Coromandel
FUTURE POSITIVE

Nurtured well,
Growth is contagious.

Coromandel International Limited
Annual Report 2017-18

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Forward-looking Statements

Statements in the Annual Report detailing the Company's objectives, projections, estimates, expectations or predictions may be forward-looking statements within the meaning of applicable securities laws and regulations. Since these statements are based on certain assumptions and expectations of future events, the actual results could differ materially from those expressed or implied. The important factors that could make a difference to the Company's operations include the economic conditions affecting the domestic demand-supply conditions, prices of finished goods, the changes in government regulations because of the tax regime, etc. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of subsequent developments, information or events.

Nurtured well,

Growth is contagious

When human nurtures what environment incubates, **growth is contagious.**

Businesses that align well with nature and orient themselves with a larger cause of social well-being create a kind of growth that spreads across to become contagious. Contagious, because it helps the environment to renew, recharge and regrow. It helps people better their lives. It sees life in every human interface – customers, end users, employees, channel partners, shareholders, vendors, lenders and also the less privileged vulnerable communities around its sphere of business.

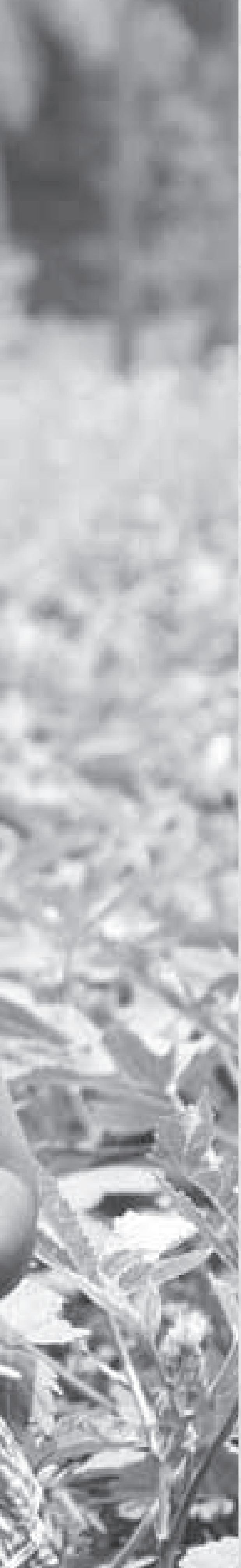
A responsible business bears foresight that transcends generations. Often, it is driven by a larger purpose of benefitting the mankind and built upon a fair and just business objective.

At Coromandel, we continue to nurture growth that has a vibrant socio-environmental fabric intrinsically woven into it. As a prominent agri solutions company, we are helping ~2 crore farmers across various countries to enhance their contribution towards a well-fed and well-clothed global populace. We are a formidable team empowering growth of our customers and shareholders while also ensuring welfare of our employees and their families.

We are mindful of the flora and fauna and people and communities within and around our area of operations. When it comes to economic aspect of our business, we remain driven by the guiding principle of our parent, Murugappa Group, that advocates – "the fundamental philosophy of economic activity is that no man you transact with will lose, then you shall not."

Healthy farm, happy farmers.

Growth is contagious.



We firmly believe that 'Healthy crop resides in a healthy farm'. Since commencement of our business, we have been partnering with the farming community to provide integrated crop solutions, which lead to healthy farms. Our sustainable farming approach encompasses improving soil health, balancing nutrition and providing responsible crop care through a series of crop interventions.



Thanks to many decades of research and farm experiences, we understand the challenges farmers have to face. We are cognizant of adverse impact that nutrient imbalance in soils is posing on farm yields in India. To address this problem, we have been regularly carrying out tests to measure the organic carbon, primary and secondary nutrient content in the soils. In addition, the Nutrient Management tool, deployed through our ~800 Retail Centers, have been providing soil health based nutrient recommendations in order to improve farmers' earning. During the year, based on the tool, ~3 lakh recommendations were extended to the farming community, promoting balanced nutrition practices.

Promoting Fertigation

A vast majority of Indian farms are still dependent on monsoon. In order to minimize the impact of monsoon vagaries, we are promoting judicious water usage. We have pioneered the science of efficient nutrient management through foliar sprays and fertigation application.

During the year, we undertook a pilot project to encourage farmers already using drip irrigation to adopt fertigation by administering a scientifically designed nutrient schedule on horticulture and pulses. The outcome of these trials have been very encouraging with the average Marginal Cost Benefit Ratio (MCBR) reported in excess of 11.

Our operations directly touch lives of over 2 crore families, providing means of livelihood to one of the quintessential segments of the society. Our close association with the farming community inspires us to push our boundaries and work towards improving our capabilities for effectively servicing the farmers.

We firmly believe that 'Happy employees make customers happy'. Our employee well-being initiatives aim to strike a balance between professional and personal aspects, thereby creating a pool of happy families and not just happy employees.

Coromandel's mission "To enhance prosperity of farmers through quality farm solutions with sustainable value to all stakeholders" drives our pursuit of quality, encompassing all the aspects of business. For us, Quality is synonymous to delivering what we promise, assuring reliability and enhanced value, with the aim of delighting the customers.

Improving Crushing Strength

In May 2017, our Total Quality Management (TQM) team from Kakinada, during its regular visit to the farmers to understand their pain points, found an opportunity to improve the crushing strength of one of its product. To address this, a Six Sigma project was undertaken. Through a systematic approach of monitoring factors like plant load v/s moisture, raw material quality, etc. and our in-house capability of trained professionals, the issue was addressed, and product of greater crushing strength was manufactured.

Thus, an enabling environment at Coromandel breeds learning and caring culture, motivating our employees towards bringing prosperity in the farmer's life.

Happy farmers, motivated employees.

Growth is contagious.

Motivated employees, harmonious ecology.

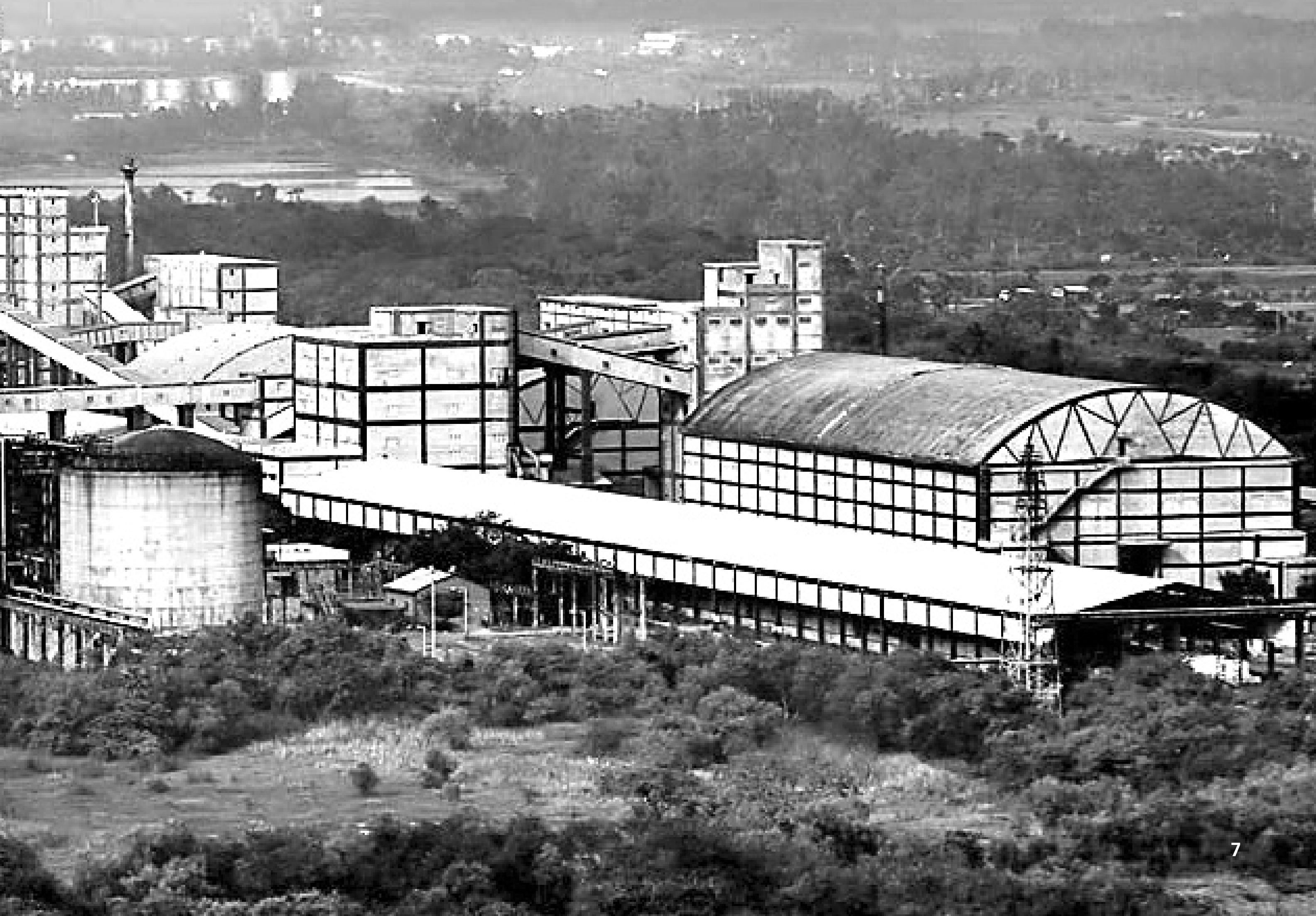
Growth is contagious

“Human beings live in the realm of nature; they are constantly surrounded by it and interact with it.”

As a leading agri solutions provider in India, we constantly operate and transact in an environment that closely impacts the ecology and touches the society at large. We understand our responsibility towards maintaining the ecological balance and remain committed towards developing sustainable solutions.

During the year, our environmental commitment remained firm. We expanded the coverage under the green belt with overall 10000 fresh tree saplings. Our fertiliser plants are amongst the greenest manufacturing units in India, with around 45 percent of the area under green belt coverage. We have been constantly pushing ourselves on reducing our carbon and water footprint by technological interventions and aim to achieve zero liquid discharge operations. To bring transparency in our environmental compliance processes, we have deployed online emission monitoring systems across our manufacturing units which are connected to Pollution Control Board websites.

Our initiative towards converting Phospho gypsum heaps at Visakhapatnam into Green belt has been well recognized and is being used as a benchmark for land reclamation in Fertiliser industry, both nationally and globally.



Kakinada Plant - A unique benchmark for sustainable manufacturing

In our bid to support initiatives leading to sustainable conservation measures and improve our understanding of the fragile ecosystems in relation to ecology, field biology, and conservation, Coromandel 'Birds Paradise' at Kakinada plant was conceived. In collaboration with EGREE foundation, Coromandel - Kakinada plant's surroundings have become the largest breeding site in the East Godavari district for a variety of bird species, including the Grey Heron and the Painted Storks.

The flora and fauna here is diverse and unique to the eco-system and houses around 100 species of birds mainly Waterfowls, Waders including Flamingos, Raptors, Bustards, Coursers, Cranes, Sandgrouse, Larks, Shrikes, Wheatears, and Chats.

Over the last two years, our efforts at Kakinada plant have been well recognized and extensively filmed by United Nations Development Programme and Discovery channel.

Birds Paradise, Kakinada

Harmonious ecology, happy community

Growth is contagious.

As India takes big stride towards economic growth, it becomes essential to take the societal aspect into the paradigm of development and inclusiveness. The very existence of an enterprise depends upon the welfare of the community and its ecosystem in which it resides.

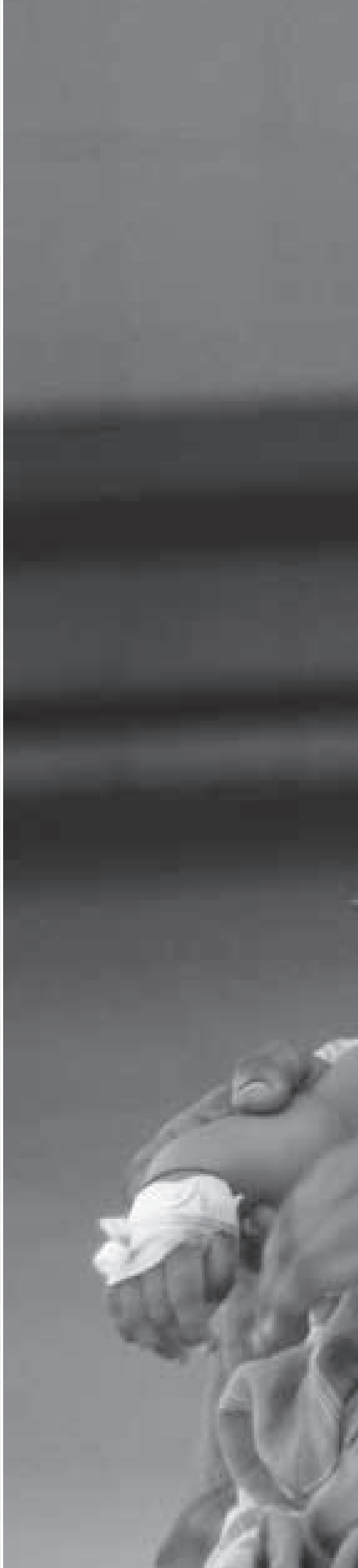
We strongly believe and practice the principle of developing through sustainable means. We have been in the forefront of discharging our responsibilities towards various sections of society. We give back to the society by providing opportunities to learn, contribute, advance and innovate. We aim at improving education, health, community development, innovation, capability enhancement and empowerment of the communities around our ecosystem.

Pediatric ward GGH - A Model of Care & Quality

We have been supporting Pediatric ward at Government General Hospital (GGH), Kakinada catering to the health needs of critically ill children. The ward is projected as a Model Facility for the hospital and has been showcased to other companies for replication. Over the last three years, the ward has treated ~21,367 critically ill children, reducing the Mortality rate from 11.4% to 3.6% by improving quality of treatment among infants.

Ms. Lakshmi Prasanna, a house wife from Santuvaripalem village in Kondavarma mandal of East Godavari District of Andhra Pradesh faced complications during her caesarean section delivery at one of the private hospitals. The baby needed urgent medical attention but the cost of treatment was estimated at ~ ₹ 2.5 lakhs. The family belonging to the lowest economic strata, could not afford this kind of money and feared the loss of their first child. They were referred to the Pediatric ward in GGH, where the child was immediately admitted and was put on the ventilator. After undergoing treatment for next 14 days, the baby fully recovered much to the relief of the stressed parents.

For its initiatives in GGH, Coromandel has won prestigious National Award from 'Public Relations Society of India (PRSI)' in the category of Best CSR project for Childcare.



We are Coromandel

One of India's largest integrated agri solutions providers, we, Coromandel International Ltd., are a flagship company of the diversified ₹329 billion Murugappa Group.

Our roots can be traced back to 1906 when our parent company E.I.D Parry started operating the first Single Super Phosphate plant in India at Ranipet. Currently, with the manufacturing capacity at nearly 4.5 million tons, we provide unique crop solutions to nearly 2 Crore farmers in India and around the world. We rank amongst the leading Indian manufacturers and marketers of Crop Protection products. We have been collaborating with farmers and bringing the latest innovations in farm technology to improve their overall well-being through our high quality products. We accomplish this through our wide network of around 800 Retail Centers across the states of Andhra Pradesh, Telangana, Karnataka and Maharashtra.

Vision

To be the leaders in Farm Solutions business in geography of choice, consistently delivering superior value to stakeholders through highly engaged employees, with a strong commitment towards sustainability and our values

Mission

To enhance prosperity of farmers through quality farm solutions with sustainable value for all stakeholders

2nd LARGEST

phosphatic fertiliser player in India with ability to manufacture 12 grades

5th LARGEST

Indian Crop Protection Chemical player

800 OUTLETS

Largest Rural Retail chain across India

NO. 1 ORGANIC & SSP

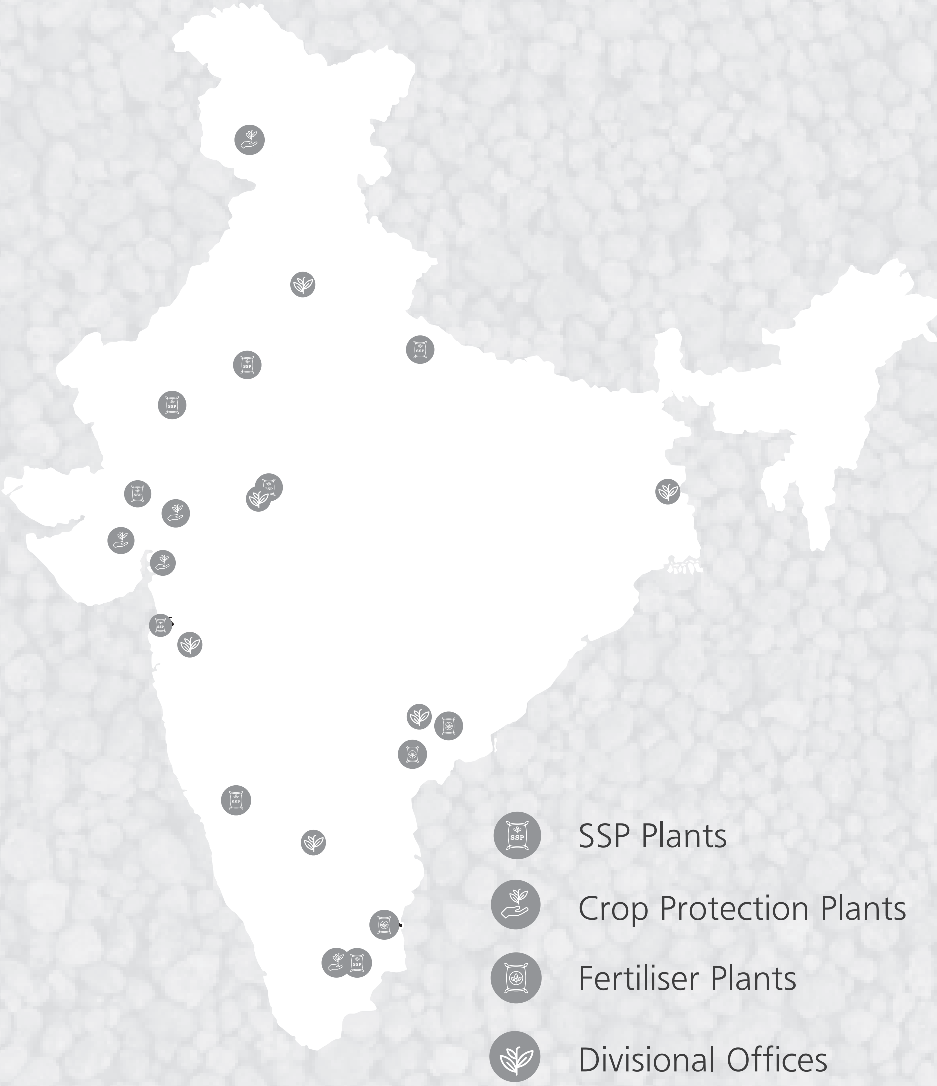
player in India

16% MARKET SHARE

in Phosphatic fertilisers

PIONEERS AND MARKET LEADERS

in Specialty Nutrients segment



Manufacturing Footprints

We are India's second largest phosphatic fertiliser manufacturer, contributing around a fifth of domestic capacity. Over the years, our plants have developed operational flexibility to manufacture multiple products from different rock phosphate and phosphoric acid combination, making us amongst the lowest cost producers in India.

Sales Footprints

We have significantly grown over the years, diversifying our business operations, product offerings and market presence. With the acquisition of erstwhile Sabero Organics in 2011, we expanded our footprints in export markets and presently it constitutes ~44% of the Crop Protection revenues. After integrating erstwhile Liberty Phosphate operations in 2015, we established our presence in North and Central India markets.

Major milestones over last decade

2006
Entry into Specialty Nutrient and Organic Fertiliser segment

2007
Merger with erstwhile Godavari Fertiliser and Chemicals Ltd.

2008
Expansion in Retail segment through opening 300 outlets in Andhra

2010
Established JV with SQM Chile for realizing the growth opportunities in Water Soluble Fertiliser space

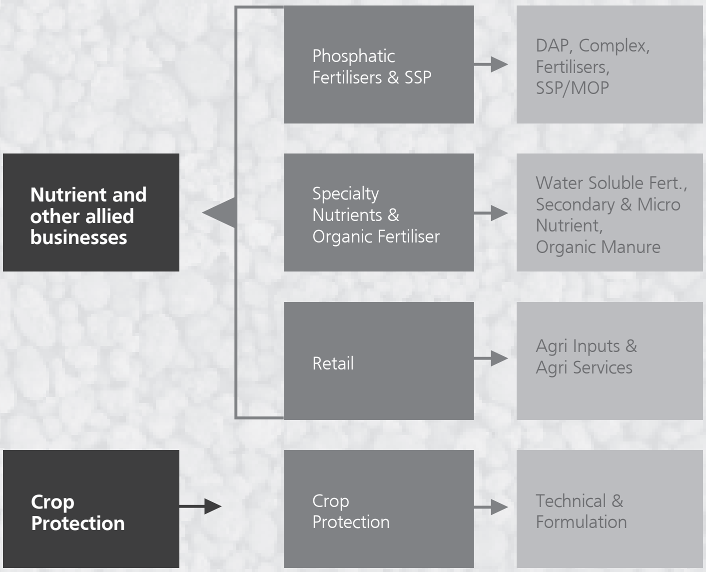
2011
Acquisition of erstwhile Sabero Organics providing access to international markets

2012
Technology tie up with Shell Technology for new product development

Product segments & offerings

Coromandel operates through two major segments: Nutrient and other allied businesses and Crop Protection, offering agriculture solutions across the farmer value chain. Dynamism is the nature of today's business and businesses need to embrace this fact and continuously evolve in order to sustain and prosper. Our business is no exception to this overall change. In the past few years, we have made a strategic shift in expanding our presence in the non-subsidy businesses. Our Crop Protection business offers market diversification opportunities and we now have operations in 81 international geographies through over 900 registrations. We have also expanded our market presence by venturing into Specialty Nutrients, Organic Manure, Retail and Farm Mechanization businesses. Our retail stores have strengthened us as a leading rural retail chain in India offering customer value proposition of Quality, Trust and Farm Advice. Around 800 of these stores located across 4 States, have an expanse of over 7 Lakhs sq ft. of total retail space.

Our value proposition to farmers



2013
Acquisition of erstwhile Liberty Phosphate Ltd providing foothold in West, Central and North India markets

2014
Established JV with Yanmar and Mitsui for capturing growth opportunities in farm mechanization space

2015
Set up Crop Protection R&D Center at Hyderabad for new product development and process improvement

2016
Strengthened marketing structure by setting up Integrated Nutrient Management team with Agronomist support

2017
Expansion of Retail operations in Maharashtra

2018
Acquisition of Bio Pesticide business from EID Parry

Snapshot FY18

Financial Highlights

₹ in Crores

	Year Ended 31st March									
	2018	**2017**	**2016**	**2015**	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**
Gross revenue	11044	10239	11690	11341	9442	8627	9940	7719	6527	9668
EBITDA	1278	1036	856	905	787	802	1142	1136	843	949
Depreciation and amortisation expense	97	100	106	103	82	59	56	62	59	56
Finance costs	178	224	221	209	211	177	117	86	75	85
Profit before tax	1003	712	529	592	494	566	970	988	708	808
Profit after tax	659	477	358	403	345	444	693	694	468	496
Net fixed assets	1348	1346	1357	1412	1238	1170	940	814	817	792
Networth	3172	2812	2503	2165	2233	2176	2371	1904	1435	1127
Borrowings	2731	2231	2677	2282	1518	2270	2464	1370	1918	1720
Deferred tax liabilities (net)	126	149	166	187	187	180	67	81	85	79
Total capital employed	6028	5192	5346	4634	3938	4626	4903	3355	3438	2927
Earnings per share (₹)*	22.57	16.35	12.29	13.85	12.05	15.70	24.57	24.69	16.72	17.74
Dividend on equity (%)	650	500	400	450	450	450	700	700	500	500
Book value per share (₹)*	108.48	96.41	85.91	74.30	78.86	76.90	83.92	67.56	51.16	40.28

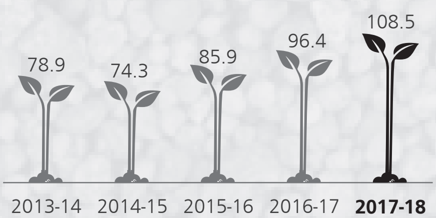
*Earnings per share and book value per share upto the year 2010 recomputed based on split face value of ₹1/per share.

Notes:

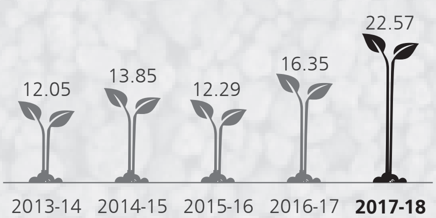
1. Financials upto 2009-10 are presented as per Old Schedule VI
2. Financials from 2010-11 and till 2014-15 are presented as per Revised Schedule VI
3. Financials from 2015-16 are presented as per Indian Accounting Standards (Ind AS)
4. Financials for 2014-15 include erstwhile Sabero Organics Gujarat Limited which merged with Coromandel effective 01 April, 2014
5. Financials from 2013-14 include erstwhile Liberty Phosphate Limited and erstwhile Liberty Urvarak Limited which merged with Coromandel effective 01 April, 2013

Key Performance Indicators

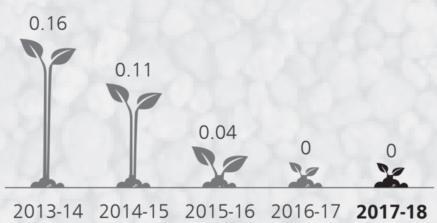
Book Value Per Share (in ₹)



Earnings Per Share (in ₹)



Long Term Debt/ Equity Ratio



Awards & Recognitions

Coromandel Kakinada & Visakhapatnam Units Bagged
'Best Management Award'
in recognition of harmonious Industrial Relations, Industrial Productivity and commendable contribution for the welfare of workers, from Labour Department, Govt of AP

Coromandel Ennore and Visakhapatnam sites won 4 STAR award from CII – Southern region for its
'EHS Excellence 2017'

Coromandel Visakhapatnam has won
'Environment Protection award for Complex Fertiliser Plant with Captive acids'
from Fertiliser Association of India during the year

'Silver Shield - ICAI Awards'
for Excellence in Financial Reporting for 2016-17

National CSR Awards from
'Public Relations Society of India (PRSI)'
in the category of Best CSR project for Childcare for the intervention in the Pediatric ward in the Government General Hospital in Kakinada

'ET NOW CSR Leadership Award'
for Best CSR practices

"Best Management Award" for Kakinada unit from Labour Department, Govt of AP


Silver Shield - ICAI Awards for Excellence in Financial Reporting for 2016-17

ET NOW CSR Leadership Award for 'Best CSR practices'

From the Chairman's Desk

Dear Shareholders,

It is indeed an honour and privilege to share my thoughts with you. First, I would like to convey my sincere thanks and gratitude to Mr A. Vellayan, under whose guidance and vision, Coromandel has become one of the leading farm solutions providers in India, growing in stature and earning respect from all stakeholders.

It has been an eventful year for India, marked by implementation of some bold reforms and policy changes like Goods and Services Tax, Bank Recapitalization, Insolvency and Bankruptcy Code, etc. that will set the reform tone in coming years. Overall, India's GDP growth at 6.7 percent in FY18 reinstated it as the world's fastest growing major economy. Today, the Indian economy is in a healthy shape with fiscal deficit at 3.5 percent levels, higher foreign exchange reserves and a marginal increase in inflation, signalling a positive outlook for 2018-19. During the year, India achieved its highest food grain output, with agri and allied sector growing at 3.4 percent. However, uncertainties in output price realization impacted the farmer's income. Government has laid out an ambitious plan to double the farm income by 2022, and towards this intends to fix the minimum support price for crops at 1.5 times the cost of production. We, at Coromandel, are aligned with this vision to improve farmer prosperity and our initiatives are aimed at improving the quality of produce to realize higher returns in addition to the improved crop yields.

The fertiliser industry witnessed the phased roll out of Direct Benefit Transfer (DBT) scheme, that intends to bring traceability across the fertiliser value chain and promote balanced nutrient practices. Considering the mammoth scale and complexity involved in connecting more than 2,00,000 retailers, the industry, along with the Department of Fertilizers (DoF), effectively took up the challenge and executed its implementation well. Though certain technical and operational glitches exist in the system, DoF is addressing the same and this is expected to be sorted out soon. DBT signals a significant shift in operating philosophy for the industry, and we expect its scope to be enhanced further in coming years, placing higher thrust on efficient nutrient application based on the soil health condition.

With the implementation of GST from July 2017 onwards, Phosphatics fertiliser industry has been impacted by an inverted duty structure, wherein incidence of tax on some raw material is higher than the output, resulting in significant credit

Looking ahead, we would like to continue our growth journey through strengthening the quality of customer engagement, enhancing safety and sustainability efforts and nurturing a progressive work culture, leading to happy and satisfied stakeholders.

accumulation. Though the GST Fitment Committee has partially brought down the tax rates on Phosphoric acid (a key raw material for manufacturing NPK fertiliser) from 18% to 12%, the existing structure continues to put a strain on the industry's working capital. We expect few course corrections to happen in future that will lend support to domestic manufacturers as part of Government's 'Make in India' initiative.

