357	
Rental income from investment property net of expense	(1,387)		(1,406)	
Others	4		43	
		87,567		**56,416**
Operating profit before working capital changes		**2,14,191**		**1,40,111**
Changes in working capital				
Adjustments for increase/(decrease) in				
Trade and other receivables	(4,623)		(27,483)	
Government subsidies receivable	(2,231)		18,438	
Inventories	1,38,247		(1,64,575)	
Bank balances considered as other than cash and cash equivalent	5,200		5,712	
Other assets	13,698		1,241	
Other financial assets	(7,966)		6,891	
Trade payable	(1,07,467)		37,944	
Other liabilties	7,632		(551)	
Other financial liabilties	(6,136)		7,585	
Exchange differences on translation to presentation currency	(4,399)		(2,310)	
Cane bills due	(9,243)		11,186	
		22,712		**(1,05,922)**
Cash generated from operations		**2,36,903**		**34,189**
Income taxes paid net of refund		(38,306)		(39,430)
Net cash flow from/(used in) operating activities		**1,98,597**		**(5,241)**

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020

₹ in Lakh

Particulars	For the Year ended March 31, 2020		For the Year ended March 31, 2019	
B. Cash flow from investing activities				
Purchase of property, plant and equipment and intangible assets	(36,484)		(35,209)	
Proceeds from sale of fixed assets	693		899	
Inter-corporate deposits/loans given	(42,457)		(42,426)	
Inter-corporate deposits matured/loans received	42,805		40,000	
Sale/(purchase) of investments and bank deposit (net)	1,703		(4,442)	
Investments in subsidiaries/joint ventures	(1,171)		(660)	
Interest received	4,166		4,557	
Rent received from investment property (net)	1,387		1,406	
Dividend income received	119		48	
Net cash flow used in investing activities		**(29,239)**		**(35,827)**
C. Cash flow from financing activities				
Proceeds from issue of equity shares	1,366		452	
Repayment of lease liability (refer note 2A)	(2,646)		-	
Proceeds from long term borrowings	29,104		30,428	
Repayment of long term borrowings	(24,298)		(46,916)	
Net increase/(decrease) in working capital borrowing	(1,30,745)		82,312	
Finance cost paid	(44,815)		(40,812)	
Dividends paid including Dividend Tax	(4,868)		(22,020)	
Net cash flow from/(used in) financing activities		**(1,76,902)**		**3,444**
Net decrease in cash and cash equivalents (A+B+C)		**(7,544)**		**(37,624)**
Reconciliation:				
Cash and cash equivalents at beginning of the year		17,060		54,538
Add: Cash & cash equivalents pursuant to acquisition of controlling interest in Labelle Botanics LLC		843		-
Exchange gain/(loss) on cash and cash equivalents		240		146
Cash and cash equivalents at end of the year		10,599		17,060
Net decrease in cash and cash equivalents		**(7,544)**		**(37,624)**

The accompanying notes are an integral part of these consolidated Ind AS financial statements

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For Price Waterhouse Chartered accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants

Baskar Pannerselvam
Partner
Membership No: 213126

Chennai
Date: June 11, 2020

For and on behalf of the Board of Directors

S. Suresh
Managing Director
DIN: 06999319

V. Ravichandran
Chairman
DIN: 00110086

Biswa Mohan Rath
Company Secretary

S. Rameshkumar
Chief Financial Officer

Chennai
Date: June 11, 2020

NOTES FORMING PART OF THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Corporate Information

E.I.D.-Parry (India) Limited (EID Parry or the Holding Company) is a significant player in Sugar with interests in promising areas of Nutraceuticals. The Group also has a significant presence in Farm Inputs business including Bio Pesticides through its subsidiary, Coromandel International Limited.

E.I.D.-Parry (India) Limited has eight sugar factories having a capacity to crush 43,800 tonnes of cane per day, generate 160 MW of power and four distilleries having a capacity of 234 KLPD. In the Bio Pesticides business, the Group 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 Statement of Compliance

The financial statements have been prepared in accordance with Ind ASs notified under Sec 133 of the Companies Act, 2013 [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

a) **The Group has applied the following standards and amendments for the first time for their annual reporting period commencing April 01, 2019:**

Ind AS 116, Leases

Appendix C to Ind AS 12, Income Taxes - Uncertainty over Income Tax Treatments

Amendments to Ind AS 19, Employee Benefits - Plan Amendment, Curtailment or Settlement

Amendment to Ind AS 23, Borrowing Costs

Amendment to Ind AS 28, Investments in Associates and Joint Venture - Long-term Interests in Associates & Joint Ventures

Amendments to Ind AS 103, Business Combinations and Ind AS 111, Joint Arrangements

Amendment to Ind AS 109, Financial Instruments

The Group had to change its accounting policies as a result of adopting Ind AS 116. This is disclosed in note 2A. The other amendments listed above did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

1.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, defined benefit plan-plan assets measured at fair value, assets held for sale which is measured at lower of cost or fair value less cost to sell and share based payments as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

1.3 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Holding Company and entities controlled by the Holding Company and its subsidiaries (together referred to as Group). Control is achieved when the Group:

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

1.3.1 Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Group.

When the Group loses control of a subsidiary, a gain or loss is recognised in statement of profit and loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to statement of profit and loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

1.4 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in statement of profit and loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

1.5 Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

After application of the equity method of accounting, the Group determines whether there any is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate or a joint venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group's investment in an associate or a joint venture.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount, Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

The Group discontinues the use of the equity method from the date when:

(i) the investment ceases to be an associate or a joint venture as follows:

   (a) If the investment becomes a subsidiary, the Group accounts for its investment in accordance with Ind AS 103, Business Combinations, and Ind AS 110, Consolidated Financial Statements. The acquisition date carrying value of the previously held equity interest in the associate or joint venture is remeasured to fair value at the acquisition date. Any gains or losses arising from such re-measurement are recognised in statement of profit and loss or other comprehensive income, as appropriate.

   (b) The Group ceases to exercise significant influence or joint control over the entity.

(ii) when the investment is classified as held for sale.

1.6 Revenue Recognition

The Group had adopted Ind AS 115 in the year 2018-19 from April 01, 2018 and had opted for modified retrospective application with the cumulative effect of initially applying this standard recognised as an adjustment to the opening balance of retained earnings at the date of initial application. The standard has been applied to all open contracts as on April 01, 2018 and subsequent contracts with customers from that date.

i. Sale of goods

Revenue is recognised when the performance obligations are satisified and the control of the product is transferred, being when the goods are delivered as per the relevant terms of the contract at which point in time the Group has a right to payment for the asset, customer has legal title of the asset, customer bears significant risk and rewards of ownership and the customer has accepted the asset or the Group has objective evidence that all criteria for acceptance have been satisfied.

Payment for the sale is made as per the credit terms in the agreements with the customers. The credit period is generally short term, thus there is no significant financing component.

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Certain products of the Group carry a right of return. The Group also provides customers uncertainities such as rebates based on quantity purchased, timing of collection, etc. Various estimates are made to recognise the impact of rebates and other incentives on revenue. These estimates are made based on historical and forecasted data, contractual terms and current conditions. The Group based on accumulated experience estimates the right of return and rebates and revenue is recognised only to the extent that it is highly probable that a significant reversal in cumulative revenue recognised will not occur. The validility of this assumption and estimated amount of return are reassessed at each reporting period.

ii. Subsidy income

The Group recognizes subsidy income as per Ind AS 20 'Accounting for Government Grants' 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, when there is a reasonable assurance that the Group will comply with all necessary conditions attached to Subsidy.

iii. Rendering of services

The performance obligations under service contract are provision of handling services, business support services and other ancillary services set forth in the contracts. Revenue from rendering of services are recognised over a period of time by reference to the stage of completion as the customer simultaneously receives and consumes the benefit provided by the Group's performance as the Group performs.

Payment for the service rendered is made as per the credit terms in the agreements with the customers. The credit period is generally short term, thus there is no significant financing component.

iv. Dividend and interest income

a) Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

b) Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

v. 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.

vi. Export incentives

Export incentives are treated as income in the year of export at the estimated realisable value.

vii. Commission

Commissions are accounted as per the terms of the contract and to the extent that the amounts recoverable can be measured reliably and reasonable to expect ultimate collection.

1.7 Leasing

Till Mar 31, 2019:

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Group as Lessee

The Group's significant leasing arrangements are in respect of operating leases for premises that are cancelable in nature. The lease rentals under such agreements are recognised in the Statement of Profit and Loss as per the terms of the lease.

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease and based on the time pattern of user benefit basis. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Group as Lessor

The Group's significant leasing arrangements are in respect of operating leases for premises that are cancelable in nature. The lease rentals under such agreements are recognised in the Statement of Profit and Loss as per the terms of the lease.

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Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Group's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

With effect from April 01, 2019

Group as Lessee

From April 01, 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Assets and liabilities arising from a lease are initially measured on present value basis. Lease liability includes the net present value of the following payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that are based on an index or a rate, initially measured using the index or rates at the commencement date
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of purchase options if the Group is reasonably certain to exercise that option
- payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate the individual lessee would have to pay to borrow fund necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that are dependent on sales are recognised in statement of profit and loss in the period in which the conditions that trigger those payments occur.

Right-of-use assets are measured at cost comprising the following:

- the amount of initial measurement of lease liability
- any lease payments made at or before the commencement date less any incentives received
- any initial direct costs and
- restoration costs

Right-of-use assets are generally depreciated over the shorter of asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in statement of profit and loss. Short-term leases are leases with a lease term of 12 months or less. Low value assets comprise small items.

Group as Lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as expenses over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature. The Group did not need to make any adjustments to the accounting of assets held as lessor as a result of adopting the new leasing standard.

1.8 Functional and Presentation Currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which these entities operate (i.e. the "functional currency"). The financial statements are presented in Indian Rupee (₹), the national currency of India, which is the functional currency and presentation currency of the Holding Company.

1.9 Foreign currency transactions

In preparing the financial statements of the Group, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at

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the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated

Exchange differences on monetary items are recognised in statement of profit and loss in the period in which they arise except for:

- Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- Exchange differences on transactions entered into in order to hedge certain foreign currency risks (see note 1.25 below for hedging accounting policies); and
- Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to statement of profit and loss on repayment of the monetary items.
- Effective April 01, 2018 the Group has adopted Appendix B to Ind AS 21- Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment was insignificant.

1.10 Borrowings and related costs

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in statement of profit and loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in statement of profit and loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the Group does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

1.11 Government grants other than NBS subsidy income:

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in statement of profit and loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in statement of profit and loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

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In respect of government loans at below-market rate of interest existing on the date of transition, the Group has availed the optional exemption under Ind AS 101 - First Time Adoption and has not recognised the corresponding benefit of the goverment loan at below-market interest rate as Government grant.

1.12 Employee Benefits

(a) Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period.

Defined benefit costs are categorized as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Group presents the first two components of defined benefit costs in statement of profit and loss in the line item 'Employee benefits expense'.

Past service cost is recognised in statement of profit and loss in the period of a plan amendment.

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to statement of profit and loss.

Curtailment gains and losses are accounted for as past service costs. The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Contributions paid/payable to defined contribution plans comprising of Superannuation (under a scheme of Life Insurance Corporation of India) and Provident Funds for certain employees covered under the respective Schemes are recognised in the Statement of Profit and Loss each year.

Gratuity for certain employees is covered under a Scheme of Life Insurance Corporation of India (LIC) and contributions in respect of such scheme are recognized in the Statement of Profit and Loss. The liability as at the Balance Sheet date is provided for based on the actuarial valuation carried out as at the end of the year.

The Group makes contributions to Provident Fund Trusts for certain employees, at a specified percentage of the employees' salary. The Group has an obligation to make good the shortfall, if any, between the return from the investments of trust and the notified interest rates

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

(b) Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

1.13 Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 44.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

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Under the previous GAAP, share-based payment costs were accrued on an intrinsic value method. Upon transition to Ind AS, the Group has availed the exemption to apply the fair value to only unvested options.

1.14 Earnings per share

The Group presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

1.15 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

a. Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

b. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences and unused tax losses can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

c. Current and deferred tax for the year

Current and deferred tax are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

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

1.16 Property, Plant and Equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and

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ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Estimated useful lives of the assets as per technical evaluation performed by the Group are as follows:

Asset	Useful lives (in years)
Buildings, road and railway sidings	3 - 80 years
Plant and equipment	1 - 25 years
Vehicles	1 - 8 years
Office equipment, furniture and fixtures	1 - 10 years

Assets on leased premises are depreciated on the remaining period of lease or as per the useful life set above whichever is earlier. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Assets costing ₹ 5,000 and below are depreciated over a period of one year.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in statement of profit and loss.

1.17 Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost including transactions costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirement for cost model. Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Estimated useful lives of the assets are as follows:

Asset	Useful lives (in years)
Buildings	10 - 60 years

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in statement of profit and loss in the period in which the property is derecognised.

1.18 Intangible Assets

a. Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

b. Internally-generated intangible assets - Research and Development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;

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- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in statement of profit and loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

c. Derecognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in statement of profit and loss when the asset is derecognized.

d. Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Asset	Useful lives (in years)
Patents, Trademarks, Product registration, Technical know-how, Software, Licenses and Clinical trial cost	1 to 20 years

e. Biological assets

The Group recognises neem plantation as biological assets and are carried at historical cost of acquisition less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure on biological assets are added to its book value only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Cost incurred for new plantations are capitalised and depreciated over their estimated useful life which has been ascribed to be 20 years.

1.19 Impairment of Tangible and Intangible Assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in statement of profit and loss.

1.20 Inventories

Inventories other than by-products are stated at the lower of cost and net realizable value. Inventories of by-products are valued at net realisable value. Cost of raw materials and traded goods comprises cost of purchases after deducting rebates and discounts. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling

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price for inventories less all estimated costs of completion and costs necessary to make the sale.

Cost of inventories are determined on weighted average basis except in case of raw materials of subsidiary group Coromandel International Limited relating to Nutrient and allied business and Crop Protection determined in FIFO basis and in case of subsidiary Parry Sugars Refinery India Private Limited, cost of raw material of raw sugar, cost of work-in-progress and finished goods of white sugar are determined on the basis of "specific identification method".

1.21 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

1.22 Financial instruments

Financial assets and financial liabilities are recognised when a Group entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in statement of profit and loss.

1.23 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

a. Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortized cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows;
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding; and
- the debt instruments carried at amortised cost include deposits, trade receivables, loans and advances recoverable in cash.

For the impairment policy on financial assets measured at amortized cost, refer note 1.23e.

Investment in joint ventures and associates are accounted under equity method.

Impairment on investment in subsidiaries/joint ventures are carried out in accordance with Ind AS 36.

All other financial assets are subsequently measured at fair value.

b. Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in statement of profit and loss and is included in the "Other income" line item.

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c. Investments in equity instruments at FVTOCI

The Group has elected to carry investment in equity instruments at Fair value through other comprehensive income. On initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to statement of profit and loss on disposal of the investments.

The Group has equity investments which are not held for trading. The Group has elected the FVTOCI irrevocable option for these investments (see note 8). Fair value is determined in the manner described in note 50.9.

Dividends on these investments in equity instruments are recognised in statement of profit and loss when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in statement of profit and loss are included in the 'Other income' line item.

d. Financial assets at fair value through profit or loss (FVTPL)

The Group carries derivative contracts not designated in a hedge relationship at FVTPL. Financial assets at FVTPL also includes assets held for trading.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in statement of profit and loss. The net gain or loss recognised in statement of profit and loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

e. Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information on a case to case basis.

f. Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues

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to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in statement of profit and loss if such gain or loss would have otherwise been recognised in statement of profit and loss on disposal of that financial asset.

g. Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortized cost and FVTPL, the exchange differences are recognised in statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.
- For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortized cost. Thus, the exchange differences on the amortized cost are recognized in statement of profit and loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

1.24 Financial liabilities and equity instruments

a. Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

b. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in statement of profit and loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

c. Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Group, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

c.1. Financial liabilities at FVTPL

Financial liabilities at FVTPL includes derivative liabilities. Non-derivative financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Group as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL. There are no non-derivative financial liabilities carried at FVTPL..

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in statement of profit and loss. The net gain or loss recognised in statement of profit and loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

Fair value is determined in the manner described in note 50.9.

c.2. Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

c.3. Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

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Financial guarantee contracts issued by the Group are initially measured at their fair values and, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109;
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

c.4. Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in statement of profit and loss.

c.5. Derecognition of financial liabilities

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognised in statement of profit and loss.

1.25 Derivative financial instruments & Hedge Accounting

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps. Further details of derivative financial instruments are disclosed in note 50.9

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in statement of profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in statement of profit and loss depends on the nature of the hedging relationship and the nature of the hedged item.

a. Commodity Derivatives

Some of the Group's commodity derivatives are treated as hedges of price risk associated with the cash flow of highly probable forecast purchase and sale of raw and white sugar respectively (cash flow hedges).

The Group documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

Commodity derivatives not designated as hedge are accounted for at fair value through profit or loss and are included in other income.

b. Other financial derivatives

The Group designates certain hedging instruments, which include derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges, cash flow hedges, or hedges of net investments in foreign operations. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Cash Flow Hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recorded in other comprehensive income and are grouped under head of cashflow hedge reseve. The gain or loss relating to the ineffective portion is recognized immediately in the statement of profit and loss, and is included in the 'Other income' line item. The cumulative gain or loss previously recognized in other comprehensive income remains there

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until the forecast transaction occurs. When the hedged item is a non-financial asset, the amount recognized in other comprehensive income is transferred to the carrying amount of the asset when it is recognized. In other cases the amount recognized in other comprehensive income is transferred to statement of profit and loss in the same period that the hedged item affects statement of 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. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in statement of profit and loss. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognized in the other comprehensive income is transferred to statement of profit and loss, and is included in Other income.

