

22nd May, 2017

To,

BSE Limited,
Floor 25, P.J. Towers,
Dalal Street,
MUMBAI-400 001.

The National Stock Exchange of India Limited,
Exchange Plaza,
Bandra Kurla Complex,
Bandra (E)
MUMBAI- 400 051.

Dear Sir,

Sub: - Revised Notes to the Audited Standalone and Consolidated Financial Results

With reference to the above subject, we are enclosing herewith Results with revised notes to the Audited Standalone and Consolidated Financial Results for Quarter/Year ended 31st March, 2017, since note on recommendation of Dividend by the Board, was inadvertently missed in the notes to the financial results.

The recommendation of dividend was already informed as outcome of the Board Meeting, on 19th May, 2017.

Kindly take on record the results with revised notes.

Thanking you.

For Zuari Agro Chemicals Limited



R. Y. PATIL
Vice President & Company Secretary

ZUARI AGRO CHEMICALS LIMITED

(Formerly known as Zuari Holding Limited)

CIN No.: L65910GA2009PLC006177

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

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

www.zuari.in

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

To,
Board of Directors of
Zuari Agro Chemicals Limited

1. We have audited the accompanying statement of quarterly standalone financial results of Zuari Agro Chemicals Limited ('the Company') for the quarter ended March 31, 2017 and for the year ended March 31, 2017, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. The quarterly standalone financial results are the derived figures between the audited figures in respect of the year ended March 31, 2017 and the published year-to-date figures up to December 31, 2016, being the date of the end of the third quarter of the current financial year, which were subjected to limited review. The standalone financial results for the quarter ended March 31, 2017 and year ended March 31, 2017 have been prepared on the basis of the standalone financial results for the nine-month period ended December 31, 2016, the audited annual standalone Ind AS financial statements as at and for the year ended March 31, 2017, and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, which are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these standalone financial results based on our review of the standalone financial results for the nine-month period ended December 31, 2016 which was prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34 Interim Financial Reporting, specified under Section 133 of the Companies Act 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India; our audit of the annual standalone Ind AS financial statements as at and for the year ended March 31, 2017; and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us, these quarterly standalone financial results as well as the year to date results:
 - i. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, in this regard; and
 - ii. give a true and fair view of the net profit and other financial information for the quarter ended March 31, 2017 and for the year ended March 31, 2017.



S.R. BATLIBOI & Co. LLP

Chartered Accountants

4. Further, read with paragraph 1 above, we report that the figures for the quarter ended March 31, 2017 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2017 and the published year-to-date figures up to December 31, 2016, being the date of the end of the third quarter of the current financial year, which were subjected to a limited review as stated in paragraph 1 above, as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

For S.R. BATLIBOI & CO. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

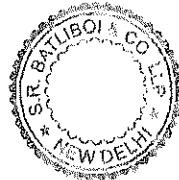
Anil Gupta
per Anil Gupta

Partner

Membership No.: 87821

Place: New Delhi

Date: May 19, 2017



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

To,
Board of Directors
Zuari Agro Chemicals Limited

1. We have audited the consolidated financial results of Zuari Agro Chemicals Limited ("the Company") comprising its subsidiaries (together, "the Group"), and its joint ventures for the year ended March 31, 2017, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. The consolidated financial results for the year ended March 31, 2017 have been prepared on the basis of the audited annual consolidated financial statements as at and for the year ended March 31, 2017, prepared in accordance with Indian Accounting Standards (Ind-AS) along with the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. These financial results are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these consolidated financial results based on our audit of the annual consolidated Ind-AS financial statements as at and for the year ended March 31, 2017; and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. We report that a subsidiary company, Mangalore Chemical & Fertilizers Limited (MCFL) had engaged an independent firm of accountants to carry out a forensic review into transactions in relation to investment in the preference shares of Bangalore Beverages Limited and advances made to United Beverages Holding Limited (UBHL) and have indicated that these transactions may have involved irregularities. Based on their report, Zuari Fertilisers and Chemicals Limited, the holding company of MCFL has approached the National Company Law Tribunal in Bangalore to obtain accountability of the UBHL Group for the irregularities. The subsidiary had already provided an aggregate amount of Rs 21,668 lakhs against the above in their books. Pending outcome of the legal dispute on the above matters, we are unable to comment on including consequential effects, if any to be made in these accompanying consolidated financial statements.
4. In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of our comments stated in para 3 above these consolidated financial results as well as the consolidated year to date results:

(i) include the financial results of the following entities:

1.	Zuari Agro Chemicals Limited
	Subsidiaries and step down subsidiaries
2.	Zuari Agri Science Limited
3.	Zuari Fertilizers and Chemicals Limited
5.	Mangalore Chemicals and Fertilisers Limited (subsidiary of Zuari Fertilisers and Chemicals Limited)
5.	Zuari Speciality Fertilizers Limited
	Joint Venture
6.	Zuari Maroc Phosphates Private Limited



S.R. BATLIBOI & CO. LLP

Chartered Accountants

7.	Paradeep Phosphates Limited (subsidiary of Zuari Maroc Phosphates Private Limited)
8.	MCA Phosphates Pte. Limited
	Associate of Joint Venture
9.	Fosfatos del Pacifico S.A, associate of MCA Phosphates Pte. Limited

- (ii) have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, in this regard; and
- (iii) give a true and fair view of the consolidated net loss and other financial information for the year ended March 31, 2017.
6. We did not audit the financial statements and other financial information, in respect of 2 subsidiaries whose Ind AS financial statements include total assets of Rs. 312,357.99 lakhs and net assets of Rs.36,406.35 lakhs as at March 31, 2017 and total revenues of Rs.254,837.09 lakhs for the year ended on that date and net cash inflows of Rs.5,525.46 lakhs for the year ended on that date. These Ind AS financial statements and other financial information have been audited by other auditors, which financial statements, other information and auditor's report have been furnished to us by the management. Our opinion, in so far as it relates to the affairs of such subsidiaries is based solely on the report of other auditors. Our opinion is not modified in respect of this matter.
7. The accompanying consolidated Ind AS financial statements also include the Group's share of net loss of Rs. 501.33 lakhs for the year ended March 31, 2017, as considered in the consolidated financial statements, in respect of 1 joint venture and an associate of joint venture, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of these joint ventures is based solely on such unaudited financial statement and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group. Our opinion is not modified in respect of this matter.

For S.R. BATLIBOI & CO. LLP
ICAI Firm Registration Number: 301003E/E300005
Chartered Accountants

per Anil Gupta
Partner
Membership No.:87921

Place: New Delhi
Date: May 19, 2017



ZUARI AGRO CHEMICALS LIMITED
 Regd. Office : Jai Kisan Bhawan, Zuarinagar, Goa -403 726, CIN -L65910GA2009PLC006177
AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2017

(Rs. In Crore)