It was heartening to see that the Government is swiftly acting upon initiatives aimed towards improving the nutrient balance of Indian soils. After the DBT roll out and introducing neem coated Urea a year ago, Government has mandated the industry to market Urea in 45 kilogram (kg) bags instead of traditional 50 kg bags from 2018-19 onwards. Also, higher budgetary allocation towards NPK fertilisers signals a positive intent. However, price distortion between Urea and Phosphatics grades continues to influence the fertiliser consumption pattern leading to lopsided 'N' nutrient intake.

Coromandel has taken significant strides during the year towards enhancing farm prosperity by promoting healthy agricultural practices and providing quality farm solutions. Initiatives were mainly based around expanding crop-centric approach, soil security and quality consciousness among the farming community. Further, the benign commodity prices, stable exchange rate and comfortable raw material availability for a major part of the year supported the business growth. Our differentiated, value added offerings, continued to gain traction in the market, ably supported by the integrated nutrient marketing structure. To meet the changing business dynamics under DBT, we have strengthened our market presence by deploying additional manpower to improve the retailer connect.

Crop Protection business has shown growth across the domestic and export sectors, inspite of tight raw material supplies. Business is improving on its 'Concept to Commercialization' capabilities. Further, with the addition of Bio Pesticide operations post acquisition of the business from EID Parry, we expect to expand our market presence and product offerings in the Indian, North American and European markets.

On the Retail side, we have consolidated our operations in Andhra, Telangana and Karnataka and have set up five Custom Hiring Centres with support from State Government. These centres will provide farm mechanization services. Our continuous effort towards driving quality consciousness in the SSP segment resulted in significant policy change, mandating the marketers to print the name of the manufacturers on the bags thus ensuring subsidy eligibility only for the manufacturing unit from 2018-19 onwards.

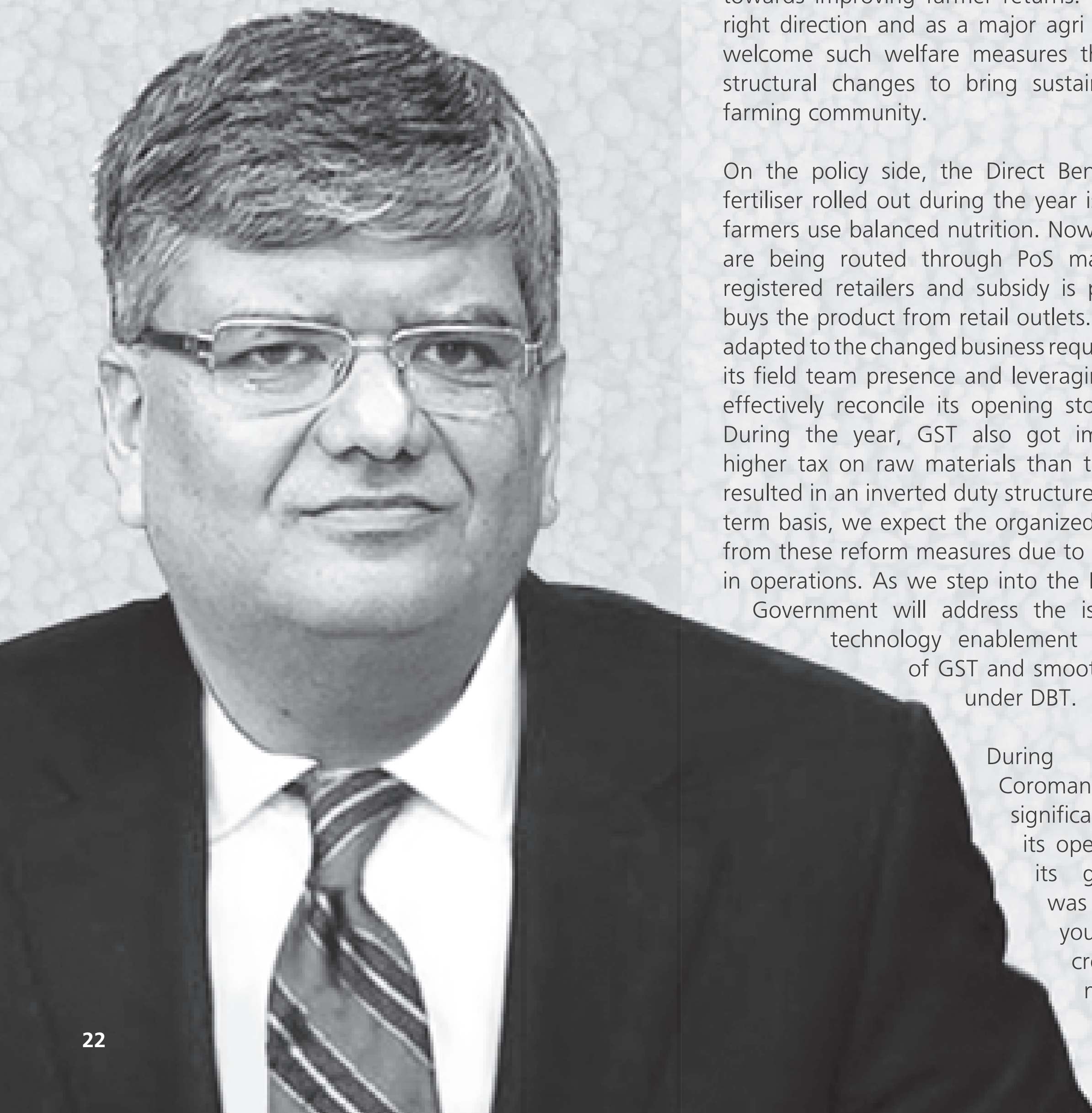
On the environment side, we continue to expand our green belt coverage at all Plant locations and our commitment towards society remains firm. Considering future growth opportunities, the Company is strengthening its talent pipeline and has an ongoing training and development programme which spans across leadership and functional management.

To the entire Coromandel team and its leadership, my most grateful thanks for their dedication, diligence and commitment towards achieving stretch goals at all times. My colleagues on the Board have been a great source of inspiration, strength and guidance to the team and to me personally. My sincere thanks and appreciation to them. Mrs. Nirupama Rao stepped down from the Board in May 2018.We thank her for her contribution and wish her well in all her future endeavours.

Looking ahead, we would like to continue our growth journey through strengthening the quality of customer engagement, enhancing safety and sustainability efforts and nurturing a progressive work culture, leading to happy and satisfied stakeholders. Being amongst the larger corporate houses with a focus on agriculture, Coromandel understands the responsibilities it carries towards empowering the farming community. We will continue to support and pioneer change to drive agricultural productivity and embrace technology to enhance farmer prosperity. I thank you for your undeterred trust and support in us towards this effort.

M M Murugappan
Chairman

From the desk of Managing Director



Dear Shareholders,

The year gone by witnessed another resolute performance by Indian farmers, recording its highest ever food grain and horticulture production for second year in succession, despite of weak north east monsoons. The volatility of agricultural growth in India has declined substantially and we salute our farmers for adapting to the environmental changes and improving their output over time, thereby meeting the expectation of ~1.3 billion Indians.

Our key markets in Andhra and Telangana benefitted from normal kharif rains and were well complimented by Government's proactive agrarian reforms targeting improvement in irrigation infrastructure, access to credit and insurance and promoting farm mechanization. Further, welfare schemes like Rythu Bandhu, providing direct investment support to farmers goes a long way towards improving farmer returns. These are steps in the right direction and as a major agri solutions provider; we welcome such welfare measures that creates long term structural changes to bring sustainable benefits to the farming community.

On the policy side, the Direct Benefit Transfer (DBT) in fertiliser rolled out during the year is expected to help the farmers use balanced nutrition. Now, all the fertiliser sales are being routed through PoS machines available with registered retailers and subsidy is paid when the farmer buys the product from retail outlets. Your Company swiftly adapted to the changed business requirement, strengthening its field team presence and leveraging technology tools to effectively reconcile its opening stocks across the states. During the year, GST also got implemented; however, higher tax on raw materials than the finished goods has resulted in an inverted duty structure. On a medium to long term basis, we expect the organized players would benefit from these reform measures due to improved transparency in operations. As we step into the New Year, I hope that Government will address the issues with respect to technology enablement for early stabilization of GST and smoothen subsidy payments under DBT.

During the year 17-18, Coromandel has made significant strides in improving its operations and continued its growth trajectory. It was heartening to see your Company's profits crossing the ₹1000 Cr milestone for the first time since its inception. The operational ratios have seen significant improvements, driven by good growth across businesses, efficiencies in operations and sourcing, flexibility in manufacturing, expanding market presence and increased branding focus. We have integrated our nutrient marketing efforts, improving our last mile connect with the farmers. Favorable external environment – stable raw material prices & exchange rate, near normal monsoon and lower channel inventory also aided our improved performance. All the business segments have shown healthy growth during the year and turned around its operations profitably.

Your Company's Fertiliser business recorded its best ever production and sales numbers, operating at 83% capacity and marketing ~2.8 mil ton phosphatic fertiliser. Overall, market share has improved to 15.8%, up from 14.6% a year ago, with major growth coming from value added unique fertiliser grades. We have reported significant improvement in our consumption and the channel stock remains at comfortable levels. We have been investing in plant infrastructure upgrades to improve operational flexibility and structural stability. Our phosphoric acid capacity augmentation project, that will improve our captive acid availability by additional 1 lakh tons and make the Visakhapatnam plant self-sufficient for its acid needs, is on track and is expected to come up in 2019.

Crop Protection business has done well on exports and domestic formulation front. Our exports sales were fairly diversified across markets and domestic segment improved its channel connect initiatives. This was despite slowdown in global markets and increase in raw material prices due to plant closures in China on increased environmental scrutiny. During the year, your Company acquired Bio Pesticide business from EID Parry which is expected to provide us synergistic fit for our existing operations, complementing our product portfolio and market access in developed geographies.

Retail continues to be our Consumer facing front, connecting us directly with ~3 million farmers. With a value proposition of quality, trust and farm advice, these centers have become 'One Stop Shop' for farming needs, generating significant brand equity for Coromandel in its operating markets. During the year, Business continued to leverage its 'Gromor Nutrient Manager' tool, delivering nutrient recommendations based on soil health and crop needs to ~3 lakh farmers. Further, we have constituted 'Gromor Agri Advisory Council' comprising of eminent scientists, who helped in developing package of practices for eight crops. Our exclusive fertiliser product offerings marketed through Retail centers have done well. We have opened five Custom Hiring Centers to provide farm mechanization services, which include tractors, rice transplanters and combine harvesters, with support from Andhra government. Business ventured into Maharashtra markets and plans to scale it up in coming periods.

Specialty Nutrients introduced crop specific products targeting horticulture segment, which received encouraging feedback from the farming community. Our differentiated crop based approach targeting focused, value added products received good traction from the markets. Our joint venture partner, SQM, continued to support us in product development and building crop knowledge. With the increasing acreage under horticulture, higher focus on water use efficiency and imbalanced soil health, the business offers significant growth prospects, going forward. Further, Organic farming is picking up in India and globally and the Government is encouraging the usage of City compost as part of Swachh Bharat campaign. Coromandel has been driving its efforts in promoting Organic usage in India and continues to be the market leader in the city compost segment. SSP business of your Company regained its market leadership position and its quality campaigns helped in developing farmer awareness and brought about policy reforms bringing quality to the fore.

We have been continuously focusing on improving the employee health and safety aspects and during the year targeted infrastructure upgrades, promoted behavioural training and engaged external agencies for improving the safety aspects at Plants. Our Bird's Paradise at Kakinada plant continues to attract goodwill and recognition from the community. Our societal commitment remained firm, working closely in the areas of Education, Health and Community development. It was heartening to see employees and their families voluntarily participating in these initiatives, reflecting their association and care for the society.

It is an exciting time for Indian agriculture, which has started witnessing green shoots of growth on back of record output of food grains and horticulture crops. Further, with reforms targeting farmer's income stability and soil health, we expect the agrarian economy to flourish in coming periods. Coromandel, with its integrated crop solutions, extension services and wide farmer reach, is uniquely positioned to partner with the farming community and drive farm productivity. With your unwavering support and trust, I am confident that we will continue to nurture our ecosystem and bring perceptible change in the lives of our stakeholders.

Sameer Goel
Managing Director

Board of Directors

M M Murugappan
Chairman

Mr. Murugappan holds a Master's degree in Chemical Engineering from University of Michigan, USA. Having served as the Managing Director of Carborundum Universal (CUMI) in the past, he is currently serving as the Chairman of CUMI, Tube Investments of India and Cholamandalam MS General Insurance Company. He is also serving on the Boards of Mahindra & Mahindra, IIT Madras Research Park, Cyient and TI Financial Holdings, among others. Mr. Murugappan was elected as a fellow of the Indian Ceramic Society and is also a member of the American Institute of Chemical Engineers, Indian Institute of Chemical Engineers and Plastics & Rubber Institute. He is also a member of the Board of Governors, IIT Madras.

V Ravichandran
Vice Chairman

Mr. Ravichandran is an Engineering Graduate and holds a Post Graduate Diploma in Management from IIM, Ahmedabad. He is also a qualified Cost Accountant and a Company Secretary. Having served Ashok Leyland early in his career, he joined Murugappa Groups and worked in Parry Group of Companies mainly in the fields of Finance and Marketing. He served as the Whole Time Director / Managing Director of Coromandel International Limited during 2004-2010. Currently, he is also serving as Lead Director (Fertilisers & Sugars) on the Murugappa Corporate Advisory Board and is the Chairman of E.I.D Parry (India) Ltd.

B V R Mohan Reddy
Non-Executive & Independent Director

Dr. Reddy holds a degree in Mechanical Engineering from the College of Engineering, Kakinada and postgraduate degrees from IIT, Kanpur and University of Michigan, U.S.A. He is the Founder and Executive Chairman of Cyient Limited. He is also serving on the Boards of Apollo Hospitals, Vizag IT Park and Infotech HAL. Currently serving as Chairman of the Board of Governors of IIT, Hyderabad, he is a proud recipient of an Honorary Doctorate from JNTU, Hyderabad; Distinguished Alumnus Award from IIT Kanpur, ASME (American Society of Mechanical Engineers) CIE Leadership Award for outstanding leadership in advancing the use of computers in Information Engineering and Life Time Achievement Award from Hyderabad Management Association. He was also awarded with "Padma Shri Award 2017", Trade and Industry. He has served as the Chairman of NASSCOM and CII, Southern Region.

Prasad Chandran
Non-Executive & Independent Director

Mr. Chandran holds a bachelor's degree in Chemistry from Bombay University and a MBA from University Business School, Chandigarh. He pursued advanced management education in Wharton Business School, University of Pennsylvania, and AOTS from Tokyo University, Japan. He has opted to superannuate after 37 years of corporate life, of which the last 13 years was as Chairman & Managing Director of BASF India Limited. He is an Independent Director on the Board of HDFC Pension Management Company Limited and HDFC Standard Life Insurance Company Limited.

Nirupama Rao
Director - Non-Executive & Independent

Ms. Rao, a graduate in English Literature, is Fellow of the Harvard University, Fellow of the Brown University and a recipient of the degree of Doctor of Letters (Honoris Causa) from the Pondicherry University. A career diplomat from the Indian Foreign Service (1973-2011), she has served the Government in several important positions including the Foreign Secretary of India. She has represented India in several countries during her distinguished career. She was the first Indian woman to be appointed as High Commissioner to Sri Lanka, Ambassador to China and also the first woman spokesperson of the Ministry of External Affairs. After her retirement, she was appointed Ambassador of India to the United States for a tenure of two years from 2011 to 2013.

M M Venkatachalam
Non-Executive Director

Mr. Venkatachalam holds a graduate degree from the University of Agricultural Sciences, Bangalore and a Master's degree in Business Administration from George Washington University, USA. In an illustrious career of more than two and a half decades, he has held several leadership positions in various Murugappa Group Companies. He is presently the Chairman of Coromandel Engineering Company Limited, Ambadi Enterprises Limited and Parry Agro Industries Limited. He also serves on the Boards of Ramco Cements Limited, Ramco Systems Limited and E.I.D Parry (India) Limited.

Sumit Bose
Non-Executive & Independent Director

Mr. Bose holds a Masters degree in Social Policy and Planning from London School of Economics and Masters of Arts from St. Stephen's College, Delhi. Having joined Indian Administrative Service in 1976, he has served with various departments of Government of India. He has served as Secretary (Department of Revenue), Secretary (Expenditure) and Secretary (Disinvestment) as well as Secretary in the Thirteenth Finance Commission besides serving as a member of the core group for the Union Budget. His tenure as Principal Secretary (Finance) of the Government of Madhya Pradesh witnessed various reforms including fiscal responsibility legislation, outcome budgeting, extensive use of the PPP mechanism and contributory pension scheme. He had done an early stint in the Department of Economic Affairs, MOF, GoI as Deputy Secretary in the Fund Bank Division. He is currently serving on the Boards of HDFC Standard Life Insurance Co., TATA AIG General Insurance Co., ONGC and BSE.

Sameer Goel
Managing Director

Mr. Goel holds a Post Graduate Diploma in Management from Indian Institute of Management, Ahmedabad, and Bachelor's degree in Economics from St. Stephens College, New Delhi. Having started his career in 1987 with GlaxoSmithKline Consumer Healthcare (GSK) as Area Sales Manager, he rose from ranks in a career spanning more than 25 years, donning various roles in India, UK, UAE, Nigeria and South Africa and was serving as Vice President for Africa when he moved from GSK. Prior to joining Coromandel, he was with Cipla Limited as Country Head - India. He has extensive experience in managing businesses, driving sales across multiple geographies and building B2C businesses. Mr. Goel had served on the Advisory Board of Lagos Business School besides being a Member of Africa Economist Forum and a Member of the Commercial Directors Forum in India.

Corporate Information

BOARD OF DIRECTORS

M M Murugappan (DIN 00170478)
Chairman (effective 31/01/2018)

A Vellayan (DIN 00148891)
(Chairman upto 31/01/2018)

V Ravichandran (DIN 00110086)
Vice Chairman

B V R Mohan Reddy (DIN 00058215)
Director

Nirupama Rao (DIN 06954879)
Director

Prasad Chandran (DIN 00200379)
Director

Sumit Bose (DIN 03340616)
Director

M M Venkatachalam (DIN 00152619)
Director

Sameer Goel (DIN 07298938)
Managing Director

MANAGEMENT TEAM

G Veerabhadram
President – Crop Protection

S Sankarasubramanian
President – Fertilisers

Amir Alvi
Executive Vice President & Head Manufacturing (Fertilisers)

Arun Leslie George
Executive Vice President & Head – Business (SSP)

S Govindarajan
Executive Vice President & Head of Commercial

Jayashree Satagopan
Executive Vice President & Chief Financial Officer

Kalidas Pramanik
Executive Vice President – Marketing (Fertilisers & Organic)

Narayanan Vellayan
Associate Vice President – Speciality Nutrients

Prasannatha Rao B
Executive Vice President & Head – HR

Ripu Daman Singh
Executive Vice President & Head – Retail

Srikanthan Srinivasan
Executive Vice President & COO – Crop Protection

COMPANY SECRETARY

P Varadarajan
Sr. Vice President - Legal & Company Secretary

BANKERS

State Bank of India
HDFC Bank
ICICI Bank
Axis Bank
Yes Bank

STATUTORY AUDITORS

Deloitte Haskins & Sells
Chartered Accountants
KRB Towers, Plot No. 1 to 4 & 4A
1st, 2nd & 3rd Floor, Jubilee Enclave,
Madhapur, Hyderabad - 500 081

COST AUDITORS

V Kalyanaraman
Jyothi Satish

REGISTRARS & SHARE TRANSFER AGENTS

Karvy Computershare Private Limited
Karvy Selenium Tower B, Plot 31-32,
Gachibowli, Financial District, Nanakramguda,
Hyderabad – 500 032
E-mail : einward.ris@karvy.com

REGISTERED OFFICE

"Coromandel House"
1-2-10, Sardar Patel Road, Secunderabad - 500 003
CIN No. : L24120TG1961PLC000892
Tel.: +91 40 2784 2034
E-mail: mail@coromandel.murugappa.com
Website: www.coromandel.biz

NOTICE

Notice is hereby given that the **Fifty Sixth Annual General Meeting** of the Members of Coromandel International Limited will be held on **Friday, 27 July, 2018** at **10:30 a.m.** at Hotel Minerva Grand, S D Road, Secunderabad-500 003, to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31 March, 2018, the Report of the Auditors thereon and the Report of the Board of Directors and in this connection to consider and if deemed fit, to pass the following Resolution as an **Ordinary Resolution:**

   "RESOLVED THAT the Audited Standalone Financial Statements of the Company for the financial year ended 31 March, 2018, the Report of the Board of Directors and the Report of the Auditors thereon for the financial year ended 31 March, 2018, placed before the 56th Annual General Meeting be and are hereby received and adopted."

2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended 31 March, 2018, the Report of the Auditors thereon and in this connection to consider and if deemed fit, to pass the following Resolution as an **Ordinary Resolution:**

   "RESOLVED THAT the Audited Consolidated Financial Statements of the Company for the financial year ended 31 March, 2018, and the Report of the Auditors thereon, placed before the 56th Annual General Meeting be and are hereby received and adopted."

3. To declare a dividend for the year ended 31 March, 2018 and if deemed fit, to pass, the following Resolution as an **Ordinary Resolution:**

   "RESOLVED THAT a final dividend of ₹ 3.50 per equity share of ₹ 1/- each be declared for the financial year ended 31 March, 2018 and that the same be paid out of the profits of the Company to those shareholders whose names appear in the Register of Members as of the close of business hours on 20 July, 2018 in case the shares are held in physical form and in case shares held in dematerialised form to the beneficiaries as of the close of business hours on 20 July, 2018 as per details furnished by the depositories for this purpose.

   RESOLVED FURTHER THAT the interim dividend of ₹ 3/- per equity share of ₹1/- each declared by the Board of Directors and paid for the financial year ended 31 March, 2018 be and is hereby confirmed."

4. To appoint a Director in place of Mr. M M Venkatachalam (DIN 00152619), who retires by rotation and, being eligible, offers himself for re-appointment and in this connection to consider and if deemed fit, to pass the following Resolution as an **Ordinary Resolution:**

   "RESOLVED THAT Mr. M M Venkatachalam, holding DIN 00152619, who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

5. To ratify the appointment of M/s. Deloitte Haskins & Sells, as Auditors for the period from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and in this connection, to consider and if deemed fit, to pass the following Resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other Rules framed thereunder, as amended from time to time, the appointment of Deloitte Haskins & Sells, Chartered Accountants (Firm Registration No. 008072S) as Auditors of the Company for a period of 5 consecutive years, made at the Fifty Second Annual General Meeting (AGM) held on 23 July, 2014, be and is hereby ratified to hold office for the period from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on a remuneration of ₹ 65 Lakhs (Rupees Sixty Five Lakhs) plus reimbursement of out of pocket expenses and applicable taxes and the Board of Directors of the Company be and are hereby authorised to pay such increased audit fee as they may deem fit."

Special Business

6. To appoint Mr. M M Murugappan as a Director, who was appointed as an Additional Director and holds office upto the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013 and in this regard to consider and if deemed fit, to pass the following Resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Sections 152, 161 and other applicable provisions of the Companies Act, 2013 (the Act) and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. M M Murugappan, holding DIN 00170478, who was appointed as an Additional Director on 31 January, 2018 by the Board pursuant to Section 161(1) of the Act and holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act, proposing his candidature for office of Director, be and is hereby appointed as a Director, liable to retire by rotation".

7. To ratify the remuneration of the Cost Auditors for the financial year ending 31 March, 2019 and in this regard to consider and if deemed fit, to pass the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with Rule 14 (a) of the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration approved by the Board of Directors as set out in the statement hereunder to the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31 March, 2019, be and is hereby ratified.

Name of the Cost Auditor	Unit / Area of the Audit	Audit Fees payable*
Mr. V Kalyanaraman	All units of the Company at Visakhapatnam, Kakinada and Ennore	₹7 lakhs
Mrs. Jyothi Satish	All units of the Company manufacturing Single Super Phosphate and Pesticides Units at Sarigam, Dahej, Ranipet, Ankleshwar, Jammu and Bio Pesticides unit at Thyagavalli	₹5 Lakhs

* Excluding reimbursement of out of pocket expenses and applicable taxes

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

By Order of the Board
For Coromandel International Limited

P Varadarajan
Company Secretary

Registered Office:
"Coromandel House"
1-2-10, Sardar Patel Road
Secunderabad 500 003
Date: 24 April, 2018

NOTES:

1. **A member entitled to attend and vote at the Annual General Meeting ("the Meeting") is entitled to appoint a proxy to attend and vote on a poll, instead of himself/herself and the proxy need not be a member of the Company.**

   The instrument appointing the proxy should be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.

   A person can act as a proxy on behalf of members upto and not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.

2. Corporate members intending to send their authorised representative(s) to attend the Meeting are requested to send to the Company a duly certified copy of the Board Resolution authorising their representative(s) to attend and vote on their behalf at the Meeting.

3. Brief profile of Mr. M M Murugappan and Mr. M M Venkatachalam, Directors proposed to be appointed/ re-appointed along with names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and their relationship with other directors inter-se are provided in the Report on Corporate Governance forming part of the Annual Report.

4. An Explanatory Statement under Section 102(1) of the Companies Act, 2013, in respect of the Special Business to be transacted at the Meeting is annexed hereto.

5. The Register of Members and the Share Transfer Books of the Company will remain closed from **Saturday, 21 July, 2018** to **Friday, 27 July, 2018** (both days inclusive).

6. Pursuant to the provisions of Section 124(5) of the Companies Act, 2013 the amount of dividend/interim dividend declared/ paid up to the financial year 2010-11, have been transferred from time to time on respective due dates, to the Investors Education & Protection Fund Authority (IEPF). Details of unpaid/unclaimed dividends lying with the Company as on the last Annual General Meeting of the Company is available on the website of the Company at http://coromandel.biz/inv_dividend.html.

7. As per Section 124 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2017 and amendments made thereto, all shares in respect of which dividend remains unpaid or unclaimed for seven years or more, are required to be transferred to the Investor Education and Protection Fund Authority (IEPF) In compliance with the said Rules and accordingly the Company has transferred the underlying shares in respect of which dividends remained unclaimed for a consecutive period of 7 years.

8. Members/Proxies attending the Meeting are requested to complete and bring the Attendance Slip enclosed with the Annual Report and hand over the same at the entrance of the meeting hall, duly filled in and signed.

9. Members holding shares in electronic form are requested to note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agents, Karvy Computershare Private Limited ("Karvy") cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the concerned Depository Participant by the members.

10. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company / Karvy.

11. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Karvy, for consolidation into a single folio.

12. Non-Resident Indian Members are requested to inform Karvy, immediately of:

    a. Change in their residential status on return to India for permanent settlement.

    b. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

13. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Karvy.

15. **Voting through electronic means**

    In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015'), Regulation 44 of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide the members facility to exercise their right to vote at the 56th Annual General Meeting (AGM) by electronic means and the facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Karvy Computershare Private Limited. The procedure for participating in the remote e-voting is given below:

    E-Voting Instructions:

    A. In case a Member receives an email from Karvy [for members whose email IDs are registered with the Company/ Depository Participants (s)]:

       i. Launch internet browser by typing the URL: https://evoting.karvy.com.

       ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN number 3850 followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.

       iii. After entering these details appropriately, click on "LOGIN".

       iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

       v. You need to login again with the new credentials.

       vi. On successful login, the system will prompt you to select the "EVENT" i.e., Coromandel International Limited.

       vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR / AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR / AGAINST" taken together not exceeding your total shareholding. You may also choose the option ABSTAIN. If the shareholder does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

       viii. Shareholders holding multiple folios / demat accounts shall choose the voting process separately for each folio/ demat accounts.

       ix. Voting has to be done for each item of the notice separately.

       x. You may then cast your vote by selecting an appropriate option and click on "Submit".

       xi. A confirmation box will be displayed. Click "OK" to confirm; else "CANCEL" to modify. Once you have voted on the resolution, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

       xii. Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI etc.,) are required to send scanned certified true copy (PDF Format) of the Board Resolution/ Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email rsaevoting@gmail.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Coromandel – 56th AGM".

    B. In case of Members receiving physical copy of Notice [for members whose email IDs are not registered with the Company / Depository Participants (s)]:

       (i) E-Voting Event Number 3850 (EVEN), User ID and Password is provided in the Attendance Slip.

(ii) Please follow all steps from Sl. No. (i) to (xii) above to cast your vote by electronic means.

C. Voting at AGM: The Members, who have not cast their vote electronically, can exercise their voting rights at the AGM. The Company will make necessary arrangements (e-voting/ballot) in this regard at the AGM Venue. Members, who cast their votes by e-voting prior to AGM may attend the AGM, but will not be entitled to cast their votes again.