1.26 Cash flow statement

Cash flows are reported using the indirect method, whereby profit/(loss) before 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.

Cash and cash equivalents includes balances in current accounts, cash on hand, cheques, drafts on hand.

1.27 Offsetting financial instruments

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

1.28 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies the directors of the Group are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

a. Critical accounting judgements

The following are the critical judgments, apart from those involving estimations, that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognized in the financial statements.

i. Revenue recognition

In making their judgment, the management considered the detailed criteria for the recognition of revenue from the sale of goods set out in Ind AS 115 and, in particular, whether the Group had transferred control over the goods to the buyer.

ii. Determination of functional currency

Parry Sugars Refinery India Private Limited (PSRIPL), a subsidiary of the Holding Company is domiciled in India. In making their judgement of functional currency, the directors of PSRIPL considered the detailed scenario for the determination of USD as functional currency on the basis of criteria laid down in Ind AS 21 and, in particular in which currency major purchases and sales are made.

iii. Hedge accounting

Accounting for commodity derivative contracts as cash flow hedges of highly probable forcast purchase and sale of raw and white sugar respectively. Judgements in this regard are involved in respect of whether the forecast transactions are highly probable to occur.

b. Key sources of estimation uncertainity

Key assumption concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as given below.

i. Fair value measurement and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation. The management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in notes 3 and 50.9.

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ii. Useful life of property, plant and equipment

The Group reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. During the current year, there has been no material change in life considered for the assets.

iii. Revenue recognition

The Group provides customer incentives, such as rebates, based on quantity purchased, timing of collections etc. Various estimates are made to recognise the impact of rebates and other incentives on revenue. These estimates are made based on historical and forecasted data, contractual terms and current conditions.

iv. Subsidy income

Subsidy income has been recognized when there is reasonable assurance that the Group will comply with all necessary conditions attached to Subsidy including those under the Direct Benefit Transfer system which was introduced by the Government of India.

v. Estimation of net realisable value of inventories

Inventories are stated at the lower of cost and net realisable value. In estimating the net realisable value of inventories the Group makes an estimate of future selling prices, subsidy and costs necessary to make the sale.

vi. Provision for employee benefits

The Group uses actuarial assumptions to determine the obligations for employee benefits at each reporting period. These assumptions include the discount rate, expected long-term rate of return on plan assets, rate of increase in compensation levels and mortality rates.

vii. Provision for taxes

Significant judgments are required in determining the provision for income taxes, including the amount expected to be paid/recovered for uncertain tax positions.

viii. Impairment of Tangible Assets and Intangible Assets

Parry Sugars Refinery India Private Limited, a subsidiary of the Holding Company has been incurring losses during the past 2 years. This is an indicator of potential impairment of carrying amount of property, plant and equipment of the subsidiary. Management has performed a detailed impairment assessment of the property, plant and equipment of the subsidiary and based on the assessment performed no impairment has been deemed necessary. The recoverable amounts have been determined based on value in use calculations which uses cash flow projections.

For the Holding Company, management considers each sugar factory to be a cash generating unit ('CGU') and has analysed if there is an indicator of impairment. Based on the assessment certain factories of the Group have either been incurring losses for the past several years or non-operating which is an indicator for impairment. Accordingly, the Group has performed a detailed impairment assessment for such factories and based on the assessment performed no impairment provision is deemed necessary.

ix. Provisions for doubtful receivables

The Group makes provision for doubtful receivables based on a provision matrix which takes into account historical credit loss experience and adjusted for current estimates.

x. Leases

Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use the underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Group considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term is included in the lease term, if it is reasonably certain that the lessee will exercise the option. The Group reassesses the option when significant events or changes in circumstances occur that are within the control of the lessee.

1.29 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.

1.30 Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as deduction, net of tax, from the proceeds.

1.31 Dividend

Provision is made for the amount of any divided declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period.

1.32 Rounding off amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakh as per the requirement of Schedule III, unless otherwise stated.

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NOTE 2

PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
Carrying amounts of:		
Freehold land	32,728	32,927
Buildings, road and railway sidings	60,527	56,734
Plant and equipment	2,31,458	2,06,211
Furniture & fixtures and office equipment	4,132	3,325
Vehicles	1,855	1,384
	3,30,700	**3,00,581**
Capital work-in-progress	6,913	18,655
Total	**3,37,613**	**3,19,236**

Particulars	Freehold land	Buildings, road and railway sidings (refer note 3)	Plant and equipment	Furniture & fixtures and office equipment	Vehicles	Total
Cost						
Balance at April 01, 2018	33,251	73,124	3,46,139	10,561	3,389	4,66,464
Additions	168	1,728	13,348	1,833	556	17,633
Transfer from investment property	-	218	-	-	-	218
Disposals and Adjustments	(41)	(362)	(3,560)	(1,001)	(549)	(5,513)
Transfer to Asset held for sale	(442)	(607)	(3,829)	(25)	(17)	(4,920)
Effect of foreign currency exchange differences	(5)	1,041	2,055	21	1	3,113
Balance at March 31, 2019	**32,931**	**75,142**	**3,54,153**	**11,389**	**3,380**	**4,76,995**
Additions pursuant to acquisition of controlling interest in Labelle Botanics LLC	50	368	84	-	-	502
Additions	-	5,240	45,753	1,541	1,009	53,543
Disposals and Adjustments	(232)	(373)	(2,221)	(233)	(299)	(3,358)
Transfer from assets held for sale	-	25	947	4	17	993
Effect of foreign currency exchange differences	(15)	1,708	3,516	33	(2)	5,240
Balance at March 31, 2020	**32,734**	**82,110**	**4,02,232**	**12,734**	**4,105**	**5,33,915**
Accumulated depreciation and impairment						
Balance at April 01, 2018	3	15,440	1,29,489	8,009	2,111	1,55,052
Disposals and Adjustments	-	(97)	(2,673)	(984)	(482)	(4,236)
Depreciation expense	-	2,924	21,756	1,041	377	26,098
Transfer from investment property	-	9	-	-	-	9
Transfer to Asset held for sale	-	(90)	(1,112)	(21)	(11)	(1,234)
Effect of foreign currency exchange differences	1	222	482	19	1	725
Balance at March 31, 2019	**4**	**18,408**	**1,47,942**	**8,064**	**1,996**	**1,76,414**
Disposals and Adjustments	-	(355)	(1,032)	(668)	(252)	(2,307)
Depreciation expense	1	3,064	22,482	1,179	493	27,219
Transfer from assets held for sale	-	4	275	3	11	293
Effect of foreign currency exchange differences	1	462	1,107	24	2	1,596
Balance at March 31, 2020	**6**	**21,583**	**1,70,774**	**8,602**	**2,250**	**2,03,215**
Carrying amount as on March 31, 2019	**32,927**	**56,734**	**2,06,211**	**3,325**	**1,384**	**3,00,581**
Carrying amount as on March 31, 2020	**32,728**	**60,527**	**2,31,458**	**4,132**	**1,855**	**3,30,700**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note:

1. Details of assets offered as security is provided in Note 21 and 22.
2. Capital work in progress primarily represents building and plant and equipment related work.
3. Includes Building on leasehold land: Cost: ₹ 915 Lakh (2019: ₹ 837 Lakh) and Accumulated Depreciation: ₹ 308 Lakh (2019: ₹ 182 Lakh).
4. Additions for the year includes ₹ 55 Lakh (2019: ₹ 317 Lakh) of Fixed assets additions made in approved In-house R&D Centres.
5. Interest capitalised during the year amounting to ₹ 433 Lakh (2019: ₹ 283 Lakh) is included in work in progress.
6. Refer note 51 for contractual commitments for acquistion of property, plant and equipment.
7. Land measuring 446.92 acres (₹ 75 Lakh) is pending registration in the name of Coromandel International Limited.

NOTE 2A

LEASES

The Group has adopted Ind AS 116, Leases, with the date of initial application being April 01, 2019. Ind AS 116 replaces Ind AS 17, Leases, and related interpretation and guidance. On transition to Ind AS 116, Right-of-use assets at April 01, 2019 for leases previously classified as operating were recognised and measured at an amount equal to lease liability (adjusted for related payments/accruals). As a result, the comparative information has not been restated. The Group has discounted lease payments using the incremental borrowing rate as at April 01, 2019, ranging between 9.1% to 9.2% for measuring the lease liability.

On transition to Ind AS 116, the Group recognised right-of-use asset amounting to ₹ 48,439 Lakh and a lease liability of ₹ 44,264 Lakh.

(i) Measurement of lease liability under simplified transition approach

₹ in Lakh

Particulars	Amount
Lease liability discounted using the Group's incremental borrowing rate recognised as at April 01, 2019*	**44,264**
Of which	
Current lease liabilities	2,646
Non-current lease liabilities	41,618
Total	**44,264**

*The difference between the operating lease commitments as per Ind AS 17 as at March 31, 2019 and value of lease liability as at April 01, 2019 is primarily on account of reduction due to discounting of the lease liabilities as per the requirement of Ind AS 116 and exclusion of the commitments for the leases for which practical expedient is applied as per the standard.

(ii) Amounts recognised in the Balance Sheet

Carrying amount of right-of-use asset

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
Factory (including ancillary assets)*	5,873	-
Land	27,401	-
Buildings	12,535	-
Plant & machinery	1,265	-
Total	**47,074**	**-**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakh

Particulars	Factory (including ancillary assets)*	Land	Buildings	Plant & Machinery	Total
Cost					
Balance at April 01, 2019	6,354	28,442	12,125	1,518	48,439
Additions (non-cash in nature)	-	-	2,734	-	2,734
Balance at March 31, 2020	**6,354**	**28,442**	**14,859**	**1,518**	**51,173**
Accumulated depreciation					
Balance at April 01, 2019	-	-	-	-	-
Depreciation expenses	481	1,041	2,324	253	4,099
Balance at March 31, 2020	**481**	**1,041**	**2,324**	**253**	**4,099**

*The Holding Company has taken a factory on lease including the building and plant and machinery thereon. The Holding Company pays a consolidated rental and accordingly, the consolidated asset is presented. The useful life of the building and plant and machinery is beyond the lease period, hence the entire asset is depreciated over the lease period.

Carrying amount of lease liability

₹ In Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
Current	2,917	-
Non-current	41,951	-
Total	**44,868**	**-**

(iii) Amounts recognised in the Statement of Profit and Loss

₹ In Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
Interest expenses (included in finance costs)*	4,086	-
Expenses relating to short-term leases and leases of low-value assets that are not shown above as short-term leases (included in other expenses)^	1,293	-
Total	**5,379**	**-**

*Refer Note 31 - Finance cost

^Refer Note 33 - Other expenses

(iv) Extension and termination options

Extension and termination options are included in leases of the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3

INVESTMENT PROPERTY

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
Carrying amounts of:		
Completed investment properties	2,489	2,271
Total	**2,489**	**2,271**

Particulars	As at March 31, 2020	As at March 31, 2019
Cost:		
Balance at beginning of the year	2,374	2,592
Transfer from/(to) property, plant & equipment	234	(218)
Balance at end of the year	**2,608**	**2,374**
Accumulated depreciation and impairment:		
Balance at beginning of year	103	84
Transfer from/(to) property, plant & equipment	(8)	(9)
Depreciation expense	24	28
Balance at end of year	**119**	**103**

1. Includes Building on leasehold land: Cost: ₹ 612 Lakh (2019 - ₹ 612 Lakh) and Accumulated Depreciation: ₹ 69 Lakh (2019 - ₹ 55 Lakh).

All of the Group's investment properties are held under freehold interests.

3.1 Fair value of the Group's investment properties

The following table gives details of the fair value of the Group's investment properties as at March 31, 2020 and March 31, 2019:

₹ in Lakh

Particulars	March 31, 2020	March 31, 2019
i. Land and Buildings in Tamilnadu	31,515	31,051

The fair value of the Group's investment properties as at March 31, 2020 and March 31, 2019 have been arrived at on the basis of a valuation carried out by M/s.Value Assessors & Surveyors Private Limited, independent valuers not related to the Group. M/s.Value Assessors & Surveyors Private Limited are registered with the authority which governs the valuers in India, and they have appropriate qualifications and relevant experience in the valuation of properties in the relevant locations. Fair value was derived using the market comparable approach based on recent market/ government guideline prices without any significant adjustments being made to the market observable data.

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

For rental income earned and direct operation expenses incurred in connection with investment property refer note 28 and note 38.1.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 4

GOODWILL

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
Carrying amounts of:		
Goodwill	3,143	2,570
Total	**3,143**	**2,570**

Particulars	As at March 31, 2020	As at March 31, 2019
Cost:		
Balance at beginning of the year	2,570	2,502
Additions	469	-
Effect of foreign currency exchange differences	128	68
Balance at end of the year	**3,167**	**2,570**
Accumulated depreciation and impairment:		
Balance at beginning of year	-	-
Amortization for the current year	24	-
Balance at end of the year	**24**	**-**

As at March 31, 2020 goodwill of ₹ 1,452 Lakh (March 31, 2019: ₹ 1,452 Lakh), ₹ 1,659 Lakh (March 31, 2019: ₹ 1,086 Lakh) and ₹ 32 Lakh (March 31, 2019: ₹ 32 Lakh) relates to the Sugar, Nutraceuticals and Fertiliser segments respectively. Goodwill on each of the segment arose when the businesses were acquired and has been assessed for impairment and based on the assessment no impairment has been considered.

IMPAIRMENT TESTS FOR GOODWILL

(a) Ramdurg CGU:

Goodwill of ₹ 1,452 Lakh represents the goodwill accounted on the acquisition of erstwhile Subsidiary Parrys Sugar Industries Limited (which was a Common control entity) as reflected in the Consolidated Financial Statements of the Group for the year ended March 31, 2015.

The Group has determined each factory location as a cash generating unit (CGU). The entire goodwill is attributable to the Holding Company's factory located at Ramdurg.

Significant estimate: Key assumptions used for value-in-use calculations of Ramdurg CGU:

The Group tests whether goodwill has suffered any impairment on an annual basis. For the current and previous financial year, the recoverable amount of the CGUs was determined based on value-in-use calculations which require the use of assumptions.

The factory at Ramdurg is operated on a leased property. The lease period expires in September 2032 and the arrangement doesn't contain a renewal clause. Therefore, cash flow projections based on financial budgets approved by management covering a twelve-year and six months period upto the end of lease term.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

The following table sets out the key assumptions for the Ramdurg CGU to which entire goodwill is allocated are as follows:

Description	Assumption	Approach used to determine values
Sales volume (% annual growth rate)	30.00% reduction in the next financial year and a 32.00% increase in the second financial year. Thereafter, sales volume is expected to vary at a meagre rate.	Based on management's expectations of market development and past performance.
Sales price (% annual growth rate)	2.00% increase in the next financial year. Thereafter, at a rate of 2.00 - 3.00%.	Based on current industry trends, minimum support price announced by government and including long-term inflation forecasts.
Post-tax discount rate	11.24%	Reflect specific risks relating to the business and geography in which they operate.

Significant estimate: Impact of possible changes in key assumptions of Ramdurg CGU

The recoverable amount of the Ramdurg CGU is estimated to exceed the carrying amount of the CGU as at March 31, 2020 by ₹ 4,345 Lakh (March 31, 2019 - ₹ 2,217 Lakh).

If the post-tax discount rate applied to the cash flow projections of this CGU had been higher than management's estimates (12.24% instead of 11.24%), the Ramdurg CGU's recoverable amount will reduce by ₹ 424 Lakh. The recoverable amount of the Ramdurg CGU would equal its carrying amount if a post-tax discount rate of 23.61% is considered, instead of 11.24%.

The Directors and management have considered and assessed reasonably possible changes for other key assumptions and have not identified any instances that could cause the carrying amount of the Ramdurg CGU to exceed its recoverable amount.

(b) US Nutraceuticals Inc. CGU:

Goodwill of ₹ 1,659 Lakh represents the goodwill accounted on the acquisition of subsidiary US Nutraceuticals Inc. and acquisition of controlling interest in Labelle Botanics LLC (a 100% subsidiary from October 01, 2019) (refer note 49).

Significant estimate: key assumptions used for value-in-use calculations of US Nutraceuticals Inc. CGU:

Description	Assumption	Approach used to determine values
Long term growth rate (% annual growth rate)	2.50%	Based on management's experience and knowledge of market conditions of the specific industry.
Post-tax discount rate	15.70%	Reflect specific risks relating to the business and geography in which they operate.

Significant estimate: Impact of possible changes in key assumptions of US Nutraceuticals Inc. CGU

The recoverable amount of the US Nutraceuticals Inc. CGU is estimated to exceed the carrying amount of the CGU as at March 31, 2020 by ₹ 5,152 Lakh.

If the post-tax discount rate applied to the cash flow projections of this CGU had been higher than management's estimates (16.70% instead of 15.70%), the US Nutraceuticals Inc. CGU's recoverable amount will reduce by ₹ 1,894 Lakh. The recoverable amount of the US Nutraceuticals Inc. CGU would equal its carrying amount if a post-tax discount rate of 18.90% is considered, instead of 15.70%.

If the long term growth rate applied to the cash flow projections of this CGU had been lower than management's estimates (0.00% instead of 2.50%), the US Nutraceuticals Inc. CGU's recoverable amount will reduce by ₹ 2,678 Lakh.