Sr No	Particulars	STANDALONE				CONSOLIDATED		
		3 months ended 31/03/2017	3 months ended 31/12/2016	3 months ended 31/03/2016	Year ended 31/03/2017	Year ended 31/03/2016	Year ended 31/03/2017	Year ended 31/03/2016
		Audited	Un-Audited	Audited	Audited	Audited	Audited	Audited
1	Revenue							
	(a) Income from Operations	948.41	949.80	1,265.29	3,932.50	5,280.11	6,415.43	
	(b) Other income	36.65	30.26	35.30	130.17	130.36	76.08	
	Total Revenue	985.06	980.06	1,300.59	4,062.67	5,410.47	6,491.51	
2	Expenses							
	(a) Cost of materials consumed	474.26	462.97	465.78	1,758.57	2,451.06	2,910.50	
	(b) Purchase of stock-in-trade	85.24	165.98	69.82	1,037.26	1,659.03	1,590.66	
	(c) Changes in inventories of finished goods, work- in-progress and stock-in-trade	106.88	12.89	524.76	36.55	74.41	12.27	
	(d) Employee benefit expense	18.45	20.61	22.87	80.86	87.53	160.51	
	(e) Depreciation and amortisation expense	8.83	8.61	10.96	34.61	32.02	77.61	
	(f) Excise duty	4.07	4.06	3.80	14.65	16.59	29.21	
	(g) Power ,Fuel & Water	46.25	58.16	25.08	203.52	260.46	386.12	
	(h) Other expenses	137.86	140.64	118.35	510.41	539.27	859.69	
	(i) Finance costs	65.37	66.33	96.57	291.51	300.68	454.15	
	Total expenses	947.21	940.25	1,337.99	3,967.94	5,421.05	6,481.48	
3	Profit before exceptional items and tax (1-2)	37.85	39.81	(37.40)	94.73	(10.58)	10.03	
4	Exceptional (expenses)	(1.46)	(5.37)	(2.06)	(64.33)	(26.09)	(64.33)	
5	Share of profit/(loss) of an associate and a joint venture	-	-	-	-	-	32.51	
6	Profit / (Loss) before tax (4+ 5)	36.39	34.44	(39.46)	30.40	(36.67)	(21.79)	
7	Tax (expense)/credit							
	(a) Current Tax	(6.30)	-	-	(6.30)	-	(13.88)	
	(b) MAT Credit	6.30	-	-	6.30	-	13.18	
	(c) Deferred Tax	(12.54)	(12.04)	28.63	(10.81)	27.64	(21.36)	
	(d) Income tax credit of earlier years (Net)	-	-	-	-	-	0.05	
	Net Tax (expense)/credit	(12.54)	(12.04)	28.63	(10.81)	27.64	(22.06)	
8	Net Profit / (Loss) for the period/year (6+7) (a)	23.85	22.40	(10.83)	19.59	(9.03)	(43.85)	
9	Other Comprehensive Income / (expense) (net of tax)							
	A Items that will not be reclassified to profit or loss							
	Re-measurement gains (losses) on defined benefit plans	1.93	(0.16)	0.30	1.45	2.24	1.63	
	Income tax relating to items that will not be reclassified to profit or loss	(0.67)	0.06	(0.11)	(0.50)	(0.78)	0.06	
	Net (loss)/gain on FVTOCI financial instruments	12.92	-	-	12.92	-	12.92	
	Income tax effect	-	-	-	-	-	-	
	Share of OCI of an associate and a joint venture	-	-	-	-	-	0.36	
	B Items that will be reclassified to profit or loss							
	Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-	
	Share of OCI of an associate and a joint venture	-	-	-	-	-	(2.16)	
	Total Other Comprehensive Income/(loss) (b)	14.18	(0.10)	0.19	13.87	1.46	12.19	
10	Total Comprehensive Income/(loss) for the period/year (a+b)	38.03	22.30	(10.64)	33.47	(7.57)	(31.66)	
	Profit attributable to:							
	Owners of the equity	-	-	-	-	-	(52.97)	
	Non-controlling interest	-	-	-	-	-	9.12	
	Other comprehensive income attributable to:							
	Owners of the equity	-	-	-	-	-	12.14	
	Non-controlling interest	-	-	-	-	-	0.05	
	Total comprehensive income attributable to:							
	Owners of the equity	-	-	-	-	-	(40.82)	
	Non-controlling interest	-	-	-	-	-	9.18	
11	Paid-up equity share capital (face value Rs. 10/-)	42.06	42.06	42.06	42.06	42.06	42.06	
12	Earnings per share (before extraordinary items) (of Rs.10/- each) (not annualised):							
	(a) Basic	5.67	5.33	(2.58)	4.66	(2.15)	(12.59)	
	(b) Diluted	5.67	5.33	(2.58)	4.66	(2.15)	(12.59)	



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

(Rs. In Crores)