Other Instructions:

i. In case of any queries, you may refer Help & FAQ section of https://evoting.karvy.com (Karvy Website) or call Karvy on +91 40 67161616 & Toll Free No.1800 3454 001.

ii. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

iii. The e-voting period commences on **Tuesday, 24 July, 2018 (9.00 a.m. IST)** and ends on **Thursday, 26 July, 2018 (5.00 p.m. IST)**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., **Friday, 20 July, 2018,** may cast their vote electronically in the manner and process set out herein above. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

iv. Those who become Members of the Company after dispatch of the AGM Notice but on or before 20 July, 2018 (cut-off date) may write to Karvy at evoting@karvy.com or to the Company at investorsgrievance@coromandel.murugappa.com requesting for user ID and password. On receipt of user ID and password, the steps from SI. Nos. (i) to (vii) mentioned in (A) above should be followed for casting of vote.

v. The voting rights of shareholders shall be in proportion to their shares of the paid up Equity Share Capital of the Company as on the cut-off date i.e. 20 July, 2018.

vi. The Board of Directors has appointed Mr. R. Sridharan (Membership No. 4775 and PCS No. 3239), Practicing Company Secretary, as the Scrutiniser to scrutinize the e-voting process in a fair and transparent manner.

vii. The scrutiniser shall immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses who are not in the employment of the Company and within a period not exceeding two (2) days from the conclusion of the meeting make a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or person authorized by the Chairman for counter signature.

viii. The Results shall be declared either by the Chairman or by a person authorized in writing by the Chairman and the resolution will be deemed to have been passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolution(s).

ix. Immediately after declaration of results, the same shall be placed along with the Scrutiniser's Report on the Company's website www.coromandel.biz and on the website of KARVY https://evoting.karvy.com and communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed for placing the same in their website.

ANNEXURE TO NOTICE

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (hereinafter referred to as "the Act").

ITEM NO. 6

Mr. M M Murugappan, was appointed as an Additional Director and as Chairman of the Company by the Board of Directors at the Board Meeting held on 31 January, 2018 pursuant Section 161 of the Companies Act, 2013 (Act) based on the recommendation of the Nomination & Remuneration Committee. In terms of Section 161 of the Act, Mr. M M Murugappan holds office upto the date of the ensuing Annual General Meeting (AGM) of the Company. The Company has received a notice in writing under the provisions of Section 160 of the Act, from a corporate member proposing the candidature of Mr. M M Murugappan for the office of Director. The Nomination & Remuneration Committee has recommended his appointment as Director at the ensuing AGM.

The Company has received from Mr. M M Murugappan (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014 and; (ii) intimation in Form DIR-8 in terms of the said Rules, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

The resolution seeks the approval of the shareholders for the appointment of Mr. M M Murugappan as a Director of the Company, liable to retire by rotation.

Mr. M M Murugappan and Mr. M M Venkatachalam are brothers and related to each other. They and their relatives are interested in the Resolution. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution financially or otherwise. They are not related to any of the other Directors or Key Managerial Personnel of the Company.

A brief resume, as required pursuant to the Regulation 36 (3) of the Listing Regulations and Secretarial Standards-2, is set out in the "Report on Corporate Governance" appearing at page 87 of the Annual Report.

The Board commends the Ordinary Resolution set out at Item No.6 for approval by shareholders.

ITEM NO.7

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31 March, 2019 as per the following details:

Name of the Cost Auditor	Unit / Area of the Audit	Audit Fees payable*
Mr. V Kalyanaraman	All units of the Company at Visakhapatnam, Kakinada and Ennore	₹7 lakhs
Mrs. Jyothi Satish	All units of the Company manufacturing Single Super Phosphate and Pesticides Units at Sarigam, Dahej, Ranipet, Ankleshwar, Jammu and Bio Pesticides unit at Thyagavalli	₹5 Lakhs

*Excluding reimbursement of out of pocket expenses and applicable taxes

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Rule 14(a) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors approved by the Board has to be ratified by the shareholders of the Company.

Accordingly, consent of the shareholders is being sought for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31 March, 2019.

None of the Directors / Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the above resolution.

The Board commends the Ordinary Resolution set out at Item No.7 for approval by shareholders.

By Order of the Board
For **Coromandel International Limited**

Place: Secunderabad
Date: 24 April, 2018

P Varadarajan
Company Secretary

DIRECTORS' REPORT

Dear Members,

Your Board of Directors have pleasure in presenting the 56th Annual Report together with the Audited Financial Statements for the financial year ended 31 March, 2018.

1. Summary of Financial Results

₹ In crores

	2017-18	2016-17
Revenue:		
From Operations	10,986	10,185
Other Income	58	54
Total Revenue	**11,044**	**10,239**
Profit:		
Profit before Interest, Depreciation and Taxation	1,278	1,036
Less: Interest	178	224
Depreciation	97	100
Profit Before Tax	**1,003**	**712**
Less: Provision for Tax (including deferred tax)	344	235
Profit After Tax	**659**	**477**

Your Company's Revenue from Operations for the year grew to ₹ 10,986 crores from ₹ 10,185 crores last year registering a growth of 8% year on year (YoY). The Profit before Interest, Depreciation and Taxation grew to ₹ 1,278 crores from ₹ 1,036 crores in the previous year. The Net Profit for the year grew to ₹ 659 crores from ₹ 477 crores in the previous year i.e. an increase of 38% YoY. EBIDTA margin improved 146 basis points to 11.6% in 2017-18 over 2016-17 and PAT margin strengthened 132 basis points to 6.0% in 2017-18 over 2016-17. The Earnings per share (EPS) for the year stood at ₹ 22.57 per share an increase of 38% compared to ₹ 16.35 per share for the previous year.

Your Company proposes to transfer an amount of ₹ 300 crores to the General Reserves and retain ₹ 785 crore in the Statement of Profit and Loss.

2. Business Environment

During the year, India received rainfall at 95% of long period average (LPA) which is lower than the normal rainfall. However, Coromandel's key south peninsular markets recorded normal south west monsoon (at 99% of LPA levels) that resulted in higher residual moisture and improved reservoir levels, aiding in higher crop sowing during Kharif and Rabi seasons. India's food grain production is expected to increase by 2 percent to 280 million tons. With higher expected output in horticulture, cotton and sugarcane, Agriculture GVA grew by 3.4 percent during the year.

The Government's ambitious goal of doubling farmer income by 2022 continues to be a major enabler of farm productivity and farmer prosperity. Several progressive policy measures undertaken by the Government like bringing additional area under irrigation coverage, promoting micro irrigation & precision farming, direct benefit transfer of subsidies, mandatory soil health cards, financial inclusion, crop insurance schemes, developing agri infrastructure and storage capabilities are all set to positively change the dynamics of India's agriculture industry. Initiatives targeted towards productivity improvement, cost and consumption reduction in farm inputs like seed and water, increased farmer awareness and access to markets towards a better realisation augur well for improving the overall well being of the farming community.

On the policy front, Direct Benefit Transfer (DBT) in fertilisers has been rolled out across India in a phased manner, wherein around 2 lakh Point of Sales (PoS) machines have been distributed to the retailers for recording the purchase of fertilisers. The system entailed at improving traceability across the fertiliser value chain and promoting soil health, is a positive step towards driving balanced nutritional practices. Furthermore, the Government has mandated the industry to market Urea in 45 kg bags instead of traditional 50 kg bags from 2018-19 onwards. Higher budgetary allocation towards NPK fertilisers signals a positive intent in promoting balanced nutritional practices. Your Company smoothly transitioned into the new subsidy regime, strengthened its field presence and aligned its sales closer to consumption period.

During the year, the Government implemented Goods and Services Tax (GST), the biggest indirect tax reform in the country since its independence. The long-term impact of GST is seen as positive, having a simplified, unified indirect tax regime across the country and driving formalization of the economy favouring organized players like your Company. Your Company successfully migrated to the Goods and Services Tax regime. The incidence of GSTs on some of the raw materials being higher than the output rates, Phosphatics Fertiliser industry is currently under an inverted duty structure resulting in GST credit accumulation. Industry has been making active representations to the GST Council to address this concern.

3. Performance Review

Favourable agricultural environment in your Company's key markets, supported by stable raw material prices and lower channel inventory, aided higher agri input consumption and resulted in improved business performance. During the year, your Company has made significant strides by expanding its market presence, scaling up its branding & customer connect initiatives through our integrated marketing approach, improving its sourcing efficiencies and enhancing its manufacturing capabilities.

Fertiliser

Phosphatics Fertiliser business of your Company improved its sales volumes by 11 percent to 27.66 lakh tons, registering significant growth of unique products and increasing its market share to 15.8 percent (14.6 percent in FY17). The normal monsoon in South and East markets aided faster stock liquidation and your Company's channel stocks remain at comfortable levels. Your Company has further strengthened its field team presence to improve its last mile connectivity with the retailers and farmers.

Manufacturing units drove operational efficiencies and significantly increased its capacity utilization to 83 percent, up from 70 percent in FY17. Production volumes grew by 19 percent to 28.64 lakh tons. The Phosphoric acid augmentation project, envisaged to add another 1 lakh tons of acid at Visakhapatnam unit is on track and is slated to be completed in 2019-20. Further, your Company continued the focus on developing its operational flexibility by working with alternate phosphate rock and acid sources.

Crop Protection

Crop Protection business registered top-line growth in domestic and exports markets, improving its turnover by 7% percent in FY17-18. Lower crop prices, higher stock inventory in Latin American markets and higher raw material costs driven by strict environment regulations in China impacted the margins of the business. Mancozeb production at both the manufacturing facilities of Sarigam and Dahej, improved the product availability for catering to the growth opportunities in international markets.

Domestic formulations did well on specialty and captive generics front, improved its channel presence and dealer engagement initiatives. During the year, four new formulations were introduced in the domestic markets, which have received encouraging response from the customers. R&D centre focused on developing chemistry and technology for some of the key recently off patented molecules, apart from development of new combination products and process improvement relating to the existing products.

During the year, your Company acquired the Bio pesticide business from E.I.D Parry (India) Limited which would enable the business to gain entry in high growth bio pesticide segment in Indian, North American and European markets. The acquisition has been effective from 01 April, 2018 and provides a synergistic fit to its crop protection product portfolio.

Retail

Coromandel's Retail business registered good growth, improving its scale and operational efficiency. The growth was primarily driven by strong performance of the non-fertiliser segment and a focused product and store approach. To improve farm advisory services, 'Gromor Advisory Council' comprising of scientists from leading agriculture universities was constituted and nutritional package of practices for eight crops were developed. Business expanded its footprint in Western Maharashtra by opening four new stores during the year. Partnering with the Andhra Pradesh Government, your company opened five new Custom Hiring & Service Centres (CHSC) for providing farm mechanization services.

Specialty Nutrients

Specialty Nutrients registered good growth during the year leveraging strengths of the integrated marketing structure and promoting its focus products. New crop specific water soluble fertiliser products were introduced during the year which have received good response from the market. With the Government's thrust towards promoting balanced nutrition and water use efficiency, the business expects significant growth opportunities in coming years.

Single Super Phosphate (SSP)

The Single Super Phosphate (SSP) business increased its sales by 9 percent to 5.20 lakh tons, becoming the market leader, despite higher channel stocks and sub-par monsoons in its key markets. Capacity consolidation was carried out through debottlenecking Udaipur, Baroda and Nimrani units, improving the operational efficiencies and production throughput. Business continued its focus on promoting quality awareness amongst the customers and carried out multiple Quick Test campaigns. With the industry formalization post GST implementation, Government's policy intervention (effective 01 April, 2018) mandating the sale of SSP in manufacturer's brand names, your Company expects fresh impetus driving business volumes in coming years for the organized players.

Organic Manure

Your Company's Organic business grew its volumes by 9 percent to 1.44 lakh tons, focusing on value added, granulated products. Coromandel continued to be the market leader in the City Compost segment. To serve organic certified inputs, necessary reliable vendor base, quality assurance systems and supply chain models have been established

4. Finance

Your Company continued to focus on managing cash efficiently and ensured that it had adequate liquidity and back up lines of credit. Net Cash from operations for the year stood at ₹ 253 crores. Your Company follows a prudent financial policy and aims at maintaining an optimum financial gearing. Your company continues to be a Long Term Debt Free company. Debt to Equity Ratio was 0.86 as on 31 March, 2018.

Your Company has been credit rated by CRISIL Limited. The Company's long term credit rating by 'CRISIL' continued to be 'CRISIL AA+ (stable)' and short term debt rating at 'CRISIL A1+'. This reflects a very high degree of safety regarding timely servicing of financial obligations and also a vote of confidence reposed in your Company's financials.

5. Dividend

Your Directors are pleased to recommend a final Dividend of ₹ 3.50 per equity share ₹ 1/- each. Your Board had earlier approved an interim dividend of ₹ 3/- per equity share on 16 March, 2018 and the same was paid on 03 April, 2018. The total dividend for the year ended 31 March, 2018 would accordingly be ₹ 6.50 per equity share of ₹ 1/- each. The total outgo for the year would be ₹ 229 crore, including dividend distribution tax of ₹ 39 crore.

The Company has adopted Dividend Distribution policy in line with the requirements of Listing Regulations. The Dividend Distribution Policy is available on the website of the Company at http://coromandel.biz/pdf/2016-2017/InvestorsInformation/DividendDistributionPolicy.pdf.

6. Consolidated Financial Results

Consolidated Financial Statements incorporating the operations of the Company, its Subsidiaries, Associates and

Joint Venture Companies is appended. As required under the provisions of the Act, a statement showing the salient features of the financial statements of the subsidiaries, associates and joint ventures is enclosed as *Annexure A* to this Report.

The financial statements of the subsidiary companies will be made available to the members of the Company and its subsidiary companies on request and will also be kept for inspection at the Registered Office of the Company.

7. Subsidiary Companies:

Brief details of the performance of the subsidiaries of the Company are given below:

a) CFL Mauritius Limited:

CFL Mauritius Limited, a wholly owned subsidiary, incurred a loss of $0.04 million (equivalent to ₹ 0.28 crore) during the year ended 31 December, 2017. Primary source of income for this subsidiary is dividend income from Foskor (Pty) Ltd. and the subsidiary did not receive any dividend from Foskor during the year 2017.

b) Parry Chemicals Limited (PCL):

PCL, a wholly owned subsidiary of the Company, earned a total revenue of ₹ 0.93 crore for the year ended 31 March, 2018 and Profit after Tax was ₹ 0.09 crore.

c) Dare Investments Limited (DIL):

DIL, a wholly owned subsidiary of the Company, did not have any significant operations and incurred a loss of ₹ 0.04 crore for the year ended 31 March, 2018.

d) Liberty Pesticides and Fertilisers Limited (LPFL):

LPFL, a wholly owned subsidiary of the Company, did not have any significant operations during the year 2017-18. It earned a profit of ₹ 0.13 crore for the year ended 31 March, 2018.

e) Coromandel Brasil Limitada (CBL):

CBL, a Limited Liability Partnership, owned 100% by the Company and its subsidiary CFL Mauritius Ltd., is primarily engaged in getting product registrations in Brazil and procuring orders for supplies from India. It earned a profit of Brazilian Reals 0.25 million (equivalent to ₹ 0.51 crore) for the year ended 31 December, 2017.

f) Sabero Organics America SA (SOAL)

SOAL is primarily engaged in getting product registrations in Brazil and procuring orders for supplies from India. It incurred a net loss of Brazilian Reals 0.42 million (equivalent to ₹ 0.87 crore) for the year ended 31 December, 2017.

g) Sabero Australia Pty Ltd. (SAPL)

SAPL did not have any significant operations during the year 2017-18. It incurred a net loss of AUD 0.01 million (equivalent to ₹ 0.04 crore) for the year ended 31 March, 2018.

h) Sabero Europe BV (SEBV)

SEBV is primarily engaged in getting product registrations in Europe and procuring orders for supplies from India. It did not have any significant operations during the year ended 31 March, 2018.

i) Sabero Argentina SA (Sabero Argentina)

Sabero Argentina is primarily engaged in getting product registrations in Argentina and procuring orders for supplies from India. It incurred a net loss of Argentine Peso 0.18 million (equivalent to ₹ 0.07 crore) for the year ended 31 December, 2017.

j) Coromandel Agronegocios De Mexico SA de CV (Coromandel Mexico)

Coromandel Mexico is primarily engaged in getting product registrations in Mexico and procuring orders for supplies from India. It earned a net profit of Mexican Peso 0.22 million (equivalent to ₹ 0.08 crore) for the year ended 31 December, 2017.

Joint Venture Companies

Brief details of the performance of the Joint Venture (JV) companies of the Company are given below:

a) Coromandel SQM (India) Private Limited (CSQM)

CSQM, a joint venture between Coromandel and SQM Chile, manufactures Water Soluble Fertilisers (WSF) at Kakinada, Andhra Pradesh and offers Speciality Nutrition Solutions to institutional clients. During the year, the JV launched two new crop specific WSF products 'Ultrasol Solanaceae' and 'Speedfol Chilli' which have received encouraging response from the customer. Total income for the year was ₹ 73.80 crore and the net profit was ₹ 4.37 crore.

b) Yanmar Coromandel Agrisolutions Private Limited (YCAPL)

YCAPL, a Joint Venture company between Coromandel, Yanmar and Mitsui, is in the business of sales and service of agri-tech equipment focussed on farm mechanization in India. Combine Harvester introduced in the market last year has received positive response from the customers. Total income for the year was ₹ 23.26 crore and the net loss was ₹ 6.78 crore.

Associate Company

a) Sabero Organics Philippines Asia Inc (SOPA)

SOPA, an associate company, is based in Philippines and did not have any significant operations during the year 2017-18.

Strategic Investment:

a) Tunisian Indian Fertilisers S.A., Tunisia (TIFERT):

TIFERT, a company based in Tunisia, manufactures phosphoric acid which is a key raw material for operating Phosphatic Fertiliser plants. Your Company's strategic investment in TIFERT (15% equity) is aimed at securing uninterrupted supply of phosphoric acid for Company's operations at Kakinada and Visakhapatnam. During the year, TIFERT sought strategic intervention from the Tunisian Government for ensuring uninterrupted supplies of rock phosphate from mines to the Plant. The ongoing improvement projects including commissioning of Auxiliary Boiler in December 2017, improved the concentrated acid throughput. Indian partners, Coromandel and GSFC, continued to provide necessary technical support to TIFERT to improve the plant performance.

b) Foskor (Pty) Limited, South Africa (FOSKOR):

Your Company, along with CFL Mauritius Limited, holds 14% equity of FOSKOR. During the year, FOSKOR improved its performance on rock phosphate and NPK production, with phosphoric acid production remaining at last year levels. Weak acid & rock prices and strong South African Rand impacted business profitability. Your Company is continuously engaged with FOSKOR for providing technical support in running the plant efficiently.

8. **Risk Management Policy**

The Company has constituted a Risk Management Committee. Details of constitution of the Committee are set out in the Corporate Governance Report.

The Company has formulated a Risk Management Policy, under which various risks associated with the business operations are identified and risk mitigation plans have been put in place, details of which are set out in the Corporate Governance Report/Management Discussion and Analysis Report.

9. **Internal Financial Control Systems and their adequacy**

The Company has adequate internal controls consistent with the nature of business and size of the operations, to effectively provide for safety of its assets, reliability of financial transactions with adequate checks and balances, adherence to applicable statues, accounting policies, approval procedures and to ensure optimum use of available resources. These systems are reviewed and improved on a regular basis. It has a comprehensive budgetary control system to monitor revenue and expenditure against approved budget on an ongoing basis.

The Company has its own corporate internal audit function to monitor and assess the adequacy and effectiveness of the Internal Controls and System across all key processes covering various locations. Deviations are reviewed periodically and due compliance ensured. Summary of Significant Audit Observations along with recommendations and its implementations are reviewed by the Audit Committee and concerns, if any, are reported to Board.

10. **Related Party Transactions**

During the year, the Company has obtained approval of the shareholders, through Postal Ballot, for the following transactions: (a) Acquisition of Bio Pesticides Business of E.I.D Parry (India) Ltd., holding company; (b) Acquiring from E.I.D Parry (India) Limited, the total shareholding in Parry America Inc.; and (c) Appointment of Mr. A Vellayan, as Advisor to the Company for a period of five years.

Except these transactions, all other transactions that were entered into with the related parties during the financial year were at arm's length and in the ordinary course of business. There were no material related party transactions made by the Company with the Promoters, Directors, Key Managerial Personnel or the Senior Management Personnel which may have a potential conflict with the interest of the Company at large.

All related party transactions were placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee was obtained for the transactions which are foreseen and are repetitive in nature. The related party transactions entered into are reviewed by an independent audit firm to confirm that they were in the ordinary course of business and at arm's length basis. The Policy on Related Party Transaction is available on the Company's website at http://www.coromandel.biz/pdf/InvestorsInformation/RPT_PolicyJul2017.pdf.

None of the Directors had any pecuniary relationship or transactions with the Company, except the payments made to them in the form of remuneration, sitting fee and commission.

11. **Auditors**

a) **Statutory Auditors**

M/s Deloitte Haskins & Sells, Chartered Accountants, were appointed as Auditors of the Company for a period of five years from the conclusion of the Annual General Meeting held on 23 July, 2014. As required under the provisions of Section 139 of the Act, a resolution for the yearly ratification of their appointment is being placed before the shareholders for their approval.

The Auditors Report given by M/s Deloitte Haskins & Sells, Statutory Auditors, on the financial statements of the Company for the year ended 31 March, 2018 is part of the Annual Report. The Auditor's Report does not contain any qualification, reservation or adverse remark. During the year under review, the Auditors had not reported any matter under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

b) **Cost Auditors**

Pursuant to Section 148 of the Act, read with the Companies (Cost Records and Audit) Rules 2014, the cost records of the Company are required to be audited. Based on the recommendations of the Audit Committee, your Board has appointed Mr. V Kalyanaraman and Ms. Jyothi Satish, Practicing Cost Accountants, to audit the cost records of the Company.

The Cost Audit Report for the year 2016-17 has been filed with Ministry of Corporate Affairs within the prescribed time limit.

c) **Secretarial Auditor**

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Board had appointed M/s. R Sridharan & Associates, Practicing Company Secretaries, to undertake the secretarial audit of the Company for the financial year 2017-18.

The report of the Secretarial Auditor is enclosed as *Annexure B* and forms part of this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

12. **Particulars of Loans, Guarantees and Investments**

Details of loans and guarantees given and investments made under Section 186 of the Act are given in the Notes to the Financial Statements.

13. **Public Deposits**

The Company has not accepted any deposit from the public under Chapter V of the Act or under the corresponding provisions of Section 58A of the Companies Act, 1956, since 2003 and no amount of principal or interest was outstanding as on the Balance Sheet date.

14. Board and Committees

a) Board of Directors

Your Company is managed and controlled by a Board comprising an optimum blend of Executive and Non-Executive Professional Directors. As on 31 March, 2018, the Board of Directors consists of eight (8) Directors consisting of Managing Director and seven (7) Non-executive Directors, out of which four (4) are Independent Directors including one Woman Director. The composition of the Board is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the relevant provisions of the Companies Act, 2013. All the Directors possess requisite qualifications and experience in general corporate management, strategy, finance, engineering, information technology and other allied fields which enable them to contribute effectively to the Company in their capacity as Directors of the Company.

Declarations from all Independent Directors have been received confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and the Listing Regulations, 2015, and the same have been considered and taken on record by the Board.

After serving the Company's Board close to two decades, Mr. A Vellayan stepped down as Chairman and Director of the Company on 31 January, 2018, on attaining the age of 65 years. Under his leadership, the Company transformed into one of the leading farm solutions providers in India by establishing long standing relationships across its wide spectrum of stakeholders with a reputation for trust, ethical standards and passion for growth. The Board placed on record its appreciation of the valuable contribution made by Mr. A Vellayan during his tenure, as Chairman and Director, for the growth and development of the Company.

Given his deep business insight on agri inputs industry, his association with industry bodies and associations, policy advocacy with various government bodies/institutions, and dealing with global players in the industry, Board recommended the appointment of Mr. A Vellayan as an Advisor to the Company effective 1 February, 2018, and the same has been approved by the shareholders through postal ballot.

Mr. M M Murugappan was appointed as an Additional Director (Non-Executive Non-Independent) and as Chairman of the Company with effect from 31 January, 2018. Mr. M M Murugappan has extensive experience in the field of engineering, technology, corporate strategy, policy formulation and organization transformation. He brings in valuable business insights being an active Board member of various companies specialized in the areas of engineering, automotive, financial services and IT. His keen business acumen is invaluable for the business growth of the Company. Company has received a notice from a member under Section 160 of the Act proposing his nomination for Directorship at the ensuing Annual General Meeting.

In accordance with Article 17.29 of the Company's Articles of Association, read with Section 152 of the Act, Mr. M M Venkatachalam retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

b) Evaluation of the Board's performance

In accordance with the provisions of Section 134 of the Act and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (Listing Regulations), the Board has carried out evaluation of its own performance, the performance of Committees of the Board, namely, Audit Committee, CSR Committee, Risk Management Committee, Stakeholders Relationship Committee, and Nomination and Remuneration Committee and also the directors individually. The manner in which the evaluation was carried out and the process adopted has been mentioned in the Corporate Governance Report.

c) Board Meetings

A calendar of Board meetings is prepared and circulated in advance to the Directors. During the year 2017-18, six Board Meetings were held, the details of which are given in the Corporate Governance Report.

d) Audit Committee

The Audit Committee comprises of Mr. Sumit Bose, Chairman, Dr. B V R Mohan Reddy, Mr. Prasad Chandran and Mr. M M Venkatachalam. All the recommendations made by the Audit Committee were accepted by the Board.

e) Familiarisation Programme for Independent Directors

On their appointment, Independent Directors are familiarized about the Company's operations and businesses. Interaction with the Business Heads and key executives of the Company is also facilitated. Detailed presentations on the business of each of the Division are also made to the Directors. A manual containing all important policies of the Company is also given to the directors. Direct meetings with the Chairman and the Managing Director are further facilitated for the new appointee to familiarize him/her about the Company/its businesses and the Group practices.

As part of the familiarization programme, a handbook is provided to all the Directors including Independent Directors at the time of their appointment. The handbook provides a snapshot to the Directors of their duties and responsibilities, rights, appointment process and evaluation, compensation, Board procedure and stakeholders' expectations. The handbook also provides the Directors with an insight into the Group's practices. Further, periodic emails are sent to all the directors covering events that may have impact on the business of the Company and/or the agriculture sector in general and, fertiliser and pesticides industries in particular. The details of familiarisation programme as above are also disclosed on the Company's website.

f) Directors' Responsibility Statement

The Directors' Responsibility Statement pursuant to the provisions of Section 134(3)(c) and 134(5) of the Companies Act, 2013 ("the Act") is appended as *Annexure C* to this Report.

15. Key Managerial Personnel

Mr. Sameer Goel, Managing Director, Mrs. Jayashree Satagopan, Chief Financial Officer (effective 1 November, 2017), and Mr. P Varadarajan, Company Secretary, are the Key Managerial Personnel (KMP) of the Company. Mr. S Sankarasubramanian, as Chief Financial Officer, was one of the KMP of the Company till 31 October, 2017. He has taken up the role as President-Fertiliser Business.

16. Employees

a) Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee, framed a policy for selection and appointment of Directors, Senior Management and their remuneration. Salient features of the Remuneration Policy is set out in the Corporate Governance Report. The Remuneration Policy is available on the Company's website at http://www.coromandel.biz/pdf/InvestorsInformation/RemunerationPolicyJul2017.pdf .

b) Policy on prevention of Sexual Harassment

The Company has in place Prevention of Sexual Harassment Policy (POSH) in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Compliance Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees are covered under this Policy. During the year 2017-18, an incident of sexual harassment was reported, which was investigated by the ICC under the Policy and action has been taken thereon.

c) Particulars of Employees

A table containing the particulars in accordance with the provisions of Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended as *Annexure D* to this Report.

A statement containing the name of employees who are in receipt of remuneration in excess of the prescribed limits and top 10 employees in terms of remuneration drawn, under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is enclosed as *Annexure E* to this Report.

d) Employee Stock Option Plans

Employee Stock Option Scheme 2007 – ESOP 2007

The Company had in the past, approved an Employee Stock Option Scheme 2007 (ESOP Scheme 2007), under which employees were granted Options. The Company made grants under the said Scheme during the period 2007 to 2011. Number of vested Options outstanding as on date under the ESOP Scheme 2007 are 52,100. It is not proposed to make any further grants under ESOP Scheme 2007.

Employee Stock Option Plan - ESOP 2016

The Shareholders had, through Postal Ballot, on 11 January, 2017 authorized the Board/Nomination and Remuneration Committee to issue to the employees, such number of Options under the ESOP 2016, as would be exercisable into not exceeding 1,45,81,000 fully paid-up equity shares of ₹ 1/- each in the Company.

The Nomination and Remuneration Committee, is empowered to formulate detailed terms and conditions of the ESOP Scheme 2016, administer and supervise the same. The specific employees to whom the Options would be granted and their eligibility criteria would be determined by the Nomination and Remuneration Committee at its sole discretion. Further, the Nomination and Remuneration Committee is empowered to determine the eligible subsidiary companies, whether existing or future, whose employees will be entitled to stock options under this Scheme.

Options granted under this ESOP 2016 would vest on or after 1 (one) year from the date of grant but not later than 4 (four) years from the date of grant of such Options or any other terms as decided by the Nomination and Remuneration Committee. The Company has granted 1,48,900 options to the employees during the year under ESOP 2016. Total number of Options granted under ESOP Scheme 2016 is 23,23,400. The number of Options vested and outstanding are 3,11,740.

The disclosure required to be made under Regulation 14 of the said Regulations is available on the Company's website at http://www.coromandel.biz/inv_financial.html.

17. Extract of the Annual Return

In accordance with Section 134(3)(a) of the Act, an extract of the Annual Return in the prescribed format is appended as *Annexure F* to this Report.

18. Vigil Mechanism/Whistle Blower Policy

The Company has a Whistle Blower Policy which provides the employees, customers, vendors and directors an avenue to raise concerns on ethical and moral standards and legal provisions in conduct of the business operations of the Company. It also provides for necessary safeguards for protection against victimization for whistle blowing in good faith. The Vigil Mechanism is also placed on the website of the Company.