The Directors and management have considered and assessed reasonably possible changes for other key assumptions and have not identified any instances that could cause the carrying amount of the US Nutraceuticals Inc. CGU to exceed its recoverable amount.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 5

INTANGIBLE ASSETS

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
Carrying amounts of:		
Software and Licenses	274	97
Product registrations	572	705
Technical know-how	46	89
Patents	1,414	1,346
Product development	-	-
Other rights	61	74
Total	**2,367**	**2,311**

Particulars	Software and Licenses	Product registrations	Technical know-how	Patents	Product development	Other rights	Total
Cost							
Balance at April 01, 2018	**1,220**	**1,968**	**725**	**3,019**	**92**	**168**	**7,192**
Additions	22	-	-	237	-	105	364
Disposals and Adjustments	-	(12)	-	(207)	-	(141)	(360)
Effect of foreign currency exchange differences	-	(44)	-	183	6	(14)	131
Balance at March 31, 2019	**1,242**	**1,912**	**725**	**3,232**	**98**	**118**	**7,327**
Additions pursuant to acquisition of controlling interest in Labelle Botanics LLC	-	-	-	14	-	-	14
Additions	209	63	-	203	-	-	475
Disposals and Adjustments	(999)	1	2	(1)	-	-	(997)
Effect of foreign currency exchange differences	-	(90)	-	207	9	(15)	111
Balance at March 31, 2020	**452**	**1,886**	**727**	**3,655**	**107**	**103**	**6,930**
Accumulated depreciation and impairment							
Balance at April 01, 2018	**1,109**	**995**	**591**	**1,156**	**66**	**42**	**3,959**
Disposals and Adjustments	-	(12)	-	(82)	-	-	(94)
Impairment recognised in statement of profit and loss	-	-	-	605	-	-	605
Amortisation expense	36	243	45	146	28	4	502
Effect of foreign currency exchange differences	-	(19)	-	61	4	(2)	44
Balance at March 31, 2019	**1,145**	**1,207**	**636**	**1,886**	**98**	**44**	**5,016**
Amortisation expense	47	169	45	171	-	3	435
Impairment recognised in statement of profit and loss	-	-	-	95	-	-	95
Disposals and Adjustments	(1,014)	-	-	-	-	-	(1,014)
Effect of foreign currency exchange differences	-	(62)	-	89	9	(5)	31
Balance at March 31, 2020	**178**	**1,314**	**681**	**2,241**	**107**	**42**	**4,563**
Carrying amount at March 31, 2019	**97**	**705**	**89**	**1,346**	**-**	**74**	**2,311**
Carrying amount at March 31, 2020	**274**	**572**	**46**	**1,414**	**-**	**61**	**2,367**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 6

INVESTMENTS IN ASSOCIATES ACCOUNTED FOR USING EQUITY METHOD

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
I. Unquoted Investments		
(a) Interest in		
49% Labelle Botanics LLC	-	929
320 (2019 - 320) Equity shares of PHP$100/- each fully paid-up in Sabero Organics Philippines Asia Inc.	2	*
Total Investment in Associates accounted for using equity method	**2**	**929**

* Less than a Lakh

NOTE 7

INVESTMENTS IN JOINT VENTURES ACCOUNTED FOR USING EQUITY METHOD

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
Unquoted Investments		
1,60,00,000 (2019 - 1,30,04,000) Equity shares of ₹ 10 each, fully paid-up in Yanmar Coromandel Agrisolutions Private Limited	824	468
50,00,000 (2019 - 50,00,000) Equity shares of ₹ 10 each, fully paid-up in Coromandel SQM (India) Private Limited	1,253	1,238
1,07,00,000 (2019 - 66,00,000) Equity shares of ₹ 10 each, fully paid-up in Algavista Greentech Private Limited	638	453
Total Investments in Joint Venture accounted for using equity method	**2,715**	**2,159**

NOTE 8

OTHER INVESTMENTS

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
I. Quoted Investments		
(a) Investments in Equity Instruments at FVTOCI		
82,440 (2019 - 82,440) shares of ₹ 10 each fully paid up in State Bank of India	162	264
1,965 (2019 - 393) shares of ₹ 10 each fully paid up in Cholamandalam Investment and Finance Company Limited	3	6
50,43,138 (2019 - 50,43,138) shares of ₹ 10 each fully paid up in Coromandel Engineering Company Limited	595	1,442
2,000 (2019 - 2,000) shares of ₹ 1 each fully paid up in Carborundum Universal Limited	4	8
2,50,000 (2019 - 2,50,000) shares of ₹ 2 each fully paid up in Metkore Alloys & Industries Ltd	1	2
300 (2019 - 300) shares of ₹ 10 each fully paid up in Chennai Petroleum Corporation Limited	*	1
(b) Investments in Equity Instruments at FVTPL		
13,719 (2019 - 13,719) Equity shares of ₹ 10 each, fully paid-up in Rama Phosphate Limited	3	12
Total aggregate market value of quoted investments	**768**	**1,735**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
II. Unquoted Investments		
(a) Investments in Equity Instruments at FVTOCI		
23,600 (2019 - 23,600) shares of ₹ 10 each fully paid up in Kartik Investments Trust Limited	23	24
100 (2019- 100) shares of ₹ 10 each fully paid up in Travancore Sugars and Chemicals Limited	*	*
42,410 (2019 - 42,410) shares of ₹ 100 each fully paid up Murugappa Management Services Limited	164	156
14,54,400 (2019 - 7,27,200) shares of ₹ 10 each fully paid up in Indian Potash Limited	19,329	18,986
1,00,000(2019 - 1,00,000) shares of ₹ 10 each fully paid up in Bio Tech Consortium (India) Limited	52	49
41,79,848 (2019 - 41,79,848) Ordinary shares of Tunisian Dinars (TND) 10 each, fully paid up in Tunisian Indian Fertilisers S.A.#	-	-
3,600 (2019 - 2,000) Equity shares of ₹ 10 each, fully paid-up in Nandesari Environment Control Limited	18	15
10,01,000 (2019 - 10,01,000) Equity shares of ₹ 10 each, fully paid-up in Ranar Agrochem Limited (formerly Prathyusha Chemicals and Fertilisers Limited)	2	2
5,000 (2019 - 5,000) shares of ₹ 10 each fully paid up in Chola People Service (P) Ltd	152	74
125 (2019 - 125) shares of 25 pence each fully paid up in Hawker Siddley Group Limted	*	*
10,000 (2019 - 10,000) shares of ₹ 1 each fully paid up in Indian Dairy Entrepreneur and Agricultural Co Limited	*	*
266 (2019 - 266) shares of ₹ 10 each fully paid up in Chennai Wellingdon Corporate Foundation	*	*
2 (2019 - 2) shares of ₹ 10 each fully paid up in Murugappa Morgan Thermal Ceramics Limited	*	*
20 (2019 - 20) shares of ₹ 100 each fully paid up in Kullittalai Cane Farms Private Limited	*	*
10 (2019 - Nil) equity shares of ₹ 10 each fully paid in Chola MS General Insurance Company Private Limited	*	-
12,82,070 (2019 - 12,82,070) Ordinary shares of South African Rand 1 each, fully paid-up in Foskor (Pty) Limited	-	-
46 (2019 - 46) Class D shares of South African Rand 200,000 each, fully paid-up in Foskor (Pty) Limited	1,901	1,901
16,100 (2019 - 16,100) Equity shares of ₹ 10 each, fully paid-up in Bharuch Enviro Infrastructure Limited	247	107
2,75,000 (2019 - 2,75,000) Equity shares of ₹ 10 each, fully paid-up in Narmada Clean Tech	20	15
53,92,160 (2019 - 53,92,160) Equity shares of ₹ 10 each, fully paid-up in A.P. Gas Power Corporation Limited	12,316	11,235
(b) Other Investment at FVTPL		
25,044 (2019 - 30,471) units of ₹ 1,000 each, fully paid-up in Faering Capital India Evolving Fund	174	324
Mutual Funds	1,536	2,460
1,000 (2019 - 1,000) shares of ₹ 10 each, fully paid-up in UTI Master Shares	*	*
(c) Investments in Debentures at Amortised cost		
Tata Capital Financial Services Limited NCD	300	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
(d) Others at FVTOCI		
Share application money pending allottment - at cost	4	4
Loans at FVTOCI**	1,609	1,609
Total Unquoted Investments	**37,847**	**36,961**
Total Other Investments	**38,615**	**38,696**
Aggregate amount of impairment in value of investments	**-**	**-**
Current	**1,796**	**2,460**
Non-current	**36,819**	**36,236**

* less than a Lakh

\# The Ordinary shares of Tunisian Indian Fertilisers S.A., Tunisia (TIFERT) held by the Group have been pledged to secure the obligations of TIFERT to their lenders, except 8,04,848 shares.

** represents loan amounting ₹ 1,609 Lakh (2019: ₹ 1,609 Lakh) to TIFERT which is compulsorily convertible to equity shares at the end of three years from June 2017.

NOTE 9

TRADE RECEIVABLES

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
Secured, considered good	10,450	9,263
Unsecured, considered good*	2,01,147	1,97,924
Unsecured, considered doubtful	16,417	15,645
	2,28,014	**2,22,832**
Allowance for credit loss	(16,417)	(15,645)
Total	**2,11,597**	**2,07,187**
Current	**2,11,597**	**2,07,187**
Non-current	**-**	**-**

* Debts due by private companies in which the Holding Company's directors are directors as on March 31, 2020 is ₹ 98 Lakh (March 31, 2019: ₹ 97 Lakh)

The credit period on sales of goods ranges from 10 to 180 days. No interest is charged on trade receivables up to the due date.

The Group uses other publicly available financial information and its own trading records before accepting any customer. The Group's exposure is continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Also refer note 50.5.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 10

LOANS

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
Loan Receivables considered good - Unsecured		
i. Inter-corporate deposits	42,857	42,805
ii. Others	1,200	1,600
Total	**44,057**	**44,405**
Current	**43,257**	**43,205**
Non - Current	**800**	**1,200**

NOTE 11

OTHER FINANCIAL ASSETS

₹ in Lakh

Particulars	Non-current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
At Amortised Cost				
(a) Security Deposits	467	493	629	668
(b) Interest receivable*	-	-	2,190	754
(c) Advances from related parties	-	-	14	100
(d) Insurance claims	-	-	2,848	2,750
(e) Funds available with commodity exchange brokers	-	-	8,734	1,238
(f) Advance recoverable in cash:				
(i) Unsecured and Considered Good	-	-	224	6
(ii) Considered Doubtful	47	47	266	266
Less: Provision for Doubtful Advances	(47)	(47)	(266)	(266)
(g) Other receivable	-	-	1,035	358
At Fair Value				
i) Not designated as hedges				
(a) Mark to Market gain on forward contracts	-	-	7,067	1,762
(b) Mark to Market gain on Currency and interest rate swaps	-	-	-	182
(c) Mark to Market gain on Commodity futures	-	-	-	2,957
ii) Designated as hedges				
(a) Mark to Market gain on forward contracts	5	-	-	25
(b) Mark to Market gain on Commodity futures	-	-	-	(179)
Total	**472**	**493**	**22,741**	**10,621**

*Includes interest subsidy receivable of ₹ 1,799 Lakh (March 31, 2019 - ₹ 350 Lakh).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 12

OTHER ASSETS

₹ in Lakh

Particulars	Non-current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
(a) Deposit	2,889	2,836	8	25
(b) Capital Advances	1,633	5,290	-	-
(c) Prepayment for leasehold land*	-	3,815	-	-
(d) Balance with Government authorities	741	763	22,533	40,661
(e) Advance recoverable in kind				
(i) Unsecured and Considered Good	1,126	1,201	44,010	45,527
(ii) Considered Doubtful	1,871	1,807	799	719
Less: Provision for Doubtful Advances	(1,871)	(1,807)	(799)	(719)
(f) Gratuity Fund	-	-	-	217
(g) Others	171	145	145	-
Total	**6,560**	**14,050**	**66,696**	**86,430**

* Land admeasuring 3.52 acres is pending execution of lease in the name of the Coromandel International Limited, a subsidary Company.

NOTE 13

INVENTORIES

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
(At lower of cost and net realisable value)		
(a) Raw materials	98,666	2,01,867
(b) Raw materials in transit	22,988	14,672
(c) Work-in-process	8,215	6,447
(d) Finished goods	2,49,547	3,00,176
(e) By products	5,922	5,002
(f) Stock-in-trade (goods acquired for trading)	36,936	34,150
(g) Stores and spares	10,985	9,551
(h) Packing materials	2,146	2,477
Total	**4,35,405**	**5,74,342**

The cost of inventories recognised as an expense during the year was ₹ 12,15,997 Lakh (March 31, 2019: ₹ 11,95,746 Lakh).

The cost of inventories recognised as an expense includes ₹ 1,103 Lakh (2018-19: ₹ 838 Lakh) in respect of write-downs of inventory to net realisable value, and has been reduced by ₹ 395 Lakh (2018-19: ₹ 3,102 Lakh) in respect of reversal of such write downs.

Finished goods includes goods in transit to the extent of ₹ 112 Lakh (2018-19: Nil).

The mode of valuation of inventories has been stated in note 1.20.

Refer note 22 for inventories pledged.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 14

CASH AND CASH EQUIVALENTS

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the balance sheet as follows:

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Balances with banks		
(i) In Current account	7,755	16,004
(ii) In EEFC account	263	25
(iii) In Deposit account (with original maturity less than 3 Months)	2,554	943
(b) Cash on hand	27	88
Total	**10,599**	**17,060**

NOTE 15

OTHER BANK BALANCES

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Balances with banks in earmarked accounts		
- In Unpaid Dividend account	2,090	3,940
- In Deposits having maturity of more than 3 months	3	5,963
- In Bonus Debenture redemption account	844	846
- In Cane development/SEFASU Loan No Lien account	-	102
- In Margin Money accounts towards Bank Guarantee	288	219
Total	**3,225**	**11,070**

NOTE 16

ASSETS CLASSIFIED AS HELD FOR SALE

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
Asset associated with factory held for sale (refer note a below)	2,984	3,686
Total	**2,984**	**3,686**

a. The Board of Directors of the Holding Company in their meeting held on February 01, 2019 have approved the sale of Property, plant and equipment of Puducherry factory of the Holding Company in next 12 months. The Holding Company has identified potential buyers and in the process of seeking approvals before concerned authorities. Due to lockdown, there is a delay in obtaining necessary compliance before executing the sale transaction. The directors of the Holding Company expect that the fair value less cost to sell will be higher than the aggregate carrying amount of the related assets and liabilities. Therefore, no impairment loss were recognised on reclassification of the assets as held for sale as at March 31, 2020.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 17

INCOME TAX ASSET

₹ in Lakh

Particulars	Non-current	
	As at March 31, 2020	As at March 31, 2019
Tax refund receivable	7,119	6,683
Total	**7,119**	**6,683**

Current tax liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Income Tax payable	4,316	3,846
Total	**4,316**	**3,846**

NOTE 18

EQUITY SHARE CAPITAL

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
AUTHORISED:		
Equity Shares:		
2,34,40,00,000 Equity Shares of ₹ 1 each (2019 - 2,34,40,00,000)	23,440	23,440
Preference Shares:		
2,03,10,000 Redeemable Preference shares of ₹ 100 each (2019 - 2,03,10,000)	20,310	20,310
ISSUED, SUBSCRIBED AND FULLY PAID UP		
17,69,94,981 Equity Shares of ₹ 1 each (2019 - 17,69,94,981)	1,770	1,770
Total	**1,770**	**1,770**

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

Particulars	2019-20		2018-19	
	No of Shares	₹ Lakh	No of Shares	₹ Lakh
Equity Shares of ₹ 1 each fully paid up				
At the beginning of the period	17,69,94,981	1,770	17,69,94,981	1,770
At the end of the period	**17,69,94,981**	**1,770**	**17,69,94,981**	**1,770**

18.2 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, 2020		March 31, 2019	
	Nos.	%	Nos.	%
Ambadi Investment Limited	6,80,58,444	38.45	6,80,58,444	38.45

18.3 Terms attached to Equity Shares:

The Holding company has 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.

Share options granted under the Holding company's employee share option plan carry no rights to dividends and no voting rights.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

18.4 Details of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date .

During the year 2017-18, 10,74,861 equity shares of ₹ 1 each fully paid up were alloted to shareholders of Parrys Sugar Industries Limited (PSIL) other than the Company in the proportion of 2 equity shares of ₹ 1 each in the company for every 13 equity shares of ₹ 10 each held in the PSIL pursuant to the Scheme of Arrangement between PSIL and the Holding Company.

18.5 Dividend

On February 01, 2019 and March 22, 2019 a dividend of ₹ 2 per share (total dividend of ₹ 3,540 Lakh) and ₹ 1 per share (total dividend of ₹ 1,770 Lakh) was paid in February 2019 and April 2019 respectively to the holders of fully paid equity shares.

Note 19

OTHER EQUITY

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
Capital redemption reserve	4,885	4,886
Capital reserve on amalgamation	688	688
Securities premium reserve	46,023	44,922
Debenture redemption reserve	1,416	2,249
Capital reserve	5,931	5,931
Capital reserve on consolidation	6,226	6,226
Central subsidy	7	7
Foreign currency translation reserve	5,453	5,171
Effective portion of cash flow hedges	(4,611)	3,926
Reserve for equity instruments through other comprehensive income	(328)	(160)
General reserve	2,55,289	2,37,199
Share options outstanding reserve	1,217	1,228
Statutory reserve	31	30
Retained earnings	27,951	(1,283)
Total	**3,50,178**	**3,11,020**

RESERVES AND SURPLUS:

₹ in Lakh

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(a) Capital redemption reserve		
Opening balance	4,886	4,886
Add: Reduction in control percentage without loss of control	(1)	*
Closing balance	**4,885**	**4,886**

The capital redemption reserve is created out of the statutory requirement to create such reserve on buyback of shares. These are not available for distribution of dividend and will not be reclassified subsequently to profit or loss.

