

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF JUBILANT AGRI AND CONSUMER PRODUCTS LIMITED

Report on the Financial Statements

- 1 We have audited the accompanying financial statements of **JUBILANT AGRI AND CONSUMER PRODUCTS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the Financial Statements

- 2 The Company's Board of Directors is responsible for the matters stated in section 134 (5) of the Companies Act 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

- 3 Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
- 4 An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments; the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design the audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.
- 5 We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

- 6 In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2015;
 - (ii) in the case of the Statement of Profit and Loss, of the Loss of the Company for the year ended on that date; and
 - (iii) in the case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 7 As required by the Companies (Auditor's Report) Order, 2015 ('Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we enclose in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.
- 8 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 purpose of our audit;
 - b. in our opinion proper books of accounts as required by the law have been kept by the Company, so far as appears from our examination of those books;
 - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in section 133 of the Companies Act, 2013;
 - e. on the basis of written representations received from the directors as on 31 March 2015, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31 March 2015 from being appointed as director in terms of section 164(2) of the Companies Act, 2013 and
 - f. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements — Refer note 32 to the financial statements;
 - ii. The Company did not have any foreseeable losses on long term contracts and had no derivative contracts outstanding as at 31st March, 2015; and

K.N. GUTGUTIA & COMPANY
CHARTERED ACCOUNTANTS

- iii. The Company did not have any dues on account of Investor Education and Protection Fund.

For K.N. Gutgutia & Co.
Chartered Accountants
Firm Registration Number: 304153E

Place : Noida

Date : 28th October, 2015

B.R. GOYAL
Partner
Membership No. 12172

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 7 of our report of even date to the members of Jubilant Agri and Consumer Products Limited on the financial statements for the year ended 31st March, 2015)

- i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, physical verification of fixed assets has been carried out in terms of the phased programme of verification of its fixed assets adopted by the Company and no material discrepancies were noticed on such verification. In our opinion the frequency of verification is reasonable, having regard to the size of the Company and nature of its business.
- ii) (a) The inventories have been physically verified during the year by the management at *reasonable intervals*.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. In our opinion, discrepancies noticed on physical verification of stocks were not material in relation to the operations of the Company.
- iii) According to the information and explanations given to us, the Company has, during the year, granted unsecured loan to its holding company covered in the register maintained under section 189 of the companies Act, 2013. The loan is repayable over a period of one year. In respect of the said loan, there are no overdue amounts.
- iv) In our opinion and according to the information and explanations given to us, there are internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system.
- v) The Company has not accepted public deposits during the year.
- vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government of India for the maintenance of cost records of the Company under clause (d) of Sub Section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that prima facie the prescribed accounts and records have been maintained. We are, however, not required to and have not carried out any detailed examination of such accounts and records with a view to determining whether they are accurate or complete.
- vii) (a) According to the records examined by us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, wealth tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues wherever applicable. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at 31st March, 2015 for a period of more than six months from the date they became payable.

- (b) According to the records of the Company, the details of dues in respect of sale tax, income tax, duties of customs, wealth tax, service tax, duty of excise, cess and value added tax which have not been deposited on account of disputes and the forum where the dispute is pending are as under:

Name of the Statute		Nature of the Dues	Amount (₹ in million)	Period to which the amount relates	Forum where dispute is pending
1	Central Sales Tax Act, 1956 & Sales Tax Acts of Various States	Sales Tax/VAT	17.23	Apr-02 to Dec-07	High Court, Allahabad
		Sales Tax/VAT	5.00	2010-11	High Court, Allahabad
		Sales Tax/VAT	0.97	1996-97 to 2000-01	Tribunal, Cuttack
2	Central Excise Act, 1944	Excise Duty	10.73	May-07 to Oct-09	Commissioner, Ghaziabad
		Excise Duty	4.23	Nov-09 to March-11	Commissioner, Ghaziabad
		Excise Duty	1.11	May-07 to Nov-10	Additional Commissioner, Ghaziabad
		Excise Duty	0.04	Dec-04 to Mar-06	Commissioner, Ghaziabad
		Excise Duty	4.90	Apr-11 to Jan-12	Commissioner, Ghaziabad
		Excise Duty	1.97	Mar-12 to Oct-12	Commissioner, Ghaziabad
		Excise Duty	7.78	Apr-08 to Jan-13	CESTAT, New Delhi
		Excise Duty	0.28	Feb-13 to Dec-13	Assistant Commissioner, Meerut
		Excise Duty	1.60	Nov-08 to Mar-13	Additional Commissioner,

					Ghaziabad
		Excise Duty	0.86	Jan-14 to Oct-14	Additional Commissioner, Ghaziabad
		Excise Duty	0.24	April-13 to Oct-14	Assistant Commissioner, Ghaziabad
		Excise Duty	2.08	April-12 to March-14	Additional Commissioner, Ghaziabad
		Excise Duty	0.04	Sept-11 to March-13	Assistant Commissioner, Hapur
3	Service Tax Act, 1994	Service Tax	4.92	Oct-09 to Nov-10	High Court, Allahabad
4	Custom Act, 1962	Custom Duty + Interest	21.36	15.02.2007 to 14.02.2012	A.C. Customs, Kandla
		Custom Duty + Interest	4.56	25.11.2010	A.C. Customs, JNCH, Nhava Sheva
		Custom Duty + Interest	2.80	10.12.2010	A.C. Customs, JNCH, Nhava Sheva

Note: Some of the above demands are in the name of Jubilant Industries Limited/Jubilant Life Sciences Limited being the transferor company/transferor company.

(c) The Company did not have any dues on account of Investor Education and Protection Fund.

- viii) There remains no accumulated losses of the Company as at 31st March 2015 (Refer note 31 of the Financial Statements). The Company has incurred cash losses during the financial year covered by our audit, as well as in the immediately preceding financial year of the Company.
- ix) Based on our audit procedures and the information given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to any financial institution or bank.
- x) According to the information and explanations given to us, Company has not given any guarantee during the year for loans taken by others from banks or financial institution.
- xi) In our opinion and according to the information and explanations given to us, the term loans taken by the Company have been applied for the purpose for which they were obtained.

K.N. GUTGUTIA & COMPANY
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- xii) Based upon the audit procedures performed and to the best of our knowledge and according to the information and explanations given to us by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For K.N. Gutgutia & Co.
Chartered Accountants
Firm Registration Number: 304153E

Place : Noida
Date : 28th October, 2015

B.R. GOYAL
Partner
Membership No. 12172

BALANCE SHEET

(₹ in million)

	Note	As at 31st March, 2015		As at 31st March, 2014	
I EQUITY AND LIABILITIES					
Shareholders' funds					
Share capital	3	26.74		26.74	
Reserve & surplus	4	556.26	583.00	1,687.15	1,713.89
Non-current liabilities					
Long term borrowings	5	1,625.37		1,741.43	
Other long term liabilities	6	205.18		88.46	
Long term provisions	7	101.19	1,931.74	102.13	1,932.02
Current liabilities					
Short term borrowings	8	1,376.72		796.82	
Trade payables	9	1,094.84		1,388.52	
Other current liabilities	10	886.75		658.93	
Short term provisions	11	270.24	3,628.55	40.20	2,884.47
Total			6,143.29		6,530.38
II ASSETS					
Non-current assets					
Fixed assets					
Tangible assets	12	2,076.83		1,833.29	
Intangible assets	13	758.41		885.10	
Capital work-in-progress	12	33.92		229.12	
Intangible assets under development	13	12.40		7.81	
Long term loans & advances	14	307.85	3,189.41	332.20	3,287.52
Current assets					
Current investments	15	0.08		0.08	
Inventories	16	1,007.11		1,253.51	
Trade receivables	17	1,180.46		1,238.39	
Cash & bank balances	18	220.57		221.79	
Short term loans and advances	19	542.74		526.76	
Other current assets	20	2.92	2,953.88	2.33	3,242.86
Total			6,143.29		6,530.38
Statement of significant accounting policies & notes to the Financial Statements	1 - 48				

In terms of our report of even date attached.

For K. N. Gutgutia & Co.
Chartered Accountants
Firm Registration Number : 304153E

For and on behalf of Board

B. R. Goyal
Partner
Membership No. 12172

Videh Kumar Jaipuria
Whole Time Director

Priyavrat Bhartia
Director

Place : Noida
Date : 28th October, 2015

Sheetal Kapoor
Company Secretary

Sandeep Kumar Shaw
Chief Financial Officer

STATEMENT OF PROFIT AND LOSS

(₹ in million)

	Note	For the year ended 31st March, 2015	For the year ended 31st March, 2014
REVENUE			
Revenue from operations (gross)	21	8,682.31	9,347.41
Less: Excise duty		333.89	321.11
Revenue from operations (net)		8,348.42	9,026.30
Other income	22	22.24	2.63
Total revenue		8,370.66	9,029.13
EXPENSES			
Cost of materials consumed	23	2,972.44	2,944.03
Purchase of traded goods	24	2,549.68	2,955.23
Change in inventories of work-in-progress, finished goods & traded goods	25	77.69	44.17
Other manufacturing expenses	26	519.40	590.38
Employee benefits expense	27	987.48	974.30
Finance costs	28	380.96	305.51
Depreciation & amortisation expense	12 & 13	306.06	315.09
Other expenses	29	1,464.87	1,535.02
Total expenses		9,258.58	9,663.73
Profit/(Loss) before exceptional items & tax		(887.92)	(634.60)
Exceptional items	30	233.49	(850.90)
Profit/(Loss) before tax		(1121.41)	216.30
Tax Expenses:			
- Deferred tax credit			(42.04)
Profit/(Loss) for the year		(1121.41)	258.34
Basic earnings per share of ₹ 10 each (In ₹)	47	(22428.25)	5166.73
Diluted earnings per share of ₹ 10 each (In ₹)	47	(22428.25)	5166.73
Statement of significant accounting policies & notes to the Financial Statements	1 - 48		

In terms of our report of even date attached.