Particulars	As at	As at	As at	As at
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
	Standalone		Consolidated	
ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	372.62	367.46	1,659.33	1,676.30
(b) Capital work-in-progress	129.20	88.84	142.77	102.02
(c) Investment Property	-	-	3.62	3.62
(d) Goodwill	-	-	34.62	34.62
(e) Other Intangible Assets	1.55	1.94	114.29	117.90
(f) Intangible assets under development	0.19	0.15	0.19	0.15
(g) Financial Assets				
(i) Investments	447.40	370.56	877.74	770.71
(ii) Loans	316.61	374.39	11.90	12.78
(iii) Others	0.01	121.00	0.49	121.49
(h) Deferred tax assets (Net)	8.60	13.62	8.97	14.06
(i) Other non-current assets	54.18	17.57	95.02	55.39
(j) Income Tax Assets (Net)	56.71	32.38	60.14	37.90
Current assets				
(a) Inventories	374.69	424.37	708.49	727.77
(b) Financial Assets				
(i) Trade Receivables	2,133.10	2,706.67	3,462.72	4,100.45
(ii) Cash and cash equivalents	2.07	2.39	65.65	11.74
(iii) Bank balances other than (ii) above	0.18	0.18	6.64	7.31
(iv) Loans	330.75	181.55	23.70	22.46
(v) Others	210.95	179.36	212.92	161.94
(c) Other current assets	28.40	24.06	49.89	43.99
Total Assets	4,467.21	4,906.49	7,539.09	8,022.60
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	42.06	42.06	42.06	42.06
(b) Other equity	780.71	747.25	1,264.50	1,305.32
(c) Non-controlling interests	-	-	364.43	355.26
LIABILITIES				
Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	214.04	226.26	493.01	560.45
(ii) Other financial liabilities	1.35	1.95	17.45	13.33
(b) Provisions	0.45	1.17	16.57	15.99
(c) Deferred tax liabilities(Net)	-	-	14.95	11.30
(d) Other Non current liabilities	-	-	1.19	1.37
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	2,468.33	3,105.58	3,627.89	4,380.71
(ii) Trade Payables	552.08	510.95	1,087.03	873.51
(iii) Other financial liabilities	253.14	169.90	419.84	320.96
(b) Other current liabilities	131.72	78.09	155.21	109.22
(c) Provisions	23.33	23.28	34.96	33.11
Total Equity and Liabilities	4,467.21	4,906.49	7,539.09	8,022.60



Notes:

1. The above results of Zuari Agro Chemicals Limited ("the Company"), for the quarter and year ended March 31, 2017 have been reviewed by the Audit Committee and approved by the Board of Directors in their respective meetings held on May 19, 2017.

The Board of Directors at its meeting held on May 19, 2017 has recommended a dividend of 10% (Rs.1 per equity share of par value of Rs.10 each) which is subject to approval of the shareholders at the ensuing Annual General Meeting.

2. The financial results of the Company have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder. The date of transition to Ind AS is April 1, 2015. The Company had previously issued its unaudited financial results for periods through December 31, 2016, prepared in accordance with the recognition and measurement principles of IND-AS, based on its preliminary selection of exemptions and accounting policies. Since all such policies and exemptions have now been finalized, financial results for all periods from April 1, 2015 have now been restated to give effect of the same.
3. The results for the quarter and for the year ended March 31, 2017 have been prepared on the basis of notified concession prices for urea under New Urea Policy 2015, which are further adjusted for input price escalation/de-escalation, as estimated on the basis of prescribed norms.

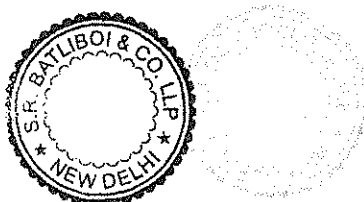
The subsidy on Phosphatic and Potassic fertilizers has been accounted for as per concession price notified by the Government of India with effect from April 1, 2016.

4. Under the provision of Ind AS-108, the Company/Group operates in a single segment of fertilizer operations and therefore separate segment disclosures have not been given.
5. Reconciliation of Equity and Statement of Profit and Loss previously due to transition from Indian GAAP to Ind AS for the quarter and twelve months period ended March 31, 2016 are as under:

(a) Reconciliation of Equity

(Rs.in Crore)

Particulars	Audited Standalone As at 31 March 2016
Equity under previous Indian GAAP	787.48
Effect of spares capitalised as Property, plant and equipment and consumption of spares	(10.08)
Mark to Market (loss) on hedged foreign exchange exposure	(2.38)
Actualization of deferred tax	10.08
Others	(0.16)
Deferred tax adjustment	4.37
Equity under Ind AS	789.31