(b) Capital reserve on amalgamation	**688**	**688**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

₹ in Lakh

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(c) Securities premium account		
Opening balance	44,922	44,567
Add: Addition during the period	1,113	359
Add: Reduction in control percentage without loss of control	(12)	(4)
Closing balance	**46,023**	**44,922**

Securities premium is used to record the premium on issue of shares and the Holding Company's share of premium arising from shares issued at premium to non-controlling interest, where the subscription by Holding Company and non-controlling interest is not in proportion to their existing shareholding. The reserve is utilised in accordance with the provisions of the Act.

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(d) Debenture redemption reserve		
Opening balance	2,249	3,916
Add: Addition during the period	-	833
Less: Utilised during the period	833	2,500
Closing balance	**1,416**	**2,249**

Debenture redemption reserve is created as per the statutory requirements to maintain funds to repay the debenture liability. These will be subsequently transferred to Retained Earnings on payment of the debenture liability.

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(e) Capital reserve		
Opening balance	5,931	5,931
Add: Reduction in control percentage without loss of control	*	*
Closing balance	**5,931**	**5,931**
(f) Capital reserve on consolidation	**6,226**	**6,226**
(g) Central subsidy	**7**	**7**
(h) Foreign currency translation reserve		
Opening balance	5,171	4,231
Add: Other comprehensive income for the year net of income tax	287	942
Add: Reduction in control percentage without loss of control	(5)	(2)
Closing balance	**5,453**	**5,171**

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency i.e. Indian Rupee (₹) are recognised directly and accumulated in the foreign currency translation reserve. These balances are reclassified to profit or loss on the disposal of the foreign operations.

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(i) Effective portion of cash flow hedges		
Opening balance	3,926	10
Add: Other comprehensive income for the year	(10,267)	3,916
Add: Other movements during the year*	1,730	-
Closing balance	**(4,611)**	**3,926**

* Includes ₹ 1,862 Lakh adjusted against carrying value of inventory

The cash flow hedging reserve is used to recognize the effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges. Amounts are subsequently either transferred to the initial cost of non financial hedged item or reclassified to statement of profit and loss, as appropriate.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

₹ in Lakh

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(j) Reserve for equity instruments through Other Comprehensive income		
Opening Balance	(160)	1,122
Add: Other comprehensive income for the year net of income tax	(189)	(1,288)
Add: Reduction in control percentage without loss of control	21	6
Closing Balance	**(328)**	**(160)**

This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net of amounts reclassified to Retained Earnings when those assets have been disposed of.

(k) General reserve		
Opening balance	2,37,199	2,10,044
Add: Addition during the year	18,300	18,168
Add: Transfer from non-controlling interest on common control transaction	-	9,048
Add: Reduction in control percentage without loss of control	(210)	(61)
Closing balance	**2,55,289**	**2,37,199**

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss except to the extent permitted as per Companies Act,2013 and rules made thereunder.

(l) ESOP reserve		
Opening balance	1,228	728
Add: Addition during the year	439	586
Add: Transfer from/(to) other reserves	(449)	(86)
Add: Reduction in control percentage without loss of control	(1)	-
Closing balance	**1,217**	**1,228**

The above reserve relates to share options granted by the companies in the Group to its employees under its employee share option plan. Further information about share based payments to employees is set out in note 44.

(m) Statutory reserve		
Opening balance	30	28
Movement during the year	1	2
Closing balance	**31**	**30**

(n) Retained Earnings		
Opening Balance	(1,283)	12,840
Add: Transfer from debenture redemption reserve (net)	833	1,667
Profit for the year	46,787	15,349
Remeasurement of defined benefit plans (net of tax)	(158)	(147)
	46,179	**29,709**
Less: Appropriations		
On account of reduction of control	86	22
Dividend on Equity Shares including dividend distribution tax	-	12,800
Transfer to General reserve and Statutory reserve	18,142	18,170
Closing Balance	**27,951**	**(1,283)**

The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the standalone financial statements of the Company and also considering the requirements of the Companies Act, 2013. Thus, the amounts reported above are not distributable in entirety.

Total Other Equity	**3,50,178**	**3,11,020**

*Less than a Lakh

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 20

NON-CONTROLLING INTERESTS

₹ in Lakh

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Balance at beginning of year	1,32,456	1,26,648
Share of profit and other comprehensive income for the year	42,056	26,809
Dividend paid including dividend tax	(4,868)	(12,490)
Transfer to controlling interest on common control transaction	-	(9,048)
Add: Transfer to Non - controlling interest on account of change in holding percentage	294	83
Other increase on account of change in reserve	742	454
Balance at end of the year	**1,70,680**	**1,32,456**

Details of non-wholly owned subsidiaries that have material non-controlling interests.

The table below shows details of non-wholly owned subsidiaries of the Group that have material non-controlling interests:

Name of the Subsidiary	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests as at	
		March 31, 2020	March 31, 2019
Coromandel International Limited	India	39.53%	39.44%

Name of the Subsidiary	Place of incorporation and principal place of business	Accumulated non-controlling interests as at	
		March 31, 2020	March 31, 2019
Coromandel International Limited	India	1,70,680	1,32,456

Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

₹ in Lakh

Particulars	Coromandel International Limited	
	As at March 31, 2020	As at March 31, 2019
Non-current assets	2,35,498	1,82,102
Current assets	7,79,379	8,75,290
Non-current liabilities	46,456	13,702
Current liabilities	5,36,651	7,07,851
Equity attributable to owners of the Company	2,61,090	2,03,383
Non-controlling interests	1,70,680	1,32,456

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

₹ in Lakh

Particulars	Coromandel International Limited	
	Year ended March 31, 2020	Year ended March 31, 2019
Total income	13,17,673	13,26,164
Total expenses	11,79,900	12,14,605
Exceptional item (net)	-	(2,385)
Share of profit/(loss) of joint ventures and associate	78	84
Profit for the year	**1,06,504**	**72,048**
Profit attributable to owners of the Company	64,403	43,632
Profit attributable to non-controlling interests	42,101	28,416
Other comprehensive income for the year	**(114)**	**(4,074)**
Other comprehensive income attributable to owners of the Company	(69)	(2,467)
Other comprehensive income attributable to non-controlling interests	(45)	(1,607)
Total comprehensive income for the year	**1,06,390**	**67,974**
Total comprehensive income attributable to owners of the Company	64,334	41,165
Total comprehensive income attributable to non-controlling interests	42,056	26,809
Dividends paid to non-controlling interests	(4,868)	(12,490)
Net cash inflow from operating activities	1,86,197	52,641
Net cash outflow from investing activities	(22,193)	(59,707)
Net cash outflow from financing activities	(1,72,310)	(24,411)
Net cash outflow	**(8,306)**	**(31,477)**

Note: The figures given above are based on the consolidated financials of Coromandel International Limited along with its subsidiaries, joint ventures and associates.

NOTE 21
NON-CURRENT BORROWINGS

₹ in Lakh

Particulars	Non-current Portion		Current Maturities	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Unsecured - at amortised cost				
i) Deposits (refer note 21.1)	1,729	1,605	-	-
ii) Purchase Tax Deferement Loan (refer note 21.3)	241	241	-	109
Sub Total	**1,970**	**1,846**	**-**	**109**
Secured - at amortised cost				
i) Bonds/Debentures (refer note 21.2)	29,981	19,989	-	13,500
ii) Term Loans				
- from banks (refer note 21.4)	24,891	17,090	11,299	8,033
- from Government of India - Sugar Development Fund (refer note 21.5)	4,158	6,281	1,968	2,359
Sub Total	**59,030**	**43,360**	**13,267**	**23,892**
Total	**61,000**	**45,206**	**13,267**	**24,001**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

21.1. Unsecured - Deposit received from TNPL for supply of bagasse,which is interest free and Repayable in December 2024

21.2. Detail of the secured debentures are given below:

a. 1,000 8.00% Secured, Redeemable Non - Convertible Debentures of ₹ 9,986 Lakh, is secured by way of first mortgage/charge on various properties of the Holding Company. The said debenture is redeemable fully at par in January 2023.

b. 1,000 8.25% Secured, Redeemable Non - Convertible Debentures of ₹ 9,995 Lakh, is secured by way of first pari passu charge on the movable and/or immovable fixed assets of the Pudukottai unit of the Holding Company. The said debenture is redeemable fully at par in April 2021.

c. 1,000 8.40% Secured, Unlisted, Redeemable Non - Convertible Debentures of ₹ 10,000 Lakh, is secured by charge on the fixed assets of The Parry Sugars Refinery India Private Limited (PSRIPL). The said debenture is redeemable fully at par on April 23, 2021. The Holding 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 ₹ 10,000 Lakh has been swapped for USD 14,791,805. The swap trade is effective from June 18, 2018 and termination date is April 23, 2021. Interest liability of 8.40% p.a. in Indian Rupees has been swapped for 4.11% fixed per annum on Effective USD Notional.

21.3 Purchase tax deferrment loan carries nil rate of interest and repayable over 5 years commencing from April 2019.

21.4 Detail of the secured term loans are given below:

a. Secured Term loan from banks consists of those of Parent company secured by pari passu first charge on movable and immovable fixed assets of (both present and future) of the Parent Company and further, these are secured by second charge on the Parent Company's current assets. Term loans from bank, including unsecured, carries interest rates ranging 7.90% - 8.40%.

b. Term loan from ICICI Bank Limited availed on July 10, 2019 is secured by a charge on fixed assets of Parry Sugars Refinery India Private Limited (PSRIPL). The Holding Company has provided a Corporate Guarantee to the extent of the loan amount. The Term loan carries an interest rate of '1YR MCLR+ 50 bps' per annum with bullet repayment at the end of three years. Term Loan availed has been swapped into USD 13,933,398.36 with USD Interest Rate of 4.74%. This swap was structured to receive monthly (INR coupon) and pay annually (USD coupon) to convert the monthly term loan INR interest payment obligation into an annual USD.

21.5 Loan from Sugar Development Fund is secured by way of a bank guarantee from State Bank of India, Indusind Bank Ltd.,which carries interest rate of 4.00% - 8.25% and repayable over 1 to 5 years.

Breach of Loan agreement

There is no breach of loan agreement

Note 22
SHORT TERM BORROWINGS

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured - at amortised cost (refer note 22.1)		
a. Loan repayable on demand		
- from banks	27,285	68,699
b. Term loan from banks	82,646	91,031
c. Others	30,000	60,000
Secured - at amortised cost		
a. Loan repayable on demand		
- from banks (refer note 22.2)	1,06,503	1,43,130
b. Term loan from banks (refer note 22.3)	69,129	80,395
Total	**3,15,563**	**4,43,255**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

22.1 Unsecured loans repayable on demand comprises of buyer's credit denominated in foreign currency and cash credit. Unsecured short term loan and others include foreign currency loans from bank and commercial papers.

22.2 Secured loans repayable on demand comprises buyer's credit denominated in foreign currency and cash credit. Buyer's Credit of PSRIPL and CIL is secured by first pari passu charge on all current asset of PSRIPL as well as second pari passu charge on all movable fixed assets of PSRIPL and CIL respectively. Cash credit facilities of Holding company and CIL are primarily secured on the current assets of the Holding company and CIL supplemented by second charge on movable and immovable properties primarily of the Holding company and CIL. Cash credit facilities of US Nutraceuticals Inc. (USN) are secured by substantially all the assets of USN.

22.3 Secured short term borrowing consists of commercial papers and working capital loan. Commercial paper is secured by a pari-passu charge on current assets of Parent Company and working capital loans are primarily secured by way of specific subsidy receivable, Letter of Comfort from Government of India or Letter of Credit from Banks.

22.4 Net debt reconciliation for the year*

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
i. Opening net debt	**5,05,552**	**4,01,536**
ii. Proceeds from long term borrowings	29,104	30,428
iii. Repayment of long term borrowings	(24,298)	(46,916)
iv. Net increase/(decrease) in working capital borrowing	(1,30,745)	82,312
v. Interest expense (excluding interest on lease liability)	38,963	42,451
vi. Interest reimbursement by the Government	(2,037)	(733)
vii. Interest paid	(44,815)	(40,812)
viii. Decrease in cash equivalents	7,544	37,624
ix. Increase in cash equivalents on acquisition of controlling interest in Labelle Botanics LLC	(843)	-
x. Effect of change in foreign exchange rates	(240)	(146)
xi. Non cash items and others	7,194	(192)
Closing net debt	**3,85,379**	**5,05,552**

* Reconciliation excludes cane bills due payable to bank (refer note 24) and lease liability (refer note 2A)

NOTE 23

TRADE PAYABLES

₹ in Lakh

Particulars	Current	
	As at March 31, 2020	As at March 31, 2019
Acceptances	79,782	3,26,549
Other than Acceptances:		
Outstanding dues of micro enterprises and small enterprises*	1,123	1,261
Outstanding dues of creditors other than micro enterprises and small enterprises	3,16,376	1,56,033
Employee related payables	2,745	2,062
Total	**4,00,026**	**4,85,905**

*Dues to enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 which is on the basis of such parties having been identified by the management and relied upon by the auditors.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 24

OTHER FINANCIAL LIABILITIES

₹ in Lakh

Particulars	Non-current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
At Amortised Cost				
(a) Current maturities of long-term debt	-	-	13,267	24,001
(b) Interest accrued but not due on borrowings and acceptance	-	-	7,947	10,500
(c) Unclaimed dividends (refer note 24.1 and 24.2)	-	-	2,090	2,170
(d) Unpaid dividends	-	-	-	1,770
(e) Security deposit	146	-	15,028	13,235
(f) Other liabilities				
- Cane bill due payable to banks	-	-	69,802	79,045
- Unclaimed debentures	-	-	844	846
- Payable on purchase of fixed assets	-	-	2,546	968
- Others	52	51	1,281	8,115
Financial liabilities mandatorily measured at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVTOCI)				
- Foreign currency forward contracts	-	-	2,256	5,315
- Commodity futures (refer note 24.3)	-	-	4,553	-
- Currency and interest rate swaps	-	-	1,873	280
- Derivative desiganated in hedge accounting relationship	-	-	1,229	53
Total	**198**	**51**	**1,22,716**	**1,46,298**

24.1 These amounts represent warrants issued to the Shareholders which remained unpresented as on March 31,2020 and March 31, 2019 respectively.

24.2 During the year, ₹ 203 Lakh (2019: ₹ 23 Lakh) was transferred to the Investor Education and Protection Fund by the Holding Company and there are no amounts due to to be tranferred to Investor Education and Protection Fund.

24.3 Commodity futures includes marked to market liability on commodity contracts designated as hedges amounting to ₹ 6,628 Lakh of PSRIPL.

NOTE 25

OTHER LIABILITIES

₹ in Lakh

Particulars	Non-current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
a. Statutory remittances (contributions to PF and ESIC, withholding taxes and indirect taxes)	-	-	1,790	2,148
b. Advances and deposits from customers and others	-	-	8,499	6,427
c. Deferred revenue arising from interest free deposit and Government grant	661	944	137	-
Total	**661**	**944**	**10,426**	**8,575**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 26
PROVISIONS

₹ in Lakh

Particulars	Non-current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits*	3,037	2,169	3,036	3,364
Provision for decommissioning liability#	63	56	-	-
Total	**3,100**	**2,225**	**3,036**	**3,364**

* The provision for employee benefits includes gratuity, annual leave and vested long service leave entitlements accrued and compensation claims made by employees.

Movement represents unwinding of interest.

NOTE 27
REVENUE FROM OPERATIONS

₹ in Lakh

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(a) Sale of Products	13,71,079	13,29,171
(b) Other operating revenues		
- Government subsidy (refer note 27.2)	3,36,526	3,17,095
- Revenue from commodity trading	157	2,260
- Insurance claim	22	281
- Scrap sales	659	333
- Service Income	389	461
- Others	4,060	5,952
Total	**17,12,892**	**16,55,553**

27.1 Refer note 1.28 for critical judgements involved in the determination of the amount and timing of revenue. For details of disaggregated revenue refer note 41.

27.2 Includes production subsidy amounting to ₹ 9,144 Lakh (March 31, 2019: ₹ 3,863 Lakh) recognised by the Holding company. The Holding Company recognises income based on the export obligation fulfilled. For the year ended March 31, 2020, the export obligation is based on the allocation of 83,484 MT made by the Government (including additional quota of 11,115 MT allocated to other sugar mills undertaken by the Company).The unfulfilled obligation as at March 31, 2020 based on the allocated quantity amounts to 29,728 MT. The Holding Company has time till September 30, 2020 to fulfill the above mentioned obligation.

For the year ended March 2019, the obligation to export is lower of the allocated quantity and 16.7 kg per MT of cane crushed for the sugar season 2018-19. The unfulfilled obligation as at March 31, 2019 based on the allocated quantity amounts to 27,830 MT. The obligation has been fulfilled.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 28
OTHER INCOME

₹ in Lakh

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(a) Interest income earned on financial assets and others that are not designated as fair value through profit or loss		
On asset at amortised cost	4,512	4,416
(b) Dividend Income	123	48
(c) Other gains or losses		
- Profit/(loss) on sale of fixed assets (Net)	(115)	(538)
- Net gain arising on financial assets at FVTPL	121	870
- Net gain arising on derivatives at FVTPL	1,224	481
- Net gain/(loss) on foreign currency transaction and translation	(11,020)	(14,465)
(d) Other non-operating income		
- Operating lease rental from investment property	1,893	1,832
- Services	127	385
- Insurance claim received	109	26
- Government grant income (refer note 28.1)	2,037	733
- Liabilities/provisions no longer required written back	190	986
- Others	2,687	1,455
Total	**1,888**	**(3,771)**

28.1 The Government grant income represents subvention interest benefit on below market interest rate loans and interest income (Pursuant to Notification no. 1(6)/2018-SP-I).