For K. N. Gutgutia & Co.
Chartered Accountants
Firm Registration Number : 304153E

For and on behalf of Board

B. R. Goyal
Partner
Membership No. 12172

Vidheh Kumar Jaipuria
Whole Time Director

Priyavrat Bhartia
Director

Place : Noida
Date : 28th October, 2015

Sheetal Kapoor
Company Secretary

Sandeep Kumar Shaw
Chief Financial Officer

CASH FLOW STATEMENT

(₹ in million)

	For the year ended 31st March, 2015	For the year ended 31st March, 2014
A. Cash flow arising from operating activities:		
Net profit/(loss) before tax	(1,121.41)	216.30
Adjustments for:		
Depreciation & amortisation expense	306.06	315.09
Loss/(Profit) on sale of fixed assets (net)	0.28	2.41
Provision for closure of certain units of retail segment (Refer note 30.1)	233.49	-
Lease rent equalisation reserve reversal under exceptional items (Refer note 30)	-	(1,291.50)
Fixed assets written off under exceptional items (Refer note 30)	-	440.60
Finance costs	380.96	305.51
Lease rent equalisation charges	104.29	10.02
Provision for employee benefits	(3.27)	25.72
Bad debts/irrecoverable advances written-in (net of write-off)	(12.41)	(6.54)
Provision for doubtful receivables	10.03	7.55
Write off of inventory	25.66	-
Unrealised (gain)/loss on foreign exchange (net)	1.67	(15.87)
	1,046.76	(207.01)
Operating profit before working capital changes	(74.65)	9.29
Adjustments for:		
(Increase)/Decrease in trade receivables, loans & advances and other assets	65.94	226.92
(Increase)/Decrease in inventories	220.74	140.60
Increase/Decrease in trade payables, provisions and other liabilities	(355.41)	342.94
Cash generated from operations	(143.38)	719.75
Direct taxes (paid)/refund (net)	(13.11)	(8.60)
Net cash inflow/(outflow) in course of operating activities	(156.49)	711.15
B. Cash flow arising from investing activities:		
Acquisition/Purchase of fixed assets	(224.57)	(349.26)
Movement in other bank balances	(19.41)	3.96
Sale proceeds of fixed assets	4.63	0.52
Interest income	15.96	13.66
Inter-corporate loan given to holding company (Refer note 40)	(10.00)	-
Net cash inflow/(outflow) in course of investing activities	(233.39)	(331.12)
C. Cash flow arising from financing activities:		
Repayment of long term borrowings	(272.98)	(2.56)
Proceeds from long term borrowings	241.85	11.24
Proceeds from / (Repayment) of short term borrowings (net)	314.90	(203.82)
Finance costs paid	(379.52)	(319.58)
Inter-corporate borrowings received from related parties (Refer note 43)	465.00	-
Net cash inflow/(outflow) in course of financing activities	369.25	(514.72)
Net increase/(decrease) in cash & cash equivalents (A+B+C)	(20.63)	(134.69)
Add: Cash & cash equivalents at the beginning of the year	63.00	197.69
Cash & cash equivalents at the close of the year	42.37	63.00

i) Cash Flow Statement has been prepared under the Indirect Method as set out in the Accounting Standard 3 (AS-3) "Cash Flow Statements" as notified by the Central Government of India.

ii) Acquisition/Purchase of fixed assets includes movement of capital work-in-progress, intangible assets under development and capital advances during the year.

In terms of our report of even date attached.

For K. N. Gutgutia & Co.
Chartered Accountants
Firm Registration Number : 304153E

for and on behalf of the board

B. R. Goyal
Partner
Membership No. 12172

Videh Kumar Jaipuria
Whole Time Director

Priyavrat Bhartia
Director

Place: Noida
Date : 28th October, 2015

Sheetal Kapoor
Company Secretary

Sandeep Kumar Shaw
Chief Financial Officer

Jubilant Agri And Consumer Products Limited

Notes to the Financial Statements

1. Corporate information

Jubilant Agri and Consumer Products Limited (the Company) is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is wholly owned subsidiary of Jubilant Industries Limited and presently engaged in the business of manufacturing and sale of agri and consumer products and running & maintaining hypermarket cum malls collectively called retail. The Company caters to both domestic and international markets.

2. Statement of Significant Accounting Policies

A. Basis of Preparation & Presentation of Financial Statements

The accounts of the Company are prepared under the historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ("GAAP") and comply with the Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, the other relevant provisions of the Companies Act, 2013 (including provisions of Companies Act, 1956 which continue to remain in force, to the extent applicable), pronouncements of the Institute of Chartered Accountants of India, and the guidelines issued by the Securities and Exchange Board of India ("SEBI"), to the extent applicable. The Financial Statements are presented as per Schedule III to the Companies Act, 2013 and in Indian rupees rounded off to the nearest million.

Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, the disclosure of contingent liabilities at the date of financial statements and the results of operations during the reporting periods. Examples of such estimate include future obligations under employee benefit plans, income taxes, useful lives of tangible assets and intangible assets, impairment of assets, valuation of derivatives, provision for doubtful debts, etc. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could vary from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in estimates are made as the management becomes aware of the changes in circumstances surrounding the estimates. Any revision to accounting estimates is recognized prospectively in current and future periods. Effect of material changes is disclosed in the notes to the financial statements.

Current-non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- a. it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b. It is held primarily for the purpose of being traded;
- c. it is expected to be realized within 12 months after the reporting date; or
- d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Jubilant Agri And Consumer Products Limited

Notes to the Financial Statements

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- a. it is expected to be settled in the Company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is due to be settled within 12 months after the reporting date; or
- d. the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result on its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Operating Cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents.

Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current-non-current classification of assets and liabilities.

B. Tangible and Intangible Fixed Assets

Fixed Assets are stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation/amortization and impairment loss. The cost of fixed assets includes effects of exchange differences on long term foreign currency borrowings, freight and other incidental expenses related to the acquisition, installation and commissioning of the respective assets. Borrowing costs directly attributable to fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized. In case of fixed assets acquired at the time of amalgamation of certain entities with Company, the same are recognized at book value in case of amalgamation in the nature of merger and at book/fair value in case of amalgamation in the nature of purchase in line with Accounting Standard 14 (AS 14) – "Accounting of Amalgamations".

Insurance spares/ standby equipments are capitalized as part of the mother assets and are depreciated at the applicable rates, over the remaining useful life of the mother assets.

Interest on loans and other financial charges in respect of qualifying assets and expenditure incurred on start up and commissioning of the project and/ or substantial expansion, including the expenditure incurred on test runs and trial runs (net of trial run receipts, if any) up to the date of commencement of commercial production are capitalized.

Expenditure for acquisition and implementation of Software systems are recognized as part of the intangible assets.

Jubilant Agri And Consumer Products Limited

Notes to the Financial Statements

The excess of consideration paid for acquisition over the assets minus liabilities in the acquired business is recognized as Goodwill and included under intangible assets (Fixed Assets).

C. Depreciation and Amortization

Up to 31st March, 2014, depreciation was provided on Straight Line Method at rates mentioned and in the manner specified vide Schedule XIV to the Companies Act, 1956 (as amended), and read with the statement as mentioned hereunder, on the original cost/ acquisition cost or other amount substituted for cost. Plant had been treated as continuous process plant based on technical assessment, (relied upon by the auditors being a technical matter) and depreciation on such assets had been provided accordingly.

Depreciation, in respect of assets added/installed up to December 15th 1993 was provided at the rates applicable at the time of addition/installation of the assets as per Companies Act, 1956 and depreciation in respect of other assets added/installed during the subsequent period was provided at the rates mentioned vide Schedule XIV to the Companies Act, 1956 read with Notification dated 16th December, 1993 issued by Department of Company Affairs, Government of India except for the following classes of fixed assets which were depreciated/amortized over the useful life estimated as under:

- a. Computer & Information Technology related assets: Three to Five Years.
- b. Employee perquisite-related Assets: Five Years, being the period of the Perquisite Scheme.
- c. Motor Vehicles: Five Years.
- d. Motor Vehicles under Finance Lease: Tenure of Lease or Five Years, whichever was shorter.

During the current year, pursuant to the Companies Act, 2013 ("the Act") being effective from 1st April, 2014, the Company has revised depreciation rates on fixed assets as per the useful life specified in Part "C" of Schedule II of the Act, read with Notification dated 29th August, 2014 of the Ministry of Corporate Affairs, on the original cost/ acquisition cost of assets or other amount substituted for cost except for the following classes of fixed assets which are depreciated as under:

- a. Employee perquisite related Assets: Five Years, being the period of the Perquisite Scheme.
- b. Motor Vehicles under Finance Lease: Tenure of Lease or five years whichever is shorter.

Useful life so arrived at are currently reflective of the estimated useful life of the fixed assets and are not higher than the useful lives as prescribed vide Schedule II to the Companies Act, 2013 except for the following classes of fixed assets of its retail division:

- a. Plant and machineries: Twenty Years.
- b. Furniture & fixtures: Fifteen Years.
- c. Office equipments: Ten Years.

Leasehold land is amortized over the lease period.

Jubilant Agri And Consumer Products Limited

Notes to the Financial Statements

Software systems are being amortized over a period of five years or its useful life whichever is shorter.

Goodwill recognized pursuant to acquisition of business is amortized over ten years on straight-line basis.

Leasehold improvements: The initial leasehold improvements are amortized over the tenure of the respective leasehold property or useful life, whichever is lower and any subsequent leasehold improvements are amortized over a period of 10 years or useful life, whichever is lower, on straight-line basis.

Depreciation on assets added/disposed off during the year has been provided on pro-rata basis with reference to the date of addition/disposal.

D. Leases

i) Where the Company is Lessee

Assets leased by the Company in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalized at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Lease payment is allocated between the liability and finance charges so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognized as operating leases. Lease payments under operating leases are recognized in the Statement of Profit and Loss on a Straight-line basis by creating Lease Equalization Reserve. In case of change in terms/conditions of lease or surrender of part or full space, the lease equalization is readjusted retrospectively treating the lease as continuing one.

ii) Where the Company is lessor

Lease income by sub-lease of premises is recognized in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs including depreciation on lease hold improvements incurred towards such properties are recognized as expenses in the Statement of Profit and Loss.

E. Valuation of Inventories

Inventories are valued at lower of cost or net realizable value except scrap, which is valued at net estimated realizable value.