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

The particulars as prescribed under Sub-section (3)(m) of Section 134 of the Act, read with Companies (Accounts) Rules, 2014, are enclosed as *Annexure G* to this Report.

20. Corporate Social Responsibility Initiatives

Corporate Social Responsibility (CSR) has been an integral part of your Company's culture and the Company has been associated in the past directly and through AMM Foundation (an autonomous public charitable trust engaged in philanthropic activities in the field of Education and Healthcare) for contributing towards society's development. During the year, your Company has undertaken various CSR projects in the areas of education, health and community development targeting inclusive growth and social capital improvement.

On the health front, Coromandel has begun construction of a Hospital in Kakinada having diagnostic facilities and an out-patient facility which is scheduled to be completed during the financial year 2018-19. The Coromandel Medical Centres in Ennore, Sarigam, Kakinada and Vizag catered to the medical needs of ~80,000 patients and the Mobile Medical Van catered to ~13,000 patients in Sarigam in 2017-18.

The Coromandel Girl Child Education Scheme, offering economic assistance to girls in standards IX and X, reached out to 1,468 girls in 658 schools. The Scheme aims at providing educational assistance to girls, to encourage them to continue their education. All the CSR projects of the Company are in accordance to the provisions of Section 135 of the Act. The CSR policy of the organization is mentioned on the Company website (http://coromandel.biz/csr_policy.html). Details of composition of CSR Committee and CSR Projects undertaken during the year are given in *Annexure H* to this Report.

21. Safety, Health and Environment (SHE)

Your Company gives utmost importance to employee's health and safety, given the sensitive nature of operations that involves handling of chemical products. Company has put in robust processes and safety performance indicators to track its SHE performance. Employees are encouraged to raise 'near-miss' safety concerns and these inputs are periodically monitored and closed. During the year, the Total Recordable Injury Rate (TRIR) per million man hours stood at 0.94. Coromandel adopted additional five elements under advanced risk based Process Safety Management Systems (PSMS), expanding management's commitment and involvement towards Plant safety. All key manufacturing sites took up Quantitative Risk Assessment (QRA) studies through external agencies to refresh the risk register and improve safety culture.

Coromandel's commitment towards environmental sustainability remains firm. To improve Environmental Management reporting, advanced emission monitoring equipment were installed at the sites. Energy efficient lighting systems were deployed across the organisation. During the year, around 10,000 tree saplings were planted in public areas. Green belt cover at Kakinada manufacturing site was extended to 50 percent of the factory area, providing a conducive environment and a Bird's Paradise inside the factory premises.

22. Corporate Governance

The Company is committed to maintain the highest standards of Corporate Governance. As stipulated under the requirements of the Listing Regulations, a report on Corporate Governance duly audited is appended as *Annexure I* for information of the Members. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to the Report on Corporate Governance.

23. Management Discussion & Analysis

The Management Discussion and Analysis Report highlighting the industry structure and developments, opportunities and threats, future outlook, risks and concerns etc. is furnished separately and forms part of this Directors' Report.

24. Business Responsibility Report

Pursuant to Regulation 34 of Listing Regulations, the Company has prepared the Business Responsibility Report in line with business principles as provided in the Business Responsibility Policy adopted by the Company. Business Responsibility Report is enclosed as *Annexure J* to this Report and the same is also available on the website of the Company at http://coromandel.biz/inv_report.html .

25. Other disclosures

a) Share Capital

The paid up equity share capital of the Company as on 31 March, 2018 was ₹ 29.24 crore. During the year, the Company has allotted 7,14,282 equity shares of Re. 1 each under ESOP Scheme 2007 (6,09,082 shares) and under ESOP 2016 (1,05,200 shares).

b) Postal Ballot

During the year under review, shareholders have approved following business through Postal ballot (including e-voting) on 23 February, 2018, by way of ordinary resolutions with requisite majority:

a) Acquisition of Bio Business from E.I.D Parry (India) Ltd.

b) Acquisition of Parry America Inc. from E.I.D Parry (India) Ltd.

c) Appointment of Mr. A Vellayan as Advisor to the Company for a period of 5 years.

c) Material Subsidiary Policy

The Company has adopted a policy for determining material subsidiary, in line with the requirements of the Listing Regulations. The Policy on Material Subsidiary is available on the website of the Company at

http://coromandel.biz/pdf/InvestorsInformation/PolicyOnMaterialSubsidiary.pdf.

d) Compliance of Secretarial Standards

The Company has complied with the Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Central Government.

26. Acknowledgement

Your Directors wish to express their grateful appreciation for the valuable support and co-operation received from bankers, business associates, lenders, financial institutions,shareholders, various departments of the Government of India, as well as the State Governments, the farming community and all our other stakeholders.

The Directors acknowledge and would like to place on record the commitment and dedication on the part of the employees of your Company for their continued efforts in achieving good results.

On behalf of the Board of Directors
For **Coromandel International Limited**

Place: Secunderabad
Date: 24 April, 2018

M M Murugappan
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

Coromandel International in brief

Coromandel is a flagship company of the Murugappa Group and is a subsidiary of E.I.D Parry (India) Limited which holds 60.59% of the equity share capital in the Company. The Company operates through two major segments: Nutrients & other allied business and Crop Protection, offering farming solutions comprising of Fertilisers, Crop Protection, Specialty Nutrients and Organic compost. The Company also operates a network of around 800 rural retail outlets under its retail business across Andhra Pradesh, Telangana, Karnataka and Maharashtra. The Company has 15 manufacturing facilities located in Andhra Pradesh, Tamil Nadu, Karnataka, Maharashtra, Madhya Pradesh, Uttar Pradesh, Rajasthan, Gujarat and Jammu & Kashmir. The Company's products are marketed all over the country through an extensive network of dealers and its own retail centers. The crop protection products are exported to various countries. During the year, Coromandel acquired the Bio pesticide business from E.I.D Parry (India) Limited which would enable the Company to gain entry in high growth bio pesticide segment in Indian, North American and European markets.

The Company has following subsidiaries, joint ventures and associate companies for its various business initiatives:

a) CFL Mauritius Limited

b) Parry Chemicals Limited

c) Dare Investments Limited

d) Liberty Pesticides and Fertilizers Limited

e) Coromandel Brasil Limitada

f) Sabero Organics America SA

g) Sabero Australia Pty Limited

h) Sabero Europe BV

i) Sabero Argentina SA

j) Coromandel Agronegocios de Mexico SA de CV

k) Coromandel SQM (India) Private Limited

l) Yanmar Coromandel Agrisolutions Private Limited

m) Sabero Organics Philippines Asia Inc.

In addition, the Company along with its wholly owned subsidiary CFL Mauritius Ltd, holds 14% equity stake in Foskor Pty Limited, South Africa, and a 15% equity stake in TIFERT, strategic investments of the Company to secure supply of Phosphoric acid.

Economic Review

During the year, the global economy witnessed a cyclical recovery with revival in investment, manufacturing activity and trade. For the first time since the global financial crisis in the year 2007-08, all major regions of the world experienced an uptick in economic growth. However, increased protectionism, trade barriers and rising geo political tensions poses downside risk to this growth momentum. As per the World Bank estimate, Global GDP is projected to grow from 2.4% in 2016 to 3.0% in 2017, with advanced economies growing at 2.3% and developing & emerging economies growing at 4.3%. Prices of industrial commodities continued to strengthen during the year. In the oil market, inventories moderated amid strong demand, OPEC production restraint, and stabilizing U.S. shale oil production, resulting in recovery in Crude oil prices. Metal prices surged in 2017 due to strong demand and supply constraints, notably Chinese environmentally driven supply cuts. Agricultural prices were broadly unchanged in 2017 and are anticipated to gain marginally in 2018.

On the domestic side, the year was marked by introduction of major tax reform- Goods and Services Tax (GST). Though the transition of such scale and complexity led to few challenges leading to adverse effect on economy during the first half of the year, the systems are beginning to stabilize since. Further, the new Insolvency and Bankruptcy Code for addressing the stressed assets and implementing a major recapitalization package to strengthen the public sector banks were introduced during the year. Stable exchange rate, low inflation, improved current account balance, exports growth and stable commodity environment supported economic growth, which was partially slowed by GST and demonetization impact. Foreign exchange reserves continued to grow at 11% to USD 409 billion, signalling a healthy capital inflow led by foreign investment and banking capital.

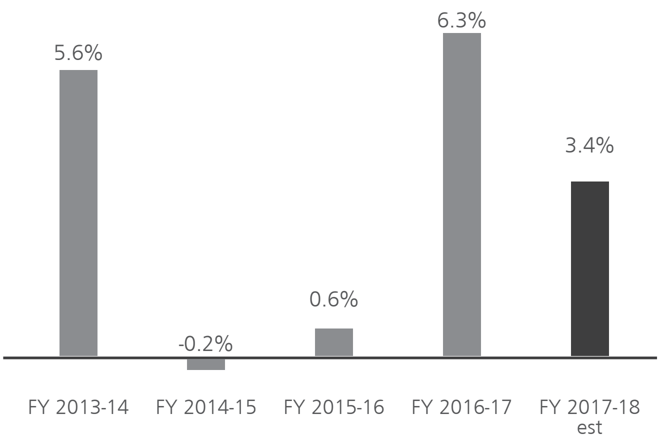
As per Central Statistics Office (CSO) estimates, India's GDP is likely to grow by 6.7% during the year, driven by recovery in government & private consumption and capital formation. With global recovery likely to continue in 2018, stabilization in GST, revival in investment and ongoing structural reforms, India's economy is expected to grow by 7.3% (as per World Bank), with downside risk due to surge in crude prices, tightening of monetary conditions in the developed countries and protectionist policies.

Agriculture Scenario

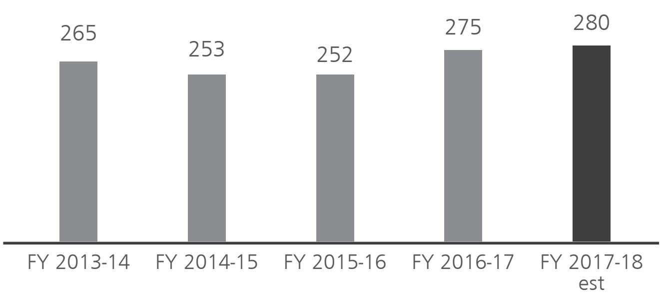
Global agriculture prices were soft, as most of the markets were well supplied and stocks-to-use ratios of major food grains reaching multi-year highs. The World Bank's Agriculture Price Index declined nearly 1%, reflecting softer prices for maize, rice, and other food items, although oils and meals prices gained 1% on the back of strengthening soybean prices.

During the year, India received sub normal monsoons, down by 5% & 10% respectively over normal levels for South West and North East monsoons, which resulted in marginal reduction (of ~1%) in crop sowings; however, improved acreages under high agri inputs consuming crops like Rice, Cotton, Sugarcane and Horticulture especially in Company's (Coromandel) key operating markets, resulted in higher nutrient consumption. Overall, agriculture segment is expected to grow by 3.4% (as per provisional estimates of GDP by CSO) during the year, with food grain output moving up by 2% to 280 million tons, registering its highest ever output. Horticulture segment continues to outgrow food grain production, with production estimated at 307 mil tons in FY18 (302 mil tons in FY17). Crops including fruits and vegetables account for about 59% of GDP in 'agriculture, forestry and fishing' sector. Around 41% of GVA of this sector is based on the livestock products, forestry and fisheries, which is expected to register a combined growth of around 5% in 2017-18.

Agri GVA (at basic prises)-CSO



Food grain output (million tons)



Strategic Business Review

Fertiliser

Industry Overview: Global Markets

Global fertiliser consumption for 2017-18 is projected to grow at a slower pace (+0.9% to 190.7 Mt), as low international prices for most agricultural commodities and an increasing emphasis on more efficient use of mineral and organic fertilisers kept growth under check. Further, China's (world's largest fertiliser consumer) policy for Zero-Growth in fertiliser use by 2020 and substituting mineral fertilisers with organic alternatives, is likely to result in marginal consumption increase. As per the International Fertilizer Association (IFA), global fertiliser demand is expected to increase by 1% over the next year.

Global Fertiliser Demand (mil ton nutrient)

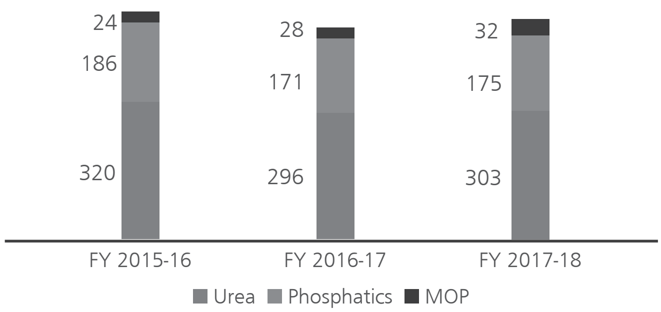
	N	P_2O_5	K_2O	Total
2014-15	102.5	46.6	33.9	183.1
2015-16	103.8	46.9	33.9	184.7
2016-17 e	106.2	47.9	35	189.1
2017-18 f	106.8	48.3	35.6	190.7
2018-19 f	107.3	48.8	36.4	192.5
% Chg	**0.5%**	**0.9%**	**2.3%**	**1.0%**

Source: International Fertilizer Association

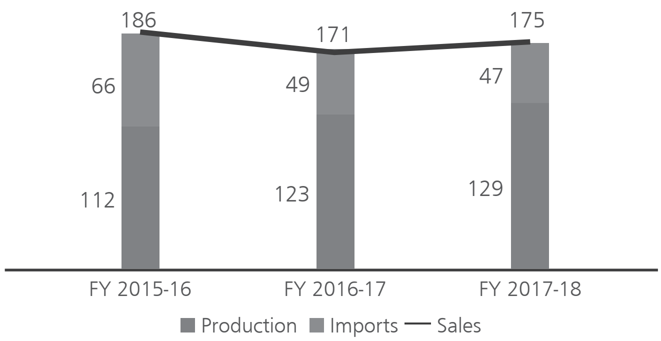
Industry Overview: Domestic Markets

It was a good year for the domestic fertiliser industry, which benefitted from demand revival due to near normal south west monsoons, lower channel stocks, stable raw material prices and exchange rates. As a result, all the fertiliser segments have shown growth in 2017-18. Phosphatics Industry grew by 3% in FY17-18 to 175 lakh tons.

Industry Fertiliser Sales (in Lakh tons)



Industry Phosphatic Performance (in Lakh tons)



Source: Fertiliser Association of India

Stable raw material price and sufficient availability of phosphoric acid (key raw material for manufacturing Phosphatic fertiliser) for major part of the year resulted in improved domestic phosphatic industry's capacity utilization to 83%, up from 79% in 2016-17. As a result, imports have dropped for a second consecutive year to 47 lakh tons, down from 66 lakh tons 2 years ago.

With the Industry witnessing capacity addition and entry of new players, fertiliser availability is likely to improve in the coming years. Further, Government's plan for reviving the defunct Urea units and investing in Joint ventures overseas will help target nutrient self-sufficiency, going forward.

Government Policies

During the year, Government continued its initiatives targeting doubling of farmer's income by 2022, spanning in the areas of crop insurance, soil health and balanced nutrition, income security, market and credit access and infrastructure development.

In order to address balanced nutrition and improve soil health, Government is systematically rationalizing consumption of Urea fertilisers. Towards this, marketing of slow release Neem Coated Urea was made mandatory from 2016-17. During 2017-18, Government mandated the Urea companies to introduce 45 Kg bag of urea in place of existing 50 Kg bags, which is likely to moderate consumption. Further, Government is encouraging the use of customized fertilisers specific to soil, crop and area and has notified 34 customized fertilisers for around 100 districts of the states namely Andhra Pradesh, Telangana, Maharashtra, Uttar Pradesh, Uttarakhand, Tamil Nadu and Karnataka for crops namely Rice, Wheat, Oil Palm, Sugarcane, Chilli and Potato.

With a view to improve the quality of service delivery to farmers and check leakages in the system, Direct Benefit Transfer (DBT) in Fertilisers was rolled out in 16 districts from Oct 1, 2016. Based on the pilot trial experience, the DBT was rolled out pan India in a phased manner during Oct'17 - Mar'18. Though the initial challenges with respect to connectivity, technology, compliance, recording, Point of Sales (PoS) machine installation delayed the implementation, the process has been fairly stabilized now. Being the first year of implementation, the impact on the fertiliser sales was not visible in 2017-18; industry anticipates the sales to be realigned to consumption periods from 2018-19 onwards.

On the subsidy front, post the implementation of Nutrient Based Subsidy (NBS) policy, the subsidy values for P and K fertilisers has been coming down and its share in overall realization currently stands at 27% against 62% seven years ago. For the year 2018-19, the NBS rates have been announced, with uptick in 'P' & 'S' rates, reflecting hardening in raw material prices and weakening rupee.

Nutrient (₹/kg)	2011-12	2017-18	2018-19	% Change over LY
N	27.153	18.989	18.901	-0%
P	32.338	11.997	15.216	27%
K	26.756	12.395	11.214	-10%
S	1.677	2.240	2.722	22%

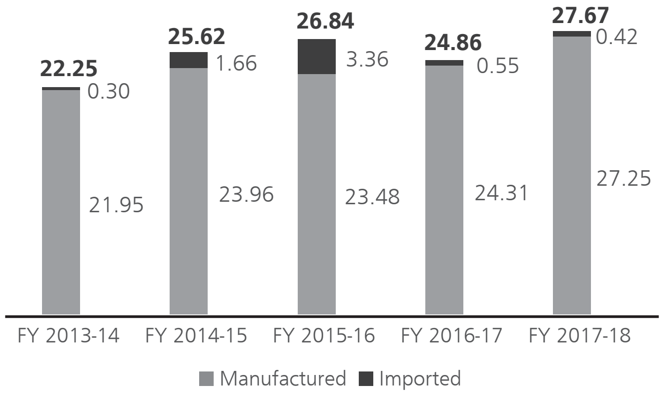
Subsidy allocation for NPKs for 2018-19 has moved up by 24% to ₹ 25,090 Cr. Overall, the quantum of subsidy remains at ₹ 70,000 Cr levels, with redistribution between Urea & NPKs.

Fertiliser Performance

Coromandel ranks among the pioneers in developing fertiliser sector in India, with its Ranipet plant being the first unit to start SSP production in 1906. Over the years, Coromandel has gained magnitude by means of expansion and acquisition and current capacity stands at 3.5 million tons. Being the largest private sector Phosphatic fertiliser marketer in India, it accounts for around 22% of the domestic manufacturing capacity. Its production facilities at Visakhapatnam, Kakinada and Ennore provides considerable presence in South, East and West India markets. Coromandel, with its integrated manufacturing facilities at Visakhapatnam and Ennore, features among the lowest cost producers in India. In addition, Coromandel markets imported DAP and MOP and along with its Urea handling contracts at Kakinada in Andhra Pradesh and Kandla in Gujarat, offers complete nutrient solutions to the Indian farmers.

During the year, Coromandel benefitted from a favourable business environment- normal monsoon in key markets, stable raw material prices and stable exchange rate for most parts of the year, improved liquidation profile, aiding the Business performance. Overall, Phosphatics volumes grew by 11% to 27.67 lakh tons, with major increase coming from Unique product segment. Market share for the year stands at 15.8%, up from 14.6% recorded in 2016-17. Business smoothly transitioned into DBT regime with effectively reconciling majority of the opening stocks and acknowledging pending stock across the states. In the changing business scenario under DBT, Coromandel has moved closer to the customers by strengthening its field team presence and deployed technology tools to enable effective communication with the channel partners. Agronomist structure, set up during 2016-17, was effectively leveraged for market development, brand strengthening and customer connect initiatives.

Coromandel Phosphatic Fertiliser Sales (Lakh tons)



Coromandel remained committed towards improving safety in the work environment and continued to invest towards structural stability. During the year, Total Recordable Injuries Rate (TRIR), a measure of safety performance of a manufacturing unit, stood at 0.65. Coromandel adopted additional five elements under advanced risk based Process Safety Management Systems (PSMS), expanding management's commitment and involvement towards Plant safety. Coromandel's focus towards environment remained firm - approximately 10,000 tree saplings were planted in public areas. Green belt at Kakinada manufacturing site covers 50% of the factory area, providing a conducive environment and a Bird's Paradise inside the factory premises.

On the Operations side, Phosphatic fertiliser production went up by 19% to 28.7 lakh tons. Improved acid availability and increased captive acid throughput led to higher capacity utilization (83% v/s 70% in FY2016-17) and business resorted to marginal imports during the year. Business has initiated major infrastructure projects for raw material and finished product handling, which are likely to improve operating flexibility, going forward. Phosphoric Acid capacity augmentation project at Vizag, which aims to supplement additional one lakh ton of acid, is progressing as per the plan and is likely to come up in 2019-20, making the unit self-sufficient for its acid needs.

Overall, Fertiliser operations sustained production volumes by maintaining cost leadership through effective and efficient operations.

Crop Protection Performance

During 2017, global crop protection market remained weak and real growth is estimated to decline by 3% after removing the inflation and foreign currency impacts. Within this, NAFTA, Asia and the rest of the world region are estimated to have increased, with Latin America and Europe experiencing declines. Crop prices remained low, adversely affecting farmer incomes, and product inventories in some markets, notably Brazil, remained high. On the regulatory side, industry is experiencing increased scrutiny - stricter regulation driven by growing environmental concerns and increasing regulator capabilities/ access to data. Further, strict environmental enforcements in China led to closure of technical facilities and consequent rise in cost of manufacturing.

Global Crop Protection Market (USD million)

	2017P	Nominal Growth over LY	Real Growth over LY
NAFTA	10,800	3.3%	0.9%
Latin America	12,700	-4.1%	-8.3%
Europe	11,612	-2.0%	-4.2%
Asia	16,306	3.1%	0.9%
Rest	2,277	2.5%	-7.1%
Total	**53,695**	**0.2%**	**-3.0%**

Source: Phillips McDougall

Coromandel's Crop Protection business had a good year in terms of turnover in both domestic and export markets, registering growth of 7% to ₹ 1510 Cr. Domestic formulation business had a good year- Team restructuring across various levels supplemented with granular planning and execution has significantly helped in scaling up the sales. The business did well on specialty and captive generics front and improved its channel presence and dealer engagement.

On the manufacturing front, Mancozeb operations at Dahej got stabilized, adding incremental capacity of 10,000 MT from the site. Major thrust was given on strengthening the safety aspects at the Plant sites with near miss reporting and monitoring, Personal Protective Equipment (PPE) compliance and process safety management adoption. Further, Business is undertaking Quantitative Risk Analysis (QRA) study and a two-year comprehensive safety improvement program in the technical manufacturing plants.

Business received 73 new registrations in key geographies and four new formulations were introduced. R&D lab at Hyderabad continued to support the Business through process improvements to bring down the production costs and creating a roadmap for development and introduction of off patent and combination products.

During the year, Coromandel acquired the Bio pesticide business from E.I.D Parry (India) Limited which would enable the Business to gain entry in high growth bio pesticide segment in Indian, North American and European markets. The acquisition has been effective from 01 April, 2018 and provides a synergistic fit to its pest management portfolio.

Retail

Coromandel Retail, which operates around 800 stores in Andhra Pradesh, Telangana, Karnataka and Maharashtra, has evolved as a 'Complete Farming Solution Multi-Brand Platform' offering the entire range of agri-input products and services to around 3 million farmers with a customer value proposition of 'Quality, Trust and Farm Advice'. The Retail centres are called 'Mana Gromor Center' in Andhra Pradesh & Telangana, 'Namma Gromor Center' in Karnataka and 'Aapla Gromor Center' in Maharashtra.

Retail SBU had a good performance during the year, backed by normal monsoons in AP, Telangana and Karnataka, improving its scale and customer connect initiatives. The growth was primarily driven by strong performance of non-fertiliser segment, focused product and store approach, reduced attrition and execution of demand generation enablers.

On the customer front, Business continued to leverage its 'Gromor Nutrient Manager' tool, delivering nutrient recommendations based on soil health and crop needs to ~3 lakh farmers. A 'Gromor Advisory Council' comprising of scientists from leading agricultural universities was constituted to provide farm advisory and develop crop specific nutrient packages. Business successfully carried out a pilot trial using drone technology for assessing nutrient, pest and moisture induced stress in the farmer fields using multi spectral imagery.

Business expanded its coverage in Western Maharashtra and opened four new stores during the year. Business successfully partnered with the Andhra Pradesh Government in the opening of five Custom Hiring and Service Centers (CHSC) in East and West Godavari districts. These CHSCs act as farm machinery banks providing farm equipment to farmers who cannot afford to purchase high end agricultural machineries and equipment. The CHSCs play a pivotal role in introducing high technology agricultural machinery to even small farmers with the objective to boost crop production, improve quality, timeliness and efficiency of agriculture operations.

Specialty Nutrients

Specialty Nutrients SBU, which comprises of Water Soluble Fertilisers (WSFs), Sulphur products and Micro nutrient segments, showed good growth during the year. Increase in acreage under Cotton during Kharif season provided traction for WSF grades, which was effectively leveraged by integrated nutrient marketing and Agronomist team. During the year, Business introduced three new products, which have received positive feedback from the market. With this, the SBU has extended its crop based approach to paddy, potato, pulses and other horticulture crops.

With the Government putting high impetus on promoting balanced nutrition and increasing horticulture coverage, Business expects big growth opportunities emerging in secondary and micro nutrient space. Further, dedicated Micro Irrigation Fund to achieve 'per drop more crop' announced during last budget offers significant growth upside in water soluble segment, going forward.

Organic Manure

With more than 60% of the Indian soils deficient in organic carbon, Coromandel recognized the need to provide balanced nutrition to the Indian soils and forayed into organic inputs space almost a decade back. Today, it is the pioneer and leading organic marketer in India, commanding a market share of 18% in City Compost segment.

During the year, Organic SBU improved its performance, growing by 9% to 1.44 lakh tons. In order to serve organic certified inputs, the necessary reliable vendor base, quality assurance systems and supply chain models have been established. Business also commenced production of city compost on a pilot basis at Visakhapatnam.

With seven of the Indian States going organic and increasing thrust by the Government on organic farming through Farmer Producer Organizations (FPOs) and Village Producers Organizations (VPOs), this segment is likely to witness major growth in coming years.

Single Super Phosphate (SSP)

During the year, SSP industry operated at lower capacity levels as higher channel inventory and weaker monsoon in West and Central India impacted consumption, reducing the industry sales by 3%. A significant policy change, mandating marketers to print brand name of the manufacturers on the bags and the subsidy eligibility only for manufacturers, was notified. This has come into effect from 01 April, 2018 and is likely to improve product quality aspects of the industry.

During the year, Coromandel consolidated its operations by improving capacities through debottlenecking Udaipur, Baroda and Nimrani units. Overall, production has moved up by 3% to 5.2 lakh tons, with improvement in operational efficiencies and plant throughput. Also, focused approach on value added granulated products helped in improving the sales volumes by 9% to 5.2 Lakh tons. Business's commitment towards quality remained firm and it continued to demonstrate its product superiority through 'Quick Testing' kit.

Opportunities & Strengths

Opportunities

- Government's focus on improving soil health and promote balanced nutrition to increase awareness and acceptance of NPK grades, Secondary and Micro nutrients, Organic manure and water soluble fertilisers
- 'Make in India' policy to incentivize domestic fertiliser manufacturing and improve plant capacity utilization
- Tax reforms introduced under GST to help in eliminating spurious players, bringing transparency in operations and benefiting organized players
- Digitization of the Fertiliser Supply chain under Direct Benefit Transfer to improve stock visibility and bring transparency in operations
- Agri infrastructure development – Strengthening of Irrigation, cold chain, rural electrification and digital connectivity to bring structural reforms in rural India
- Doubling farm income by 2022 - Higher Minimum Support Price, price discovery through electronic markets and agriculture insurance to improve disposable income for the farmers and support higher agri inputs usage
- By 2022, ~26 Crop Protection molecules are going off patent, which provides significant growth opportunities for generic manufacturers
- Policy change in SSP mandating marketers to print brand name of the manufacturers on the bags to promote quality consciousness among consumers
- Entry into bio pesticide business to provide access to US and European markets

Strengths

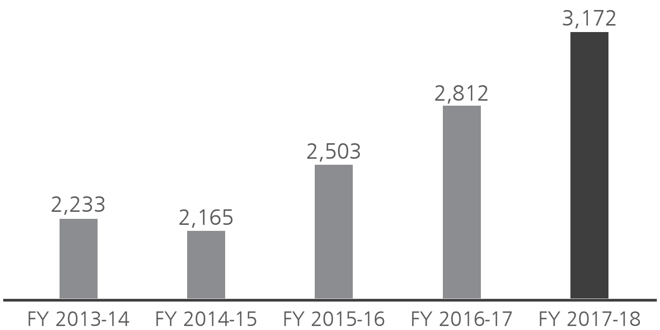
- Amongst the pioneers and market leaders in Organic Fertiliser, Specialty Nutrients, Phosphatic fertilisers in India
- Significant presence and brand equity in high agri inputs consuming South, West and East India markets
- Diversified product portfolio with non-subsidy businesses contributing significant share in Company's profitability
- Differentiated crop solutions provider with nearly one-third of domestic sales coming from unique products
- Direct consumer connect through 800 Retail Centers in Andhra Pradesh, Telangana, Karnataka and Maharashtra offering products and services to around 3 million farmers
- Captive Phosphoric Acid and Sulphuric Acid manufacturing capacity improving the cost structure of Phosphatic products
- State of the Art R&D facilities for new product development in Nutrient and Crop Protection space
- Joint venture with SQM Chile, a global player in specialty plant nutrition, improving Coromandel's sourcing capability, manufacturing and technical knowledge in Water Soluble Fertiliser
- Strategic investment in Tifert (in Tunisia) and Foskor (in South Africa) for upstream integration for Phosphoric Acid sourcing
- Integrated nutrient marketing team and agronomist structure improving customer connect and driving knowledge dissemination
- Zero long term debt. Strong credit rating: 'AA +' (Stable outlook)' from CRISIL India

Financial Review

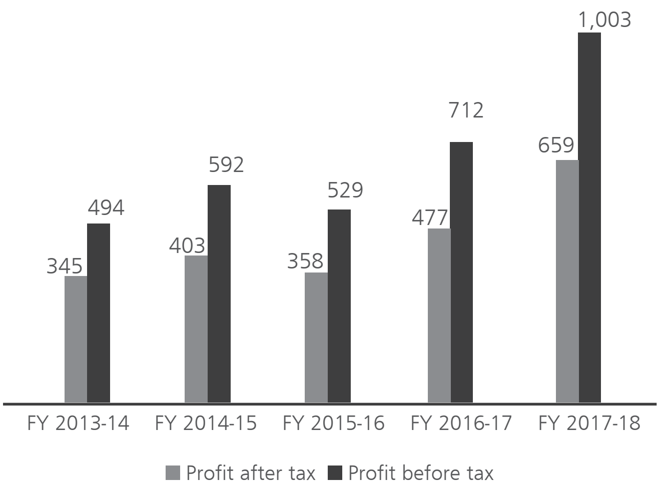
The Company's overall financial performance for the year 2017-18 has been good. The total revenue stood at ₹ 11,044 Crore in 2017-18 as compared to ₹ 10,239 Crore in the previous year. The Company's PBT is ₹ 1,003 Crore as compared to ₹ 712 Crore in the previous year, and PAT is ₹ 659 Crore as compared to ₹477 Crore in the previous year.