NOTE 29
CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE

₹ in Lakh

Particulars	Year ended March 31, 2020		Year ended March 31, 2019	
Opening Stock:				
Work-in-progress	6,447		6,072	
Finished goods	3,00,176		2,10,717	
By products	5,002		5,681	
Stock-in-trade	34,150	3,45,775	20,587	2,43,057
Less: Amount disclosed as exceptional item		-		2,082
Closing Stock:				
Work-in-progress	8,215		6,447	
Finished goods	2,49,547		3,00,176	
By products	5,922		5,002	
Stock-in-trade	36,936	3,00,620	34,150	3,45,775
Foreign Currency Translation Reserve		(2,653)		(266)
(Increase)/decrease		**47,808**		**(1,04,534)**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 30

EMPLOYEE BENEFIT EXPENSE

₹ in Lakh

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(a) Salaries, Wages and Bonus	55,213	48,441
(b) Contribution to Provident and Other Funds (refer note 42)	4,663	4,022
(c) Workmen, Staff Welfare Expenses and others*	5,853	6,160
(d) Share-based payments to employees (refer note 44)	644	861
Total	**66,373**	**59,484**

*The Holding Company has evaluated the impact of the recent Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-I/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In this regard, appropriate provision has been made in the Financial Statements.

NOTE 31

FINANCE COST

₹ in Lakh

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(i) Interest costs:		
(a) Debentures	981	1,179
(b) Loans and others*	36,260	39,406
(ii) Lease interest cost (refer note 2A)	4,086	-
(iii) Other borrowing costs	1,598	1,753
(iv) Unwinding of discounts on provisions	124	113
Total	**43,049**	**42,451**

* Net of ₹ 433 Lakh capitalised at the average interest rate of 5.01% (2019: ₹ 283 Lakh at 5.14%)

NOTE 32

DEPRECIATION AND AMORTISATION EXPENSE

₹ in Lakh

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation/amortisation/impairment on		
a. Property, plant and equipment (refer note below)	27,219	26,098
b. Right-of-use asset	4,099	-
c. Investment property	24	28
d. Intangible assets (refer note below)	554	1,107
Total	**31,896**	**27,233**

Note: Includes impairment expense in respect of intangible assets for the year ended March 31, 2020 ₹ 95 Lakh (March 31, 2019: ₹ 605 Lakh).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 33

OTHER EXPENSES

₹ in Lakh

Particulars	Year ended March 31, 2020		Year ended March 31, 2019	
(a) Consumption of Stores, Spares and Consumables		14,512		17,452
(b) Power and Fuel		33,966		29,640
(c) Rent		3,562		9,510
(d) Repairs and Maintenance				
- Buildings	1,007		923	
- Plant and Machinery	9,252		8,362	
- Others	6,681	16,940	6,953	16,238
(e) Insurance		3,552		2,295
(f) Rates and Taxes		2,589		4,008
(g) Packing, Despatching and Freight*		98,229		1,12,783
(h) Auditors' Remuneration (as auditor of Holding Company)		73		56
(i) Directors' Fees and Commission		28		19
(j) Sales Promotion and Publicity		1,708		1,188
(k) Professional Charges		5,064		4,572
(l) Provision for Doubtful Debts and Advances		1,515		1,492
(m) Bad Debts/Advances written off		46		103
(n) General Manufacturing, Selling and Administration Expenses		46,673		39,897
(o) Corporate Social Responsibility expenditure		2,151		1,558
Total		**2,30,608**		**2,40,811**

* Net of freight subsidy pursuant to Notification no.1(14)/2018-S.P. - I dated October 05, 2018 amounting to ₹ 656 Lakh for the year ended March 31, 2020 (March 31, 2019 - ₹ 954 Lakh).

NOTE 34

DEFERRED TAXES

34.1 Deferred Taxes Assets/(Liability) (net) arising from

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
MAT credit entitlement	8,161	8,266
Property, plant and equipment	(37,281)	(50,180)
Investments at FVTOCI	(2,092)	(1,378)
Tax losses	15,260	27,236
Provision for doubtful debts advances and others	10,916	10,863
Net Deferred Tax Asset/(Liability)	**(5,036)**	**(5,193)**
Deferred Tax Asset	8,828	8,855
Deferred Tax Liability	13,864	14,048
Net Deferred Tax Asset/(Liability)	**(5,036)**	**(5,193)**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

34.2 Unrecognised deductible temporary differences, unused tax losses and unused tax credits

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
Long-term capital loss	44	56
Short-term capital loss	-	11
Unused tax losses	82,892	83,899
Total	**82,936**	**83,966**

NOTE 35

INCOME TAX EXPENSE

35.1 Income tax recognised in profit or loss

₹ in Lakh

Particulars	2019-20	2018-19
Current tax		
In respect of current year	38,357	41,169
In respect of prior years	(79)	-
Deferred tax		
In respect of current year	(764)	366
In respect of unrecognised/unused tax losses	121	(122)
MAT credit availed	101	(1,483)
Total income tax expense/(gain) recognised in the current year relating to continuing operations	**37,736**	**39,930**

35.2 The income tax expense for the year can be reconciled to the accounting profit as follows:

₹ in Lakh

Particulars	2019-20	2018-19
Profit before tax from continuing operations	1,26,624	83,695
Income tax expense calculated at 34.944% (2018-19 - 34.944%)	44,247	29,246
Effect of difference in tax rates of subsidiaries	(13,450)	(8)
Effect of income that is exempt from taxation	87	(157)
Effect of concession	(397)	(799)
Effect of expenses that are not deductible in determining taxable profit	407	268
Effect of unused tax losses and tax offsets not recognised as deferred tax asset	870	2,958
Effect of common control transaction	-	8,165
Tax on distributed profits	1,275	184
Tax on undistributed profits	7,183	-
Effect of change in tax rate	(3,820)	51
Effect on deferred tax balance due to remeasurement	847	-
Adjustments recognised in current year relating to current tax of previous years	143	(122)
Others	344	144
Income tax expense recognised in profit or loss	**37,736**	**39,930**

The tax rate used for the 2019-20 and 2018-19 reconciliations above is the corporate tax rate of 34.944% payable by corporate entities in India on taxable profits under the Indian tax law.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

35.3 Income tax recognised in other comprehensive income

₹ in Lakh

Particulars	2019-20	2018-19
Deferred tax		
Arising on income and expenses recognised in other comprehensive income:		
Net fair value gain on investments in equity shares at FVTOCI	(655)	(559)
Net gain on designated portion of hedging instruments in cash flow hedges	299	15
Remeasurement of defined benefit obligation	(35)	(90)
Arising on income and expenses reclassified from equity to profit or loss:		
Net gain on designated portion of hedging instruments in cash flow hedges	-	-
Total income tax recognised in other comprehensive income	**(391)**	**(634)**

NOTE 36

RESEARCH AND DEVELOPMENT EXPENDITURE INCURRED BY THE APPROVED INHOUSE R & D CENTRES

₹ in Lakh

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(i) Revenue Expenses (excluding depreciation and fixed assets scrapped):		
a) Employee benefit expense	1,245	1,106
b) Power and Fuel	74	76
c) Repairs and Maintenance	138	133
d) Miscellaneous expenses	851	454
e) Other Income relating to Research and Development	(56)	(59)
Net Revenue expenses on Research and Development	**2,252**	**1,710**
(ii) Fixed Assets additions in R & D Centre made during the year	**55**	**317**

NOTE 37

₹ in Lakh

Particulars	2019-20	2018-19
AMOUNTS CONTRIBUTED TO ELECTORAL TRUST DURING THE YEAR	**413**	**700**

NOTE 38

38.1 DIRECT OPERATING EXPENSES ARISING FROM INVESTMENT PROPERTY

₹ in Lakh

Particulars	2019-20	2018-19
Direct operating expenses arising from investment property that generated rental income during the year	562	438
Direct operating expenses arising from investment property that did not generate rental income during the year	20	16
Total	**582**	**454**

38.2. MINIMUM LEASE RECEIVABLES ON INVESTMENT PROPERTIES WHERE GROUP IS A LESSOR

Particulars	2019-20	2018-19
Within 1 year	1,950	1,945
Total	**1,950**	**1,945**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 39

DIRECTOR'S REMUNERATION:

39.1 Whole time Directors remuneration:

₹ in Lakh

Particulars	2019-20	2018-19
Short-term benefits	154	133
Post-employment benefits	22	19
Total	**176**	**152**

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.

The remuneration paid to the Managing Director is in accordance with the provisions of Part II, Section II of Schedule V of the Companies Act, 2013.

39.2 Non Whole time Directors remuneration:

₹ in Lakh

Particulars	2019-20	2018-19
Directors' sitting Fees	28	19
Total	**28**	**19**

NOTE 40

IMPACT OF COVID-19 PANDEMIC

The spread of COVID-19 has severely impacted businesses around the globe. In many countries, including India, there has been severe disruption to regular business operation due to lock downs, disruptions in transportation, supply chain, travel bans, quarantines, social distancing and other emergency measures. The Group's significant business is in Agriculture and allied products (Fertiliser, Sugar etc)and it has been identified as an essential service. The Group's factories were operating during the lockdown except for few days in the initial lock down period and was able to conduct the operations with minor delays in certain factories/business.

However, uncertainty caused by the current situation has resulted in delays in dispatches on account of logistical issues. This situation was a temporary phenomenon and has started to improve.

The Group has made detailed assessment of its liquidity position. The Group has sanctioned credit facilities which can be used as and when necessary and has the ability to repay the debts as and when it falls due. The Group also has assessed recoverability and carrying values of its assets comprising property, plant and equipment, intangible assets, trade receivables, inventory and investments as at balance sheet date, and has concluded that there are no material adjustments required in the consolidated Ind AS financial statements. In the case of inventory relating to Holding Company and Parry Sugars Refinery India Private Limited ('PSRIPL'), management has performed the inventory verification at a date subsequent to the year end in the presence of its internal auditor (an external firm of professionals carried out the work under the supervision of the Company's internal auditors) to obtain comfort over the existence and condition of inventories as at March 31, 2020 including rollback procedures etc. The Group has also evaluated the internal controls including internal controls with reference to financial statements and all the controls are operating effectively and the Group has not diluted any controls in this regard.

Management believes that it has taken into account all the possible impact of events arising from COVID-19 pandemic in the preparation of the consolidated Ind AS financial statements including the ability of the Group to continue as going concern. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The Group will continue to monitor any material changes to future economic conditions.

The auditors have included an emphasis of matter para in their auditor's report regarding the same.

NOTE 41

SEGMENT INFORMATION

Information reported to the chief operating decision maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided, and in respect of the following segments tabulated below. The directors of the Holding company have chosen to organise the Group around differences in products and services. No operating segments have been aggregated in arriving at the reportable segments of the Group. Specifically, the Group's reportable segments under Ind AS 108 are as follows.

Operating Segment:

Nutrient and allied business	Crop protection	Sugar	Co-generation	Distillery	Nutraceuticals	Others

Geographical information:

The Group operates in the following principal geographical areas -

North America	Europe	Rest of the world	India (Country of domicile)

Revenue and expenses directly attributable to segments are reported under each reportable segment. Other expenses and income which are not attributable or allocable to segments have been disclosed as net unallocable expenses/income.

Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment.All other assets and liabilities are disclosed as unallocable. Property, plant and equipment that are used interchangeably among segments are not allocated to reportable segments.

Sales to any individual customers is less than 10% of total sales.

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.

41.1. Changes in Accounting Policy

The adoption of new leasing standard described in note 2A had the following impact on the segment disclosures in the current year:

₹ in Lakh

Particulars	Increase	
	Operating profit/(loss)	Depreciation
Nutrient and Crop Protection	1,561	3,618
Sugar	501	433
Cogeneration	56	48
Total	**2,118**	**4,099**

41.2.Segment Reporting

OPERATING SEGMENTS REVENUE AND RESULTS:

₹ in Lakh

Particulars	Nutrient and allied business		Crop protection		Sugar		Co-generation		Distillery		Nutraceuticals		Others		Elimination		Overall	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Revenue from operations:																		
External Customers	11,55,003	11,50,529	1,58,665	1,71,927	3,34,438	2,73,399	8,268	7,238	35,435	31,483	21,026	20,956	57	21	-	-	17,12,892	16,55,553
Inter-segmental Sales	-	-	9,875	8,264	127	466	4,829	5,274	245	265	-	-	-	-	(15,076)	(14,269)	-	-
Total	**11,55,003**	**11,50,529**	**1,68,540**	**1,80,191**	**3,34,565**	**2,73,865**	**13,097**	**12,512**	**35,680**	**31,748**	**21,026**	**20,956**	**57**	**21**	**(15,076)**	**(14,269)**	**17,12,892**	**16,55,553**
Results:																		
Operating Profit/(Loss)	1,50,698	1,18,032	22,029	28,315	2,380	(11,437)	(3,737)	(3,496)	6,103	2,659	(655)	800	-	-	-	-	1,76,818	1,34,873
Interest income																	4,512	4,416
Dividend Income																	123	48
Other Unallocated Expenses (net)																	(11,547)	(13,214)
Finance Costs																	(43,049)	(42,451)
Share of profit of Associate																	(82)	(2)
Share of profit of Joint ventures																	(151)	25
Profit/(Loss) before Tax																	**1,26,624**	**83,695**
Income Tax																		
- Current																	38,278	41,169
- Deferred																	(542)	(1,239)
Net Profit After Tax																	**88,888**	**43,765**
Other Information:																		
Segment Assets	7,83,686	8,42,118	1,51,905	1,34,828	3,45,520	4,09,790	35,071	35,312	28,492	22,466	30,874	28,506	2,164	2,502	-	-	13,77,712	14,75,522
Unallocated Corporate Assets																	1,24,690	1,23,441
Total Assets																	**15,02,402**	**15,98,963**
Segment Liabilities	3,15,778	3,69,931	45,370	28,310	2,63,288	3,23,620	2,891	3,417	1,694	1,875	8,919	6,582	77	60	-	-	6,38,017	7,33,795
Unallocated Corporate Liabilities																	3,41,757	4,19,922
Total Liabilities																	**9,79,774**	**11,53,717**
Depreciation, Amortisation and Impairment expense	12,090	8,521	3,711	2,863	9,439	8,835	3,194	3,269	1,778	1,748	1,390	1,787	-	-	-	-	31,602	27,023
Unallocted Depreciation, Amortisation and Impairment expense																	294	210
Total Depreciation																	**31,896**	**27,233**

41.3 GEOGRAPHICAL INFORMATION

Particulars	North America		Europe		Rest of the World		India	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Segment Revenue	19,140	17,375	1,14,374	36,001	86,183	1,08,307	1,79,526	1,73,299
Non-current asset	4,434	2,383	-	-	1,745	2,219	1,78,357	1,72,329

Non-current assets exclude those relating to Investments, Deferred tax assets and non-current financial assets and other assets.

The geographical information relating to the group is provided to the extent the information is readily available in accordance with para 33 of Ind AS 108 on Operating Segment

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

41.4 Revenue from major products

₹ in Lakh

Particulars	For the year ended	
	March 31, 2020	March 31, 2019
Phosphatic Fertilisers	6,37,951	6,40,771
Urea	25,957	52,614
Muriate of Potash	28,172	18,924
Single Super Phosphate	37,278	35,099
Others	1,00,526	92,480
Government subsidies	3,25,119	3,10,641
Nutrient and other allied business	**11,55,003**	**11,50,529**
Crop protection	1,68,540	1,80,191
Sugar	3,34,565	2,73,865
Co-generation	13,097	12,512
Distillery	35,680	31,748
Nutraceuticals	21,026	20,956
Others	57	21
Total	**17,27,968**	**16,69,822**
Less: Inter-segment revenue	(15,076)	(14,269)
Revenue from operations	**17,12,892**	**16,55,553**

NOTE 42

EMPLOYEE BENEFIT PLANS

A. Defined contribution plans

The Group has recognised ₹ 3,798 Lakh (March 31, 2019: ₹ 3,225 Lakh) as expense in Statement of Profit or Loss towards defined contribution plans. The contributions payable to these plans by the Group are at rates specified in the rules of the schemes.

B. Defined benefit plans

i. Gratuity:

In respect of Gratuity plan, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2020. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method. The following table sets forth the status of the Gratuity Plan of the Group and the amount recognized in the Balance Sheet and Statement of Profit and Loss. The Group provides the gratuity benefit through annual contributions to a fund managed by the Life Insurance Corporation of India (LIC).

The Group is exposed to various risks in providing the above gratuity benefit which are as follows:

Interest Rate risk: The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Investment Risk: The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Salary Escalation Risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liabilty.