The methods of determining cost of various categories of inventories are as follows:

Raw materials	Weighted Average Method
Work-in-progress and finished goods (manufactured)	Variable Cost at weighted average including an appropriate share of variable and fixed production overheads. Fixed production overheads are included based on normal capacity of production facilities.
Finished goods (traded)	Cost of Purchases

Jubilant Agri And Consumer Products Limited

Notes to the Financial Statements

Stores & spares and others	Weighted Average Method
Packing materials	Weighted Average Method
Goods-in-transit	Cost of Purchase

Cost includes all direct costs, cost of conversion and appropriate portion of variable and fixed production overheads and such other costs incurred as to bring the inventory to its present location and condition inclusive of excise duty wherever applicable.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion/reprocessing and the estimated cost necessary to make the sale.

The net realizable value of work-in-progress is determined with reference to the selling price of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it's estimated that the cost of finished goods will exceed their net realizable value.

Due allowance is estimated and made up for defective and/or obsolete items wherever necessary based up on management estimation for retail inventory.

F. Investments

Investments that are readily realizable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. However, that part of long-term investments which is expected to be realized within 12 months after the reporting date is also presented under "Current Assets" as "Current portion of long term investments" in consonance with current/non-current classification scheme of Schedule III.

Current Investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognize a decline, other than temporary, in the value of the investment, such reduction being determined and made for each investment individually.

G. Income Tax

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period.

Current Tax

~~Current tax expenses is based on the provisions of Income Tax Act, 1961 and judicial interpretations thereof as at the~~
Balance Sheet date and takes into consideration various deductions and exemptions to which the Company is entitled to as well as the reliance placed by the Company on the legal advices received by it. Current tax assets and current tax liabilities

Jubilant Agri And Consumer Products Limited

Notes to the Financial Statements

are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred Tax

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the current year and reversal of timing differences for earlier years. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each Balance Sheet date and are written-down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized. Deferred tax assets and deferred tax liabilities are offsets when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing tax laws.

H. Foreign Currency Transactions and Translations

- a) **Initial Recognition:** Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency on/or closely approximating to the date of the transaction.
- b) **Conversion:** Foreign currency monetary items, if any are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.
- c) **Exchange Difference:** Exchange differences arising on the settlement of monetary items, if any or on reporting such monetary items of the Company at rates different from those at which they were initially recorded during the year or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.
- d) **Foreign Exchange Forward Contracts:** Monetary Assets and Liabilities, if any are restated at the rate prevailing at the period end or at the spot rate at the inception of forward contract where forward cover for specific asset/liability has been taken and in respect of such forward contracts the difference between the contract rate and the spot rate at the inception of the forward contract is recognized as income or expense in Statement of Profit and Loss over the life of the contract. All other outstanding forward contracts on the closing date are mark to market and resultant loss is recognized as expense in the Statement of Profit and Loss. Mark to market gains, if any, are ignored. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognized as income or as expense for the period.

I. Provisions, Contingent Liabilities and Contingent Assets

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Contingent liabilities are

Jubilant Agri And Consumer Products Limited

Notes to the Financial Statements

disclosed in respect of possible obligations that may arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent Assets are neither recognized nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the assets and related income are recognized in the period in which the change occurs.

J. Employee Benefits

- (i) **Short-term Employee Benefits:** All employee benefits falling due wholly within twelve months of rendering the services are classified as short-term employee benefits, which include benefits like salaries, wages, short-term compensated absences, performance incentives etc. and are recognized as expenses in the period in which the employee renders the related service and measured accordingly.
- (ii) **Post-employment Benefits:** Post employment benefit plans are classified into defined contribution plans and defined benefits plans in line with the requirements of AS 15 on "Employee Benefits".

- **Gratuity and Leave Encashment**

Gratuity and leave encashment which are defined benefits are recognized in the Statement of Profit and Loss based on actuarial valuation using projected unit credit method as at Balance Sheet date by an independent actuary. Actuarial gains and losses arising from the experience adjustment and change in actuarial assumption are immediately recognized in the Statement of Profit and Loss as income or expense. The gratuity liability for certain employees of one of the units of the Company is funded with Life Insurance Corporation of India.

- **Superannuation**

Certain employees of the Company are also participants in the superannuation plan ('the Plan') a defined contribution plan. Contribution made by the Company to the Plan administered by the Trust during the year is charged to Statement of Profit and Loss.

- **Provident Fund**

- i) The Company makes contribution to the "VAM EMPLOYEES' PROVIDENT FUND TRUST" for most of its employees, which is a defined benefit plan to the extent that the Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate. The Company's obligation in this regard is determined by an independent actuary and provided for if the circumstances indicate that the Trust may not be able to generate adequate returns to cover the interest rates notified by the Government. The Company's contribution towards Provident Fund is charged to Statement of Profit and Loss.
- ii) For other employees, Provident Fund is deposited with Regional Provident Fund Commissioner. This is treated as defined contribution plan. Company's contribution to the Provident Fund is charged to Statement of Profit & Loss.

- ~~(iii) **Other Long Term Employee Benefits:** All employee benefits (other than post-employment benefits and termination benefits) which do not fall due within twelve months after the end of the period in which the employees render the related services are determined based on actuarial valuation using the projected unit credit method carried out at each Balance Sheet date. Actuarial losses/gains are recognized in the Statement~~

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of Profit and Loss in the year in which they arise. Accumulated compensated absences, which are expected to be availed or encashed beyond twelve months from the end of the year are treated as other long term employee benefits.

K. Borrowings Cost

Borrowing costs including incidental/ ancillary costs are recognized in the Statement of Profit and Loss in the period in which it is incurred, except where the cost is incurred for acquisition, construction or production of an asset that takes a substantial period of time to get ready for its intended use in which case it is capitalized up to the date the assets are ready for their intended use. Ancillary costs incurred in connection with the arrangement of borrowings are amortized over the period of such borrowings.

L. Revenue Recognition

Revenue from sale of products is recognized when the significant risks and rewards of ownership of the products are transferred to the buyer, recovery of the consideration is reasonably assured and the amount of revenue can be measured reliably. Revenues include excise duty and are shown net of sales tax, value added tax and discounts, if any.

Receipt of subsidy in respect of fertilizer, disbursed by the Central Government of India is included in turnover. The subsidy amount is recognized based upon the latest notified rates and only to the extent that the realization is reasonably assured.

Dividend income is recognized when the right to receive the income is established. Income from interest on deposits, loans and interest bearing securities is recognized on time proportionate basis.

Sale of utility is recognized on delivery of the same to the purchaser and when no significant uncertainty exists as to its realization.

Export incentives/ benefits are accounted for on accrual basis in the year in which exports are made and are included in turnover.

M. Segment Reporting

The accounting policies adopted for segment reporting are in line with accounting policies of the Company. Revenue, Expenses, Assets and Liabilities have been identified to segments on the basis of their relationship to operating activities of the segments (taking in account the nature of products and services and risks & rewards associated with them) and Internal Management Information Systems and the same is reviewed from time to time to realign the same to conform to the Business Units of the Company. Revenue, Expenses, Assets and Liabilities, which are common to the enterprise as a whole and are not allocable to segments on a reasonable basis, has been treated as "Common Revenue/Expenses/Assets/Liabilities", as the case may be.

N. Earnings Per Share

The basic earnings per share is calculated by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit after tax during the year and the weighted average number of shares outstanding during the year are adjusted for the effect of all

Jubilant Agri And Consumer Products Limited

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dilutive potential equity shares. The dilutive potential equity shares are deemed converted as of the beginning of the year unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Anti dilutive effect of any potential equity shares is ignored.

O. Impairment of Fixed Assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset/cash generating unit may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset/cash generating unit. If such recoverable amount of the asset or the recoverable amount of the cash generating unit is less than the carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss.

An assessment is also done at each balance sheet date whether there is any indication that an impairment loss recognized for an asset/cash generating unit in prior accounting periods may no longer exist or may have decreased. If any such indications exists, the asset's/ cash generating unit's recoverable amount is estimated. The carrying amount of the fixed asset/ cash generating unit is increased to the revised estimate of its recoverable amount but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in previous periods. A reversal of impairment loss is recognized in the Statement of Profit and Loss.

Jubilant Agri and Consumer Products Limited

Notes to the Financial Statements

(₹ in million)

	As at 31st March, 2015	As at 31st March, 2014
3. SHARE CAPITAL		
Authorised		
1,00,000 Equity shares of ₹ 10 each (Previous Year: 1,00,000 Equity shares of ₹ 10 each)	1.00	1.00
19,00,000 10% Optionally convertible non-cumulative redeemable preference shares of ₹ 10 each (Previous Year: 19,00,000 10% Optionally convertible non-cumulative redeemable preference shares of ₹ 10 each)	19.00	19.00
10,00,000 10% Non-cumulative redeemable preference shares of ₹ 10 each (Previous Year: 10,00,000 10% Non-cumulative redeemable preference shares of ₹ 10 each)	10.00	10.00
	30.00	30.00
Issued, subscribed & paid-up		
50,000 Equity shares of ₹ 10 each (Previous Year: 50,000 Equity shares of ₹ 10 each)	0.50	0.50
16,48,817 10% Optionally convertible non-cumulative redeemable preference shares of ₹ 10 each (Refer note 3.1) (Previous Year: 16,48,817 10% Optionally convertible non-cumulative redeemable preference shares of ₹ 10 each)	16.49	16.49
9,74,800 10% Non-cumulative redeemable preference shares of ₹ 10 each (Refer note 3.1) (Previous Year: 9,74,800 10% Non-cumulative redeemable preference shares of ₹ 10 each)	9.75	9.75
	26.74	26.74

3.1 Issued, subscribed & paid-up share capital includes shares allotted for consideration other than cash during the last five years:

- 9,74,800 10% Non-cumulative redeemable preference shares of ₹ 10 each allotted (at a premium of ₹ 990 per share) pursuant to the Business Transfer Agreement with Jubilant Industries Limited for consideration other than cash during the FY 2012-13.
- 16,48,817 10% Optionally convertible non-cumulative redeemable preference shares of ₹ 10 each allotted (at a premium of ₹ 990 per share) pursuant to the Scheme of Arrangement with Jubilant Industries Limited for consideration other than cash during the FY 2011-12.