(b) Reconciliation of Statement of Profit and Loss

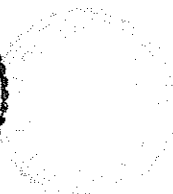
(Rs.in Crore)

Particulars	Quarter ended March 2016	Year ended March 2016
Net Loss under previous Indian GAAP (after tax)	(22.64)	(15.89)
Add / (Less)		
Re-measurement of Defined Benefit Plans recognized in Other Comprehensive Income (OCI)	(0.31)	(2.24)
Actualization of deferred tax	10.08	10.08
Effect of spares capitalised as Property, plant and equipment and additional depreciation on account of componentization	3.61	(2.75)
Mark to Market (loss) on hedged foreign exchange exposure	(0.08)	(0.89)
Others	(0.55)	0.96
Tax Impact/(Loss)	(0.94)	1.70
Net Loss for the period as per Ind AS (After tax) (A)	(10.83)	(9.03)
Other Comprehensive Income		
Re-measurement of Defined Benefit Plans recognized in Other Comprehensive Income (OCI)	0.30	2.24
Tax Impact	(0.11)	(0.78)
Other comprehensive income (After tax) (B)	0.19	1.46
Total Comprehensive income for the period under Ind AS (A+B)	(10.64)	(7.57)

(c) Reconciliation of Equity under consolidated financial

(Rs.in Crore)

Particulars	Audited Consolidated As at 31 March 2016
Equity under previous Indian GAAP	914.87
Effect of spares capitalised as Property, plant and equipment and consumption of spares	(13.66)
Mark to Market (loss) on hedged foreign exchange exposure	(6.37)
Fair valuation of equity instruments	34.78
Amortisation of processing fees using effective interest rate method	4.98
Impact on accounting for business combination*	223.67
Actualization of deferred tax	10.08



Adjustment on account of non-consolidation of joint ventures and consolidation as associates **	192.58
Others	(4.91)
Deferred tax adjustment	(8.65)
Equity under Ind AS	1347.37

* Due to implementation of Ind AS, the Company has accounted for Business Combination subsequent to transition date as per Ind AS 103, resulting in Bargain purchase.

**The Company has accounted for joint ventures under the equity method, which was earlier accounted for under proportionate consolidation method, which has resulted in gain.

(d) Reconciliation of Statement of Profit and Loss under consolidated financial

(Rs.in Crores)

Particulars	Year ended March 2016
Net Loss under previous Indian GAAP (after tax)	(91.01)
Add / (Less)	
Effect of spares capitalised as Property, plant and equipment	(5.29)
Mark to Market gain /(loss) on hedged foreign exchange exposure	(4.88)
Amortisation of processing fees using effective interest rate method	4.98
Actualization of deferred tax	10.08
Adjustment on account of non-consolidation of joint ventures and consolidation as associates	(8.43)
Dividend related to minority	1.45
Amortisation of Trademark	(2.49)
Others	(7.10)
Deferred tax adjustment	(12.56)
Net Loss for the period as per Ind AS (After tax) (A)	(115.25)
Other Comprehensive Income	
Re-measurement of Defined Benefit Plans recognized in Other Comprehensive Income (OCI) (net of tax)	0.78
Net (loss)/gain on FVTOCI financial instruments	(33.38)
Share of OCI of an associate and a joint venture	9.12
Other comprehensive income (After tax) (B)	(23.48)
Total Comprehensive income for the period under Ind AS (A+B)	(138.73)