Demographic Risk: The Group has used certain mortality and attrition assumptions in valuation of the liability. The Group is exposed to the risk of actual experience turning out to be worse compared to the assumption.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

₹ in Lakh

Particulars	Gratuity (Funded)	
	Year ended March 31, 2020	Year ended March 31, 2019
Present Value of obligations at the beginning of the year	8,243	7,533
Current service cost	811	728
Interest Cost	593	566
Re-measurement (gains)/losses:		
- Actuarial gains and losses arising from change in financial assumption	523	119
- Actuarial gains and losses arising from experience adjustment	(70)	31
Benefits paid	(955)	(734)
Present Value of obligations at the end of the year	**9,145**	**8,243**
Changes in the fair value of plan assets		
Fair value of plan assets at beginning of year	7,448	6,562
Interest Income	561	532
Return on plan assets	321	(102)
Contributions from the employer	500	1,190
Benefits Paid	(961)	(734)
Fair Value of plan assets at the end of the year	**7,869**	**7,448**
Amounts recognized in the Balance Sheet		
Projected benefit obligation at the end of the year	9,145	8,243
Fair value of plan assets at end of the year	7,869	7,448
Funded status of the plans – Liability recognised in the balance sheet	**1,276**	**795**
Components of defined benefit cost recognised in profit or loss		
Current service cost	811	728
Net Interest Expense	32	34
Net Cost in Profit or Loss	**843**	**762**
Components of defined benefit cost recognised in Other Comprehensive Income		
Remeasurement of the net defined benefit liability:		
- Actuarial gains and losses arising from change in financial assumption	523	119
- Actuarial gains and losses arising from experience adjustment	(70)	31
Return on plan assets	(321)	102
Net Cost in Other Comprehensive Income	**132**	**252**

Particulars	March 31, 2020	March 31, 2019
Assumptions		
Discount rate	6.20-6.84%	7.50-7.54%
Expected rate of salary increases	5-7%	5-7%
Expected rate of attrition	5-8%	5-8%
Mortality (IALM (2012-2014) Ultimate)	100%	100%*

* IALM (2006-2008) for year ended March 31,2019

The Group has generally 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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Significant actuarial assumptions for the detemination of the defined benefit obligation are discount rate, expected salary increase and employee attrition. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

₹ in Lakh

Particulars	March 31, 2020	March 31, 2019
Discount rate		
- 1% increase	578	465
- 1% decrease	(657)	(523)
Salary growth rate		
- 1% increase	(601)	(484)
- 1% decrease	540	439
Attrition rate		
- 1% increase	(10)	(34)
- 1% decrease	11	43

Note: Negative represents increase in obligation and positive represent decrease in obligation.

Please note that the sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods of assumptions used in preparing the sensitivity analysis from prior years.

The Group generally purchases insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Group is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in increase in liability without corresponding increase in the asset).

The Group's best estimate of the contribution expected to be paid to the plan during the next year is ₹ 1,938 Lakh (2019: ₹ 2,319 Lakh).

ii. Note on Provident Fund:

With respect to employees, who are covered under Providend Fund Trust administered by the companies in the Group, the respective companies shall make good deficiency, if any in the interest rate declared by Trust over statutory Limit. Having regards to the assets of the Fund and the return on the investments, the Group does not expect any deficiency in the foreseeable future.

The actuary has used the Deterministic Approach for the calculations of the Interest Rate Guarantees based on the guidance note issued by the Institute of Actuaries of India . The disclosures required under Ind AS 19 is as set out below:

Fund and plan asset position are as follows: ₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
Accumulated Account Value of Employee's Fund	5,138	4,399
Interest Rate Guarantee Liability*	118	87
Present value of benefit obligation at the end of the year	**5,256**	**4,486**
Plan asset at the end of the year	5,593	4,857
Surplus available	**(337)**	**(371)**
Asset recognised in the Balance Sheet	-	-

The plan assets are primarily invested in government securities, corporate bonds & special deposit schemes.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Assumptions for present value of interest rate guarantee are as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Discount rate	6.20%	7.50%
Expected guaranteed rate(%)	8.50%	8.55%
Attrition rate	5.00%	5.00%

NOTE 43

EARNINGS PER SHARE

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Basic Earnings per share (in ₹)	26.43	8.67
Diluted Earnings per share (in ₹)	26.34	8.63

43.1 Basic Earnings per share

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows.

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Profit after Taxation (₹ in Lakh)	46,787	15,349
Earnings used in the calculation of basic earnings per share	**46,787**	**15,349**
Number of equity shares of ₹ 1 each outstanding at the beginning of the year	17,69,94,981	17,69,94,981
Add:Number of shares issued pursuant exercise of Employees Stock option	-	-
(a) Number of equity Shares of ₹ 1 each outstanding at the end of the year	17,69,94,981	17,69,94,981
(b) Weighted Average number of Equity Shares	17,69,94,981	17,69,94,981

43.2 Diluted Earnings per share

The earnings and weighted average number of equity shares used in the calculation of diluted earnings per share are as follows.:

₹ in Lakh

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Earnings used in the calculation of basic earnings per share	46,787	15,349
Adjustments	(159)	(71)
Earnings used in the calculation of diluted earnings per share	**46,628**	**15,278**

The weighted average number of equity shares for the purposes of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

Weighted average number of equity shares used in the calculation of basic earnings per share	17,69,94,981	17,69,94,981
Shares deemed to be issued for no consideration in respect of employee options	12,963	-
Weighted average number of equity shares used in the calculation of diluted earnings per share	**17,70,07,944**	**17,69,94,981**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 44

SHARE BASED PAYMENTS

44.1 Employee share option plan of the Holding Company

44.1.1 Details of the employee share option plans of the Holding Company

The Holding Company has share option scheme for executives and senior employees of the Company. As approved by the shareholders at previous annual general meetings, ESOP schemes will be administered by the Nomination and Remuneration committee of the Board of Directors.

Each employee share option converts into one equity share of the Holding Company on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

The following share-based payment arrangement were in existence during the current and prior years

S.No	Description	Date of grant	Number of Options granted	Expiry date	Fair value on the date of grant as per Black Scholes option pricing model (₹)	Exercise price (₹)
1	Details of options granted	31.08.2007	18,58,200	31.08.2017	29.46	64.80
		29.10.2007	2,32,400	29.10.2017	26.32	75.70
		24.01.2008	4,60,600	28.02.2015	21.98	94.15
		24.04.2008	1,52,200	24.04.2018	24.59	103.60
		28.07.2008	1,30,000	28.07.2018	26.63	92.98
		24.09.2008	3,87,000	31.10.2012	24.11	106.30
		29.10.2008	1,13,600	29.10.2018	30.73	74.95
		20.03.2009	47,800	30.06.2011	32.26	69.13
		28.01.2011	3,29,600	28.01.2021	90.05	225.15
		28.01.2011	36,700	01.04.2014	87.86	225.15
		29.04.2011	41,400	29.04.2015	92.46	240.90
		29.04.2011	34,500	29.04.2015	58.18	240.90
		27.07.2011	1,15,000	27.07.2015	105.80	269.10
		24.10.2011	75,700	24.10.2021	80.86	220.90
		24.10.2011	19,300	30.09.2014	30.21	220.90
		06.02.2017	8,43,220	06.02.2026	107.85	289.50
		06.02.2018	75,420	06.02.2027	125.20	319.45
		06.02.2018	1,36,600	06.02.2026	119.15	319.45
		07.08.2018	18,904	07.08.2026	88.84	233.75
		09.11.2018	59,300	09.11.2027	89.24	224.35
	Total		51,67,444			

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

44.1.2 Fair value of share options granted in a year

A. Grant Registration ID: GT29JUL2019A:-

The weighted average fair value of the share options granted during the financial year is ₹ 53.42. Options were priced using Black Scholes model of option pricing. The expected volatility is based on historical volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility . Inputs into the model is as follows

Particulars	Vest 1	Vest 2	Vest 3
Vest Percent (%)	**25%**	**37.5%**	**37.5%**
Grant date share price	159.45	159.45	159.45
Exercise price	159.45	159.45	159.45
Expected volatility	34.23	35.26	34.81
Expected life	3.51	4.51	5.51
Dividend yield	1.88	1.88	1.88
Risk free interest rate	6.17	6.30	6.40

B. Grant Registration ID: GT29JUL2019B:-

The weighted average fair value of the share options granted during the financial year is ₹ 56.23. Options were priced using Black Scholes model of option pricing. The expected price volatility is based on historical volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility. Inputs into the model is as follows:

Particulars	Vest 1	Vest 2	Vest 3	Vest 4
Vest Percent (%)	**20%**	**20%**	**30%**	**30%**
Grant date share price	159.45	159.45	159.45	159.45
Exercise price	159.45	159.45	159.45	159.45
Expected volatility	34.23	35.26	34.81	34.96
Expected life	3.51	4.51	5.51	6.51
Dividend yield	1.88	1.88	1.88	1.88
Risk free interest rate	6.17	6.30	6.40	6.49

C. Grant Registration ID: GT06NOV2019:-

The weighted average fair value of the share options granted during the financial year is ₹ 58.46. Options were priced using Black Scholes model of option pricing. The expected price volatility is based on historical volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility. Inputs into the model is as follows:

Particulars	Vest 1	Vest 2	Vest 3	Vest 4
Vest Percent (%)	**20%**	**20%**	**30%**	**30%**
Grant date share price	165.4	165.4	165.4	165.4
Exercise price	165.4	165.4	165.4	165.4
Expected volatility	33.4	35.42	35.09	35.23
Expected life	3.51	4.51	5.51	6.51
Dividend yield	1.81	1.81	1.81	1.81
Risk free interest rate	5.88	6.11	6.31	6.47

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

44.1.3 Movements in share options during the year

S.No	Particulars	Description	2019-20		2018-19	
			Options (Numbers)	Weighted Average exercise price per option (₹)	Options (Numbers)	Weighted average exercise price per option (₹)
a	Balance at the beginning of the year	Options vested and exercisable	2,89,154	284.89	1,70,950	272.58
		Options unvested	4,58,484	288.48	6,63,236	299.07
		Total	**7,47,638**	**287.09**	**8,34,186**	**293.64**
b	Options granted during the year		92,692	161.87	78,204	226.62
c	Options vested during the year		1,62,539	294.04	1,21,732	300.45
d	Options exercised during the year		-	-	-	-
e	Options lapsed/cancelled during the year		1,02,675	279.69	1,64,752	291.56
f	Options outstanding at the end of the year	Options vested and exercisable	3,95,911	290.54	2,89,154	284.89
		Options unvested	3,41,744	251.36	4,58,484	288.48
		Total (a+b-d-e)	**7,37,655**	**272.39**	**7,47,638**	**287.09**

Weighted Average remaining contractual life for option outstanding as at March 31, 2020 was 1782 days (March 31, 2019: 1944 days)

44.1.4. No share options were exercised during the year.

44.2 Employee share option plan of the Coromandel International Limited (Subsidiary)

44.2.1 Details of the employee share option plans

Particulars	Employee Stock Option Scheme 2007 ('ESOP 2007 Scheme')	Employee Stock Option Scheme 2016 ('ESOP 2016 Scheme')
Approval of shareholders	July 24, 2007	January 11, 2017
Administration	Remuneration and Nomination Committee of the Board of Directors	
Eligibility	The committee determines which eligible employees will receive options	
Number of equity shares reserved under the scheme	1,27,85,976	1,45,81,000
Number of equity shares per option	1	1
Vesting period	1-5 years	1-4 years
Exercise period	Within 6* years from date of vesting	Within 5 years from date of vesting
Exercise Price Determination	Latest available closing market price of the shares on the stock exchange where there is highest trading volume prior to the date of the Remuneration and Nomination Committee approving the grant.	

* In partial modification of the special resolution passed for establishing ESOP 2007, the shareholders in their meeting held on July 23, 2012 decided to approve the extension of the exercise period of options granted under the ESOP 2007 from three years to six years.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Employee Stock Option Scheme 2007 ('ESOP 2007 Scheme'):

a) Pursuant to the ESOP 2007 Scheme, the Company granted options which vest over a period of four years commencing from the respective dates of grant. Following are the number of options outstanding during the year:

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
	No. of Options	Weighted average exercise price (₹)	No. of Options	Weighted average exercise price (₹)
At the beginning of the year	28,400	287.5	52,100	287.5
Exercised	26,250	287.5	23,700	287.5
At the end of the year	2,150	287.5	28,400	287.5

b) The above outstanding options have been granted in various tranches and have a weighted average remaining life of 0.01years (2019: 0.01 years). The exercise price of the outstanding options range from ₹ 287.5 (2019: ₹ 287.5). The weighted average share price during the year is ₹ 468 (2019: ₹ 436).

c) Number of options exercisable at the end of the year is 2150 (2019: 28,400).

The fair values of the option with modified terms were determined using a Black Scholes' model. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions, and behavioural considerations. Expected volatility is based on the historical share price volatility over the past 3-4 years.

Following assumptions were used for calculation of fair value of grants:

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Dividend yield (%)	700	700
Expected volatility (%)	0.39-0.47	0.39-0.47
Risk free interest rate (%)	8	8
Expected term (in years)	4 to 6	4 to 6

EMPLOYEE STOCK OPTION SCHEME 2016 ('ESOP 2016 SCHEME'):

a) Pursuant to the ESOP 2016 Scheme, the Company granted options which vest over a period of four years commencing from the respective dates of grant. Following are the number of options outstanding during the year:

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
	No. of Options	Weighted average exercise price (₹)	No. of Options	Weighted average exercise price (₹)
At the beginning of the year	21,54,120	347.68	21,28,400	334.32
Granted*	1,26,840	375.90	2,43,620	439.25
Exercised	4,00,170	322.30	1,20,220	319.65
Cancelled	1,24,800	319.65	97,680	319.65
At the end of the year	17,55,990	357.49	21,54,120	347.68

*the weighted average fair value of options granted during the year is ₹ 127.91 (2019: ₹ 173.25)

b) The above outstanding options have been granted in various tranches and have a weighted average remaining life of 2.39 years (2019: 3.25 years). The exercise price of the outstanding options range from ₹ 319.65 to ₹ 529.40 (2019: ₹ 319.65 to ₹ 529.40). The weighted average share price during the year is ₹ 468 (2019: ₹ 436)

c) Number of options exercisable at the end of the year 8,21,850 (2019: 6,13,820).

d) The fair values of the option were determined using a Black Scholes' model. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions and behavioural considerations. Expected volatility is based on the historical share price volatility over the past 5-6 years.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Following assumptions were used for calculation of fair value of grants:

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Dividend yield (%)	650	350-650
Expected volatility (%)	0.32-0.33	0.32-0.34
Risk free interest rate (%)	6.14 - 6.43	7.0 - 8.0
Expected term (in years)	3.51 to 6.51	3.5 to 6.5

NOTE 45

SUBSIDIARIES

Details of the Group's subsidiaries at the end of reporting period are as follows.

Name of the Company	Country of incorporation	% of voting power (directly/indirectly) held on	
		March 31, 2020	March 31, 2019
Parry Chemicals Limited (PCL)	India	60.47	60.56
Parry America Inc. (PAI)	USA	60.47	60.56
Coromandel International Limited (CIL)	India	60.47	60.56
Sabero Europe BV (Sabero Europe)	Netherlands	60.47	60.56
Sabero Australia Pty.Ltd (Sabero Australia)	Australia	60.47	60.56
Sabero Organics America Ltda (SOAL)	Brazil	60.46	60.55
Sabero Argentina SA (Sabero Argentina)	Argentina	57.45	57.53
Coromandel Agronegocios de Mexico, S.A de C.V (Coromandel Mexico)	Mexico	60.47	60.56
Parry Infrastructure Company Private Limited (PICPL)	India	100.00	100.00
Parrys Investments Limited (PIL)	India	100.00	100.00
Parrys Sugar Limited (PSL)	India	100.00	100.00
CFL Mauritius Limited (CML)	Mauritius	60.47	60.56
Coromandel Brasil Limitada (CBL), Limited Liability Partnership	Brazil	60.47	60.56
Coromandel Mali SASU (CMS)	Mali	60.47	-
US Nutraceuticals Inc (USN)	USA	100.00	100.00
Labelle Botanics LLC (Labelle)	USA	100.00	49.00
Parry Sugars Refinery India Private Limited (PSRIPL)	India	100.00	100.00
Parry Agrochem Exports Limited (PAEL)	India	100.00	100.00
Liberty Pesticides and Fertilisers Limited (LPFL)	India	60.47	60.56
Dare Investments Limited (DIL)	India	60.47	60.56
Coromandel International (Nigeria) Limited (CNL)	Nigeria	60.46	60.56
Alimtec SA (ASA)	Chile	100.00	100.00
Parry International DMCC	Dubai	100.00	100.00

In respect of SOAL, Coromandel Mexico, Sabero Australia and CNL the financial year is from January 01, 2019 to December 31, 2019 and accordingly audited financial statements are available up to December 31, 2019. The consolidated financial statements have been adjusted by the Management for significant transactions between January 01, 2020 and March 31, 2020 to align for consolidation purposes.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

In respect of Sabero Argentina,CML,CBL and CMS, the financial year is from January 01, 2019 to December 31, 2019, however, the unaudited financial statements for the period April 01, 2019 to March 31, 2020 has been considered for the purpose of preparation of consolidated financial statements.

In respect of Sabero Europe the financial year is from June 01, 2019 to May 31, 2020 and in respect of LPFL the financial year is from April 01, 2019 to March 31, 2020, however, un-audited financial statements for the period April 01, 2019 to March 31, 2020 has been considered for the purpose of preparation of consolidated financial statements.

The auditor of the subsidiary, US Nutraceuticals Inc., has given an Emphasis of Matter in their audit report relating to uncertainity relating to going concern of the subsidiary. The Parent Company has provided support letter to the subsidiary to provide sufficient financial support for the next 12 months.