3.2 Details of shareholders holding more than 5% of the aggregate shares in the Company:

Name of the shareholder	As at 31st March, 2015		As at 31st March, 2014	
	No. of shares	% held	No. of shares	% held
Jubilant Industries Limited* and its nominees (Equity shares)	50,000	100.00	50,000	100.00
Jubilant Industries Limited* (10% Optionally convertible non-cumulative redeemable preference shares)	16,48,817	100.00	16,48,817	100.00
Jubilant Industries Limited* (10% Non-cumulative redeemable preference shares)	9,74,800	100.00	9,74,800	100.00

*Holding company

3.3 The reconciliation of the number of shares outstanding as at 31st March, 2015 and 31st March, 2014 is set out below:

Particulars	As at 31st March, 2015		As at 31st March, 2014	
	No. of shares	₹ in million	No. of shares	₹ in million
i) Equity Shares:				
Number of shares at the beginning of the year	50,000	0.50	50,000	0.50
Numbers of shares at the end of the year	50,000	0.50	50,000	0.50
ii) 10% Optionally convertible non-cumulative redeemable preference shares:				
Number of shares at the beginning of the year	16,48,817	16.49	16,48,817	16.49
Numbers of shares at the end of the year	16,48,817	16.49	16,48,817	16.49
iii) 10% Non-cumulative redeemable preference shares:				
Number of shares at the beginning of the year	9,74,800	9.75	9,74,800	9.75
Numbers of shares at the end of the year	9,74,800	9.75	9,74,800	9.75

Jubilant Agri and Consumer Products Limited

Notes to the Financial Statements

- 3.4 The Company has three kind of share capital: Equity share capital, 10% Optionally convertible non-cumulative redeemable preference share capital and 10% Non-cumulative redeemable preference share capital. Each equity shareholder is eligible for one vote per share.
- 3.5 In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders. In the event of redemption of preference shares, the same will be redeemed at a premium of ₹ 990 per share. Each optionally convertible preference share is convertible into equity share of ₹ 10 each at the option of the shareholders before the same are redeemed.

(₹ in million)			
	As at 31st March, 2015		As at 31st March, 2014
4. RESERVES AND SURPLUS			
Securities premium account			
As per last Balance Sheet	2,597.38		2,597.38
Less: Adjustments on account of Scheme for Reduction of Securities Premium Account (Refer note 4.1)	2,041.12		-
Closing Balance	556.26		2,597.38
Surplus/(Deficit)			
As per last Balance Sheet	(910.23)		(1,168.57)
Add: Net profit/(loss) after tax as per Statement of Profit & Loss for the year	(1,121.41)		258.34
Less: Adjustments on account of Scheme for Reduction of Securities Premium Account (Refer note 4.1)	2,041.12		-
Less: Adjustments on account of depreciation (Refer note 4.2)	9.48		-
Closing Balance	556.26		(910.23)
			1,687.15

- 4.1 Pursuant to the confirmation of the Scheme of Capital Reduction by way of reduction in Securities Premium Account, and to permit it to set off its accumulated losses as at March 31, 2015 against the securities premium account by the Hon'ble Allahabad High Court with effect from 31st March, 2015 vide its order dated October 01, 2015. Accordingly, the Company has set off its accumulated losses amounting to ₹ 2041.12 million as on March 31, 2015 against the amount standing in its securities premium account as on March 31, 2015. (Refer note 31)
- 4.2 Based on transitional provision provided in note 7(b) of Schedule II of the Companies Act, 2013, where useful life of fixed assets has become nil in terms of the said schedule, carrying amount of such assets as at 1st April, 2014 has been debited to the opening balance of surplus/(deficit). (Refer note 39)

(₹ in million)			
	As at 31st March, 2015		As at 31st March, 2014
5. LONG TERM BORROWINGS			
Term loan from banks			
- Indian rupee loans (secured)	1,422.26		1,737.62
Long term maturities of finance lease obligation			
- Finance lease obligations (secured)	3.11		3.81
Term loan from others			
Loans from related party (unsecured)	200.00		-
	1,625.37		1,741.43
The above amounts includes			
Secured borrowings	1,425.37		1,741.43
Unsecured borrowings	200.00		-
	1,625.37		1,741.43

Refer note 10 for current maturities of long term borrowings.

- 5.1 Term loan I availed from Yes Bank Limited amounting to ₹ 1114.29 million (Previous Year: ₹ 1200 million) including current maturities of ₹ 342.86 million (Previous Year: ₹ 85.71 million) is secured by first pari passu charge on all fixed assets (both present & future) of the Company and Jubilant Industries Limited (Holding company), unconditional and irrevocable corporate guarantee of its Holding company and also of Jubilant Enpro (P) Limited. The said bank has lien on fixed deposits worth ₹ 120 million (Previous Year: ₹ 120 million).
- 5.2 Term loan II availed from Yes Bank Limited amounting to ₹ 240.00 million (Previous Year: Nil) including current maturities ₹ Nil (Previous Year: ₹ Nil) is secured by first pari passu charge on all fixed assets (both present & future) of the Company and unconditional and irrevocable corporate guarantee of Jubilant Enpro (P) Limited. The said bank has lien on fixed deposits worth ₹ 24 million (Previous Year: ₹ Nil).
- 5.3 Term loan availed from The Rantnakar Bank Limited amounting to ₹ 623.33 million (Previous year ₹ 807.50 million) including current maturities of ₹ 212.50 million (Previous Year: ₹ 184.17 million) is secured by first pari passu charge on all fixed assets (both present & future) of the Company and Jubilant Industries Limited, unconditional and irrevocable corporate guarantee of its Holding company and also of Jubilant Enpro (P) Limited.
- ~~5.4 Term loan I availed from Yes Bank Limited is repayable in remaining thirteen equal quarterly instalments payable up to June, 2018.~~
- 5.5 Term loan II availed from Yes Bank Limited is repayable in sixteen equal quarterly instalments commencing from March, 2017 to December, 2020.
- 5.6 Term loan availed from The Rantnakar Bank Limited is repayable in remaining eleven structured quarterly instalments payable up to December, 2017.
- 5.7 Finance lease obligations ₹ 4.74 million (Previous Year: ₹ 5.99 million) including current maturities of ₹ 1.63 million (Previous Year: ₹ 2.18 million) under other current liabilities are secured by hypothecation of specific assets taken under such lease arrangements and the same are repayable as per the terms of agreements with the lessor.
- 5.8 Term loans availed from related party namely Jubilant Enpro (P) Limited are repayable at the end of three years from the date of respective disbursement.

Jubilant Agri and Consumer Products Limited

Notes to the Financial Statements

	As at 31st March, 2015	(₹ in million) As at 31st March, 2014
6. OTHER LONG TERM LIABILITIES		
Security deposits	51.06	33.97
Trade deposits & advances	39.81	44.47
Lease rent equalisation charges (Refer note 35)	114.31	10.02
	205.18	88.46
7. LONG TERM PROVISIONS		
Employee benefits	101.19	102.13
	101.19	102.13
8. SHORT TERM BORROWINGS		
Loans repayable on demand		
-From Banks:		
Secured	1,111.72	796.82
Loans from Others:		
-From related party (unsecured)	265.00	-
	1,376.72	796.82
The above amounts includes		
Secured borrowings	1,111.72	796.82
Unsecured borrowings	265.00	-
	1,376.72	796.82

8.1 Working capital facilities sanctioned by Consortium of banks comprising of Axis Bank Limited, Corporation Bank, IDBI Bank Limited and Yes Bank Limited are secured by a first charge by way of hypothecation, of the entire book debts, receivables, inventories and current assets both present and future, of the Company wherever the same may be or be held and unconditional and irrevocable corporate guarantee of its Holding company in favour of its bankers. Short term borrowings from banks are availed in Indian rupees and in foreign currency. Short term Borrowings from related party are repayable as per terms of agreement with in one year.

	As at 31st March, 2015	(₹ in million) As at 31st March, 2014
9. TRADE PAYABLES		
Due to micro, small & medium enterprises under MSMED Act, 2006 (Refer note 33)	3.75	5.54
Trade payables - others	1,091.09	1,382.98
	1,094.84	1,388.52
10. OTHER CURRENT LIABILITIES		
Current maturities of long term debts (Refer note 5)	555.36	269.88
Current maturities of finance lease obligations (Refer note 5)	1.63	2.18
Creditors for capital supplies and services	18.52	21.66
Employee benefits payable	22.48	55.17
Trade deposits & advances	43.92	40.50
Interest accrued and due	27.31	12.48
Interest accrued but not due	3.36	0.79
Due to related parties (Refer note 43)	13.30	14.22
Others (including statutory dues)	200.87	242.05
	886.75	658.93
11. SHORT TERM PROVISIONS		
Employee benefits	32.67	35.00
Excise duty	4.08	5.20
Provision for closure of certain units of retail segment (Refer note 30.1)	233.49	-
	270.24	40.20

13. INTANGIBLE ASSETS

₹ in million

Description	GROSS BLOCK-COST/BOOK VALUE				DEPRECIATION / AMORTISATION/IMPAIRMENT				NET BLOCK	
	As at 31st March, 2014	Additions/ adjustments during the year	Deductions/ adjustments during the year	As at 31st March, 2015	As at 31st March, 2014	Provided for the year	Deductions/ adjustments during the year	As at 31st March, 2015	As at 31st March, 2015	As at 31st March, 2014
Goodwill	1,239.48	-	-	1,239.48	371.75	123.87	-	495.62	743.26	867.73
Trade marks	0.05	-	-	0.09	0.09	-	-	0.09	-	-
Software	43.88	9.52	-	53.40	26.51	12.34	-	38.85	14.55	17.37
TOTAL	1,283.41	9.52	-	1,292.97	398.35	136.21	-	534.56	758.41	885.10
Previous Year	1,277.47	6.03	-	1,283.45	264.92	133.43	-	398.35	885.10	1,012.50
Intangible assets under development									12.40	7.81

Notes to the Financial Statements

(₹ in million)

	As at 31st March, 2015		As at 31st March, 2014
14. LONG TERM LOANS & ADVANCES (unsecured, considered good)			
Capital advances	0.41		25.67
Security deposits	281.31		285.65
Others	26.13		20.88
	307.85		332.20

Notes to the Financial Statements

(₹ in million)

			As at 31st March, 2015	As at 31st March, 2014
15. CURRENT INVESTMENTS				
<i>(At cost)</i>				
Number	Face value per unit	All unquoted unless otherwise specified		
		<i>Non trade investments</i>		
448	₹ 10	Voith Paper Fabrics India Limited - equity shares-fully paid-up (quoted)	0.08	0.08
(448)	(₹ 10)			
530	₹ 10	Minerva Holding Limited - equity shares-fully paid-up (Refer note 15.2)		
(530)	(₹ 10)			
132	₹ 100	Kashipur Holdings Limited - equity shares-fully paid-up (Refer note 15.2)		
(132)	(₹ 100)			
			0.08	0.08
		Aggregate amount of quoted investments		
		- Cost	0.08	0.08
		- Market value	0.19	0.11

15.1 Figures in () are in respect of previous year.

15.2 Shares were received free of cost under the Scheme of Arrangement (1997) approved by the Hon'ble High Court of Allahabad.