6. In respect of import of DAP in a previous year which did not meet the standards specified by Fertilizer Control Order, 1985, (FCO) based on its estimate, the Company accounted for claim of Rs. 27.13 crores (pending confirmation from the supplier) for loss suffered by it as the contract with the supplier provides that the Company has the right to claim entire amount as compensation from the supplier in the event it is found the goods are not conforming to FCO norms by laboratory authorized by Government of India. During the current year, the Company has received part payment of Rs. 1.30 crores from the supplier against the above claim. Further, the Company has during the current year entered into a memorandum of understanding with the supplier to recover the aforesaid claim amount. The Company has considered above amount as fully recoverable.
7. During the previous year, the Board of Directors of the Company has approved the merger of its 100% subsidiaries Zuari Agri Sciences Ltd, Zuari Fertilisers and Chemicals Ltd and Zuari Speciality Fertilisers Ltd with the Company effective date being 01.04.2015, which is pending for necessary approvals from various authorities.
8. Exceptional items for the quarter ended March 31st 2017 and twelve months year ended March 31st 2017 represent provision made towards rebates/ price reduction claims on stock lying with distribution channel pertaining to earlier year's sale.
9. In respect of Company's investment of Rs.119.43 crores in a rock phosphate mining project (which is under development) through MCA Phosphates Pte Limited, a joint venture company, the Company is not expecting any impairment loss based on a fair valuation of the said investment done by an independent valuer. The joint venture company has provided for diminution in the value of said investment, which the Company is not in agreement to since the same is not in accordance with the shareholders agreement with the joint venture company.
10. (a) During the year the Company has purchased 3, 22, 67,741 equity share of Rs. 1/- each of Nagarjuna Fertilizers Ltd from Zuari Global Ltd for Rs. 52.16 crores pursuant to the MOU entered between the Company and Zuari Global Limited.

(b) During the year the Company has purchased 72,000 equity shares of Rs. 10 each of Indian Potash Limited for Rs. 11.23 crores pursuant to the MOU entered between the Company and Zuari Global Limited.
11. (a) United Breweries Limited, KingFisher Finvest India Limited, McDowell Holdings Limited instituted arbitration proceedings against the Company and its subsidiary, Zuari Fertilizer and Chemicals Limited alleging breach of the Share Holders Agreement (SHA) dated 12th May 2014 executed between the parties. The arbitration was instituted before the, former Chief Justice of India. The Award was passed on 8th May 2017 wherein the Arbitrator has held that



the SHA cannot be specifically enforced and the claims raised by the Claimants stand dismissed.

(b) Mangalore Chemicals and Fertilizers Limited (MCFL), a subsidiary company had engaged M/s Ernst & Young LLP (EY) to carry out a forensic investigation into transactions in relation to the investment in the preference shares of Bangalore Beverages Limited (BBL) and advances made to United Beverages Holding Limited (UBHL) aggregating to Rs.216.68 crores which had duly been provided for in the books of MCFL. Based on their report, Zuari Fertilisers and Chemicals Limited, the holding company of MCFL has approached the National Company Law Tribunal in Bangalore to obtain accountability of the UB Group for the irregularities. Since UBHL has been declared to be wound up by the High Court of Karnataka vide order dated 7th February 2017, the Company made an application before the High Court of Karnataka. Company's application for permission to proceed against UBHL in the NCLT proceedings has been allowed by the High Court on 20th

April 2017. Matter has been posted for 13th June 2017 for Company's rejoinder to their reply and arguments on interim reliefs.

12. Urea/Ammonia Plants of the Company were shut down for annual turnaround from March 19, 2017. Urea production resumed on April 17, 2017.
13. The Company is planning to set up a Phosphatic fertilizer plant in Ras-Al-Khaimah (RAK) in United Arab Emirates in collaboration with Ras Al Khaimah Maritime City Free Zone Authority. Expenditure on feasibility study and related expenditure amounting to Rs. 31.55 crores have been carried forward, pending decision on issue of shares to the Company in the proposed Joint Venture project. The JV company has been incorporated and definitive agreement between the shareholders' have been completed. The JV company has reached an agreement on key commercial terms for supply of beneficiated rock phosphates. The company has discussed with various EPC contractor with regard to the implementation of the project. Discussion have been held and proposals received from various market leaders for the feasibility study.
14. The Consolidated Financial Statements are prepared in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Indian Accounting Standard) Rules, 2015, as amended.
15. The figures of the last quarter are the balancing figures between audited figures for the full financial year and unaudited year to date figures up to the third quarter of the current financial year after considering the effects of restatement described in note 2 above.



16. The Previous periods' figures have been re-grouped/ re-arranged, wherever required.

For and on behalf of the Board of Directors



Mr. Kapil Mehan
Managing Director
DIN: 01215092

Date : May 19, 2017
Place: Gurugram