NOTE 46

FINANCIAL INFORMATION IN RESPECT OF JOINT VENTURES AND ASSOCIATES THAT ARE NOT INDIVIDUALLY MATERIAL

a. Joint ventures ₹ in Lakh

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Group's share of profit/(loss)	(151)	25
Group's share of other comprehensive income	1	2
Group's share of total comprehensive income	(150)	27

Particulars	As at March 31, 2020	As at March 31, 2019
Aggregate carrying amount of the Group's interests in these joint ventures	2,715	2,159

In respect of Yanmar Coromandel Agrisolutions Private Limited the financial year is from April 01, 2019 to March 31, 2020, however, un-audited financial statements for the period April 01, 2019 to March 31, 2020 has been considered for the purpose of preparation of consolidated financial statements.

b. Associate

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Group's share of profit/ (loss)	(82)	(2)
Group's share of other comprehensive income	-	-
Group's share of total comprehensive income	(82)	(2)

Particulars	As at March 31, 2020	As at March 31, 2019
Aggregate carrying amount of the Group's interests in these associates	2	929

In respect of Sabero Organics Philippines Asia Inc., the financial year is from January 01, 2019 to December 31, 2019, however, the unaudited financial statements for the period April 01, 2019 to March 31, 2020 has been considered for the purpose of preparation of consolidated financial statements.

NOTE 47

ACQUISITION IN SUBSIDIARIES

During the year, Coromandel International Limited has formed a new 100% subsidiary, Coromandel Mali SASU (CMS).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 48

BUSINESS COMBINATION - CONVERSION OF LABELLE BOTANICS FROM ASSOCIATE TO SUBSIDIARY

On October 01, 2019, US Nutraceuticals Inc., a wholly owned subsidiary, acquired the balance 51% in Labelle Botanics LLC (Labelle). Accordingly, Labelle has become a 100% subsidiary.

Details of the purchase consideration, goodwill and the net assets are as follows:

a. Purchase consideration ₹ in Lakh

Particulars	Amount
Cash paid	461
Total	**461**

b. Assets and liabilites recognised as a result of the acquisition ₹ in Lakh

Particulars	Amount
Cash and cash equivalents	843
Trade and other receivables	232
Inventory	5,029
Property, plant and equipment	476
Tradename	197
Other liabilities	(5,833)
Trade payables	(41)
Deferred tax liability	(47)
Net identifiable assets acquired	**856**

c. Calculation of goodwill ₹ in Lakh

Particulars	Amount
Consideration transferred	461
Acquisition date fair value of the previously held equity interest	864
Less: Net identifiable assets acquired	(856)
Total	**469**

The Group previously held around 49% interest in Labelle which was classified as an associate upto September 30, 2019. At the date of acquisition, the Group recorded a remeasurement loss of ₹ 17 Lakh related to its 49% equity interest, which was based on the fair value of 49% interest as determined by the discounted cash flow method.

The goodwill is attributable to the high profitability of the acquired business and the Group expects goodwill to be deductible for Income Tax purposes.

d. Acquired receivables

The fair value of acquired trade receivables and gross contractual amount for trade receivables due is ₹ 232 Lakh.

e. Revenue and profit contributions

The acquired business contributed revenues and profits to the group for the year ended March 31, 2020 as follows:

Revenue of ₹ 22 Lakh and loss of ₹ 398 Lakh for the period October 01, 2019 to March 31, 2020.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

If the acquisition had occurred on April 01, 2019, consolidated pro-forma revenue and loss for the year ended March 31, 2020 would have been ₹ 1,123 Lakh and ₹ 474 Lakh respectively. These amounts have been calculated using the subsidiary's result and adjusting it for:

i. differences in accounting policies between the Group and the subsidiary, and
ii. The additional depreciation and amortization that would have been charged assuming the fair value adjustments to property, plant and equipment and intangible assets had applied from April 01, 2019, together with the consequential tax effects.

f. Purchase consideration - cash flow

₹ in Lakh

Particulars	Amount
Outflow of cash to acquire subsidiary, net of cash acquired	
Cash consideration	461
Less: Balance acquired	
Cash and cash equivalents	(843)
Net inflow of cash	**(382)**

NOTE 49

EXCEPTIONAL ITEMS

a. During the year ended March 31, 2019, Coromandel International Limited (CIL) has settled a customer claim for damages arising under an international supply agreement in respect of one of its products, and costs related thereto, including incidental legal costs estimated at ₹ 1,990 Lakh has been disclosed as an Exceptional item. CIL is pursuing with its insurers for reimbursement of this claim.
b. On January 28, 2019 a fire accident occurred at the product godown in one of CIL's manufacturing unit at Sarigam, Gujarat. The damage caused to the inventories and other assets on account of fire accident together with costs related thereto, net of insurance claims receivable, estimated at ₹ 395 Lakh. CIL is pursuing with its insurers for reimbursement of this claim.

NOTE 50

FINANCIAL INSTRUMENTS

50.1 Capital management

The Group's capital management is intended to maximise the return to shareholders for meeting the long-term and short-term goals of the Group through the optimization of the debt and equity balance.

The Group determines the amount of capital required on the basis of annual and long-term operating plans and strategic investment plans. The funding requirements are met through equity and long-term/short-term borrowings. The Group monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Group.

The following table summarises the capital of the Group:

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Equity	**5,22,628**	**4,45,246**
Debt*	3,89,830	5,12,462
Cash and cash equivalents	(10,599)	(17,060)
Net debt	**3,79,231**	**4,95,402**
Total capital (equity + net debt)	**9,01,859**	**9,40,648**
Net debt to capital ratio	0.42	0.53

*Debt = Long term borrowing+short term borrowing+current maturities of long term debt.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

50.2 Categories of financial instruments

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
Financial assets		
Measured at fair value through profit or loss (FVTPL)		
(a) Mandatorily measured:		
(i) Equity investments	1,713	2,796
(ii) Derivative instruments not designated in hedge accounting relationship	7,067	4,901
Measured at amortised cost		
(a) Cash and bank balances	13,824	28,130
(b) Other financial assets at amortised cost	5,18,574	5,02,053
Measured at FVTOCI		
(a) Investments in equity instruments designated upon initial recognition	36,602	35,900
(b) Derivative instruments designated in hedge accounting relationship	5	(154)
Financial liabilities		
Measured at amortised cost	9,34,460	11,15,067
Measured at FVTPL	9,911	5,648

50.3 Financial risk management objectives

The Group has adequate internal processes to assess, monitor and manage financial risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group seeks to minimise the effects of these risks by using financial instruments such as foreign currency forward contracts, commodity contracts, interest and currency swaps to hedge risk exposures and appropriate risk management policies as detailed below. The use of these financial instruments is governed by the Group's policies approved by the Board of Directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk and the investment of excess liquidity. The Group does not enter into trade financial instruments, including derivative financial instruments, for speculative purposes.

Item	Primarily affected by	Risk management policies	Refer
Market risk - currency risk	USD balances and exposure towards trade payables, trade receivable, and long-term borrowings	Mitigating foreign currency risk using foreign currency forward contracts, option contracts and swap contracts.	Note 50.4.1
Market risk - interest rate risk	Change in market interest rates	Maintaining a combination of fixed and floating rate debt; interest rate swaps for long-term borrowings; cash management policies	Note 50.4.2
Market risk - Price risk	Change in prices of commodity and value of equity instruments	Monitoring forecasts of cash flows; diversification of portfolio and commodity futures	Note 50.4.3
Credit risk	Ability of customers or counterparties to financial instruments to meet contractual obligations	Credit approval and monitoring practices; counterparty credit policies and limits; arrangements with financial institutions	Note 50.5
Liquidity risk	Fluctuations in cash flows	Preparing and monitoring forecasts of cashflows; cash management policies; multiple-year credit and banking facilities	Note 50.6

50.4 Market risk

The Group's financial instruments are exposed to market rate changes. The Group is exposed to the following significant market risks:

- Foreign currency risk
- Interest rate risk
- Price risk

Market risk exposures are measured using sensitivity analysis. There has been no change to the Group's exposure to market risks or the manner in which these risks are being managed and measured.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

50.4.1 Foreign currency risk management

The Group is exposed to foreign exchange risk on account of following:

1. Exports and imports
2. Foreign currency borrowings in the form of buyer's credit, packing credit etc. availed for meeting its funding requirements

The fluctuation in foreign currency exchange rates may have potential impact on the income statement and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the respective consolidated entities.

The Group has a forex policy in place whose objective is to reduce foreign exchange risk by deploying the appropriate hedging strategies (forward covers and options) and also by maintaining reasonable open exposures within approved parameters depending on the future outlook on currencies.

a. The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities based on gross exposure at the end of the reporting period is as under:

Currency	Liabilities		Assets	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
USD (₹ in Lakh)	3,82,323	5,43,045	67,110	45,678
EURO (₹ in Lakh)	242	269	2,177	2,110
GBP (₹ in Lakh)	-	-	29	35
INR (₹ in Lakh)*	27,478	28,554	3,154	10,357
AED (₹ in Lakh)	2,450	156	3,558	1,990
CLP (₹ in Lakh)	248	302	25	123

* Indian Rupee (INR) liabilities and assets relates to Parry Sugars Refinery India Private Limited, whose functional currency is determined as US Dollars and accordingly INR is disclosed as foreign currency.

The foreign currency risk on above exposure is mitigated by derivative contracts. The outstanding contracts as at the Balance Sheet date are as follows:

b. Foreign currency forward and currency and interest rate swaps outstanding as at the Balance Sheet date:

Currency	As at March 31, 2020		As at March 31, 2019	
	Buy	Sell	Buy	Sell
Forward contracts				
i. Cash flow hedges				
USD/INR (₹ in Lakh)	-	38,450	-	12,240
EURO/INR (₹ in Lakh)	-	-	-	-
ii. Others				
USD/INR (₹ in Lakh)	2,22,425	95,410	2,62,035	53,119
EURO/INR (₹ in Lakh)	-	2,822	-	2,582
AED/INR (₹ in Lakh)	-	-	-	852
Option contracts				
USD/INR (₹ in Lakh)	-	-	-	-
Currency and interest rate swaps				
USD/INR (₹ in Lakh)	-	20,000	-	12,920

The forward and option contracts have been entered to hedge highly probable forecast sale transactions and trade receivables. The swap contracts have been entered to hedge the currency and interest rate risks on the external commercial borrowings of the Group.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

c. Foreign currency sensitivity analysis

The Group is mainly exposed to fluctuations in US Dollar. The following table details the Group's sensitivity to a 10% increase and decrease against the US Dollar on the outstanding balances. 10% is the sensitivity used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only net outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the Rupee strengthens by 10% against the US Dollar. For a 10% weakening against the US Dollar, there would be a comparable impact on the profit or equity.

₹ in Lakh

Currency USD impact on:	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Profit or loss	(15,304)	(14,405)
Other Comprehensive income	(9,361)	(16,957)
Equity	(24,665)	(31,362)

In management's opinion the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of reporting period does not reflect the exposure during the year.

50.4.2 Interest rate risk management

The Group issues commercial papers, draws working capital demand Loans, cash credit, foreign currency borrowings, Packing Credit etc. for meeting its funding requirements.

Interest rates on these borrowings are exposed to change in respective benchmark rates. The Group manages the interest rate risk by maintaining appropriate mix/portfolio of the borrowings.

a. Interest rate swap contract

Parry Sugars Refinery India Private Limited had entered into a Swap contracts to exchange fixed interest rate in INR to USD fixed rate on agreed notional principal amounts. Such contracts enable the Group to reduce the interest cost. Details of the fixed to fixed interest rate swap is given below.

Particulars	Weighted average interest rate		As at March 31, 2020	As at March 31, 2019
	As at March 31, 2020	As at March 31, 2019	₹ Lakh	₹ Lakh
Fixed Interest Rate Swap carried at FVTPL (Fair value)	4.41%	3.93%	(1,873)	(98)

b. Interest rate sensitivity analysis

The sensitivity analysis below has been determined for borrowings assuming the amount of borrowings outstanding at the end of the reporting period was outstanding for the whole year. A 10 basis points increase or decrease in case of foreign currency borrowings and 50 basis points increase or decrease in case of rupee borrowings is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rate had been 10 basis points higher/lower in case of foreign currency borrowings and 50 basis points higher/lower in case of rupee borrowings and all other variables were held constant, the Group's profit for the year ended March 31, 2020 would decrease/increase by ₹ 744 Lakh (March 31, 2019: ₹ 953 Lakh)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

50.4.3 Other price risks

a. Commodity price risk

Commodity Price Risk arises from procurement of raw sugar and sale of white sugar by PSRIPL and the consequent exposure to changes in market prices. Exposure to the market prices of the raw sugar procured and white sugar sold is managed through the use of commodity futures and other hedging instruments, including options primarily to convert floating or indexed prices to fixed prices. The use of such contracts to hedge commodity exposures is governed by the Group's risk management policies and continuously monitored by the Trade desk team. Commodity derivatives also provides a way to meet customer's pricing requirements whilst achieving a price structure consistent with the Group's over all pricing strategy.

Some of the PSRIPL's commodity derivatives are treated as hedge of highly probable forecast purchase and sale of raw and white sugar respectively. All other commodity contracts are marked to market through income statement. The impact of hedging activities is set out below:

The table below illustrates the sensitivity of the Group's commodity pricing contracts to the price movement of commodities:

₹ in Lakh

Particulars	Impact on INR (-10% change on outstanding contracts)		Impact on INR (+10% change on outstanding contracts)	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Impact on Profit or Loss for the year	78	(452)	(78)	452
Impact on Other comprehensive income for the year	5,793	7,296	(5,793)	(7,296)
Impact on Total equity as at end of reporting period	5,871	6,844	(5,871)	(6,844)

b. Equity price sensitivity analysis

The Group is exposed to equity price risks arising from equity investments. Certain of the Group's equity investments are held for strategic rather than trading purposes. The Group also holds certain other equity investments for trading purposes. The sensitivity analysis below have been determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 1% higher/lower other comprehensive income/equity for the year ended March 31, 2020 would increase/ decrease by ₹ 366 Lakh (₹ 359 Lakh for the year ended March 31, 2019) as a result of the changes in fair value of equity investments measured at FVTOCI. The impact of change in equity price on profit or loss is not significant.

50.5 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to the customer credit risk management. The Group uses financial information and past experience to evaluate credit quality of majority of its customers and individual credit limits are defined in accordance with this assessment. Outstanding receivables and the credit worthiness of its counterparties are periodically monitored and taken up on case to case basis. The Group evaluates the concentration of risk with respect to trade receivables as low, as primarily its a cash and carry business except for institutional customers and government customers and its customers are located in several jurisdictions representing large number of minor receivables operating in independent markets. There is no material expected credit loss based on the past experience. However, the Group assesses the impairment by specific items of trade receivable and creates loss allowance. In Coromandel International Limited provision is created for past due receivables beyond 180 days ranging between 25%-100% after reckoning the underlying collaterals and provides upto 0.50% for receivables less than 180 days on expected credit loss model.

The credit risk on cash and bank balances is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

50.6 Liquidity risk management

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the contractual maturities of non-derivative financial liabilities including estimated interest payments as at March 31, 2020:

₹ in Lakh

Particulars	Carrying amount	upto 1 year	1-3 year	More than 3 year	Total contracted cash flows
Accounts payable and acceptances	4,00,026	4,01,605	-	-	4,01,605
Borrowings including interest	3,95,600	3,34,987	57,607	9,369	4,01,963
Lease Liability	44,868	2,917	7,844	36,452	47,213
Other financial liabilities	93,966	93,966	-	-	93,966
Total	**9,34,460**	**8,33,475**	**65,451**	**45,821**	**9,44,747**

The table below provides details of non-derivative financial assets as at March 31, 2020:

₹ in Lakh

Particulars	Carrying amount
Trade and Subsidy receivables	4,58,076
Other financial assets	1,12,637
Total	**5,70,713**

The table below provides details regarding the contractual maturities of non-derivative financial liabilities including estimated interest payments as at March 31,2019:

₹ in Lakh

Particulars	Carrying amount	upto 1 year	1-3 year	More than 3 year	Total contracted cash flows
Accounts payable and acceptances	4,85,905	4,89,938	-	-	4,89,938
Borrowings including interest	5,19,894	4,75,048	44,435	9,722	5,29,205
Other financial liabilities	1,09,268	1,09,268	-	-	1,09,268
Total	**11,15,067**	**10,74,254**	**44,435**	**9,722**	**11,28,411**

The table below provides details of non-derivative financial assets as at March 31, 2019:

₹ in Lakh

Particulars	Carrying amount
Trade and Subsidy receivables	4,51,435
Other financial assets	1,17,444
Total	**5,68,879**

The following table details the Group's maturity analysis for its derivative financial instruments. The table has been drawn up based on the undiscounted estimated cash flows determined by reference to the projected market rates at the end of the reporting period. A positive amount represents an anticipated cash inflow and a negative amount represents an anticipated cash outflow.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2020

₹ in Lakh

Particulars	Less than 1 year	1-3 year	above 3 years
Net settled			
- foreign exchange forward contracts	3,674	(87)	-
- option contracts	-	-	-
- currency and interest rate swaps	(1,873)	-	-
- commodity futures	(4,553)	-	-

March 31, 2019

₹ in Lakh

Particulars	Less than 1 year	1-3 year	above 3 years
Net settled			
- foreign exchange forward contracts	(3,622)	41	-
- option contracts	-	-	-
- currency and interest rate swaps	(98)	-	-
- commodity futures	2,778	-	-

50.7 Financial guarantee contract

Coromandel International Limited (CIL), a subsidiary, has provided a sponsor guarantee for USD 41.1 million (proportionate to the shareholding of 15%) towards the borrowings of Tunisian Indian Fertilisers S.A. (TIFERT), a company based in Tunisia, manufacturing phosphoric acid. In March 2017, TIFERT has requested reschedulement of installment due to the lenders and delayed the payment. The same was not agreed to by the Lenders and the acceleration notice was served on TIFERT by lenders on March 28, 2017. The loan instalment was immediately paid on March 30, 2017 by TIFERT however, on April 04, 2017 the lenders followed up with call notice on shareholders towards guaranteed amount (CIL's share USD 35.25 million outstanding as on March 31, 2017). CIL alongwith other shareholders of TIFERT are in discussion with the Lenders to resolve the matter with regard to liquidity situation and operational improvements of TIFERT and also to find a solution for meeting the future debt obligations of TIFERT.