Notes to the Financial Statements

		(₹ in million)	
		As at 31st March, 2015	As at 31st March, 2014
16.	INVENTORIES		
	Raw materials (including in transit ₹ 136.72 million (Previous Year: ₹ 218.47 million))	332.71	492.49
	Work-in-progress	66.66	39.86
	Finished goods	222.93	197.07
	Traded goods	325.64	459.21
	Stores and spares	39.35	42.54
	Others - Fuels & packing materials	19.82	22.34
		1,007.11	1,253.51
	For method of valuation refer note 2 E.		
17.	TRADE RECEIVABLES (Unsecured)		
	Outstanding for period exceeding six months from the date they are due for payment		
	Considered good	48.93	106.09
	Doubtful	15.88	7.55
		64.81	113.64
	Other receivables		
	Considered good	1,131.53	1,132.30
	Doubtful	1.70	-
		1,133.23	1,132.30
	Total Trade receivables	1,198.04	1,245.94
	Less: Provision for doubtful receivables	17.58	7.55
		1,180.46	1,238.39

17.1 Trade receivable includes subsidy receivable ₹ 239.29 million (Previous Year: ₹ 163 million). (Refer note 2 L)

		(₹ in million)	
		As at 31st March, 2015	As at 31st March, 2014
18.	CASH & BANK BALANCES		
	Cash and cash equivalents		
	Balance With Banks		
	- On current accounts	59.08	48.75
	Cash in hand	2.13	13.03
	Others		
	- Gift/Meal vouchers in hand	0.22	0.36
	- Funds in transit	0.94	0.86
		42.37	63.00
	Other bank balances		
	Margin money with bank*	34.17	38.37
	On deposit accounts**	144.03	120.42
		178.20	158.79
		220.57	221.79

* For bank guarantees in favour of government authorities.

** The fixed deposits for ₹ 120 million (Previous Year: ₹ 120 million) has been kept under lien of bank against the term loan-I availed in the year 2011-12 for ₹ 1200 million from Yes Bank Limited. The fixed deposits for ₹ 24 million (Previous Year: ₹ Nil) has been kept under lien of bank against the term loan-II availed in the year 2014-15 for ₹ 240 million from Yes Bank Limited. (Refer note 5.1 & 5.2)

		(₹ in million)	
		As at 31st March, 2015	As at 31st March, 2014
19.	SHORT TERM LOANS & ADVANCES		
	Deposits	107.00	107.00
	Deposits/Balances with government authorities	111.49	143.93
	Advance payment of income tax	35.81	22.70
	Inter-corporate loan to related party including interest (Refer note 40)	10.95	-
	Employee loans & advances	5.30	4.18
	Advances recoverable in cash or in kind or for value to be received:		
	From related parties (Refer note 43)	122.42	115.09
	Others - Export incentives and others recoverable	149.77	133.86
		542.74	526.76
20.	OTHER CURRENT ASSETS		
	Others	2.92	2.33
		2.92	2.33

Notes to the Financial Statements

(₹ in million)

	For the year ended 31st March, 2015		For the year ended 31st March, 2014	
21. REVENUE FROM OPERATIONS				
Sale of products	8,470.35		9,162.43	
Sale of services	108.25		81.46	
Other operating income	103.71		103.52	
Revenue from operations (gross)	8,682.31		9,347.41	
Less: Excise duty	333.89		321.11	
Revenue from operations (net)	8,348.42		9,026.30	
21.1 PARTICULARS OF SALE OF PRODUCTS				
Performance polymers	3,588.79		3,771.73	
Single super phosphate	1,317.65		1,533.28	
Sulphuric acid	213.34		136.73	
Agro chemicals	100.05		182.25	
Miscellaneous goods retail operation	3,152.82		3,439.86	
Steam	97.70		98.58	
	8,470.35		9,162.43	
21.2 PARTICULARS OF SALE OF SERVICES				
Sub leasing services	101.69		75.22	
Other services	6.56		6.24	
	108.25		81.46	
21.3 PARTICULARS OF OTHER OPERATING INCOME				
Display charges and kiosk rentals	89.92		86.78	
Scrap sales	13.79		16.74	
	103.71		103.52	
22. OTHER INCOME				
Surplus on sale of liquor license	14.50			
Other non-operating income	7.74		2.83	
	22.24		2.83	
23. COST OF MATERIALS CONSUMED				
Raw & process materials consumed	2,972.44		2,944.03	
	2,972.44		2,944.03	
23.1 PARTICULARS OF RAW & PROCESS MATERIALS CONSUMED				
Rock phosphate	656.76		801.36	
Vinyl acetate monomer	945.28		754.86	
Butadiene	207.45		288.50	
VP monomer	290.00		324.29	
Sulphur	247.78		143.90	
Dresinate 314	50.14		54.65	
Styrene monomer	56.74		73.83	
Others	510.29		502.64	
	2,972.44		2,944.03	
23.2 PARTICULARS OF IMPORTED AND INDIGENOUS RAW & PROCESS MATERIALS CONSUMED				
	%	₹ in million	%	₹ in million
Imported	67.11	1,994.77	63.73	1,876.38
Indigenous	32.89	977.67	36.27	1,067.65
	100.00	2,972.44	100.00	2,944.03

Notes to the Financial Statements

(₹ in million)

	For the year ended 31st March, 2015	For the year ended 31st March, 2014
24. PURCHASE OF TRADED GOODS		
Purchase of traded goods*	2,549.68	2,955.23
	2,549.68	2,955.23
24.1 PARTICULARS OF PURCHASE OF TRADED GOODS		
Rock phosphate	-	16.47
VP monomer	14.93	19.58
Agro chemicals	46.74	128.23
Triacetic acid	20.84	-
Miscellaneous goods-retail operation	2,461.23	2,790.13
Others	5.94	0.82
	2,549.68	2,955.23
25. CHANGES IN INVENTORIES OF WORK-IN-PROGRESS, FINISHED GOODS AND TRADED GOODS		
Stock at commencement - Work-in-progress	39.86	177.02
Stock at commencement - Finished goods	197.07	187.56
Stock at commencement - Traded goods	459.21	375.73
	696.14	740.31
Stock at close - Work-in-progress	66.66	39.86
Stock at close - Finished goods	222.93	197.07
Stock at close - Traded goods	325.64	459.21
	615.23	696.14
Decrease/(Increase) in stocks	80.91	44.17
Less: Loss of inventory due to fire	3.22	-
Net decrease/(increase) in stocks	77.69	44.17
25.1 PARTICULARS OF INVENTORIES		
Details of work-in-progress:		
Performance polymers	21.59	20.04
Single super phosphate	44.60	15.63
Sulphuric acid	0.38	3.94
Agro chemicals	0.09	0.25
	66.66	39.86
Details of finished goods:		
Performance polymers	183.22	157.93
Single super phosphate	38.38	31.55
Sulphuric acid	0.30	6.70
Agro chemicals	1.03	0.89
	222.93	197.07
Details of traded goods:		
Agro chemicals	14.65	31.38
Miscellaneous goods-retail operation	310.37	427.21
Others	0.62	0.62
	325.64	459.21

* including write off of inventory ₹ 25.66 million (Previous Year: ₹ Nil)

Notes to the Financial Statements

(₹ in million)

	For the year ended 31st March, 2015		For the year ended 31st March, 2014	
26. OTHER MANUFACTURING EXPENSES				
Power and fuel		154.27		193.89
Stores, spares & packing materials consumed		310.31		329.76
Repairs to plant & machinery		52.54		63.14
Repairs to factory building		3.40		4.58
Excise duty (Refer note 34)		(1.12)		(0.99)
		519.40		590.38
26.1 PARTICULARS OF IMPORTED AND INDIGENOUS STORES, SPARES & PACKING MATERIAL CONSUMED				
	%	₹ in million	%	₹ in million
Imported	0.24	0.76	0.72	2.38
Indigenous	99.76	309.55	99.28	327.38
	100.00	310.31	100.00	329.76
27. EMPLOYEE BENEFITS EXPENSE				
Salaries, wages, bonus, gratuity & allowances		893.53		880.21
Contribution to provident & superannuation funds		53.19		53.36
Staff welfare expenses		40.76		40.73
		987.48		974.30
28. FINANCE COSTS				
Interest expense		339.59		268.37
Other borrowings cost		57.33		50.80
		396.92		319.17
Less: Interest income (on fixed and other deposits)		15.96		13.66
		380.96		305.51

Notes to the Financial Statements

(₹ in million)

	For the year ended 31st March, 2015	For the year ended 31st March, 2014
29. OTHER EXPENSES		
Rent (including lease rent equalisation charges) (Refer note 35)	531.86	496.45
Rates & taxes	11.87	14.10
Insurance	18.16	18.49
Advertisement, publicity & sales promotion	89.04	98.24
Travelling & other incidental expenses	66.62	88.82
Repair & maintenance - others	193.60	201.74
Vehicle running & maintenance	2.89	2.84
Printing & stationery	9.69	9.97
Communication expenses	16.94	15.24
Staff recruitment & training	17.00	14.25
Auditors remuneration - As auditors	1.02	1.02
- For limited review	0.21	0.21
- For taxation matters	0.23	0.23
- For certifications etc	0.78	0.75
- Out of pocket expenses	0.30	0.36
Legal, professional and consultancy charges	69.83	79.01
Donations	1.39	8.00
Directors' sitting fees	1.13	0.24
Bank charges	51.87	53.53
Miscellaneous expenses	2.59	3.10
Foreign exchange fluctuation loss - (net of gain)	17.24	19.73
Freight & forwarding	287.42	309.36
Commission on Sales	25.21	34.63
Discounts, claims to customers and other selling expenses	50.08	61.29
Bad Debts/ irrecoverable advances & receivables written off/written in (net)	(12.41)	1.01
Provision for doubtful debts	10.03	-
Loss on sale/disposal of fixed assets	0.28	2.41
	1,464.87	1,535.02
30. EXCEPTIONAL ITEMS		
Lease rent equalisation reserve reversal (Refer note 35)	-	(1,291.50)
Fixed assets written off (Refer note 35)	-	440.60
Provision for closure of certain units of retail segment (Refer note 30.1)	233.49	-
	233.49	(850.90)

30.1 Based upon viability assessment done for retail segment, management has taken provision against closure of certain units of retail segment:

- Reversal of lease rent equalisation reserve (L.RER) as the same is no longer required to be maintained of ₹ (12.80) million.
- Security deposits taken/given towards mall tenants and landlords in terms of the agreement entered in to of ₹ 27.03 million.
- Associated leasehold improvements and other fixed assets pertaining to those hyper markets and malls of ₹ 219.26 million.