The Company generated ₹1,335 Crore (2016-17: ₹992 Crore) of cash surplus from its operations, before changes in working capital and after adjusting for the changes in working capital, the net cash generated from operations is ₹253 Crore (2016-17: ₹917 Crore).

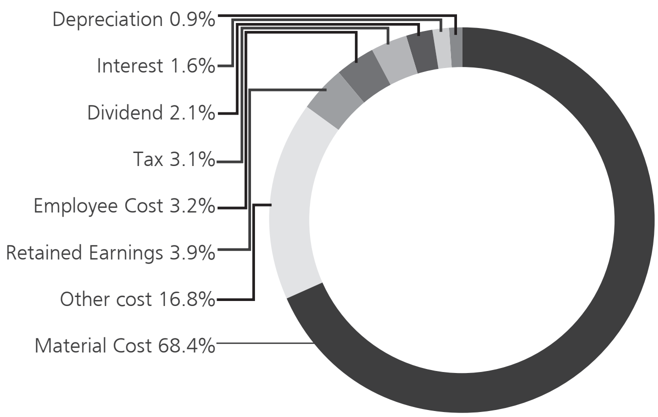
Networth (₹ in Crore)



Profitability Trend (₹ in Crore)

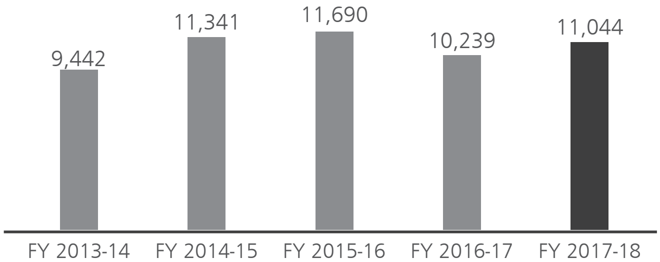


Distribution of Income During 2017-18 (in%)

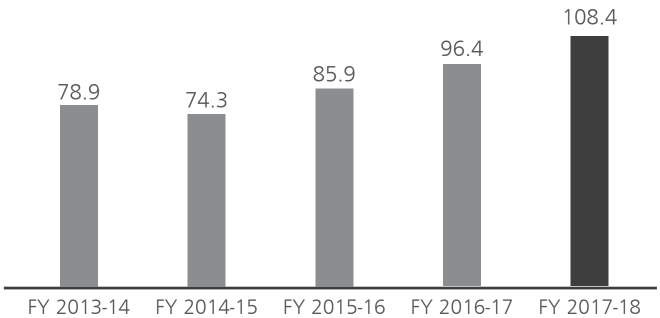


The total debt:equity ratio stood at to 0.86 as against 0.79 in the previous year. The Company's liquidity position continues to remain healthy with year-end cash and bank balance of ₹ 548 Crore of temporary surplus retained in short term bank deposits/ current accounts in addition to term deposits of ₹ 400 Crore with HDFC Limited. The Company's long term credit rating by 'CRISIL' continued to be 'CRISIL AA+ (stable)' and short term debt rating at 'CRISIL A1+'.

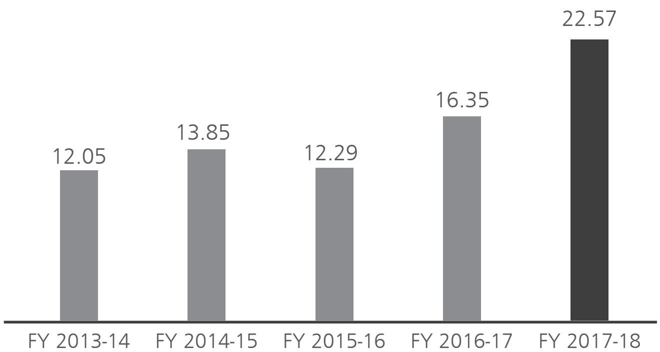
Revenue (₹ in Crore)



Book Value per Share (₹)



Earning per Share (₹)



Outlook

As per International Fertilizer Association's (IFA) projections, global fertilizer demand is expected to grow in 2018-19, but at a slow pace compared with historical trends due to prospects of low international crop prices, increasing pressure to reduce nutrient losses to the environment, increased recycling, and China having reached the tipping point for domestic N and P fertilizer consumption. On the domestic front, with the Direct Benefit Transfer (DBT) implemented across India, sales are likely to be aligned with consumption cycle. As the year 2018-19 starts with low channel stocks and low plant and port inventories, industry sales are likely to be grow moderately, amidst monsoon uncertainty.

On the crop side, as per the World Bank estimates, global Agriculture Price Index is expected to edge up slightly over 1% in 2018. In India, with the budget announcement of remunerating the farmers at 1.5x the cost of production of a crop, there can be a significant improvement in the disposable income for the agri households. Further, Deficiency Price Payment and Input Subsidy Schemes announced by some State governments is likely to improve the rural cash flow.

For the year 2018-19, Coromandel plans to focus on sustaining its growth trajectory by increasing its investments in infrastructure, capability building and customer centricity. Coromandel will aim at strengthening its position as a 'Complete Farm Solution Provider' by improving its engagement with the farming community in the addressable markets. Special emphasis will be given on infrastructure upgrade for ensuring safe and sustainable operations. Safety culture across the plant locations will be firmed up through structural upgrades and process compliances (Process Safety Management Systems, Quantitative Risk Assessment, Near Miss Reporting, Safety Survey, Behavioural safety). Technical and R&D capabilities will be enhanced to strengthen 'Concept to Commercialization' process and fasten product introduction. With the deluge of data post DBT implementation and Retail operations, Analytics will be enhanced to assist the business teams in measuring the key performance indicators and aiding in decision support system.

With the agri nutrient environment undergoing transformative changes in terms of DBT introduction, increased competitive forces, sufficient nutrient availability and higher choices for farmers, Coromandel's Fertiliser Business will aim to develop moats for achieving sustainable long term growth solutions. This includes moving closer to the customer and improving service levels, bringing quality in focus, improving operational capabilities, leveraging data/technology and developing plant and field infrastructure to align with changing business needs. On the customer front, Business will continue to focus on unique product solutions, providing yield and output quality improvements. Integrated Nutrient Management team deployed in 2016 will be leveraged to scale up farmer level initiatives by providing integrated nutrient demos and farmer training programs. To improve retailer level connect, supply chain efficiencies and customer loyalty programs will be strengthened. On the manufacturing side, Business will drive operational efficiencies to improve plant capacity utilization and captive acid throughput. Considering the future business needs and changing business environment, infrastructure projects (raw material and finished product) will be taken up during the year.

For 2018-19, Coromandel's Crop Protection SBU plans to scale up its volumes across all its business segments - Exports, Formulations and Domestic B2B. In Exports, market access will be improved by deploying teams closer to the key geographies for better consumer understanding and dealer engagement. On the product front, portfolio expansion with new registrations of own and third-party products along with label expansions on additional crops have been planned. Subsidiaries in key identified markets will be established to sustain and build platforms for future growth. On the domestic front, Business will focus on high potential states through scaling up its demand generation activities. Integration of Bio division is expected to provide synergies in exports and domestic markets. New capabilities will be built for manufacturing new generation high-value molecules. In this regard, the concept to commercialization path for the identified new molecules would go through the process of pilot studies for formalizing process norms and engineering design. The long-term capability building efforts in terms of product portfolio expansion through synthesizing off patent molecules and developing combination products in R&D would continue and towards this, Business will strengthen its Quality and Technology Transfer team.

The Retail SBU will continue to strengthen its value proposition of 'Quality, Trust and farm Advice' by engaging closely with the farming community. During 2018-19, Business will pilot test its stores in new geographies, explore new store formats and delivery approach and consolidate its position in existing markets. Business will expand its product portfolio by entering into strategic partnerships and scale up Customer Hiring & Service Centers and Farm Mechanization services.

Specialty Nutrients Business will maintain its focus on specialized grades by way of brand building and promotion activities. Business will leverage JV's strengths in introducing crop specific solutions. To improve fertigation adoption in untapped drip markets, agronomist team will be strengthened and large-scale trials will be carried out.

Organic business will augment its supplier base and fully operationalize its captive production at Vizag. Quality Audits for monitoring production process and product analysis will be carried out regularly to ensure product quality. With a view to cater to the demand from Organic states, Business initiated the activity of getting certification of its products in the year 2017-18 and the same will be taken forward in 2018-19.

SSP business will focus on building brand and product differentiation by providing value added offering to the customers. Business will focus on primary markets to reduce logistics cost, improve customer centricity and create quality awareness through extensive quick test campaigns. To improve efficiency and throughput in its plants, Business will complete technology upgradation and debottlenecking the capacities.

Overall, with a normal monsoon expectation, lower channel inventory and strengthened business processes, Coromandel expects to sustain its growth momentum for 2018-19. Going forward, Company plans to strengthen its existing operations and capture new opportunities through expanding its markets, product & services, business adjacencies and agri technologies.

Risk Management

Risk management is a very important part of the Company's business policy. Coromandel's Risk Management structure spans across different levels and the Company continuously identifies, classifies and formulates mitigation measures. Coromandel has a Risk Management Committee, comprising of three Directors, of which one is an Independent Director who chairs the Committee meetings. The Committee members along with the senior executives and Business Heads of the Company carry out regular review of risk management practices and evaluate their implementation status. The key risk management practices include risk assessment, measurement, monitoring, reporting, mitigation actions and integration with strategy and business planning. The key risks associated with various processes of Company's business are analyzed in detail, covering causes and sources of the risk, a logical sequence of triggering events (Key Risk Indicators), positive and negative consequences and the likelihood of occurrence of such consequences and the severity of the impact, both in qualitative and quantitative terms. The Key Risk Indicators are mapped to the job function of respective executives and the reporting and monitoring frequencies are also defined. The identified key risks at the Entity Level are evaluated on quantitative, semi-quantitative and qualitative aspects of impact for timely decision on its treatment.

The risks associated with the Company's businesses are broadly classified into six major categories:

Environmental Risk: Due to adverse impact of its effluents on eco-system, the Company may face litigation and penalty.

Economic Risk: Due to downturn or adverse political situations which may negatively impact on the Company's organizational objectives.

Regulatory Risk: Due to inadequate compliance to regulations, contractual obligations or any other statutory violations, which may lead to litigations and loss of reputation.

Operational Risk: Inherent to business operations including manufacturing & distribution operations, tangible or intangible property and any other business activity disruptions.

Financial Risk: Due to major fluctuations in currency market, rise in interest rates and possible non recovery of debts, which could impact the organisation

HR & Legal Risk: Due to attrition of any Key Managerial Person or disruption of operations due to any other human resources issue.

In addition, IT related risks can result in loss of important data etc., leading to disruption in operations. These are addressed through adequate back-up mechanism, including Disaster Recovery Centre, authorization verification, regular training programs, regular purchase of licenses in line with the business requirement and other preventive measures.

The assets of the Company, including its plant and machinery, work in process inventory and finished stocks are adequately insured against loss or destruction by fire and allied perils.

The key risks associated with the Company's business, its likely impact and the mitigation mechanism evolved are discussed hereunder. The evaluation of risk is based on management's perception and the risks listed below are not exhaustive.

Risk	Risk Assessment	Mitigation Plan
Environmental / Economic / Regulatory Risks		
Handling and storage of hazardous materials incl., Ammonia , sulphuric acid etc.	- Impact on operations - Stoppage of production - Accidents resulting from release of the hazardous materials and consequent claims	• Strict PSMS Implementation • Strict adherence to maintenance/ inspection schedules, training and emergency /disaster management plans. • Public Liability Insurance Policy • ISO 14001 & OHSAS 18001
Emission / Un-treated effluents causing pollution	- Revocation of factory license - Civil / criminal action	• Augmenting ETP facilities • Strict adherence to PC standards
Non-compliance with Legal / Regulatory / Tax Compliance -Including other Countries	- Disruption of operations - Legal proceedings against the Company and its officials.	• Understanding / awareness of regulations and statutes • Engagement / advice by renowned lawyers and experts • Monitoring regulatory changes
Non-compliance with FCO Standards & Specifications	- Civil / criminal proceedings - Production stoppages - Disallowance of subsidy claims	• Rigid quality checks at Plants • Test verification of bags • Reprocessing of non-standard materials • Better bags handling procedures
Change in Government Subsidy Policies	- Impact on turnover / working capital - Change in distribution pattern	• New NBS Policy – greater clarity / certainty • Increased focus on non-subsidy Business • Optimisation of rail road transportation. • Liaison with Government
Restriction on sale / usage of some crop protection products in India / abroad	- Impact on turnover / profitability - Negative publicity	• Development of newer and safer technical; • Extension of product life-cycle
Change in climate / Monsoon failure in target market	- Impact on turnover / profitability	• Integrated Nutrient & Agronomist Structure • Diversified Market / High Margin Products

Risk	Risk Assessment	Mitigation Plan
Operational Risks		
Possibility of reduction of timely supply or non-availability of key raw materials & proper pricing	- Impact on revenues. - Increased cost of production - Increase in working capital requirement - Volume shrinkage	• Forecasting • Close monitoring of international price of raw materials. • Diversified sourcing & Strategic tie up • Manufacturing Flexibility
High dependence on certain product categories; molecules which are likely to be obsolete in near future & lack of new generation molecules and herbicide portfolio	- Impact on turnover / profitability	• Faster new product pipeline & Registration • Combination molecules Pilot Plant
Introduction of pest / resistant BT crops or change in crop pattern	- Impact on turnover / profitability	• Identification of emerging pests and suitable molecules • Introduction of new products
Financial Risks		
Currency and exchange fluctuation risk	- Under recovery of Subsidy - Impact on profitability	• Close monitoring of exchange trend • Forward covers at appropriate time and Level
Interest rate risk	- Increase in cost of borrowing - Impact on profitability	• Healthy debt-equity and interest cover ratio • Sustain good credit rating
Credit risk	- Impact on working capital - Dues becoming bad - Loss of interest	• Review of credit evaluation and limits • Close monitoring of receivables
Liquidity risk	- Impact on working capital - Increase in cost of borrowing	• Close monitoring of receivables • Increased working capital facilities • Securitization of receivables
Legal & Human Resource		
Contractual Liability Risk	- Disruption of operations - Impact on turnover & profitability	• Contract Management Policy • Standardization of Contract templates • Legal to approve Changes in contract clauses if any • Monitoring strict adherence • Strengthening legal manpower
Attrition of skilled / trained manpower	- Disruption of operations - Knowledge dissipation	• Compensation revision in-line with market • Succession Planning • Career planning and training

Internal Financial Controls

Coromandel has adequate internal controls consistent with the nature of business and size of the operations, to effectively provide for safety of its assets, reliability of financial transactions with adequate checks and balances, adherence to applicable statutes, accounting policies, approval procedures and to ensure optimum use of available resources. These systems are reviewed and improved on a regular basis. Coromandel has a comprehensive budgetary control system to monitor revenue and expenditure against approved budget on an ongoing basis.

The Company has its own corporate internal audit function to monitor and assess the adequacy and effectiveness of the Internal Controls and System across all key processes covering various locations. Deviations are reviewed periodically and due compliance is ensured. Summary of Significant Audit Observations along with recommendations and its implementations are reviewed by the Audit Committee and concerns, if any, are reported to the Board.

Human Resources

People well-being and capability development remains at the forefront of Coromandel's business approach and is being recognized as a key component for achieving organizational goals. During the year, the Company focused on following people areas to achieve business goals: Organization Design, Capability building and Talent Development, Employee Engagement and Employee Communication

Organization Design: In line with the Company's strategic initiatives, Coromandel has strengthened its organisation structure enabling the line functions to deliver the long-term business goals. With the implementation of Direct Benefit Transfer (DBT) in Fertiliser, Company has improved its last mile connect with the customers through establishing a DBT field team. Further, the Integrated Nutrient marketing and Agronomist structure, developed over last year, helped in driving farm level initiatives and extension activities. In addition to this, new positions focusing on Operational Improvement initiatives, Shared Services Center, Quality and Technology Transfer were established with an aim to drive the organizational needs in a dynamic business environment.

Talent Development: During the year, Company has deployed various training initiatives to build people capabilities. This includes programmes centred around developing Sales and Manufacturing Capability, Leadership Development and Young Talent. In line with the Government notification, 261 Retail Store Managers were enrolled for DAESI (Diploma in Agriculture Extension Services for Input Dealers) programme through MANAGE in collaboration with State Agricultural Management and Extension Training Institutes to equip themselves with the formal knowledge on agriculture management.

Employee Well Being: Coromandel continues to emphasize on employee well-being, health and engagement through various initiatives. Employee Assistance Programme (EAP) with focus on emotional well-being of employee and his/her family were initiated during the year. Coromandel aims to prevent occupational diseases through implementation of management systems like ISO 14001, OHSAS 18001 and Process Safety Management System. Defensive driving, road safety, process safety and behavioural safety training were conducted across the manufacturing and sales & marketing locations.

Employee Communication: Coromandel in its endeavour to keep the workforce across geographies connected to the Senior Leadership continued the enterprise wide quarterly Communication Program 'Chronicle'. As part of this, the Senior Leadership interacts with the employees across locations through webinars on business priorities and way forward plans.

Value System: Coromandel promotes integrity, trust and openness in the organization at all levels by living its Values & Beliefs - "The 5 Lights" and being the responsible corporate citizen. Each employee undergoes the periodical awareness sessions and provides undertaking on the Five Lights, Coromandel Guide to Business Conduct (CGBC), Whistle blower Policy and Prevention of Sexual Harassment Policy.

Industrial Relations: The industrial relations across all the plants continued to remain cordial and peaceful. The rights of workers to freedom of association and collective bargaining are recognised and respected. There are 8 employee associations across the manufacturing locations of the Company, with nearly 890 (66%) NMS being members of it. During 2017-18, Coromandel entered into long-term wage settlement as well as with productivity linked incentive scheme at Ennore and Ranipet units, long term wage settlement at Hospet and rate contract for bagging at Kakinada unit.

For its management and employee practices, Coromandel's Visakhapatnam and Kakinada units have received 'Best Management Award' from the Labour Department of Andhra Pradesh during the year.

Prevention of Sexual Harassment at Workplace Policy

Coromandel has a Policy on Prevention of Sexual Harassment (POSH) to ensure a harassment free workspace for the employees. Sexual harassment cases are dealt as per the Company policy on prevention of sexual harassment. All the employees are communicated on regular basis on the various aspects of prevention of sexual harassment at work through e-articles and other means of communication.

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, Coromandel has constituted Internal Complaints Committees (ICC). During the year 2017-18, one case was reported on sexual harassment and the same has been investigated by ICC and action taken thereon.

CSR Activities

Corporate Social Responsibility (CSR) activities at Coromandel endeavour to bring about inclusive growth and development in its operative areas through various need-based interventions across all the locations. The cornerstone of Coromandel's business strategy is to achieve sustained growth while co-creating better socio-economic opportunities in its ecosystem. The Company firmly believes that business and society can strengthen each other, when they are integrated in mutually reinforcing partnerships. All the CSR interventions have been taken up through a partnership mode with government agencies, community-based organizations and the local community. Periodic assessments are carried out to ensure that the aim of the project meet the desired outcomes.

During the year, Coromandel continued its commitment to serve the communities and focused on the areas of education, healthcare and community development.

Education: During the year, Coromandel touched over 19,941 children and brought about a positive impact with its initiatives in education. The Company has been supplementing and complementing the efforts of the government in ensuring quality through various community education initiatives. In order to address the challenges of high dropout rates and improving quality of learning, Coromandel undertook a survey to assess the requirements of these children and also explored opportunities for them to get back to schooling and vocational training. Through all its endeavours, efforts have been concerted to develop an enabling environment for the children to attend school on a regular basis and remove blockages which prevented them from doing so.

The Coromandel Girl Child Education Scheme has been driving its objective of ensuring continuance of girl education beyond the age of 16 years. This was indicated by an impact assessment study, which has shown that the scholarships provided to the girls have contributed to 97% of them continuing their education and 73% using it for buying books and paying their fees. 96% of the respondents also mentioned that it brought in motivation in their parents for the girls to continue their education further. The Coromandel Girl Child Education Scheme target girl students in rural government schools in standards IX and X and during the year reached out to 1428 girls in 658 government schools.

Coromandel continued to support the educational needs at Udbhav School, which caters to more than 500 first generation learners from economically deprived background and is run in collaboration with the IIM Ahmedabad Alumni Association-Hyderabad Chapter. During the year, the school has introduced SMART classrooms and trained the teachers to teach with the help of digitalized lesson plans. New activities have been added to the curriculum to entail a holistic learning experience for the children.

Coromandel also supports education to the children born with hearing impairment. At Balavidyalaya, the children are taught to make use of their residual hearing through constant use of suitable hearing aids and develop age appropriate language skills. The School has 90 children and 15 teachers & 2 audiologists.

The Murugappa Polytechnic College has been imparting quality education & training of international standards in Engineering and Technology to the impoverished and during the year 317 students passed out from the regular stream.

Health: The health initiatives of Coromandel address the needs of different groups, including young women and people with disabilities, whose health requirements are not always adequately served by existing systems. Through the Coromandel Medical Centres, health education programs, sanitation drive and public-private partnerships in healthcare initiatives, Coromandel aims to create a healthy community for a prosperous future. Towards this, Coromandel Medical Centres have reached out to 92,292 patients in 2017-18. A total number of 7730 infants have availed service in the Pediatric ward and lives of 672 critically ill infants have been saved.

Coromandel continued to partner with the government health centres to strengthen their delivery system and ensure people are able to access better services. The Coromandel Pediatric Ward in Government General Hospital in Kakinada was refurbished to improve the quality and service levels and during the year, Company donated medical equipment including 2 ventilators and one generator. The ward is projected as a Model Facility for the hospital and has been showcased to all other companies for replication. The ward caters to patients from rural areas of the district, who would not be able to avail advanced healthcare facilities. In order to address the issue of child mortality, Coromandel supported refurbishment of a health centre in Gujarat. This has helped in the institutionalization of deliveries, with 56 women registering under the centre and a considerable difference has been noticed in both mother and child's health conditions.

Sanitation has also become a prime focus for delivery to ensure people maintain the desired health standards. The provision of toilets, a concentrated 'Behavior Change' strategy towards its usage and provision of safe drinking water has resulted in improving health standards of the communities. These toilets have brought about a difference in the lives of the people residing in Sarigam and Kakinada. 548 toilets have been constructed and handed over to the communities taking the total number to 1071.

Coromandel has been organising medical health camps every year by inviting different specialist doctors from in and around the State. These camps are designed as per the health requirements of the communities and aim at improving their awareness levels to ensure disease free life. During the year, more than 3000 people have availed medical services at these camps.

Coromandel continued its association with 'Hrudaya – Cure a little Heart' Foundation to treat underprivileged children with Congenital and Acquired Heart Diseases (CHD) and gives them a chance to live normal, healthy life. 31 children have been operated under the support of Coromandel and a total number of 106 surgeries have been performed for children suffering from heart ailments, with the support of Coromandel. The commitment to ensure quality healthcare to the needy has been strengthened with the support to the AMM Foundation run hospitals namely the Sir Ivan Stedeford Hospital, AMM Hospital and AMM Arunachalam Hospital. A total number of 36,939 new patients were treated at the AMM Arunachalam Hospital and 18,409 new patients were treated at the AMM Hospital. These hospitals help in bridging the gap in the existing health care system and provide subsidized healthcare.

Community Development: Coromandel interventions in Community development aims at transforming the lives of the community through result oriented participatory approach. The efforts are directed towards inclusive growth so as to reach out to the most vulnerable communities and help them build a better tomorrow. Its community development programs address the need for developing physical infrastructure and economic opportunity in the communities where it works. With a view to augment the employability of the rural youth through induction of industry appropriate skills, Coromandel has augmented skills of 485 youths on various trades to ensure employability. Additionally, through the Self-Help Groups, women are trained in various vocational skills to equip them to lead a life of economic independence and prosperity.

Research and Development: Coromandel worked with Punjab Agricultural University and Aston University and completed a three-year study on analyzing bio-char as a fertilizer for rural application. The work carried includes the installation and commissioning of the equipment; operation of the plant to generate biochar and energy; and field trials of application of biochar made from paddy straw. The technology has been showcased to the farmers and other stakeholders in Punjab and other neighbouring states to discourage open field burning of biomass. Field trials were also conducted with biochar to see its usefulness as a source of organic fertiliser. Studies have also been taken up to mitigate climate change by the Murugappa Chettiar Research Centre (MCRC).

The Company's societal commitment has been well appreciated by the stakeholders and during the year it received two national awards for its efforts towards child care initiative in the Pediatric ward in Kakinada and its overall CSR Practises. However, Company's greatest reward in future will be to make all its programs self-sustaining and drive future growth of the society and nation at large.

Annexures To Directors' Report

Annexure A

Statement showing salient features of the financial statements of subsidiaries, joint ventures and associates as per Companies Act, 2013

Part "A" : Subsidiaries

(₹ in Lakhs)

Name of entity	Parry Chemicals Limited	Dare Investments Limited	Liberty Pesticides and Fertilisers Limited	CFL Mauritius Ltd.	Coromandel Brasil Ltda	Sabero Australia Pty Ltd.	Sabero Organics America S.A.	Sabero Europe B. V.	Coromandel Agronegocios de Mexico, S.A de C.V	Sabero Argentina S.A.
Date on which subsidiary is acquired	25 September, 2003	13 April, 2012	08 May, 2014	17 June, 2008	24 November, 2008	31 December, 2014	31 December, 2014	31 December, 2014	31 December, 2014	31 December, 2014
Share capital	1,000	500	75	10,281	471	41	888	19	29	18
Reserves and surplus	601	538	180	(5,259)	(546)	(48)	(699)	(26)	69	(23)
Total liabilities	13	152	10	11	109	8	121	7	129	6
Total assets	1,614	1,191	265	5,033	34	1	310	-	227	1
Investments (included in Total assets)	-	1,190	-	4,804	-	1	-	-	-	-
Total income (including other income)	93	-	17	*	208	10	150	-	681	-
Profit/(Loss) before tax	17	(4)	16	(28)	59	(4)	(88)	(5)	8	(7)
Provision for tax	9	-	3	-	8	-	(1)	-	-	-
Profit/(Loss) after tax	8	(4)	13	(28)	51	(4)	(87)	(5)	8	(7)
Dividend	-	-	-	-	-	-	-	-	-	-
% of shareholding	100%	100%	100%	100%	100%	100%	99.98%	100%	100%	95%
Reporting period	31 March, 2018	31 March, 2018	31 March, 2018	31 December, 2017	31 December, 2017	31 March, 2018	31 December, 2017	31 March, 2018	31 December, 2017	31 December, 2017
Reporting currency	Indian Rupee	Indian Rupee	Indian Rupee	USD	Brazilian Real	Australian Dollar	Brazilian Real	Euro	Mexican Peso	Argentine Peso
Closing exchange rate	-	-	-	63.88	19.28	50.01	19.28	80.25	3.25	3.43

*Less than a lakh

Notes:

1. There are no subsidiaries which are yet to commence operations.
2. There are no subsidiaries which have been liquidated or sold during the year.

Annexure A (Contd.)