Based on communication exchanged with Lenders and operational improvement initiatives taken by TIFERT, CIL reasonably considers that TIFERT would be in a position to meet the debt obligations and it is unlikely that such an event of payment under guarantee amount will arise. TIFERT has paid the subsequent half-yearly instalments that were due in September 2017 and March 2018 as per the payment schedule. The sponsor guarantee was valid upto March 31, 2018. CIL's obligation under this financial guarantee if that amount is claimed by the counterparty to the guarantee is subject to a maximum of ₹ 13,707 Lakh (March 31, 2019: ₹ 15,538 Lakh).

50.8 Financing facilities

The Group has access to financing facilities of which ₹ 5,23,021 Lakh (as at March 31,2019: ₹ 3,39,941 Lakh) were unused at the end of the reporting period. The Group expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

50.9 Fair value measurements

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation techniques and inputs used):

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakh, unless otherwise stated)

Financial assets/financial liabilities	Fair Value as at*		Fair value hierarchy	Valuation techniques & key inputs used
	As at March 31, 2020	As at March 31, 2019		
1) Foreign currency forward contracts	3,587	(3,581)	Level 2	Refer Note 3
2) Currency and Interest rate swap contracts	(1,873)	(98)	Level 2	Refer Note 3
3) Commodity future contracts	(4,553)	2,778	Level 1	Refer Note 2
4) Investments in quoted equity instruments at FVTOCI	765	1,723	Level 1	Refer Note 2
5) Investments in quoted equity instruments at FVTPL	3	12	Level 1	Refer Note 2
6) Investments in unquoted equity and other instruments at FVTOCI	35,837	34,177	Level 3	Refer Note 4(a) & 4(c)
7) Investments in unquoted Mutual Funds at FVTPL	1,536	2,460	Level 1	Refer Note 2
8) Investments in unquoted equity and other instruments at FVTPL	174	324	Level 3	Refer Note 4(b)

*positive value denotes financial asset (net) and negative value denotes financial liability (net).

Notes:

1. There were no transfers between Level 1 and 2 in the period.
2. The Level 1 financial instruments are measured using quotes in active market
3. The following table shows the valuation technique and key input used for Level 2:

Financial Instrument	Valuation Technique	Key Inputs used
Foreign currency forward contracts, currency and interest rate swaps	Discounted Cash Flow	Forward exchange rates, contract forward and interest rates, observable yield curves.

4. The following table shows the valuation technique and key input used for Level 3:

Financial Instrument	Valuation Technique	Key Inputs used	Sensitivity
(a) Investments in unquoted equity instruments at FVTOCI	Market Multiple Approach	Discount for lack of marketability, determined by reference to the share price of listed entities in similar industries, ranging from 30% to 50% (as at March 31, 2019:30% to 50%)	A 5% increase/decrease in the discount for lack of marketability used in isolation would decrease/increase the carrying amount by ₹ 634 Lakh (as at March 31, 2019: ₹ 672 Lakh)
(b) Investments in unquoted venture capital fund at FVTPL	Net Asset Value (NAV) method	The Group uses net asset value (NAV) as reported by the venture capital fund for its valuation purpose.	A 10% increase/decrease in the value of unquoted investments of the fund would increase/decrease the carrying amount of investment by ₹ 13 Lakh (March 31, 2019: ₹ 17 Lakh).
(c) Investments in unquoted equity instruments at FVTOCI	Discounted Cash Flow Method	Long-term growth rates, taking into account management's experience and knowledge of market conditions of the specific industries, ranging from 2% (as at March 31, 2019: 2%)	If the long-term growth rates used were 100 basis points higher/lower while all the other variables were held constant, the carrying amount would increase/decrease by ₹ 1,766 Lakh (as at March 31, 2019: ₹ 1,888 Lakh)
		Weighted average cost of capital (WACC) as determined ranging from 12% to 15% (as at March 31, 2019: 12% to 15%)	A 100 basis points increase/decrease in the WACC or discount rate used while holding all other variables constant would decrease/increase the carrying amount by ₹ 1,427 Lakh (as at March 31, 2019: ₹ 3,049 Lakh)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required) ₹ in Lakh

Particulars	Fair value hierarchy	As at March 31, 2020		As at March 31, 2019	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial assets					
Financial assets at amortised cost:					
- Trade receivables	Level 2	2,11,597	2,11,597	2,07,187	2,07,187
- Cash and cash equivalents	Level 2	10,599	10,599	17,060	17,060
- Bank balances other than cash and cash equivalents	Level 2	3,225	3,225	11,070	11,070
- Loans	Level 2	44,057	44,056	44,405	44,364
- Government subsidies receivable	Level 2	2,46,479	2,46,479	2,44,248	2,44,248
- Investments at Amortized Cost	Level 2	300	303	-	-
- Other financial assets	Level 2	16,141	16,141	6,367	6,367

Particulars	Fair value hierarchy	As at March 31, 2020		As at March 31, 2019	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities					
Financial liabilities at amortised cost:					
Borrowings	Level 2	3,95,600	3,95,755	5,22,962	5,21,518
Trade payables	Level 2	4,00,026	4,00,026	4,85,905	4,85,905
Lease Liability	Level 2	44,868	45,234	-	-
Other financial liabilities	Level 2	93,966	93,966	1,06,200	1,06,200

1. In case of trade receivables, cash and cash equivalents, trade payables, short term borrowings and other financial assets and liabilities it is assessed that the fair values approximate their carrying amounts largely due to the short-term maturities of these instruments.

2. The fair values of the financial assets and financial liabilities included above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

Reconciliation of Level 3 fair value measurements for the year ended March 31, 2020: ₹ in Lakh

Particulars	Investments in unquoted instruments at FVTOCI	Investments in unquoted venture capital fund at FVTPL	Total
Opening balance	34,177	324	34,501
Total gains or losses:			
- in profit or loss	-	(96)	(96)
- in other comprehensive income	1,660	-	1,660
Purchases	-	16	16
Sold	-	(70)	(70)
Closing balance	**35,837**	**174**	**36,011**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Reconciliation of Level 3 fair value measurements for the year ended March 31, 2019: ₹ in Lakh

Particulars	Investments in unquoted instruments at FVTOCI	Investments in unquoted venture capital fund at FVTPL	Total
Opening balance	33,456	361	33,817
Total gains or losses:			
- in profit or loss	-	(23)	(23)
- in other comprehensive income	(1,069)	-	(1,069)
Purchases	1,790	-	1,790
Sold	-	(14)	(14)
Closing balance	**34,177**	**324**	**34,501**

NOTE 51

CONTINGENT LIABILITIES

₹ in Lakh

Particulars	As at March 31, 2020	As at March 31, 2019
a. Commitments		
(a) Capital expenditure commitment	14,363	14,053
(b) Commitment towards investment	1,200	316
b. Other monies for which the Group is contingently liable		
(a) Letters of Credit and Bank Guarantees established for Purchases of Raw Materials, Spares and Capital Goods/Supply of Goods	51,985	10,499
(b) Income tax demands which are under various stages of appeal (refer note 51.3)	10,439	8,725
(c) Claims against the Group for Sales tax, Excise Duty and others including Industrial Disputes (refer note 51.3)	6,380	5,799
(d) Cane price (refer note 51.1)	254	309
(e) Certain Industrial Disputes are pending before Tribunal/High Courts.The liability of the Group in respect of these disputes depends upon the final outcome of such cases and the quantum of which is not currently ascertainable.	-	-
(f) Other claims against the Group not acknowledged as debts	5,657	6,010

51.1 The Tamilnadu Government declared State Advisory Price (SAP) for the sugar year 2013-14,2014-15 and 2015-16. The Holding Company has challenged the right of State Government to declare the SAP in the Hon'ble High Court of Madras. The matter is subjudice.

51.2 Future cash outflows in respect of the above referred matters are determinable only on receipt of judgements/decisions pending at various forums/authorities

51.3 The Income Tax Department/Commercial Tax Department/Central Excise and Service Tax and GST 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 ₹ 4,425 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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 52

RELATED PARTY DISCLOSURE FOR THE YEAR ENDED MARCH 31, 2020

52.1. Investing Party & its Group

i) Ambadi Investment Limited (Investing Party)
ii) Parry Enterprises India Limited
iii) Parry Agro Industries Limited

52.2. Joint Venture Entites

i) Coromandel SQM India Private Limited
ii) Yanmar Coromandel Agrosolutions Private Limited
iii) Algavista Greentech Private Limited

52.3. Associate Entity

i) Labelle Botanics LLC (upto October 01, 2019)
ii) Sabero Organics Philippines Asia Inc.

52.4. Others related parties

i) Parry Group Staff Provident Fund
ii) EID Parry Executive Staff Pension and Assurance scheme
iii) Parry Group Gratuity Fund

52.5. Key Management Personnel

i) Mr. S. Suresh, Managing Director

52.6 Transactions with related parties

₹ in Lakh

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
i) Sale of Finished Goods/Raw Materials/Services		
Coromandel SQM India Private Limited	298	270
Parry Agro Industries Limited	13	2
Algavista Greentech Private Limited	182	24
ii) Purchase of Finished Goods and Services		
Coromandel SQM India Private Limited	4,195	3,718
Labelle Botanics LLC	1,086	4,760
Parry Enterprises India Limited	1,240	1,621
iii) Purchase of Assets and Spare Parts		
Yanmar Coromandel Agrosolutions Private Limited	36	28
iv) Receipt of services		
Sabero Organics Philippines Asia Inc.	22	10
Yanmar Coromandel Agrosolutions Private Limited	1	2
Parry Enterprises India Limited	256	326
Algavista Greentech Private Limited	16	-
Parry Agro Industries Limited	1	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

₹ in Lakh

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
v) Rendering of services		
Parry Enterprises India Limited	83	73
Parry Agro Industries Limited	50	40
Algavista Greentech Private Limited	125	52
Coromandel SQM India Private Limited	4	16
vi) Expenses Reimbursed by		
Coromandel SQM India Private Limited	54	5
Yanmar Coromandel Agrisolutions Private Limited	-	1
Parry Enterprises India Limited	3	1
vii) Payment of Dividend		
Ambadi Investments Limited	-	4,083
viii) Investment made		
Equity shares of Algavista Greentech Private Limited	410	660
Equity shares of Yanmar Coromandel Agrisolutions Private Limited	300	-
ix) Deposit paid and received back		
Coromandel SQM India Private Limited	-	*
x) Employee related Contribution		
Parry Group Staff Provident Fund	252	216
EID Parry Executive Staff Pension and Assurance Scheme	262	335
xi) Sale of Land		
Algavista Greentech Private Limited	-	300
xii) Closing Balances - Debit/(Credit)		
Coromandel SQM India Private Limited	(374)	(349)
Yanmar Coromandel Agrosolutions Private Limited	(19)	(13)
Labelle Botanics LLC	-	541
Parry Agro Industries Limited	(15)	(15)
Parry Group Staff Provident Fund	(60)	1
Sabero Organics Philippines Asia Inc.	6	6
Algavista Greentech Private Limited	172	14
EID Parry Executive Staff Pension and Assurance scheme	(26)	335
Parry Enterprises India Limited	(1)	(148)

NOTE 53.
DISCLOSURE OF ADDITIONAL INFORMATION AS REQUIRED BY THE SCHEDULE III

As at and for the year ended March 31, 2020

₹ Lakh

Name of the entity in the Group	Net Asset		Share in Profit or Loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent Company								
E.I.D.-Parry (India) Limited	17%	89,468	-7%	(6,016)	3%	(284)	-8%	(6,300)
Subsidiaries - Indian								
Coromandel International Limited	48%	2,49,264	63%	55,591	*	32	71%	55,623
Liberty Pesticides and Fertilisers Limited	*	167	*	6	-	-	*	6
Parry Chemicals Limited	*	1,001	*	22	-	-	*	22
Dare Investments Limited	*	170	*	(1)	2%	(227)	*	(228)
Parry Infrastructure Company Private Limited	*	1,339	*	31	5%	(469)	-1%	(438)
Parrys Sugar Limited	*	327	*	14	-	-	*	14
Parrys Invesments Limited	*	389	*	4	-1%	64	*	68
Parry Agrochem Exports Limited	*	31	*	1	-	-	*	1
Parry Sugars Refinery India Private limited	-1%	(5,525)	-2%	(1,844)	97%	(10,111)	-15%	(11,955)
Subsidiaries - Foreign								
Sabero Organics America S.A.	*	51	*	(14)	*	(11)	*	(25)
Sabero Australia Pty Ltd, Australia	*	2	*	3	-	-	*	3
Sabero Europe B.V.	-	-	*	5	-	-	*	5
Sabero Argentina S.A.	*	5	-	-	*	(2)	*	(2)
Coromandel Agronegocios de Mexico, S.A de C.V (Coromandel Mexico)	*	111	*	54	*	(15)	*	39
Coromandel International (Nigeria) Limited	*	-	*	(7)	*	-	*	(7)
Parry America Inc.	*	1,760	*	213	-1%	145	*	358
CFL Mauritius Limited	*	117	*	(16)	*	9	*	(7)
Coromandel Brasil Limitada, Limited Liability Partnership	*	(2)	*	42	*	1	*	43
Coromandel Mali SASU	*	5	-	-	-	-	*	-
US Nutraceuticals Inc.	2%	7,475	*	(134)	-7%	786	1%	652
Alimtec S.A.	1%	2,232	*	349	3%	(339)	*	10
Parry International DMCC	*	915	-1%	(940)	-1%	95	-1%	(845)
Labelle Botanics LLC	*	752	*	(398)	-	-	-1%	(398)

₹ Lakh

Name of the entity in the Group	Net Asset		Share in Profit or Loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Joint Ventures - Indian								
Coromandel SQM (India) Private Limited	*	758	*	10	-	-	*	10
Yanmar Coromandel Agrisolutions Private Limited	*	498	*	35	*	(1)	*	34
Algavista Greentech Private Limited	*	638	*	(225)	-	-	*	(225)
Associate - Foreign								
Sabero Organics Philippines Asia Inc	-	-	*	2	-	-	*	2
Non-controlling interest	**33%**	**1,70,680**	**47%**	**42,101**	*	**(45)**	**54%**	**42,056**
Total	**100%**	**5,22,628**	**100%**	**88,888**	**100%**	**(10,372)**	**100%**	**78,516**

* represents less than 1% or ₹ 1 Lakh

54. The Parent Company and two subsidiaries, CIL and PSRIPL, were using SAP ECC 6.0 as its financial application system and had migrated to SAP S/4 Hana financial application system, an advanced version of SAP (Parent Company and PSRIPL with effect from October 03, 2019 and CIL with effect from November 01, 2019).

55. Subsequent Event

Subsequent to the balance sheet, the Holding Company has sold 58,50,000 number of equity shares representing 2% stake in its subsidiary Coromandel International Limited at ₹ 629.19 per share aggregating to a value of ₹ 36,808 Lakh.

56. During the current quarter ended March 31, 2020, pursuant to the requirements of SEBI circular no. SEBI/HO/DDHS/DDHS/CIR/P/2019/115 dated October 22, 2019, Coromandel International Limited, a subsidiary, has listed commercial papers on a recognised stock exchange.

57. The figures for the previous year have been reclassified/regrouped wherever necessary for better understanding and comparability.

58. APPROVAL OF IND AS FINANCIAL STATEMENTS

The Ind AS financial statements were reviewed and recommended by the Audit Committee and has been approved by the Board of Directors in their meeting held on June 11, 2020.

In terms of our report attached
For Price Waterhouse Chartered accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants

Baskar Pannerselvam
Partner
Membership No: 213126

Chennai
Date: June 11, 2020

For and on behalf of the Board of Directors

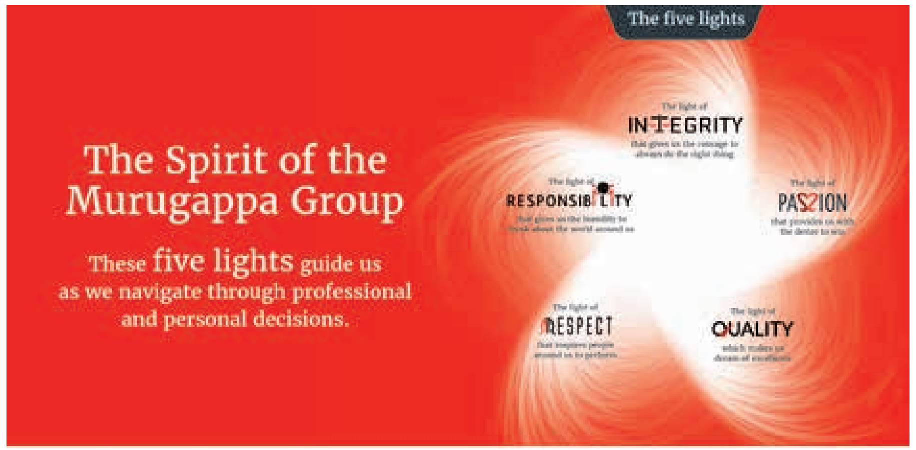
S. Suresh
Managing Director
DIN: 06999319

V. Ravichandran
Chairman
DIN: 00110086

Biswa Mohan Rath
Company Secretary

S. Rameshkumar
Chief Financial Officer

Chennai
Date: June 11, 2020



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