Notes to the Financial Statements

31. Consequent upon the confirmation of the Scheme for Capital Reduction by way of reduction in Securities Premium Account, and to permit it to set off its accumulated losses as at March 31, 2015 against the securities premium account by the Hon'ble Allahabad High Court vide its order dated October 01, 2015. Accordingly, the Company has set off on 31st March, 2015 its accumulated loss to date amounting to ₹ 2041.12 million against its securities premium account. The accounts of the Company have been prepared after giving effect to the said reduction as on March 31, 2015 though it does not have any financial impact on the results of the Company for the said date. Further, the Hon'ble Allahabad High Court has also permitted not to use the word "and reduced" with the name of the Company.

32. Contingent Liabilities & Commitments (to the extent not provided for)

I) Claims against Company not acknowledged as debt*:

a) Claims/Demands in respect of which proceeding or appeals are pending and are not acknowledged as debts on account of:

j)	₹ (in million)	
	As at 31st March, 2015	As at 31st March, 2014
Central excise	36.85	46.31
Customs	7.35	7.12
Sales tax	6.70	13.36
Service tax	4.92	4.92
Others	60.52	60.52

* Inclusive of contingent liabilities taken over in term of the Business Transfer Agreement and Scheme of Arrangement. Certain of the above demands are still in the name of Jubilant Industries Limited/ Jubilant Life Sciences Limited.

ii) In respect of Single super phosphate (SSP) the Trade Tax Assessing Officer, Gajraula, has assessed the Gypsum Content of SSP and held that the same is liable to trade tax, though, there is no tax on fertilizer for the period 1st April, 2002 to 31st December, 2007 and raised a demand of ₹ 34.45 million (Previous Year: ₹ 34.45 million). The same is being contested before Hon'ble Allahabad High Court by Jubilant Life Sciences Limited but any possible liability will flow to the Company in terms of the Scheme.

iii) A civil suit (OS No. 5549/2013) has been filed by Kids Kemp (the lessor) against Food Express Stores and the Company, and the same is pending before the City Civil Court Bangalore. Part of the claims were settled by means of a compromise petition between the parties and the remaining claims amounting to ₹ 132.20 million relate to claims for past periods. The company has filed detailed statement of objections and is strongly contesting the claims on a number of grounds, including that a significant part of the claims is barred by the law of limitation. The company is reasonably confident that its position will be upheld by the court. Hence, no liability is acknowledged.

iv) Another suit (OS No. 5561/2014) is pending before the City Civil Court, Bangalore and has been filed against the Company by Shivashakti Builders (the lessor) amounting to ₹ 218.86 million. The matter relates to damages allegedly suffered by the plaintiff due to the termination of a lease arrangement between the parties. The Company has filed detailed objections to the plaint and has explained the reasons as to why it terminated the lease arrangement. The matter is pending in trial and the Company is reasonably confident of its chances of success in this matter.

b) Outstanding guarantees furnished by banks on behalf of the Company/by the Company including in respect of letters of credit is ₹ 528.64 million (Previous Year: ₹ 652.09 million).

II) Commitments

a) Capital Commitments:

Estimated amount of contracts remaining to be executed on capital account (net of advances) ₹ 6.25 million (Previous Year: ₹ 55.55 million) [Advances ₹ 0.41 million (Previous Year: ₹ 25.67 million)].

b) Other Commitments:

i) Export obligation under Advance License Scheme on duty free import of raw materials, remaining outstanding ₹ 27.08 million (Previous Year: ₹ 86.02 million)

ii) For lease commitment refer note 35.

Notes to the Financial Statements

33. Micro and Small Business Entities

There are no micro and small enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2015. The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) has been determined to the extent such parties have been identified on the basis of information available with the Company.

	(₹ in million)	
	As at 31st March, 2015	As at 31st March, 2014
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	3.75	5.54
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

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.

34. Excise duty under manufacturing expenses denotes provision on stock deferential and other claims/ payments.

iv) Another suit (OS No. 5561/2014) is pending before the City Civil Court, Bangalore and has been filed against the Company by Shivashakt

35. Disclosures of leasing arrangements

i) Operating lease:

a. The Company's significant operating lease arrangements are in respect of premises (residential, offices, godowns etc.). These leasing arrangements, which are cancellable, range between 11 months and 3 years generally and are usually renewable by mutual agreeable terms. The aggregate lease rentals have been charged as expenses.

In case of hyper markets, the Company has operating lease for its office premises, warehouses and hyper markets for a period of 4 to 29 years. Lease agreements for hyper markets are locked-in for a period of 1 to 5 years and subsequently, the lease can be maintained only at the option of the lessee. There is escalation clause in the lease agreements. The Company has entered into sub lease arrangement for certain portion of its premises.

Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term. Excess of lease rent expenses paid over the equalised lease rent payable to the lessor as per the terms of contract amounting to ₹ 104.29 million for the year (Previous Year: ₹ (1281.50) million) and till 31st March, 2015, ₹ 114.31 million (Previous Year: ₹ 10.02 million) is credited to lease rent equalization charges and is classified under other long term liabilities.

The schedule of future minimum lease rental in respect of the cancellable operating leases is set out as under:

	(₹ in million)	
	As at 31st March, 2015	As at 31st March, 2014
Not later than one year	278.91	331.68
Later than one year but not later than five years	1310.18	1813.04
Later than five years	4743.59	5468.20

b. During the previous year, the Company had entered into new lease agreements/arrangements for Hyper Market Stores for its retail segment. Consequence to this Lease Rent Equalisation Reserve (LRER) amounting to ₹ 1291.50 million was reversed and shown under exceptional items and associated leased hold improvements and other fixed assets amounting to ₹ 440.60 million were written off and shown under exceptional items.

Notes to the Financial Statements

ii) Assets acquired under finance lease:

The Company has taken vehicles under finance lease. Future minimum lease payments and their present values under finance leases as at 31st March, 2015 are as follows:

(₹ in million)

Particulars	Minimum lease payments	Present value of minimum lease payments	Future interest
Not later than one year	2.15 (2.83)	1.63 (2.18)	0.52 (0.65)
Later than one year but not later than five years	3.59 (4.50)	3.11 (3.81)	0.48 (0.69)
Later than five years	- (-)	- (-)	- (-)

a) Previous year figures are given in parenthesis.

b) There is no element of contingent rent or sub lease payments. Company has option to purchase the assets at the end of the lease term. There are no restrictions imposed by these lease arrangements regarding dividend, additional debt and further leasing.

36. In line with the applicable accounting standards, during the year, interest amounting to ₹ 10.27 million (Previous Year: ₹ 27.89 million) and preoperative expenses including trial run expenses (net) for projects and/or substantial expansions amount to ₹ Nil (Previous Year: ₹ 2.77 million) have been capitalised/pending capitalisation up to the date of commercial production/stabilisation of the project. Preoperative expenses include salary of ₹ Nil (Previous Year: ₹ 1.43 million) and ancillary Cost in connection with the arrangement of borrowings of ₹ Nil (Previous Year: ₹ 1.34 million). The said expenditure (net of trial run receipts), so capitalised are accumulated as capital work-in-progress and have been allocated to respective fixed assets to the extent fixed assets were put to use and balance is appearing in capital work-in-progress.

iv) Another suit (OS No. 5561/2014) is pending before the City Civil Court, Bangalore and has been filed against the Company by Shivashakti Bui

37. Disclosure required by Accounting Standard 29 (AS-29) "Provisions, Contingent Liabilities and Contingent Assets"

Movement in provisions

(₹ in million)

Particulars of disclosure	Excise duty	Provisions for doubtful receivable	Provision for of closure of certain units of retail segment
1 Balance as at 1st April, 2014	5.20 (5.95)	7.55 (0.63)	- (-)
2 Additional provision during 2014-2015	4.08 (5.20)	10.03 (6.92)	233.49 (-)
3 Provision used during 2014-15	5.20 (5.95)	- (-)	- (-)
4 Balance as at 31st March, 2015	4.08 (5.20)	17.58 (7.55)	233.49 (-)

a. Previous year figures are given in parenthesis.

b. Provision for excise duty represents the excise duty on closing stock of finished goods and also in respect of written off/provision of write down of inventory.

Notes to the Financial Statements

38. Derivatives

Foreign currency exposures not hedged by derivative instrument:

	Amount (foreign currency in million)			
	As at 31st March, 2015		As at 31st March, 2014	
Amount receivable on account of sale of goods	USD	3.94	USD	4.09
	EURO	0.72	EURO	0.71
Amount payable on account of purchase of goods, services etc	USD	9.22	USD	12.35
	EURO	0.01	EURO	0.11

iv) Another suit (OS No. 5561/2014) is pending before the City Civil Court, Bangalore and has been filed against the Company by Shivashakti Builders

39. Pursuant to Companies Act, 2013 ("the Act"), being effective from 1st April, 2014, the Company has revised depreciation rates on fixed assets as per the useful life specified in part "C" of Schedule II of the Act. As a result of the change, the depreciation charges is higher by ₹ 9.58 million for the year ended 31st March, 2015. Further based on transitional provision provided in note 7 (b) of the said Schedule, an amount of ₹ 9.48 million, where useful life has become nil in terms of the said schedule, has been debited to the opening balance of the surplus/(deficit).