Part "B" : Joint ventures/ Associates

Name of entity	Coromandel SQM (India) Private Limited	Yanmar Coromandel Agrisolutions Private Limited	Sabero Organics Philippines Asia Inc.
Relationship	Joint venture	Joint venture	Associate
Latest audited balance sheet date	31 March, 2018	31 March, 2018	31 December, 2017
Date on which the assocaited or Joint venture was associated or acquired	09 January, 2009	14 January, 2014	31 December, 2014
Number of shares held by the Company	50,00,000	1,30,04,000	320
Amount of investment (₹ in lakh)	500	1,300	*
% of shareholding	50%	40%	40%
Networth attributable to the Company (₹ in lakh)	1,195	453	(1)
Profit/ (loss) for the year			
i. Considered in consolidation (₹ in lakh)	218	(271)	-
ii. Not considered in consolidation (₹ in lakh)	219	(407)	6

*less than a lakh

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

For and on behalf of the Board of Directors

Sameer Goel
Managing Director

M M Murugappan
Chairman

Place: Secunderabad
Date: 24 April, 2018

Jayashree Satagopan
Chief Financial Officer

P Varadarajan
Company Secretary

Annexure B

Form - MR 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31 March, 2018

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

The Members,
COROMANDEL INTERNATIONAL LIMITED
1-2-10 Sardar Patel Road,
Secunderabad,
Telangana – 500 003.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Coromandel International Limited [Corporate Identification Number: L24120TG1961PLC000892] (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31 March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March, 2018 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder and the Companies Act, 1956 to the extent applicable;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) During the year under review the Company has complied with the provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investments. There are no External Commercial Borrowings and Foreign Direct Investment during the year under review;

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

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

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c) During the year under review, the Company has not issued any new securities mandating compliance of the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

d) ESOP 2016 was approved under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Employee Stock Option Scheme, 2007 was approved under the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

e) During the year under review, the Company has neither issued any debentures nor has any outstanding debentures to be redeemed and hence the compliance of the provisions of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 is not applicable;

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

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

h) The Company has not bought back any shares during the period under review and hence the provisions of compliance of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 is not applicable;

Annexure B (Contd.)

(vi) The other laws specifically applicable to the Company are as follows:

1. Fertiliser Control Order, 1985;
2. Insecticides Act, 1968 and Insecticides Rules, 1971;
3. Seeds Act 1966 and Seeds Rules;

With respect to Fiscal laws, based on the information & explanations provided by the management and officers of the Company and periodical reports and certificates placed before the Board of Directors, we report that adequate systems are in place to monitor and ensure compliance of the above mentioned laws.

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

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

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

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

We further report that

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

Adequate notice is given to all directors before the schedule of the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Agenda / notes on agenda which are circulated less than the specified period, the necessary compliances under the Companies Act, 2013 and Secretarial Standards on Board Meetings are complied with. There are certain businesses that can be transacted through Video Conferencing / Audio Visual means as provided for under the Companies Act, 2013 and the relevant Rules made there under. The Company has properly convened & recorded in compliance with Rule 3 of Companies (Meetings of Board and its Powers) Rules, 2014 businesses that have been transacted through Video Conferencing / Audio Visual means.

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

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

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

1. Obtained the approval of the Board at their meeting held on 28 April, 2017 for infusion of upto US $ 10 million in Tunisian Indian Fertilisers S.A. (TIFERT) in the form of equity and/ or loan in one or more tranches.

2. Obtained the approval of the Board at their meeting held on 28 July, 2017 for Availing of Working Capital facilities of fund based and non fund based aggregating to ₹ 7,500 Crores and Securitization of Trade / Subsidy receivables / Dealer / Channel Finance aggregating to ₹1,500 Crores and Vendor Finance ₹100 Crores.

3. Obtained the approval of the Board at their meeting held on 16 March, 2018 for availing enhanced working capital facilities of fund based and non fund based aggregating to ₹10,000 crores (existing limits – ₹7,500 crores) and securitization of trade/ Subsidy receivables / Dealer / Channel Finance aggregating to ₹1,500 crores and Vendor Finance – ₹100 crores.

4. Obtained the approval of the Board at their meeting held on 25 October, 2017 for Incorporation of a subsidiary company in Argentina and invest upto US $ 10,000 in the capital of such subsidiary.

Annexure B (Contd.)

5. Obtained the approval of the Board at their meeting held on 25 October, 2017 for appointment of Mrs. Jayashree Satagopan as Chief Financial Officer in the place of Mr. S. Sankarasubramanian who has been transferred from Finance to Business to head the fertilizer business.

6. Obtained Approval of the Board at their meeting held on 22 December, 2017 for acquisition of 776.48 Shares of $100 par value held by E.I.D Parry (India) Limited in Parry America INC., USA.

7. Obtained the approval of the Shareholders by way of postal ballot Pursuant to Section 188 of the Act, for acquisition of Bio-Pesticide business of E.I.D Parry (India) Limited, holding company, for a consideration of ₹ 302.61 Crores.

8. Obtained the approval of the Board at their meeting held on 16 March, 2018

   - For investing an amount equivalent to ZAR 99 million in Foskor Pty Ltd.
   - For investing upto US $ 10 million in CFL Mauritius Ltd.
   - To obtain credit facilities from State Bank of India to the tune of ₹ 617.07 crore (Rupees Six Hundred Seventeen Crore and Seven Lakh only) under special banking arrangement.

For **R.SRIDHARAN & ASSOCIATES**
COMPANY SECRETARIES

CS R.SRIDHARAN
CP No. 3239
FCS No. 4775
UIN : S2003TN063400

PLACE : CHENNAI
DATE : 24 APRIL, 2018

Annexure C

Directors' Responsibility Statement

Pursuant to the provisions of Section 134(3)(c) and 134(5) of the Companies Act, 2013, the Board of Directors of Coromandel International Limited make the following statements, to the best of their knowledge and belief and according to the information and explanations obtained by them,

a) That in the preparation of the annual financial statements for the year ended 31 March, 2018, the applicable accounting standards have been followed and there have been no material departures therefrom;

b) That the accounting policies mentioned in Note 3 of the Notes to the Standalone Financials Statements have been selected and applied consistently and judgments & estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March, 2018 and of the profits of the Company for the year ended on that date;

c) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) That the annual financial statements have been prepared on a going concern basis;

e) That proper internal financial controls have been laid down to be followed by the Company and such internal financial controls are adequate and operating effectively;

f) That proper systems are in place to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

On behalf of the Board of Directors
For **Coromandel International Limited**

Place: Secunderabad
Date: 24 April, 2018

M M Murugappan
Chairman

Annexure D

The details of remuneration during the year 2017-18 as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as follows:

Sl. No	Disclosure Requirement	Disclosure Details	
i.	Ratio of Remuneration of each Director to the median remuneration of the employees of the Company for the financial year:	**Non- Executive Directors**	**Ratio to median remuneration**
		Mr. M M Murugappan#	9.00
		Mr. A Vellayan##	45.77
		Mr. V Ravichandran	2.57
		Dr. B V R Mohan Reddy	2.90
		Mr. M M Venkatachalam	3.12
		Mrs. Nirupama Rao	2.30
		Mr. Prasad Chandran	3.08
		Mr. Sumit Bose	3.01
		Managing Director	
		Mr. Sameer Goel	109.94
ii.	Percentage increase in the remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	**Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary**	**% increase in remuneration in the financial year**
		Mr. M M Murugappan#	-
		Mr. A Vellayan##	-
		Mr. V Ravichandran	(5.47)
		Dr. B V R Mohan Reddy	(3.60)
		Mr. M M Venkatachalam	1.77
		Mrs. Nirupama Rao*	-
		Mr. Prasad Chandran	7.58
		Mr. Sumit Bose	(1.33)
		Mr. Sameer Goel	28.74
		Mr. S Sankarasubramanian**	-
		Mrs. Jayashree Satagopan***	-
		Mr. P Varadarajan	11.99

Notes:

Appointed w.e.f. 31 January, 2018 hence comparison is not possible.

Stepped down as Chairman & Director on 31 January, 2018, hence comparison is not possible

*Appointed w.e.f. 05 September, 2016 hence not comparable

**Ceased to be CFO w.e.f. 01 November, 2017 hence comparison is not possible

***Appointed as CFO w.e.f. 01 November, 2017 hence comparison is not possible.

@ Increase / Decrease in the remuneration of Non-Executive Directors is due to increase/decrease in the meeting held / attended during the year.

iii. Percentage increase/(decrease) in the median remuneration of employees in the financial year: 9.63%

iv. Number of permanent employees on the rolls of the Company as on 31 March, 2018: 4,472

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

The average annual increase in salaries of employees was around 10%. Increase in the managerial remuneration for the year was 11.24%.

vi. **Affirmation that the remuneration is as per the remuneration policy of the Company:**

The Company is in compliance with its remuneration policy.

On behalf of the Board of Directors
For **Coromandel International Limited**

Place: Secunderabad
Date: 24 April, 2018

M M Murugappan
Chairman

Annexure E

The details of top ten employees in terms of remuneration drawn during the financial year 2017-18 as per Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 duly amended by the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 are as follows:

Sl. No.	Name, Age and Qualification	Designation and nature of duties	Date of commencement of employment	Experience in years	Remuneration Received (₹)	Last Employment
1	Aminul Islam, 53 M.Sc., Ph.D. (Organic Chemistry)	Vice President – R & D (Crop Protection)	21-08-2014	23	99,70,667	Sr. VP, Chemical Research, Aurobindo Pharma Limited
2	Arun Leslie George, 51 M.A (SW), PMIR	Executive Vice President & Head Business (SSP)	01-10-2003	28	1,21,68,354	Deputy General Manager-HR E.I.D Parry (India) Limited
3	P Gopalakrishna, 58* B.Sc (Ag), PGDM (IIMA)	Executive Vice President– Spl. Nutrients & Business Development	01-12-2003	35	1,53,65,756	Deputy General Manager-Marketing E.I.D Parry (India) Limited
4	S Govindarajan, 55 B.Tech (Mech), GDMM (IIMM)	Executive Vice President & Head of Commercial	26-09-1992	33	1,29,87,166	Asst. Manager, National Fertilisers Limited
5	Jayashree Satagopan, 50** B.com, C.A., ICWA, CS	Executive Vice President & Chief Financial Officer	23-10-2017	25	68,51,131	President & CFO PI Industries Limited
6	Prasannatha Rao B, 57 B.Sc., LLB, PGDM (NIPM)	Executive Vice – President & Head of HR	26-10-2015	29	1,07,29,627	Vice President –HR for Global operations Glenmark Pharmaceuticals Ltd
7	Ripu Daman Singh, 56 Ph.D in Agronomy PLAM (IIMC)	Executive Vice President & Head of Retail	16-05-2012	33	1,10,63,884	Vice President – Marketing Matix Fertilisers and Chemicals Limited
8	S Sankarasubramanian, 48 B.Sc., ICWA	President – Fertilisers	01-12-2003	27	1,44,58,877	Deputy General Manager – Finance E.I.D Parry (India) Limited
9	Mr. Sameer Goel , 54 Masters in Economics, PG Dip. in Management (IIM-A)	Managing Director	01-10-2015	31	3,96,51,728	Country Head-India, Cipla Ltd.
10	G Veerabhadram, 59 M.Sc. (Agr), PGDM (IIMA)	President – Crop Protection	01-12-2003	39	1,48,84,506	General Manager – Marketing, E.I.D (Parry) India Limited

Note: * Ceased to be employee of the Company on 31 December, 2017
**appointed w.e.f. 23 October, 2017.

1. Remuneration includes salary and allowances, commission where applicable, Company's contribution to Provident Fund, Superannuation Fund and Group Gratuity Scheme, reimbursement of medical expenses at actuals, and monetary value of perquisites calculated in accordance with the Income Tax Act/Rules.
2. The employment of all employees of the Company is of contractual nature.
3. There are no employees in the service of the Company within the category covered by Rule 5 (2) (iii) of The Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014.
4. None of the above employees is a relative of any Director of the Company.

On behalf of the Board of Directors
For **Coromandel International Limited**

Place: Secunderabad
Dated: 24 April, 2018

M M Murugappan
Chairman

Annexure F

FORM MGT-9
EXTRACT OF ANNUAL RETURN
(as on Financial Year ended on 31 March, 2018)
{Pursuant to Section 92(3) of the Companies Act, 2013 and
Rule 12(1) of the Companies (Management and Administration) Rules, 2014}

I. REGISTRATION & OTHER DETAILS

1	CIN	L24120TG1961PLC000892
2	Registration Date	16 October, 1961
3	Name of the Company	Coromandel International Limited
4	Category/Sub-category of the Company	Public Company / Limited by Shares
5	Address of the Registered office & contact details	Coromandel House, 1-2-10, Sardar Patel Road, Secunderabad – 500 003, Telangana. 040 27842034 Email: investorsgrievance@coromandel.murugappa.com
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 +91 40 67161500 Email: einward.ris@karvy.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Fertilisers	20122	82
2	Pesticides	20211	14

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	E.I.D Parry (India) Limited Dare House’, Parry’s Corner, Chennai – 600 001.	L24211TN1975PLC006989	Holding	60.59%	2(46)
2	Dare Investments Limited Coromandel House, 1-2-10, Sardar Patel Road, Secunderabad – 500 003	U65110TG2012PLC080296	Subsidiary	100.00%	2(87)
3	Parry Chemicals Limited Coromandel House, 1-2-10, Sardar Patel Road, Secunderabad – 500 003	U74999MH1995PLC088809	Subsidiary	100.00%	2(87)
4	Liberty Pesticides and Fertilisers Limited Coromandel House, 1-2-10, Sardar Patel Road, Secunderabad – 500 003	U24124RJ1978PLC001807	Subsidiary	100.00%	2(87)

Annexure F (Contd.)

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
5	Coromandel SQM (India) Private Limited Coromandel House, 1-2-10, Sardar Patel Road, Secunderabad – 500 003	U24100TG2009PTC065404	Joint Venture	50.00%	2(6)
6	Yanmar Coromandel Agrisolutions Private Limited Coromandel House, 1-2-10, Sardar Patel Road, Secunderabad – 500 003	U29253TG2014PTC094854	Joint Venture	40.00%	2(6)
7	CFL Mauritius Limited IFS Court, Bank Street, Twenty Eight Cybercity, Ebène 72201, Republic of Mauritius	081272C1/GBL	Subsidiary	100.00%	2(87)
8	Coromandel Brasil Limitada Rua Jorge Caixe, 132, sala 01, jd Nomura Cotia, Sao Paulo, Brazil.	10.599.435/0001-58	Subsidiary	100.00%	2(87)
9	Sabero Organics America S.A. Avenida Raja Gabaglia 1492/605, Gutierrez, Belo Horizont, MG, CEP 30441-194	04-016-649/0001-51	Subsidiary	99.98%	2(87)
10	Sabero Australia Pty Ltd, Level 6, 110-116 Sussex Street, Sydney, NSW-2000	-	Subsidiary	100.00%	2(87)
11	Sabero Europe BV Markerwaardweg 8, 1606 AS, Venhuizen, Postbus 23, 1606 zg, Venhuizen	-	Subsidiary	100.00%	2(87)
12	Sabero Argentina S.A. Marcelo T., De Alevar 1430. Argentina	-	Subsidiary	95.00%	2(87)
13	Coromandel Agronegocios de Mexico SA de CV Campos Eliseos 219, 2, Palmas Polanco, Miguel Hidalgo, Didtrito Federal-11560	-	Subsidiary	100.00%	2(87)
14	Sabero Organics Philippines Asia Inc. 2005B 20th Floor West Tower, Philippine Stock Exchange, Exchange Road, Ortigas Center, Pasig City 1605	-	Associate	40.00%	2(6)

Annexure F (Contd.)

IV. SHAREHOLDING PATTERN (Equity share capital breakup as percentage of total equity)

(i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01 April, 2017]				No. of Shares held at the end of the year [As on 31 March, 2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	30,73,504	-	30,73,504	1.05	33,65,736	-	33,65,736	1.15	0.10
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	17,72,52,248	-	17,72,52,248	60.78	17,71,69,763	-	17,71,69,763	60.60	(0.18)
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	92,970	-	92,970	0.03	1,85,850	-	1,85,850	0.06	0.03
Sub Total (A)(1)	**18,04,18,722**	**-**	**18,04,18,722**	**61.86**	**18,07,21,349**	**-**	**18,07,21,349**	**61.81**	**0.05**
(2) Foreign									
a) Individuals (NRI/ Foreign Individuals)	3,80,880	-	3,80,880	0.13	-	-	-	-	0.13
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A)(2)	**3,80,880**	**-**	**3,80,880**	**0.13**	**-**	**-**	**-**	**-**	**0.13**
Total Shareholding of Promoter (A) =(A)(1)+(A)(2)	**18,07,99,602**	**-**	**18,07,99,602**	**61.99**	**18,07,21,349**	**-**	**18,07,21,349**	**61.81**	**0.18**

B. Public Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01 April, 2017]				No. of Shares held at the end of the year [As on 31 March, 2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
1. Institutions									
a) Mutual Funds	1,83,55,795	2,275	1,83,58,070	6.30	2,70,30,105	26	2,70,30,131	9.52	3.22
b) Banks / FI	3,20,528	13,853	3,34,381	0.11	2,26,758	11,408	2,38,166	0.08	(0.03)
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	34,13,932	-	34,13,932	1.17	26,10,328	-	26,10,328	0.89	(0.28)
g) FIIs/FPIs	1,50,39,554	-	1,50,39,554	5.16	1,63,14,768	-	1,63,14,768	5.58	0.42
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify) Foreign Bank	-	1,840	1,840	-	-	1,840	1,840	-	-
Alternate Investment Fund	-	-	-	-	7,84,954	-	7,84,954	-	-
Sub-total (B)(1)	**3,71,29,809**	**17,968**	**3,71,47,777**	**12.74**	**4,69,66,913**	**13,274**	**4,69,80,187**	**16.07**	**3.33**

Annexure F (Contd.)

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01 April, 2017]				No. of Shares held at the end of the year [As on 31 March, 2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.	2,41,91,038	47,736	2,42,38,774	8.31	1,87,10,324	39,313	1,87,49,637	6.41	(1.90)
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakh	2,30,92,124	69,06,594	2,99,98,718	10.29	2,14,46,156	57,05,737	2,71,51,893	9.29	(1.00)
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	67,18,991	18,35,830	85,54,821	2.93	39,58,413	18,35,830	57,94,243	1.98	(0.95)
c) Others (specify)									
Clearing Members	2,10,745	-	2,10,745	0.07	3,76,640	-	3,76,640	0.13	0.06
Foreign Companies	-	19,500	19,500	0.01	-	19,500	19,500	0.01	-
Foreign Nationals	3,000	67,460	70,460	0.02	3,180	67,460	70,640	0.02	-
I E P F	-	-	-	-	28,42,175	-	28,42,175	0.97	0.97
NBFC	1,42,190	-	1,42,190	0.05	1,28,442	-	1,28,442	0.04	0.00
Non Resident Indians	29,33,583	7,68,851	37,02,434	1.27	18,53,048	4,71,569	23,24,617	0.80	(0.47)
NRI Non-Repatriation	18,68,663	-	18,68,663	0.64	23,08,332	-	23,08,332	0.79	0.15
Overseas Corporate Bodies	48,00,000	1,312	48,01,312	1.65	48,00,000	1,000	48,01,000	1.64	-
Societies	-	4,500	4,500	-	-	4,500	4,500	-	-
Trusts	1,08,731	900	1,09,631	0.04	1,09,354	900	1,10,254	0.04	-
Sub-total(B)(2)	**6,40,69,065**	**96,52,683**	**7,37,21,748**	**25.28**	**5,65,36,064**	**81,45,809**	**6,46,81,873**	**22.12**	**(3.15)**
Total Public Shareholding (B)=(B)(1) + (B)(2)	**10,11,98,874**	**96,70,651**	**11,08,69,525**	**38.01**	**10,35,02,977**	**81,59,083**	**11,16,62,060**	**38.19**	**0.18**
C. Shares held by Custodian for GDR & ADR	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total (A+B+C)	**28,19,98,476**	**96,70,651**	**29,16,69,127**	**100.00**	**28,42,24,326**	**81,59,083**	**29,23,83,409**	**100.00**	**-**

Annexure F (Contd.)

(ii) Shareholding of Promoters/Promotor Group

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year [As on 01 April, 2017]			Shareholding at the end of the year [As on 31 March, 2018]			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
A.	Promoters							
1	E.I.D Parry (India) Limited	17,71,55,580	60.74	-	17,71,55,580	60.59	-	(0.15)
2	M M Muthiah	3,78,150	0.13	-	-	-	-	(0.13)
3	M M Murugappan	-	-	-	3,78,150	0.13	-	0.13
4	M V Subbiah	2,56,598	0.09	-	2,56,598	0.09	-	-
5	Arun Venkatachalam	2,03,010	0.07	-	2,03,010	0.07	-	-
6	S Vellayan	1,68,560	0.06	-	1,68,560	0.06	-	-
7	M V Murugappan	1,46,240	0.05	-	5,670	-	-	(0.05)
8	V Narayanan	1,40,370	0.05	-	1,40,370	0.05	-	-
9	V Arunachalam	1,34,770	0.05	-	1,34,770	0.05	-	-
10	A Venkatachalam	1,22,670	0.04	-	1,22,670	0.04	-	-
11	A Vellayan	1,18,510	0.04	-	1,18,510	0.04	-	-
12	Arun Alagappan	1,02,940	0.04	-	1,02940	0.04	-	-
13	M M Venkatachalam	1,00,156	0.03	-	1,92486	0.07	-	0.04
14	M V Muthiah	92,330	0.03	-	-	-	-	(0.03)
15	M A M Arunachalam	78,660	0.03	-	78,660	0.03	-	-
16	M V Subramanian	61,750	0.02	-	-	-	-	(0.02)
17	M A Alagappan	34,000	0.01	-	34,000	0.01	-	-
18	Ambadi Investments Ltd.*	-	-	-	7,453	-	-	-
19	M.A. Alagappan	4,540	-	-	4,540	-	-	-
20	M V Murugappan	2,060	-	-	2,060	-	-	-
21	M M Veerappan	3,80,880	0.13	-	-	-	-	(0.13)
22	Carborundum Universal Limited	330	-	-	330	-	-	-
	TOTAL (A)	17,93,08,677	61.48	-	17,91,06,357	61.27	-	0.21
B.	Promoter Group	14,90,925	0.38		16,14,992	0.54	-	(0.16)
	Promoter & promoter Group (Total A+B)	18,07,99,602	61.86	-	18,07,21,349	61.81	-	0.05

* Consequent to the amalgamation of Pressmet Private Limited into Ambadi Investments Ltd.

Annexure F (Contd.)

(iii) Change in Promoters/Promoter Group Shareholding

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the Year					Cumulative Shareholding during the Year	
		No of Shares	% of total shares	Date	Increase / Decrease in share holding	Reason	No of Shares	% of total shares
1	M M Muthiah	3,78,150	0.13	01/04/2017			3,78,150	0.13
				27/03/2018	(3,78,150)	Gift	-	0.00
				31/03/2018			-	0.00
2	M M Murugappan	-	0.00	01/04/2017			-	0.00
				27/03/2018	3,78,150	Gift	3,78,150	0.13
				31/03/2018			3,78,150	0.13
3	M V Valli Murugappan	2,40,060	0.08	01/04/2017			2,40,060	0.08
				31/10/2017	1,40,570	Transmission	3,80,630	0.13
				31/03/2018			3,80,630	0.13
4	M V Murugappan	1,46,240	0.05	01/04/2017			1,46,240	0.05
				31/10/2017	(1,40,570)	Transmission	5,670	0.00
				31/03/2018			5,670	0.00
5	A A Alagammai (on behalf of Trust)	-	0.00	01/04/2017			-	0.00
				27/03/2018	1,09,900	Gift	1,09,900	0.04
				31/03/2018			1,09,900	0.04
6	A A Alagammai	1,04,900	0.04	01/04/2017			1,04,900	0.04
				27/03/2018	(1,04,900)	Gift	-	0.00
				31/03/2018			-	0.00
7	M M Venkatachalam	1,00,156	0.03	01/04/2017			1,00,156	0.03
				28/03/2018	92,330	Gift	1,92,486	0.07
				31/03/2018			1,92,486	0.07
8	M V Muthiah	92,330	0.03	01/04/2017			92,330	0.03
				28/03/2018	(92,330)	Gift	-	0.00
				31/03/2018			-	0.00
9	Cholamandalam MS General Insurance Company Ltd	82,485	0.03	01/04/2017			82,485	0.03
				05/05/2017	(52,485)	Sale	30,000	0.01
				12/05/2017	(30,000)	Sale	-	0.00
				31/03/2018			-	0.00
10	A M Meyyammai	82,340	0.03	01/04/2017			82,340	0.03
				28/03/2018	(10,000)	Gift	72,340	0.02
				31/03/2018			72,340	0.02
11	M V Subramanian	61,750	0.02	01/04/2017			61,750	0.02
				28/03/2018	(61,750)	Gift	-	0.00
				31/03/2018			-	0.00
12	Sigapi Arunachalam	54,330	0.02	01/04/2017			54,330	0.02
				16/06/2017	9,250	**	63,580	0.02
				31/03/2018			63,580	0.02
13	Valli Annamalai	38,800	0.01	01/04/2017			38,800	0.01
				11/08/2017	2,400	Purchase	41,200	0.01
				31/03/2018			41,200	0.01
14	M A Alagappan	18,500	0.01	01/04/2017			18,500	0.01
				16/06/2017	(18,500)	*	-	0.00
				31/03/2018			-	0.00

Annexure F (Contd.)

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the Year					Cumulative Shareholding during the Year	
		No of Shares	% of total shares	Date	Increase / Decrease in share holding	Reason	No of Shares	% of total shares
15	Lakshmi Venkatachalam	6,170	0.00	01/04/2017			6,170	0.00
				28/03/2018	61,750	Gift	67,920	0.02
				31/03/2018			67,920	0.02
16	Lakshmi Ramaswamy	5,000	0.00	01/04/2017			5,000	0.00
				27/03/2018	(5,000)	Gift	-	0.00
				31/03/2018			-	0.00
17	Pranav Alagappan	3,500	0.00	01/04/2017			3,500	0.00
				16/06/2017	9,250	**	12,750	0.00
				31/03/2018			12,750	0.00
18	M M Seethalakshmi	1,480	0.00	01/04/2017			1,480	0.00
				28/03/2018	(1,480)	Gift	-	0.00
				31/03/2018			-	0.00
19	Meenakshi Murugappan	660	0.00	01/04/2017			660	0.00
				27/03/2018	3,80,880	Gift	3,81,540	0.13
				31/03/2018			3,81,540	0.13
20	Dhruv M Arunachalam	500	0.00	01/04/2017			500	0.00
				28/03/2018	10,000	Gift	10,500	0.00
				31/03/2018			10,500	0.00
21	M M Venkatachalam (on behalf of the Trust)	-	0.00	01/04/2017			-	0.00
				28/03/2018	370	Gift	370	0.00
				31/03/2018			370	0.00
22	M M Murugappan (on behalf of the Trust)	-	0.00	01/04/2017			-	0.00
				28/03/2018	370	Gift	370	0.00
				31/03/2018			370	0.00
23	M M Venkatachalam (on behalf of the Trust)	-	0.00	01/04/2017			-	0.00
				28/03/2018	370	Gift	370	0.00
				31/03/2018			370	0.00
24	M M Murugappan (on behalf of the Trust)	-	0.00	01/04/2017			-	0.00
				28/03/2018	370	Gift	370	0.00
				31/03/2018			370	0.00
25	M M Veerappan	3,80,880	0.00	01/04/2017				
				27/03/2018	(3,80,880)	Gift	-	0.00
				31/03/2018				
26	Pressmet Private Ltd.	7,453	0.00	01/04/2017				
				28/08/2017	(7,453)	Scheme of Amalgamation	-	0.00
				31/03/2018				
27	Ambadi Investments Ltd.	-	0.00	01/04/2017				
				28/08/2017	7,453	Scheme of Amalgamation	7,453	0.00
				31/03/2018			7,453	0.00

* Distribution of assets on dissolution of Trust ** Receipt on dissolution of Trust

Annexure F (Contd.)

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Top 10 Shareholders	**No. of Shares**	**% of Total Shares**	**No. of Shares**	**% of Total Shares**
	At the beginning of the year				
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):		As per Enclosure		
	At the End of the year (or on the date of separation, if separated during the year)				

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Shareholding of each Directors	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	**% of Total Shares**	**No. of Shares**	**% of Total Shares**
1	**A Vellayan ***				
	At the beginning of the year	1,18,510	0.04	1,18,510	0.04
	Purchase/Sales during the year	-	-	-	-
	At the end of the year	1,18,510	0.04	1,18,510	0.04

*Mr. A Vellayan stepped down as Chairman & Director on 31 January, 2018.

Sl. No.	Shareholding of each Directors	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
2	**V Ravichandran**				
	At the beginning of the year	1,45,670	0.050	1,45,670	0.050
	Sales of shares on 02/08/2017	16,000	0.006		
	At the end of the year	1.29.670	0.044	1.29.670	0.044
3	**M M Venkatachalam**				
	At the beginning of the year	1,00,156	0.04	1,00,156	0.04
	Purchase of shares on 28/03/2018 [Gift]	92,330	0.03	-	-
	At the end of the year	1,92,486	0.07	1,92,4856	0.07
4	**B V R Mohan Reddy**				
	At the beginning of the year	48,000	0.02	48,000	0.02
	Purchase/Sales during the year	-	-	-	-
	At the end of the year	48,000	0.02	48,000	0.02
5	**Prasad Chandran**				
	At the beginning of the year	-	-	-	-
	Purchase/Sales during the year	-	-	-	-
	At the end of the year	-	-	-	-
6	**Sumit Bose**				
	At the beginning of the year	-	-	-	-
	Purchase/Sales during the year	-	-	-	-
	At the end of the year	-	-	-	-
7	**Nirupama Rao**				
	At the beginning of the year	-	-	-	-
	Purchase/Sales during the year	-	-	-	-
	At the end of the year	-	-	-	-

Annexure F (Contd.)