40. Loan to Holding Company, including interest thereon pursuant to information required to be disclosed under clause 32 of listing agreement.

Particulars	(₹ in million)			
	Outstanding amount (including interest accrued thereon)		Maximum balance outstanding during the year	
	As at 31 March, 2015	As at 31 March, 2014	2014-15	2013-14
Jubilant Industries Limited	10.95	-	10.95	-

41. Employee benefits have been calculated as under:

(A) Defined contribution plans

- a) Provident fund*
- b) Superannuation fund

During the year the Company has contributed following amounts to:

	(₹ in million)	
	For the year ended 31st March, 2015	For the year ended 31st March, 2014
Employer's contribution to provident fund	9.99	10.59
Employer's contribution to employee pension scheme, 1995	14.99	12.66
Employer's contribution to superannuation fund	2.96	3.20

* For certain employees where provident fund is deposited with Government Authorities e.g. Regional Provident Fund Commissioner.

c) State plans

During the year the Company has contributed following amounts to:

For the year ended 31st March,	(₹ in million)	
	For the year ended 31st March, 2015	For the year ended 31st March, 2014
Employer's contribution to employee state insurance	6.15	5.67

Notes to the Financial Statements

(B) Defined benefit plan

a) Compensated absences and gratuity

In accordance with Accounting Standard 15, an actuarial valuation has been carried out in respect of gratuity and compensated absences. The discount rate assumed is 8 % which is determined by reference to market yield at the Balance Sheet date on Government bonds. The retirement age has been considered at 58 to 60 years and mortality table is as per IALM (1994-96).

The estimates of future salary increases, considered in actuarial valuation 5% take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Reconciliation of opening and closing balances of the present value of the defined benefit obligation:

(₹ in million)

	Gratuity*		Leave encashment	
	31st March, 2015	31st March, 2014	31st March, 2015	31st March, 2014
Present value of obligation at the beginning of the year	70.11	60.77	38.50	32.95
Current service cost	8.45	9.03	7.69	10.42
Interest cost	5.61	4.86	3.08	2.64
iv) Actuarial (gain)/loss	0.04	4.09	(0.92)	0.96
Benefits paid	(14.59)	(8.64)	(12.10)	(8.47)
Present value of obligation at the end of the year	69.62	70.11	36.25	38.50

Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets:

(₹ in million)

	Gratuity*		Leave encashment	
	31st March, 2015	31st March, 2014	31st March, 2015	31st March, 2014
Present value of obligation at the end of the year	69.62	70.11	36.25	38.50
Fair value of plan assets at end of the year	-	-	-	-
Assets/(Liabilities) recognized in the Balance Sheet	(69.62)	(70.11)	(36.25)	(38.50)

Cost recognized for the year (included under salaries, wages, bonus, gratuity & allowances):

(₹ in million)

	Gratuity*		Leave encashment	
	31st March, 2015	31st March, 2014	31st March, 2015	31st March, 2014
Current service cost	8.45	9.03	7.69	10.42
Interest cost	5.61	4.86	3.08	2.64
Actuarial (gain)/loss	0.04	4.09	(0.92)	0.96
Net cost recognized during the year	14.10	17.98	9.85	14.02

*Excluding for certain employees of Sahibabad unit.

Reconciliation of opening and closing balances of the present value of the defined benefits obligation**:

(₹ in million)

	Gratuity	
	31st March, 2015	31st March, 2014
Present value of obligation at the beginning of the year	5.85	5.01
Current service cost	0.41	0.40
Interest cost	0.48	0.40
Actuarial (gain)/loss	0.36	0.32
Benefits paid	(0.46)	(0.18)
Present value of obligation at the end of the year	6.74	5.95

Notes to the Financial Statements

Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets**:

(₹ in million)

	Gratuity	
	31st March, 2015	31st March, 2014
Present value of obligation at the end of the year	6.74	5.95
Fair value of plan assets at end of the year	6.83	6.43
Funded status excess of actual over estimated	-	0.02
Assets/(Liabilities) recognized in the Balance Sheet	0.09	0.48

Cost recognized for the year (included under Salaries, Wages, Bonus, Gratuity & Allowances)**: (Funded with Life Insurance Corporation of India)

(₹ in million)

	Gratuity	
	31st March, 2015	31st March, 2014
iv) A Current service cost	0.41	0.40
Interest cost	0.48	0.40
Actuarial (gain)/loss	0.36	0.30
Expected return on plan assets	(0.58)	(0.52)
Net cost recognized during the year	0.67	0.58

** In respect of certain employees of Sahibabad unit.

Experience Adjustment:

(₹ in million)

	Gratuity		Leave encashment	
	31st March, 2015	31st March, 2014	31st March, 2015	31st March, 2014
Defined benefit obligation	76.36	76.06	36.25	38.50
Plan assets	6.83	6.43	-	-
Surplus/(Deficit)	(69.53)	(69.63)	(36.25)	(38.50)
Experience adjustment of plan liabilities-(loss)/gain	(0.41)	(4.45)	0.92	(0.99)
Experience Adjustment of plan assets-(loss)/gain	(0.03)	0.03	-	-

b) Provident Fund

The Guidance on implementation of AS 15, Employee Benefits (Revised 2005) issued by Accounting Standard Board (ASB) states that benefits involving provident funds, which require interest shortfall to be compensated, are to be considered as defined benefit plans. The actuary has worked out a liability of ₹ Nil (Previous Year: ₹ Nil) likely to arise towards interest guarantee. The Trust is managing common corpus of some of the group companies. The total liability of ₹ Nil (Previous Year: ₹ Nil) as worked out by the actuary has been allocated to each entity based on the corpus value of each entity as on 31st March 2015. Accordingly, liability of ₹ Nil (Previous Year: ₹ Nil) has been allocated to the Company and ₹ Nil (Previous Year: ₹ (0.37) million) has been charged to Statement of Profit and Loss during the year. The Company has contributed ₹ 16.43 million (Previous Year: ₹ 18.59 million) to provident fund for the year.

(C) Other Long Term Benefits

(₹ in million)

	31st March, 2015	31st March, 2014
Present value of obligation at the end of the year	3.26	3.60

42. Segment Reporting

i) Based on the guiding principles given in Accounting Standard 17 (AS 17) on "Segment Reporting", the Company's primary business segments are organized around customers on industry and products lines as under:

- Performance Polymers: Adhesives and Wood Finish, Food Polymer (Solid PVA), and VP Latex & SBR Latex
- Agri Products: Single Super Phosphate, Sulphuric Acid and Agro Chemicals for Crop Products
- Retail: This segment is engaged in running and maintaining hypermarkets cum malls.

ii) In respect of secondary segment information, the Company has identified its geographical segments as:

- With in India, and
- Outside India.

Notes to the Financial Statements

III) The financial information about the primary business segments is presented in the table given below:

(₹ in million)

For the year ended/As at 31st March,		Performance Polymers		Agri Products		Retail		Total	
		2015	2014	2015	2014	2015	2014	2015	2014
1)	Revenue from operations	3,603.03	3,785.01	1732.55	1957.23	3346.73	3605.17	8682.31	9347.41
	Less: Excise duty on sales	299.71	292.57	34.18	28.54	-	-	333.89	321.11
	Net revenue from operations	3303.32	3,492.44	1698.37	1,928.69	3346.73	3,605.17	8348.42	9,026.30
2)	Segments result	270.37	485.59	37.85	(73.38)	(706.19)	(602.93)	(397.97)	(190.72)
	Less:								
	Exceptional Items (Related to Retail Business)					233.49	(850.90)	233.49	(850.90)
	Interest (net)							380.96	305.51
	Other Un-allocable expenditure (net of Un-allocable income)							108.99	138.37
	Total profit/(loss) before tax	270.37	485.59	37.85	(73.38)	(939.68)	247.97	(1,121.41)	216.30
3)	Capital employed (segment assets-segment liabilities)								
	Segment assets	1,723.05	1,770.01	1,550.19	1,658.94	2,587.73	2,834.24	5,860.97	6,263.19
	Add: Common assets							287.32	267.19
	Total assets	1,723.05	1,770.01	1,550.19	1,658.94	2,587.73	2,834.24	6,148.29	6,530.38
	Segment liabilities	497.15	663.11	414.40	499.52	1,008.55	762.94	1,920.10	1,925.57
	Add: Common liabilities							81.11	80.61
	Total liabilities	497.15	663.11	414.40	499.52	1,008.55	762.94	2,001.21	2,006.18
	Segments capital employed	1,225.90	1,106.90	1,135.79	1,159.42	1,579.18	2,071.30	3,940.87	4,337.62
	Add: Common capital employed							201.21	186.58
	Total capital employed	1,225.90	1,106.90	1,135.79	1,159.42	1,579.18	2,071.30	4,142.08	4,524.20
4)	Segment capital expenditure	50.14	37.59	20.46	132.57	171.11	85.86	241.71	256.02
	Add: Common capital expenditure							4.98	22.99
	Total capital expenditure	50.14	37.59	20.46	132.57	171.11	85.86	246.69	279.01
5)	Depreciation & amortization	31.68	32.67	34.97	22.25	229.91	252.18	296.56	307.10
	Add: Common depreciation & amortization							9.50	7.99
	Total depreciation & amortization (Charged to Statement of profit and loss)	31.68	32.67	34.97	22.25	229.91	252.18	306.06	315.09

Notes to the Financial Statements

I V) Secondary segments (geographical segments):

		(₹ in million)	
For the year ended/As st 31st March,		2015	2014
a)	Revenue from operations by geographical location of customers (net of excise duty)		
	Within India	7258.38	7729.11
	Outside India	1090.04	1297.19
	Total	8348.42	9026.30
b)	Carrying amount of segment assets		
	Within India	5848.20	6226.84
	Outside India	295.09	303.54
	Total	6143.29	6530.38
c)	Capital expenditure		
	Within India	246.69	279.01
	Outside India	-	-
	Total	246.69	279.01
d)	Revenue from operations by geographical market		
	India	7258.38	7729.11
	Americas & Europe	856.83	961.26
	China	75.29	154.39
	Asia & Others	157.92	181.54
	Total	8348.42	9026.30

- 1) The Company has disclosed business segments as the primary segments.
- 2) Segments have been identified and reported taking into account the nature of products and services, the differing risk and returns, the organization structure and the internal financial reporting systems.
- 3) The segment revenues, results, assets and liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

Notes to the Financial Statements

43. Related Party Disclosures

1) Related parties where control exists:

Holding Company: Jubilant Industries Limited

Fellow Subsidiary Company: Jubilant Industries Inc. USA

2) Other Related parties with whom transactions have taken place during the year:

a) Key management personnel: Mr. Videl Jaijuria (Whole Time Director), Mr. Raman Mangalorkar (Whole Time Director)

b) Enterprise over which directors and major shareholders of the Company have substantial influence: Jubilant Life Sciences Limited, Jubilant Life Sciences (USA) Inc. USA, Jubilant Generics Limited, Jubilant Enpro (P) Limited, Jubilant Motor Works (P) Limited

c) Others: Pace Marketing Specialities Limited Officer's Superannuation Scheme (Trust), VAM Employees Provident Fund Trust, Jubilant Bhartia Foundation.