Sl. No.	Shareholding of each Directors	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
8	**Sameer Goel**				
	At the beginning of the year	-	-	-	-
	Purchase/Sales during the year	-	-	-	-
	At the end of the year	-	-	-	-
9	**M M Murugappan***				
	At the beginning of the year	-	-	-	-
	Purchase during the year [Gift]	3,78,150	0.13	-	-
	At the end of the year	3,78,150	0.13	3,78,150	0.13

*Mr. M M Murugappan was appointed as Chairman & Additional Director w.e.f. 31 January, 2018

b) Shareholding of Key Managerial Personnel

		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
1	**P Varadarajan**	**No. of Shares**	**% of Total Shares**	**No. of Shares**	**% of Total Shares**
	At the beginning of the year	21,600	0.01	21,600	0.01
	ESOP Allotment on 22/06/2017	5,650	0.00	27,250	0.01
	ESOP Allotment on 11/07/2017	10,000	0.00	37,250	0.01
	Sale of Shares on 31/07/2017	(17,250)	0.01	20,000	0.00
	Sale of Shares on 02/08/2017	(10,000)	0.00	10,000	0.00
	ESOP Allotment on 08/08/2017	16,680	0.01	26,680	0.01
	Sale of Shares on 16/08/2017	(15,000)	0.01	11,680	0.00
	At the end of the year	11,680	0.00	11,680	0. 00
2	**S Sankarasubramanian** CFO upto 31/10/2017	**No. of Shares**	**% of Total Shares**	**No. of Shares**	**% of Total Shares**
	At the beginning of the year	31,364	0.01	31,364	0.01
	ESOP Allotment on 22/06/2017	10,000	0.00	41,364	0.01
	ESOP Allotment on 11/07/2017	27,044	0.01	68,408	0.02
	Sale of Shares on 31/07/2017	(5,000)	0.00	63,408	0.02
	Sale of Shares on 03/08/2017	(5,000)	0.00	58,408	0.02
	Sale of Shares on 17/08/2017	(15,000)	0.01	43,408	0.01
	At the end of the year	43,408	0.01	43,408	0.01
3	**Jayashree Satagopan** Appointed as CFO w.e.f. 01/11/2017	**No. of Shares**	**% of Total Shares**	**No. of Shares**	**% of Total Shares**
	At the beginning of the year	-	-	-	-
	Purchase/Sales during the year	-	-	-	-
	At the end of the year	-	-	-	-

Annexure F (Contd.)

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

(Amount in ₹)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	9,72,96,27,929	12,57,60,91,543	-	22,30,57,19,472
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1,22,263	1,56,71,854	-	1,57,94,117
Total (i+ii+iii)	**9,72,97,50,192**	**12,59,17,63,397**	**-**	**22,32,15,13,589**
Change in Indebtedness during the financial year				
* Addition	10,17,06,82,125	91,97,28,86,456	-	1,02,14,35,68,581
* Reduction	9,75,00,14,227	87,39,11,73,804	-	97,14,11,88,031
Net Change	**42,06,67,898**	**4,58,17,12,652**	**-**	**5,00,23,80,550**
Indebtedness at the end of the financial year				
i) Principal Amount	10,15,02,95,827	17,15,78,04,195	-	27,30,81,00,022
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	2,59,97,947	-	2,59,97,947
Total (i+ii+iii)	**10,15,02,95,827**	**17,18,38,02,142**	**-**	**27,33,40,97,969**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
	Name & Designation	**Sameer Goel (Managing Director)**	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,64,10,453	2,64,10,453
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	41,388	41,388
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission		
	- as % of profit	-	-
	- others, specify	-	-
5	Others - Retirals & Incentive	1,31,99,887	1,31,99,887
	Total (A)	**3,96,51,728**	**3,96,51,728**
	Ceiling as per the Act @ 5 % of Net Profit		**51,95,33,178**

Annexure F (Contd.)

B. Remuneration to other Directors (Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
1	**Independent Directors**	**Sumit Bose**	**Prasad Chandran**	**Nirupama Rao**	**BVR Mohan Reddy**	
	Fee for attending Board/ Committee meetings	3,60,000	3,85,000	1,00,000	3,20,000	11,65,000
	Commission	7,50,000	7,50,000	7,50,000	7,50,000	30,00,000
	Others, please specify	-	-	-	-	-
	Total (1)	**11,10,000**	**11,35,000**	**8,50,000**	**10,70,000**	**41,65,000**
2	**Other Non-Executive Directors**	**A Vellayan#**	**V Ravichandran**	**M M Venkatachalam**	**M M Murugappan##**	
	Fee for attending Board/ Committee meetings	1,25,000	2,00,000	4,00,000	50,000	7,75,000
	Commission	1,67,67,123	7,50,000	7,50,000	32,87,671	2,15,54,794
	Others, please specify	-	-	-	-	-
	Total (2)	**1,68,92,123**	**9,50,000**	**11,50,000**	**33,37,671**	**2,23,29,794**
	Total (B)=(1+2)	**1,80,02,123**	**20,85,000**	**20,00,000**	**44,07,671**	**2,64,94,794**
	Total Managerial Remuneration					**6,61,46,522**
	Overall Ceiling as per the Act @ 11 % of Net Profit					**1,14,29,72,991**

Mr. A Vellayan stepped down as Chairman & Director on 31 January, 2018
Mr. M M Murugappan was appointed as Chairman & Additional Director w.e.f. 31 January, 2018

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD (Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount
		Jayashree Satagopan CFO**	**S Sankarasubramanian CFO*****	**P Varadarajan CS**	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	59,14,510	1,27,99,576	62,28,916	2,49,43,002
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2,62,000	41,388	33,048	3,36,436
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2	Stock Option*				
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit				
	- others, please specify				
5	Others, specify-Retrials	6,74,621	16,17,913	9,04,171	31,96,705
	Total	**68,51,131**	**1,44,58,877**	**71,66,135**	**2,84,76,143**

* The deemed benefit on exercise of options under the Company's ESOP Scheme has not been considered as there is no cost to the Company.
** Appointed as CFO w.e.f. 01 November, 2017
*** CFO upto 31 October, 2017

Annexure F (Contd.)

VII PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty			**NIL**		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			**NIL**		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			**NIL**		
Punishment					
Compounding					

Note:

1) During the past two years, there were no strictures or penalties imposed on the Company by either Stock Exchanges or Securities and Exchange Board of India or any statutory authority for non-compliance on any matter related to capital markets.

2) During the year 2017-18, SEBI has passed an Order against Liberty Urvarak Limited (LUL), a company which has since been merged into the Company, levying a penalty of ₹ 2 lakh for delay in making disclosure under SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 in respect of acquisition of shares of Liberty Phosphate Limited (LPL) in the year 2012, before LPL and LUL was acquired by the Company. The penalty amount has been paid by the erstwhile promoters of LUL.

Enclosure

SHAREHOLDING PATTERN OF TOP 10 SHAREHOLDERS BETWEEN 31/03/2017 AND 31/03/2018

		Shareholding at the beginning of the Year					Cumulative Shareholding during the Year	
Sl. No.	Name of the Share Holder	No of Shares	% of total shares of the Company	Date	Increase / Decrease in share holding	Reason	No of Shares	% of total shares of the company
1	ICICI Prudential Life Insurance Company Limited.	14,730,079	5.05	31/03/2017			14,730,079	5.05
				07/04/2017	2,209	Transfer	14,732,288	5.05
				14/04/2017	(348,659)	Transfer	14,383,629	4.93
				28/04/2017	(50,000)	Transfer	14,333,629	4.91
				05/05/2017	(1,680)	Transfer	14,331,949	4.91
				12/05/2017	(12,727)	Transfer	14,319,222	4.91
				19/05/2017	(13,420)	Transfer	14,305,802	4.90
				26/05/2017	(10,036)	Transfer	14,295,766	4.90
				23/06/2017	189	Transfer	14,295,955	4.90
				07/07/2017	79,212	Transfer	14,375,167	4.92
				14/07/2017	(101,303)	Transfer	14,273,864	4.89
				21/07/2017	100,345	Transfer	14,374,209	4.92

Annexure F (Contd.)

Sl. No.	Name of the Share Holder	Shareholding at the beginning of the Year: No of Shares	Shareholding at the beginning of the Year: % of total shares of the Company	Date	Increase / Decrease in share holding	Reason	Cumulative Shareholding during the Year: No of Shares	Cumulative Shareholding during the Year: % of total shares of the company
				04/08/2017	24,486	Transfer	14,398,695	4.93
				11/08/2017	528,701	Transfer	14,927,396	5.11
				25/08/2017	(2,393)	Transfer	14,925,003	5.11
				01/09/2017	(745,774)	Transfer	14,179,229	4.85
				08/09/2017	1,075	Transfer	14,180,304	4.85
				15/09/2017	2,692	Transfer	14,182,996	4.85
				29/09/2017	11,840	Transfer	14,194,836	4.86
				06/10/2017	29,638	Transfer	14,224,474	4.87
				20/10/2017	(228,107)	Transfer	13,996,367	4.79
				27/10/2017	(422,612)	Transfer	13,573,755	4.64
				03/11/2017	(211)	Transfer	13,573,544	4.64
				17/11/2017	(79,521)	Transfer	13,494,023	4.62
				24/11/2017	1,345	Transfer	13,495,368	4.62
				01/12/2017	(36,607)	Transfer	13,458,761	4.61
				08/12/2017	(357,053)	Transfer	13,101,708	4.48
				15/12/2017	(66,801)	Transfer	13,034,907	4.46
				22/12/2017	(28,383)	Transfer	13,006,524	4.45
				29/12/2017	(2,500)	Transfer	13,004,024	4.45
				05/01/2018	(379,076)	Transfer	12,624,948	4.32
				12/01/2018	(5,202)	Transfer	12,619,746	4.32
				19/01/2018	756,060	Transfer	13,375,806	4.58
				26/01/2018	(59,519)	Transfer	13,316,287	4.56
				02/02/2018	(1,891)	Transfer	13,314,396	4.56
				09/02/2018	(1,732)	Transfer	13,312,664	4.56
				16/02/2018	(1,534)	Transfer	13,311,130	4.55
				23/02/2018	(9,822)	Transfer	13,301,308	4.55
				02/03/2018	(6,955)	Transfer	13,294,353	4.55
				09/03/2018	(27,289)	Transfer	13,267,064	4.54
				16/03/2018	679	Transfer	13,267,743	4.54
				23/03/2018	143,031	Transfer	13,410,774	4.59
				30/03/2018	254,708	Transfer	13,665,482	4.67
				31/03/2018			13,665,482	4.67
2	L&T Mutual Fund Trustee Ltd. - L&T Mid Cap Fund	1,671,798	0.57	31/03/2017			1,671,798	0.57
				14/04/2017	231,086	Transfer	1,902,884	0.65
				21/04/2017	89,100	Transfer	1,991,984	0.68
				28/04/2017	54,939	Transfer	2,046,923	0.70
				12/05/2017	137,503	Transfer	2,184,426	0.75
				19/05/2017	77,967	Transfer	2,262,393	0.78
				02/06/2017	36,300	Transfer	2,298,693	0.79
				09/06/2017	78,610	Transfer	2,377,303	0.81

Annexure F (Contd.)

Sl. No.	Name of the Share Holder	Shareholding at the beginning of the Year: No of Shares	Shareholding at the beginning of the Year: % of total shares of the Company	Date	Increase / Decrease in share holding	Reason	Cumulative Shareholding during the Year: No of Shares	Cumulative Shareholding during the Year: % of total shares of the company
				23/06/2017	31,650	Transfer	2,408,953	0.83
				07/07/2017	29,440	Transfer	2,438,393	0.84
				14/07/2017	5,000	Transfer	2,443,393	0.84
				14/07/2017	(25,600)	Transfer	2,417,793	0.83
				28/07/2017	30,400	Transfer	2,448,193	0.84
				04/08/2017	23,725	Transfer	2,471,918	0.85
				11/08/2017	140,832	Transfer	2,612,750	0.89
				18/08/2017	170	Transfer	2,612,920	0.89
				25/08/2017	34,030	Transfer	2,646,950	0.91
				15/09/2017	111,400	Transfer	2,758,350	0.94
				20/10/2017	88,200	Transfer	2,846,550	0.97
				27/10/2017	1,054,161	Transfer	3,900,711	1.33
				31/10/2017	300,000	Transfer	4,200,711	1.44
				17/11/2017	298,500	Transfer	4,499,211	1.54
				01/12/2017	182,941	Transfer	4,682,152	1.60
				08/12/2017	9,430	Transfer	4,691,582	1.61
				15/12/2017	45,279	Transfer	4,736,861	1.62
				22/12/2017	154,507	Transfer	4,891,368	1.67
				29/12/2017	274,238	Transfer	5,165,606	1.77
				05/01/2018	525,000	Transfer	5,690,606	1.95
				12/01/2018	(500,000)	Transfer	5,190,606	1.78
				02/02/2018	5,400	Transfer	5,196,006	1.78
				09/02/2018	113,596	Transfer	5,309,602	1.82
				09/03/2018	70,372	Transfer	5,379,974	1.84
				31/03/2018			5,379,974	1.84
3	Groupe Chinique Tunisien	4,800,000	1.65	31/03/2017			4,800,000	1.65
				31/03/2018			4,800,000	1.64
4	DSP Blackrock 3 Years Close ended Equity Fund	3,977,983	1.36	31/03/2017			3,977,983	1.36
				07/04/2017	(131,461)	Transfer	3,846,522	1.32
				14/04/2017	29,816	Transfer	3,876,338	1.33
				14/04/2017	(231,461)	Transfer	3,644,877	1.25
				21/04/2017	1,548	Transfer	3,646,425	1.25
				19/05/2017	(199,126)	Transfer	3,447,299	1.18
				09/06/2017	28,311	Transfer	3,475,610	1.19
				16/06/2017	134,082	Transfer	3,609,692	1.24
				23/06/2017	8,633	Transfer	3,618,325	1.24
				30/06/2017	18,158	Transfer	3,636,483	1.25
				07/07/2017	(17,887)	Transfer	3,618,596	1.24
				21/07/2017	44,150	Transfer	3,662,746	1.25
				28/07/2017	9,164	Transfer	3,671,910	1.26

Annexure F (Contd.)

		Shareholding at the beginning of the Year					Cumulative Shareholding during the Year	
Sl. No.	Name of the Share Holder	No of Shares	% of total shares of the Company	Date	Increase / Decrease in share holding	Reason	No of Shares	% of total shares of the company
				04/08/2017	111,729	Transfer	3,783,639	1.30
				11/08/2017	24,627	Transfer	3,808,266	1.30
				18/08/2017	18,007	Transfer	3,826,273	1.31
				15/09/2017	159,713	Transfer	3,985,986	1.36
				22/09/2017	89,241	Transfer	4,075,227	1.39
				29/09/2017	160,669	Transfer	4,235,896	1.45
				06/10/2017	46,816	Transfer	4,282,712	1.47
				13/10/2017	441,343	Transfer	4,724,055	1.62
				20/10/2017	264,730	Transfer	4,988,785	1.71
				10/11/2017	(6,972)	Transfer	4,981,813	1.70
				17/11/2017	(57,780)	Transfer	4,924,033	1.68
				05/01/2018	(55,361)	Transfer	4,868,672	1.67
				19/01/2018	(76,950)	Transfer	4,791,722	1.64
				02/02/2018	(37,342)	Transfer	4,754,380	1.63
				02/03/2018	(26,916)	Transfer	4,727,464	1.62
				16/03/2018	578,000	Transfer	5,305,464	1.81
				31/03/2018			5,305,464	1.81
5	Government Pension Fund Global	3,768,388	1.29	31/03/2017			3,768,388	1.29
				27/10/2017	(202,166)	Transfer	3,566,222	1.22
				10/11/2017	(119,023)	Transfer	3,447,199	1.18
				17/11/2017	(67,667)	Transfer	3,379,532	1.16
				24/11/2017	(220,242)	Transfer	3,159,290	1.08
				01/12/2017	(105,002)	Transfer	3,054,288	1.05
				08/12/2017	(67,365)	Transfer	2,986,923	1.02
				19/01/2018	(71,772)	Transfer	2,915,151	1.00
				02/02/2018	(47,439)	Transfer	2,867,712	0.98
				09/03/2018	(21,216)	Transfer	2,846,496	0.97
				16/03/2018	(631,215)	Transfer	2,215,281	0.76
				31/03/2018			2,215,281	0.76
6	Sundaram Mutual Fund A/C Sundaram Select Midcap	2,898,005	0.99	31/03/2017			2,898,005	0.99
				28/04/2017	(7,742)	Transfer	2,890,263	0.99
				19/05/2017	(64,583)	Transfer	2,825,680	0.97
				26/05/2017	9,169	Transfer	2,834,849	0.97
				26/05/2017	(3,617)	Transfer	2,831,232	0.97
				28/07/2017	100,000	Transfer	2,931,232	1.00
				27/10/2017	(19,487)	Transfer	2,911,745	1.00
				01/12/2017	(50)	Transfer	2,911,695	1.00
				05/01/2018	(5,488)	Transfer	2,906,207	0.99
				02/02/2018	(109,938)	Transfer	2,796,269	0.96
				31/03/2018			2,796,269	0.96

Annexure F (Contd.)

		Shareholding at the beginning of the Year					Cumulative Shareholding during the Year	
Sl. No.	Name of the Share Holder	No of Shares	% of total shares of the Company	Date	Increase / Decrease in share holding	Reason	No of Shares	% of total shares of the company
7	Tax Recovery Officer (TRO Range 14 (1))	4,388	0.00	31/03/2017			4,388	0.00
				04/08/2017	(200)	Transfer	4,188	0.00
				01/12/2017	10,865	Transfer	15,053	0.01
				01/12/2017	(26)	Transfer	15,027	0.01
				08/12/2017	2,562,904	Transfer	2,577,931	0.88
				26/01/2018	165,588	Transfer	2,743,519	0.94
				23/03/2018	290	Transfer	2,743,809	0.94
				30/03/2018	102,528	Transfer	2,846,337	0.97
				31/03/2018			2,846,337	0.97
8	SBI Mutual Fund	240	0.00	31/03/2017			240	0.00
				05/01/2018	770,000	Transfer	770,240	0.26
				12/01/2018	1,107,489	Transfer	1,877,729	0.64
				02/02/2018	600,000	Transfer	2,477,729	0.85
				31/03/2018			2,477,729	0.85
9	Reliance Capital Trustee Co. Ltd. - A/C Reliance	2,400,000	0.82	31/03/2017			2,400,000	0.82
				19/05/2017	(500,000)	Transfer	1,900,000	0.65
				26/05/2017	(100,278)	Transfer	1,799,722	0.62
				02/06/2017	(99,700)	Transfer	1,700,022	0.58
				30/06/2017	(300,000)	Transfer	1,400,022	0.48
				21/07/2017	(200,000)	Transfer	1,200,022	0.41
				11/08/2017	(800,022)	Transfer	400,000	0.14
				08/09/2017	(19,300)	Transfer	380,700	0.13
				15/09/2017	(130,000)	Transfer	250,700	0.09
				22/09/2017	(125,000)	Transfer	125,700	0.04
				29/09/2017	(125,700)	Transfer	-	0.00
				31/03/2018			-	0.00
10	Kotak Opportunities	1,423,715	0.49	31/03/2017			1,423,715	0.49
				07/04/2017	110,000	Transfer	1,533,715	0.53
				05/05/2017	25,000	Transfer	1,558,715	0.53
				02/06/2017	25,000	Transfer	1,583,715	0.54
				21/07/2017	2,025	Transfer	1,585,740	0.54
				15/09/2017	40,000	Transfer	1,625,740	0.56
				22/09/2017	27,225	Transfer	1,652,965	0.57
				29/09/2017	25,000	Transfer	1,677,965	0.57
				06/10/2017	1,824	Transfer	1,679,789	0.57
				10/11/2017	23,176	Transfer	1,702,965	0.58
				17/11/2017	100,000	Transfer	1,802,965	0.62
				24/11/2017	25,000	Transfer	1,827,965	0.63
				01/12/2017	19,110	Transfer	1,847,075	0.63

Annexure F (Contd.)

		Shareholding at the beginning of the Year					Cumulative Shareholding during the Year	
Sl. No.	Name of the Share Holder	No of Shares	% of total shares of the Company	Date	Increase / Decrease in share holding	Reason	No of Shares	% of total shares of the company
				08/12/2017	33,892	Transfer	1,880,967	0.64
				22/12/2017	100,000	Transfer	1,980,967	0.68
				19/01/2018	32,377	Transfer	2,013,344	0.69
				02/02/2018	175,000	Transfer	2,188,344	0.75
				09/02/2018	25,000	Transfer	2,213,344	0.76
				16/02/2018	95,000	Transfer	2,308,344	0.79
				23/02/2018	12,836	Transfer	2,321,180	0.79
				16/03/2018	43,390	Transfer	2,364,570	0.81
				31/03/2018			2,364,570	0.81
11	SOGL - Open Offer - ESCROW Demat Account	2,117,542	0.73	31/03/2017			2,117,542	0.73
				07/04/2017	(1,200)	Transfer	2,116,342	0.73
				21/04/2017	(30)	Transfer	2,116,312	0.73
				28/04/2017	(630)	Transfer	2,115,682	0.73
				12/05/2017	(300)	Transfer	2,115,382	0.73
				19/05/2017	(2,430)	Transfer	2,112,952	0.72
				09/06/2017	(1,842)	Transfer	2,111,110	0.72
				23/06/2017	(300)	Transfer	2,110,810	0.72
				07/07/2017	(330)	Transfer	2,110,480	0.72
				21/07/2017	(3,310)	Transfer	2,107,170	0.72
				18/08/2017	(390)	Transfer	2,106,780	0.72
				15/09/2017	(2,320)	Transfer	2,104,460	0.72
				27/10/2017	(3,300)	Transfer	2,101,160	0.72
				08/12/2017	(1,640,578)	Transfer	460,582	0.16
				22/12/2017	(3,000)	Transfer	457,582	0.16
				29/12/2017	(900)	Transfer	456,682	0.16
				05/01/2018	(216)	Transfer	456,466	0.16
				19/01/2018	(900)	Transfer	455,566	0.16
				02/02/2018	(80)	Transfer	455,486	0.16
				23/02/2018	(652)	Transfer	454,834	0.16
				09/03/2018	(600)	Transfer	454,234	0.16
				16/03/2018	(708)	Transfer	453,526	0.16
				23/03/2018	(57,034)	Transfer	396,492	0.14
				31/03/2018			396,492	0.14
12	UTI - Long Term Equity Fund (Tax Saving)	1,966,202	0.67	31/03/2017			1,966,202	0.67
				14/04/2017	381,256	Transfer	2,347,458	0.80
				21/04/2017	18,744	Transfer	2,366,202	0.81
				19/05/2017	236,491	Transfer	2,602,693	0.89
				19/05/2017	(180,000)	Transfer	2,422,693	0.83

Annexure F (Contd.)

Sl. No.	Name of the Share Holder	Shareholding at the beginning of the Year: No of Shares	Shareholding at the beginning of the Year: % of total shares of the Company	Date	Increase / Decrease in share holding	Reason	Cumulative Shareholding during the Year: No of Shares	Cumulative Shareholding during the Year: % of total shares of the company
				26/05/2017	334,664	Transfer	2,757,357	0.95
				04/08/2017	800,000	Transfer	3,557,357	1.22
				11/08/2017	120,000	Transfer	3,677,357	1.26
				29/09/2017	12,707	Transfer	3,690,064	1.26
				31/10/2017	200,000	Transfer	3,890,064	1.33
				22/12/2017	(1,449)	Transfer	3,888,615	1.33
				19/01/2018	28,983	Transfer	3,917,598	1.34
				19/01/2018	(5,021)	Transfer	3,912,577	1.34
				26/01/2018	(3,804)	Transfer	3,908,773	1.34
				02/02/2018	(22,766)	Transfer	3,886,007	1.33
				09/02/2018	3,750	Transfer	3,889,757	1.33
				09/02/2018	(5,174)	Transfer	3,884,583	1.33
				23/02/2018	84,105	Transfer	3,968,688	1.36
				23/02/2018	(14,021)	Transfer	3,954,667	1.35
				09/03/2018	163,939	Transfer	4,118,606	1.41
				09/03/2018	(69,838)	Transfer	4,048,768	1.39
				30/03/2018	25,000	Transfer	4,073,768	1.39
				31/03/2018			4,073,768	1.39
13	Franklin Templeton Mutual Fund A/C Franklin India	1,684,709	0.58	31/03/2017			1,684,709	0.58
				31/03/2018			1,684,709	0.58
14	General Insurance Corporation of India Ltd.	1,680,360	0.58	31/03/2017			1,680,360	0.58
				30/06/2017	(30,000)	Transfer	1,650,360	0.57
				07/07/2017	(10,000)	Transfer	1,640,360	0.56
				22/09/2017	(25,000)	Transfer	1,615,360	0.55
				29/09/2017	(15,200)	Transfer	1,600,160	0.55
				01/12/2017	(50,000)	Transfer	1,550,160	0.53
				15/12/2017	(50,000)	Transfer	1,500,160	0.51
				26/01/2018	(25,522)	Transfer	1,474,638	0.50
				09/02/2018	(74,478)	Transfer	1,400,160	0.48
				02/03/2018	(75,607)	Transfer	1,324,553	0.45
				09/03/2018	(24,393)	Transfer	1,300,160	0.44
				31/03/2018			1,300,160	0.44

On behalf of the Board of Directors
For **Coromandel International Limited**

Place: Secunderabad
Date: 24 April, 2018

M M Murugappan
Chairman

Annexure G

Information under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 and forming part of Directors Report.

A. CONSERVATION OF ENERGY

Fertilisers Plants:

During the year 2017-18, Company has continued its improvement journey towards Energy conservation from various initiatives like Project RISE, Small Group activities and Detailed Energy Audit.

Details of Focussed Energy Conservation initiatives at manufacturing units are as under:

- A New Energy cell has been established during the year with an aim towards reduction of Energy in various forms at Kakinada.
- About 5 Lakh KWH of Energy saving was achieved at Ennore unit by altering the rock usage at plant.
- About 6 Lakh KWH of Energy saving was achieved at Vizag by investment on Sieve Tray Condenser.
- Kakinada Unit has taken detailed External Energy audit by CII during the year.

Details of the Capital Investment made as a part of Energy conservation during the year 2017-18 are given below:

Unit	Measures undertaken	Investment Amount (In ₹ Lakh)
Vizag	Energy Efficient Lighting	8
	Raw Material Storage godown (Reduction of Road movement for Raw material Transport)	860
	Installation of Variable Frequency Drive	4
Kakinada	Energy measurement and monitoring system	10
	Power Factor Improvement: Installation of 50 Amps, harmonic filter	16
	Energy efficient motors - 87 motors	19
	Solar Lighting	4
Ennore	Energy Efficient Lighting	5
	Total	**925**

SSP Plants:

With the continued focus on energy conservation, the following initiatives were undertaken by the Company during the year 2017-18 at different plants which led to operational improvement and yielded considerable energy savings during the year.

Energy Audit:

An energy audit was conducted at Baroda unit and the audit recommendations have been taken up for implementations.

Lighting:

Replacement of conventional GLS lamps and FTLs with LED lighting was taken up at various plant locations.

Auxiliary Power Consumption:

Following actions were undertaken to reduce auxiliary power consumption:

- A special drive was taken up to reduce specific energy consumption, waste elimination and improve specific power consumption, which resulted in considerable energy savings during the year.
- Energy Efficient best practices have been adopted across all manufacturing units like installing Variable Frequency Drives (VFD), replacement with Energy Efficient LT Motors, Pumps and Gearboxes.
- Debottlenecking of GSSP units were successfully completed to increase the productivity and cyclone separation efficiency of drives and Cyclone separators were replaced at Udaipur, Nimrani and Baroda.

Details of Capital Investments made on Energy Conservation measures at various SSP plants during the year 2017-18 were as follows:

Location	Measures undertaken	Investment amount (₹ in Lakh)
Udaipur	Energy Efficient LT Motors and Gearboxes, LED, APFC Panel, Cyclone Separators	68.03
Nandesari, Hospet, Ranipet, Nimarni	LED lighting, APFC panel, Cyclone Separators, Gear boxes, Energy Efficient LT Motor	64.75
Total		**132.78**

Annexure G (Contd.)

CPC Plants:

With the continued focus on energy conservation, the following improvements were achieved in energy consumption during the year 2017-18:

1. Reduced the consumption of specific power by 5.52% at Sarigam Plant.
2. Reduced the specific steam consumption by 13.65% at Sarigam Plant.

B. TECHNOLOGY ABSORPTION

1. Hand held sensor technology for assessing plant health was successfully adopted for paddy crop. The sensor is being used for monitoring the growth status of crops. It is proposed to deploy this technology for providing advice to the farmers.
2. Commercially available microbial cultures were used successfully to enrich the organic manure to increase its efficacy with respect to nutrient mobilisation and bio-control.