3) Details of related party transactions during the year:

(₹ in million)

iv) Another suit (OS No. 5561/2014) is pending before the City Civil Court, Bangalore and has been filed against the Company by Shivashakti Builders (the lessor) amounting to ₹ 218.86 million. The matter relates to damages allegedly suffered by the plaintiff due to the termination of a lease arrangement between the parties. The Company has filed detailed objections to the plaint and has explained the reasons as to why it terminated the	Holding company	Fellow subsidiary company	Key management person	Enterprise over which directors and major shareholders of the Company have substantial influence	Others
i) Purchase of goods, utilities & services (b)				167.84 (238.21)	
ii) Sale of goods, utilities & services (c)		516.11 (-)		220.22 (662.13)	
iii) Payment of rent to (d)				31.79 (37.40)	
iv) Contribution towards provident fund (e)					39.76 (42.24)
v) Contribution towards superannuation fund (f)					2.96 (3.20)
vi) Donation (g)					(3.45)
vii) Inter-corporate loans taken (h)				465.00 (-)	
viii) Inter-corporate loans given (i)	10.00 (-)				
ix) Interest expense on inter-corporate loan taken (j)				16.47 (-)	
x) Interest income on inter-corporate loan given (k)	1.06 (-)				
xi) Remuneration and related expenses (l)			39.93 (39.09)		

Notes to the Financial Statements

Balance as at 31st March, 2015					
Particulars	Holding company	Fellow subsidiary company	Key management person	Enterprise over which directors and major shareholders of the Company have substantial influence	Others
xii) Current account debit/credit (-) balance (m)	122.42 (115.09)			-13.30 (-14.22)	
xiii) Outstanding payables (n)				8.98 (37.19)	
xiv) Outstanding receivables (o)		183.92 (-)		10.00 (181.39)	
xv) Equity share capital held by (p)	0.50 (0.50)				
xvi) 10% Optionally convertible non-cumulative redeemable preference share capital held by (q)	1648.82 (1648.82)				
xvii) 10% Non-cumulative redeemable preference share capital held by (r)	974.80 (974.80)				
xviii) Outstanding of inter-corporate loans taken (s)				465.00 (-)	
xix) Outstanding of inter-corporate loans given (t)	10.00 (-)				
xx) Interest payable on inter-corporate loan taken (u)				14.82 (-)	
xxi) Interest receivable on inter-corporate loan given (v)	0.95 (-)				
xxii) Financial guarantee received from and outstanding at the end of the year (w)	3377.99 (4900.00)			1,977.62 (-)	

a) Previous year figures are given in parenthesis.

Details of related party transactions Individually:

For the Year Ended/As at 31st March,		(₹ in million)	
		2015	2014
b)	Purchase of goods, utilities & services:		
	Enterprise over which directors and major shareholders of the Company have substantial influence:-		
	Jubilant Life Sciences Limited	165.72	238.21
	Jubilant Generics Limited	2.12	-
c)	Sale of goods, utilities & services:		
	Enterprise over which directors and major shareholders of the Company have substantial influence:-		
	Jubilant Life Sciences Limited	129.89	120.16
	Jubilant Life Sciences (USA) Inc. USA	90.33	541.97
	Fellow subsidiary Co:-		
	Jubilant Industries Inc. USA	516.11	-
d)	Payment of rent to:		
	Enterprise over which directors and major shareholders of the Company have substantial influence:		
	Jubilant Life Sciences Limited	31.79	37.40
e)	Contribution towards provident fund:		
	Others:-		
	VAM Employees Provident Fund Trust	39.76	42.24
f)	Contribution towards superannuation fund:		
	Others:-		
	Pace Marketing Specialities Limited Officer's Superannuation Scheme	2.96	3.20
g)	Donation:		
	Others:-		
	Jubilant Bhartia Foundation	-	3.45

Jubilant Agri And Consumer Products Limited

Notes to the Financial Statements

		(₹ in million)	
For the Year Ended/As at 31st March,		2015	2014
h) Inter-corporate loans taken :			
Enterprise over which directors and major shareholders of the Company have substantial influence:			
	Jubilant Enpro (P) Limited	200.00	-
	Jubilant Motor Works (P) Limited	265.00	-
i) Inter-corporate loans given :			
Holding Co.:-			
	Jubilant Industries Limited	10.00	-
j) Interest expense on inter-corporate loans taken :			
Enterprise over which directors and major shareholders of the Company have substantial influence:-			
	Jubilant Enpro (P) Limited	11.20	-
	Jubilant Motor Works (P) Limited	5.27	-
k) Interest income on inter-corporate loans given :			
Holding Co.:-			
	Jubilant Industries Limited	1.06	-
l) Remuneration and related expenses:			
Key management personnel:-			
	Videh Jaipuria (Whole Time Director)	20.00	17.00
	Raman Mangalorkar (Whole Time Director)	19.93	22.09
m) Current Account debit/(credit) balances:			
Holding Co.:-			
	Jubilant Industries Limited - Receivable/(Payable)	122.42	115.09
Enterprise over which directors and major shareholders of the Company have substantial influence:-			
	Jubilant Life Sciences Limited - (Payable)	(13.30)	(14.22)
n) Outstanding payables:			
Enterprise over which directors and major shareholders of the Company have substantial influence:-			
	Jubilant Life Sciences Limited	8.46	37.19
	Jubilant Life Sciences (USA) Inc. USA	0.31	-
	Jubilant Generics Limited	0.21	-
o) Outstanding receivables:			
Enterprise over which directors and major shareholders of the Company have substantial influence:-			
	Jubilant Life Sciences Limited	10.00	9.67
	Jubilant Life Sciences (USA) Inc. USA	-	171.72
Fellow subsidiary Co.:-			
	Jubilant Industries Inc. USA	183.92	-
p) Equity share capital held by:			
Holding Co.:-			
	Jubilant Industries Limited	0.50	0.50
q) 10% Optionally convertible non-cumulative redeemable preference share capital held by:			
Holding Co.:-			
	Jubilant Industries Limited	1648.82	1648.82
r) 10% Non-cumulative redeemable preference share capital held by:			
Holding Co.:-			
	Jubilant Industries Limited	974.80	974.80
s) Outstanding of inter-corporate loans taken :			
Enterprise over which directors and major shareholders of the Company have substantial influence:-			
	Jubilant Enpro (P) Limited	200.00	-
	Jubilant Motor Works (P) Limited	265.00	-
t) Outstanding of inter-corporate loans given :			
Holding Co.:-			
	Jubilant Industries Limited	10.00	-
u) Interest payable on inter-corporate loans taken :			
Enterprise over which directors and major shareholders of the Company have substantial influence:-			
	Jubilant Enpro (P) Limited	10.08	-
	Jubilant Motor Works (P) Limited	4.74	-
v) Interest receivable on inter-corporate loans given :			
Holding Co.:-			
	Jubilant Industries Limited	0.05	-
w) Financial guarantee received from and outstanding at the end of the year:			
Holding Co.:-			
	Jubilant Industries Limited	3,377.99	4,900.00
Enterprise over which directors and major shareholders of the Company have substantial influence:-			
	Jubilant Enpro (P) Limited	1,977.62	-

Related party relationship is as identified by the Company and relied upon by the Auditors.

Jubilant Agri And Consumer Products Limited

Notes to the Financial Statements

44. Value of Imports calculated on CIF basis:

	₹ in million	
	For the year ended 31st March, 2015	For the year ended 31st March, 2014
Raw materials	1800.12	1344.38
Stores & Spares	0.44	2.16
Capital Goods	6.75	4.40

45. Expenditure in Foreign Currency:

	₹ in million	
	For the year ended 31st March, 2015	For the year ended 31st March, 2014
Travel/Entertainment expenses	1.52	3.35
Commission on export sales	2.50	2.72
Legal, Professional & Consultancy charges	1.80	10.71
Testing fees	0.11	8.00
iv) Another suit (OS No. 5561/2014) is pending befo	7.48	9.39

46. Earnings in Foreign Exchange:

	₹ in million	
	For the year ended 31st March, 2015	For the year ended 31st March, 2014
Export of goods (FOB value)	1069.69	1269.45

47. Earnings per share (EPS)

		For the year ended 31st March, 2015	For the year ended 31st March, 2014
I Profit computation for basic & diluted earnings per share of ₹ 10/- each			
Net profit/(loss) as per Statement of Profit & Loss available for equity shareholders	₹ in million	(1121.41)	258.34
II Weighted average number of equity shares for earnings per share computation			
(A) For basic earnings per share	Nos	50000	50000
(B) For diluted earnings per share	Nos	50000	50000
III Earnings per share (weighted average)			
Basic	₹	(22428.25)	5166.73
Diluted	₹	(22428.25)	5166.73

48. Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/ disclosure.

Signatures to Notes "1" to "48" forming part of the Balance Sheet and Statement of Profit and Loss.

Terms of our report of even date attached.

M. K. N. Gupta & Co.
Chartered Accountants
Registration Number: 304153E

For and on behalf of the Board

R. Goyal
Partner
Membership No. 12172

Vidheh Kumar Jaipuriar
Whole Time Director

Priyavrat Bhartia
Director

Place: Noida
Date: 28th October, 2015

Sheetal Kapoor
Company Secretary

Sandeep Kumar Shaw
Chief Financial Officer