C. RESEARCH & DEVELOPMENT

Fertilisers:

The Fertiliser Technology Centre at Visakhapatnam developed several new blends of rock phosphates for the production of phosphoric acid. The know-how for processing new sources of imported phosphoric acid was developed, which has increased the flexibility of the plant with respect to use of different rocks and acids. Technology was developed to improve the "P" efficiency of Single Super Phosphate which will deliver higher benefit-to-cost ratio to farmers. Several new speciality products were developed for improving the quality of fruits and vegetables such as citrus, bananas, chilly and tomato. These will be commercialized after completion of field trials. A process for the manufacture of an imported micronutrient was developed and plant trials were conducted.

Crop Protection Chemicals:

Crop Protection Chemicals (CPC) Business of the Company has three R&D centers at Ankleshwar, Sarigam and Hyderabad. The newly established Hyderabad R&D center is concentrating on development of new off patent molecules, synthesizing impurities for various products to ease the registration process. It also carries on development work on different type of agrochemicals formulation and technology transfer for manufacture of Technical grade products and advanced intermediates for Technical grade products, from pilot to the manufacturing plant.

The R&D centre at Hyderabad has strong analytical laboratory equipped with all necessary advanced analytical equipment required for chemical R&D. During the year, the analytical laboratory at the R&D Centre has obtained NABL accreditation for analysing of Pesticide formulation and Technical concentrate, which enables it to undertake the five batch analysis and residue analysis for registration purpose.

The R&D Centre is also concentrating on the development of new combination products with the aim to market at least two/three new combination product each year with a large number of combination products under different stages of development.

		₹ in lakh
Expenditure on R&D	**2017-18**	**2016-17**
Revenue	929	730
Capital	39	213

		₹ in lakh
Foreign Exchange Earnings and Outgo	**2017-18**	**2016-17**
Foreign exchange Earnings	61,827	52,712
Foreign Exchange Outgo	6,25,412	5,28,457

On behalf of the Board of Directors
For **Coromandel International Limited**

Place: Secunderabad
Date: 24 April, 2018

M M Murugappan
Chairman

Annexure H

Annual Report on CSR Activities

1	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	The Company's CSR Policy has been uploaded in the website of the Company under the web-link http://coromandel.biz/csr_policy.html
2	The Composition of the CSR Committee as at the end of the year	Mr.Sumit Bose Mr. M M Venkatachalam Mr. V Ravichandran Mr. Sameer Goel
3	Average net profit of the Company for last three financial years	₹ 63,536 lakhs
4	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)	₹ 1,271 lakhs
5	Details of CSR activities/ projects undertaken during the year: 2017-18	
a)	Total amount to be spent for the year	₹ 1,271 lakhs
b)	Amount carried forward from earlier years	₹ 279 lakhs
c)	Amount spent during the year (as per statement below)	₹ 1,440 lakhs
d)	Amount Unspent	₹ 110 lakhs [out of which committed ₹ 110 lakhs]
e)	Manner in which the amount spent during the financial year is detailed below:	

(i) Amount spent on CSR Projects committed during the year 2015-16 **(₹ in Lakhs)**

Sl. No.	CSR Project/ activity identified	Sector in which the project is covered	Name of the District/s, State/s where project/programme was undertaken	Amount budgeted	Amount spent in 2017-18	Cumulative spend upto 31 March, 2018	Amount spent directly/ through implementing agency
1	Coromandel Girl Child Education Scheme	Education	Throughout Andhra Pradesh (AP), Telangana and Karnataka	65.00	0.81	65.00	Directly
2	Establishment of hospital at Kakinada	Health	Kakinada, Andhra Pradesh	150.00	138.52	150.00	Directly
	Sub total- (A)			**215.00**	**139.33**	**215.00**	

(ii) Amount spent on CSR Projects committed during the year 2016-17 **(₹in Lakhs)**

Sl. No.	CSR Project/ activity identified	Sector in which the project is covered	Name of the District/s, State/s where project/programme was undertaken	Amount budgeted	Amount spent in 2017-18	Cumulative spend upto 31 March, 2018	Amount spent directly/ through implementing agency
1	Improving health conditions for communities through the provision of basic medical services.	Health	Ennore in Tamil Nadu, Visakhapatnam and Kakinada in Andhra Pradesh	77.42	24.53	77.42	Directly
2	Community Development projects	Health & Empowerment	Visakhapatnam and Kakinada in Andhra Pradesh, Sarigam and Ankleshwar in Gujarat, Hospet in Karnataka, Ennore in Tamil Nadu and Jammu	87.09	11.15	87.09	Directly
3	Establishment of hospital at Kakinada	Health	Kakinada, Andhra Pradesh	100.00	100.00	100.00	Implementing agency
4	Supporting livelihood opportunities to women farmers	Rural Development	Mahabubnagar in Telangana and Vishakhapatnam in Andhra Pradesh	20.00	0.10	15.76	Directly
	Sub total- (B)			**284.51**	**135.78**	**280.27**	

Annexure H (Contd...)

(iii) Amount spent on CSR Projects committed during the year 2017-18

(₹ in lakhs)

Sl. No.	CSR Project/ activity identified	Sector in which the project is covered	Name of the District/s, State/s where project/programme was undertaken	Amount budgeted	Amount spent in 2017-18	Cumulative spend upto 31 March, 2018	Amount spent directly/ through implementing agency
1	Contribution to Udbhav School	Education	Hyderabad, Telangana	45.00	45.00	45.00	Directly
2	Coromandel Girl Child Education Scheme	Education	Throughout Andhra Pradesh and Telangana	100.00	76.76	76.76	Directly
3	Improving health conditions for communities through the provision of basic medical services	Health	Ennore in Tamil Nadu, Visakhapatnam and Kakinada in Andhra Pradesh, Sarigam in Gujarat	106.10	75.59	75.59	Directly
4	Improving facility at government hospital	Health	Kakinada, Andhra Pradesh	9.50	7.49	7.49	Directly
5	Supporting government health facilities in Kakinada	Health	Kakinada, Andhra Pradesh	45.00	36.28	36.28	Directly
6	Support to Swachh Bharat activities	Health & Empowerment	Kakinada in Andhra Pradesh and Sarigam in Gujarat	20.00	19.11	19.11	Directly
7	Provision of safe drinking water in schools and communities	Education & Health	Prakasham, Vizianagram, Chittoor and Visakhapatnam districts in Andhra Pradesh	30.00	16.30	16.30	Directly
8	Community Development projects	Empowerment	Visakhapatnam and Kakinada in Andhra Pradesh, Sarigam and Ankleshwar in Gujarat, Hospet in Karnataka, Ennore in Tamil Nadu and Jammu	100.00	95.13	95.13	Directly
9	Improving health of commuities through medical camps and other measures	Health	Visakhapatnam and Kakinada in Andhra Pradesh, Ennore and Ranipet in Tamil Nadu and Ankleshwar in Gujarat	13.50	2.18	2.18	Directly
10	Establishment of Hospital at Kakinanda	Health	Kakinada in Andhra Pradesh	10.00	10.00	10.00	Implementing agency
11	Contribution to Balavidyalaya-Supporting children with hearing impairment	Education	Chennai in Tamil Nadu	12.00	12.00	12.00	Directly
12	Contribution to Hrudaya Cure A Little Heart Foundation	Health	Hyderabad, Telangana	30.00	30.00	30.00	Directly
13	Utilization of Paddy Straw for Bio-char (Bio-fertilizer) and Energy purposes	Environment Sustainability	Ludhiana, Punjab	15.00	15.00	15.00	Directly
14	Contribution to increasing green cover in Visakhapatnam	Environment Sustainability	Visakhapatnam, Andhra Pradesh	50.00	39.14	39.14	Directly
15	Contribution towards meeting running expenses in Murugappa Polytechnic College	Education	Chennai in Tamil Nadu	343.00	343.00	343.00	Implementing agency
16	Contribution towards construction and improvement in Sir Ivan Stedeford Hospital	Health	Chennai in Tamil Nadu	53.00	53.00	53.00	Implementing agency
17	Contribution towards meeting running expenses in AMM Hospital	Health	Sivaganga in Tamil Nadu	97.00	97.00	97.00	Implementing agency

Annexure H (Contd.)

(₹ in lakhs)

Sl. No.	CSR Project/ activity identified	Sector in which the project is covered	Name of the District/s, State/s where project/programme was undertaken	Amount budgeted	Amount spent in 2017-18	Cumulative spend upto 31 March, 2018	Amount spent directly/ through implementing agency
18	Contribution towards meeting running expenses in AMM Arunachalam Hospital	Health	Cuddalore in Tamil Nadu	66.00	66.00	66.00	Implementing agency
19	Mobile health care program	Health	Sarigam in Gujarat	33.00	33.00	33.00	Directly and implementing agency
20	Research and Development on Climate Change Mitigation	Rural Development	Kancheepuram, Vilupuram, Sivaganga, Karur, Dindigul and Coimbatore in Tamil Nadu	43.00	43.00	43.00	Implementing agency
21	Expenditure towards administration expenses	Overheads		50.00	50.00	50.00	Directly
	Sub total- (C)			**1,271.10**	**1,164.99**	**1,164.99**	
	Total amount spent during the year (A+B+C)				**1,440.10**		
6	Implementation of certain CSR projects are pending and will be incurred in the following year.						
7	The implementation of and monitoring of CSR policy, is in compliance with CSR Objectives and Policy of the Company.						

Sameer Goel
Managing Director

Place: Secunderabad
Date: 24 April, 2018

Sumit Bose
Chairperson-CSR Committee

REPORT ON CORPORATE GOVERNANCE

Pursuant to Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), compliance with the requirements of Corporate Governance is set out below:

Company's Philosophy

Coromandel International Limited ("the Company"/"Coromandel"), a constituent of the Murugappa Group, is committed to the highest standards of corporate governance in all its activities and processes.

Coromandel looks at corporate governance as the corner stone for sustained superior financial performance, for serving all its stakeholders and for instilling pride of association. Apart from drawing on the various legal provisions, the Group practices are continuously benchmarked in terms of the Confederation of Indian Industry (CII) Code and international studies. The entire process begins with the functioning of the Board of Directors ('Board'), with leading professionals and experts serving as Independent Directors and represented in various Board Committees. Systematic attempt is made to eliminate informational asymmetry between Executive and Non-Executive Directors. Coromandel's commitment to ethical and lawful business conduct is a fundamental value shared by Board of Directors, the senior management and all other employees of the Company.

Key elements of corporate governance are transparency, internal controls, risk management, internal and external communications, high standards of safety, health, environment, accounting fidelity and product & service quality. The Board has empowered responsible persons to implement its broad policies and guidelines and has set up adequate review processes/mechanisms to serve this purpose.

The following is a report on the Corporate Governance.

1. **Board of Directors**

- **Composition and size of the Board**

  The Board of Directors, as at the end of the year on 31 March, 2018, comprised of Eight Directors of which Managing Director is an Executive Director. Out of seven Non-Executive Directors, four are Independent Directors and three are Non-Independent Directors. One Independent Director is a woman director. The Independent Directors have been issued formal letter of appointment and the terms and conditions of their appointment have been disclosed on the website of the Company. The Independent Directors have given declarations to the Company about their independence to enable the Board for determining its composition as envisaged in Regulation 17 of the Listing Regulations and further confirming compliance as per Section 149 of the Companies Act, 2013 read with the Rules made thereunder.

  The Non-Executive Directors bring independent judgment in the Board's deliberations and decisions.

  During the year, Mr. A Vellayan stepped down as Chairman and Director from the Board w.e.f. 31 January, 2018, on attaining age of 65 years, and Mr. M M Murugappan has been appointed as Chairman and Additional Director w.e.f. 31 January, 2018.

Board meetings and attendance

Six Board Meetings were held during the year as against the minimum requirement of four meetings. The dates on which the meetings were held are as follows:

Sl. No.	Date of Meeting	Board Strength	No. of Directors present
1	28 April, 2017	8	7
2	28 July, 2017	8	6
3	25 October, 2017	8	7
4	22 December, 2017	8	8
5	31 January, 2018	9	8
6	16 March, 2018	8	8

- Attendance of each Director at the Board Meetings and last Annual General Meeting (AGM), and the number of Directorship, Membership and Chairmanship in Committees of other Companies are given below:

Name and Designation of the Director	Category of Directorship	Attendance particulars		No. of other Directorships and Committee Memberships/Chairmanship**		
		Board Meetings	Last AGM	Directorships in other public companies as on 31 March, 2018*	Committee Member	Committee Chairman
Mr. M M Murugappan# Chairman [from 31 January, 2018]	Non-Executive Promoter	2	N.A.	9	8	5
Mr. A Vellayan# Chairman [Upto 31 January, 2018]	Non-Executive Promoter	5	Yes	-	-	-
Mr. V Ravichandran Vice Chairman	Non-Executive	5	No	3	1	1
Mr. Prasad Chandran Director	Non-Executive & Independent	6	Yes	2	2	1
Dr. B V R Mohan Reddy Director	Non-Executive & Independent	5	Yes	4	1	Nil

Annexure I (Contd.)

Name and Designation of the Director	Category of Directorship	Attendance particulars		No. of other Directorships and Committee Memberships/Chairmanship**		
		Board Meetings	Last AGM	Directorships in other public companies as on 31 March, 2018*	Committee	
					Member	Chairman
Mr. M M Venkatachalam Director	Non-Executive Promoter	6	Yes	7	7	2
Mr. Sumit Bose Director	Non-Executive & Independent	5	Yes	4	4	2
Mrs. Nirupama Rao Director	Non-Executive & Independent	4	No	4	1	Nil
Mr. Sameer Goel Managing Director	Executive	6	Yes	Nil	Nil	Nil

* Excludes Directorships in associations, private, foreign and Section 8 companies.

** Represents Memberships of Audit and Stakeholder Relationship Committee of Public Limited Companies.

\# Mr. A Vellayan stepped down as Chairman & Director and Mr. M M Murugappan was appointed as Chairman & Additional Director w.e.f. 31 January, 2018.

Mr. M M Venkatachalam and Mr. M M Murugappan are related to each other and none of the other Directors of the Company are, inter-se, related to each other.

Independent Directors Meeting

A Meeting of the Independent Directors was held on 15 March, 2018 which was attended by all the Independent Directors, except Mrs. Nirupama Rao. Mrs. Nirupama Rao shared her views / gave her inputs, over telephonic conversation with Dr. B V R Mohan Reddy, who led the discussions at the meeting of the Independent Directors and the same have been considered in the said Meeting. The Independent Directors have evaluated the performance of the Non-Independent Directors, the Board as a whole, Managing Director and the Chairman of the Board. The Board was briefed on the deliberations made at the Independent Directors Meeting. The details of Familiarization Programme imparted to Independent Directors of the Company are available on website of the Company at http://www.coromandel.biz/pdf/2017-2018/PoliciesAndCodes/FamiliarisationProgramme.pdf

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and other Committees of the Board. Structured questionnaires were prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of participation in the meetings and contribution, independence of judgments, safeguarding the interest of the Company and other stakeholders, etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors.

2. Audit Committee

The terms of reference of the Audit Committee encompasses the requirements of Section 177 of Companies Act, 2013 and Regulation 18 of the Listing Regulations and, inter alia, includes:

a. To hold periodic discussions with the Statutory Auditors and Internal Auditors of the Company concerning the financial reports of the Company, internal control systems, scope of audit and observations of the Auditors / Internal Auditors and overseeing that the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

b. To call for the comments of the auditors about internal control systems, scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and also discuss any related issues with the internal and statutory auditors and the management of the company;

c. To evaluate internal financial controls and risk management systems;

d. To, inter-alia, review Management Discussion and Analysis of financial condition and results of operations, Statement of Significant Related Party Transactions submitted by the management before submission to the Board;

e. To investigate into any matter in relation to the items referred to it by the Board and for this purpose obtain professional advice from external sources.

f. To make recommendations to the Board on any matter relating to the financial management of the Company, including the Audit Report;

g. To approve Related Party Transactions.

Annexure I (Contd.)

h. Reviewing the functioning of the Whistle Blower mechanism;

i. Recommending the appointment, re-appointment, and if required, the replacement or removal of the statutory auditors and fixation of audit fee and approval for payment for any other services.

- **Audit Committee composition, Meetings and attendance**

The Audit Committee as at the end of the year consisted of 4 (four) directors of which 3 (three) were Independent Directors. Details of attendance of Members during the year are as follows:

Name	Designation	Category of Directorship	Attendance
Mr. Sumit Bose	Chairman	Non-Executive & Independent	7
Dr. B V R Mohan Reddy	Member	Non-Executive & Independent	6
Mr. Prasad Chandran	Member	Non-Executive & Independent	7
Mr. M M Venkatachalam	Member	Non-Executive	7

Seven Audit Committee Meetings were held during the year. The dates on which the meetings were held are 27 April, 2017, 28 July, 2017, 24 October, 2017, 22 December, 2017 (2 Meetings), 31 January, 2018 and 16 March, 2018.

The Company Secretary is the Secretary of the Committee. The Managing Director, Chief Financial Officer, Executive Vice Presidents, Associate Vice President-Management Audit and Risk Management, along with the Statutory Auditors are invitees to the Audit Committee Meetings. Cost Auditors are invited to the meeting as and when required.

The Chairman of the Audit Committee, Mr. Sumit Bose, was present at the Annual General Meeting of the Company held on 28 July, 2017.

3. Nomination & Remuneration Committee

Terms of Reference

- The main scope of the Committee is to determine and recommend to the Board the persons to be appointed/ reappointed as Executive Director/Non-Executive Director. The Committee also determines and recommends to the Board on the financial component and the incentive/ commission to the Executive Directors, if any. The Committee also administers the Employee Stock Option Scheme 2007 and Employee Stock Option Scheme 2016.

Composition, Meetings and Attendance

- Four Meetings of the Nomination & Remuneration Committee were held during the year. The dates on which the meetings were held are 28 April, 2017, 28 July, 2017, 24 October, 2017 and 31 January, 2018.

- Details of the composition of the Nomination & Remuneration Committee and attendance of Members during the year are as follows:

Name	Designation	Category of Directorship	Attendance
Dr. B V R Mohan Reddy	Chairman	Non-Executive & Independent	3
Mr. M M Venkatachalam	Member	Non-Executive	4
Mr. Sumit Bose	Member	Non-Executive & Independent	3

4. Remuneration to Directors

Executive Directors

- The compensation of the executive director comprises of fixed component and a performance incentive/commission. The compensation is determined based on levels of responsibility and scales prevailing in the industry. The performance incentive/commission is determined based on certain pre-agreed performance parameters.

- The executive director is not paid sitting fees for any Board/ Committee meetings attended by him.

Non-Executive Directors

- The compensation of the non-executive directors is in the form of commission paid out of profits. Though the shareholders have approved payment of commission upto 1% of net profits of the Company for each year calculated as per the provisions of Sections 197, 198 and all other applicable provisions of the Companies Act, 2013 and the rules made thereunder, the commission paid to the directors is usually restricted to a fixed sum.

- The sitting fees/commission is reviewed periodically taking into consideration various factors such as performance of the Company, time spent by the directors for attending to the affairs and business of the Company and extent of responsibilities cast on directors under general law and other relevant factors. Depending on the time and efforts put in by the directors towards the affairs of the Company, the directors are also paid a differential remuneration. The aggregate commission paid to all non-executive directors currently is well within the limit of 1% of net profits as computed in the manner laid down in Section 198 of the Companies Act, 2013, and as approved by the shareholders. The non-executive directors are also paid sitting fees as permitted under the relevant statutory provisions for every Board/ Committee meeting attended by them.

- **Shareholdings**

  The details of Shareholdings of the Non-Executive Directors in the Company as at 31 March, 2018 are as follows:

Annexure I (Contd.)

Name	No. of Shares
Mr. M M Murugappan#	3,78,150
Mr. V Ravichandran	1,29,670
Dr. B V R Mohan Reddy	48,000
Mr. M M Venkatachalam	1,92,486
Mr. Prasad Chandran	Nil
Mr. Sumit Bose	Nil
Mrs. Nirupama Rao	Nil

Appointed as Chairman & Additional Director w.e.f. 31 January, 2018

Details of remuneration paid to the Directors for the year:

- The details of remuneration paid/payable to the Managing Director for the financial year ended 31 March, 2018 is as follows:

(Amount in ₹)

Name	Salary	Contribution to Funds	Value of Perk & Allowances	Incentives	Total
Mr. Sameer Goel Managing Director	2,64,10,453	39,29,527	41,388	1,01,90,343	4,05,71,711

Mr. Sameer Goel was appointed as Managing Director of the Company for a period of five years from 1 October, 2015 to 30 September, 2020. Notice period for termination of contract of service is 3 months. No severance pay is payable.

A sum of ₹ 92,70,360/- was paid during the year towards incentives for the year 2016-17, as against ₹ 96,14,200/- provided in the accounts of 2016-17.

- During the year 2007-08, Mr. V Ravichandran the then Managing Director was granted 9,67,000 options, pursuant to Employee Stock Option Scheme 2007 at an exercise price of ₹ 44.58 per equity share. The first vesting was exercisable over a period of three years from the date of vesting. The second, third and fourth vesting were exercisable over a period of 6 years from the date of vesting. The following is the summary of options granted to Mr. V Ravichandran:

Options Vested	9,37,990
Options cancelled	29,010
Options Lapsed	Nil
Options Exercised	9,37,990
Balance Outstanding	Nil

- During the year 2016-17, Mr. Sameer Goel, the Managing Director was granted 6,56,900 options, pursuant to Employee Stock Option Scheme 2016 at an exercise price of ₹ 319.65 per equity share. The following is the summary of options granted to Mr Sameer Goel:

Options Granted	6,56,900
Options Vested	1,31,380
Options cancelled	Nil
Options Lapsed	Nil
Options Exercised	Nil

- The details of sitting fees and commission paid/payable to Non-Executive Directors for the financial year ended 31 March, 2018, are as under:

(Amount in ₹)

Non-Executive Directors	Sitting Fees@	Commission@
Mr. M M Murugappan##	50,000	32,87,671
Mr. A Vellayan#	1,25,000	1,67,67,123
Mr. V Ravichandran	2,00,000	7,50,000
Dr. B V R Mohan Reddy	3,20,000	7,50,000
Mr. M M Venkatachalam	4,00,000	7,50,000
Mrs. Nirupama Rao	1,00,000	7,50,000
Mr. Prasad Chandran	3,85,000	7,50,000
Mr. Sumit Bose	3,60,000	7,50,000
TOTAL	**19,40,000**	**2,45,54,794**

Stepped down as Chairman & Director w.e.f. 31 January, 2018

Appointed as Chairman & Additional Director w.e.f. 31 January, 2018

@ Excludes Service Tax/ Goods and Services tax

5. Stakeholders Relationship Committee

- Two meetings of the Stakeholders Relationship Committee were held during the year on 24 October, 2017 and 16 March, 2018.

Annexure I (Contd.)

- Details of the composition of the Stakeholders Relationship Committee and attendance of Members during the year are as follows:

Name	Designation	Category of Directorship	Attendance
Mr. Prasad Chandran	Chairman	Non-Executive & Independent	2
Mrs. Nirupama Rao	Member	Non-Executive & Independent	-
Mr. V Ravichandran	Member	Non-Executive	2
Mr. Sameer Goel	Member	Executive	2

- **Name, designation and address of the Compliance Officer:**

  Mr. P Varadarajan
  Company Secretary
  Coromandel International Limited
  Coromandel House, 1-2-10 Sardar Patel Road
  Secunderabad 500003
  Phone: +91 40 27842034 / 7212
  Fax:040 27844117
  Email ID: Investorsgrievance@coromandel.murugappa.com

- During the year, the Company had received 37 complaints from the investors and all of them were resolved satisfactorily. There were no complaints pending at the end of the financial year.

- In order to facilitate faster redressal of investors' grievances the Company has created an exclusive email ID "Investorsgrievance@coromandel.murugappa.com". Investors and shareholders may lodge their query/complaints addressed to this email ID which would be attended immediately.

6. Risk Management Committee

The Risk Management Committee as at the end of the year consisted of 3 Directors.

Two meetings of the Risk Management Committee were held during the year on 24 October, 2017 and 16 March, 2018. Details of composition and attendance of Members during the year are as follows:

Name of the Director	Designation	Category of Directorship	Attendance
Mr. Prasad Chandran	Chairman	Non-Executive & Independent	2
Mr. V Ravichandran	Member	Non-Executive	2
Mr. Sameer Goel	Member	Executive	2

7. Subsidiary Companies

The Company does not have any material unlisted Indian subsidiary in terms of Regulation 24 of the Listing Regulations. The Minutes of the Meetings of Board of Directors of all the subsidiary companies are periodically placed before the Board of Directors of the Company. The Policy on Material Subsidiary is available on the website of the Company at http://coromandel.biz/pdf/InvestorsInformation/PolicyOnMaterialSubsidiary.pdf.

8. General Body Meetings

Location and date/time for last three Annual General Meetings were:

Year	Location	Date	Time
2014-2015	Hotel Minerva Grand, CMR Complex, Besides Manju Theatre, Sarojini Devi Road, Secunderabad	27 July, 2015	10.30 AM
2015-2016		26 July, 2016	10.30 AM
2016-2017		28 July, 2017	10:30 AM

Postal Ballot

At the ensuing Annual General Meeting, there is no item on the Agenda that requires approval through Postal Ballot.

Special Resolutions passed during the previous three Annual General Meetings

No Special resolution was passed during the past three financial years 2014-15, 2015-16 and 2016-17

Details of Ordinary Resolutions passed during the year through postal ballot

During the year under review, the following items of business were transacted through Postal Ballots/E-voting by the Company and same were approved on 23 February, 2018. M/s. R Sridharan & Associates, Secretarial Auditor of the Company, has conducted the postal Ballot Exercise. The details of Ordinary Resolutions passed and Voting Pattern of each of the Resolution are appended below:

Annexure I (Contd.)

1. Approval for acquisition of the Bio Pesticides Business of E.I.D Parry (India) Limited, on a going concern basis, by way of a Slump Sale for a consideration of ₹ 302.61 crore, subject to adjustment for change in working capital as on the Closing Date.

Category	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes – against	% of Votes in favour on votes polled	% of Votes against on votes polled
Promoter and Promoter Group	18,07,19,517	33,64,524	1.8617	3,364,524	-	100.0000	-
Public- Institutions	4,61,75,995	3,78,26,649	81.9184	37,826,649	-	100.0000	-
Public- Non Institutions	6,53,49,777	52,59,163	8.0477	5,258,470	693	99.9868	0.0132
Total	**29,22,45,289**	**4,64,50,336**	**15.8943**	**4,64,49,643**	**693**	**99.9985**	**0.0015**

2. Approval for acquisition of 776.48 Common stock with par value of $100 each aggregating to $77,648 held by the E.I.D Parry (India) Limited. in Parry America, Inc. USA, constituting 100% of its issued share capital, for a consideration of Rs.35.40 crore.

Category	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares (3)=[(2)/ (1)]* 100	No. of Votes – in favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6)=[(4)/ (2)]*100	% of Votes against on votes polled (7)=[(5)/ (2)]*100
Promoter and Promoter Group	18,07,19,517	33,64,524	1.8617	33,64,524	-	100.0000	-
Public- Institutions	4,61,75,995	3,78,26,649	81.9184	3,78,26,649	-	100.0000	-
Public- Non Institutions	6,53,49,777	52,59,163	8.0477	52,58,131	1032	99.9804	0.0196
Total	29,22,45,289	4,64,50,336	15.8943	4,64,49,304	1,032	99.9978	0.0022

3. Approval for appointment of Mr. A Vellayan as Advisor to the Company for a period of five years with effect from the date following the date of his retirement from the Board.

Category	No. of Shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes – against	% of Votes in favour on votes polled	% of Votes against on votes polled
Promoter and Promoter Group	18,07,19,517	18,04,01,594	99.8241	18,04,01,594	-	100.0000	-
Public- Institutions	4,61,75,995	3,58,13,305	77.5583	2,81,10,789	77,02,516	78.4925	21.5074
Public- Non Institutions	6,53,49,777	1,86,34,479	28.5150	1,86,33,821	658	99.9965	0.0035
Total	29,22,45,289	23,48,49,378	80.3604	22,71,46,204	77,03,174	96.7200	3.2800

8a. Details of Directors seeking appointment / re-appointment

As per the provisions of Section 152 of Companies Act, 2013, two-thirds of the Directors should be retiring Directors. One-third of these retiring Directors are required to retire every year and if eligible, these Directors qualify for re-appointment.

Mr. M M Venkatachalam retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. Mr. M M Murugappan, who was appointed as an Additional Director is holding office till the date of the ensuing Annual General Meeting. A member has proposed his appointment at the ensuing Annual General Meeting and said appointments have been recommended by the Nomination & Remuneration Committee.

Mr. M M Murugappan is a brother of Mr. M M Venkatachalam and hence related to each other. Brief resume and profile of Mr. M M Murugappan and Mr. M M Venkatachalam, along with the additional information required as per Regulation 36(3) of the Listing Regulations is given below:

Mr. M M Venkatachalam (age 59 yrs)

Mr. M M Venkatachalam graduated from the University of Agricultural Sciences in Bangalore and holds a Masters Degree in Business Administration from George Washington University, USA. He has held senior positions in the Murugappa Group of Companies spanning a period of two and a half decades. Mr. Venkatachalam is presently the Chairman of Coromandel

Annexure I (Contd.)

Engineering Company Limited, Parry Agro Industries Limited and Ambadi Enterprises Limited. He also serves on the Boards of Ramco Cements Ltd., Ramco Systems Ltd., Ambadi Investments Ltd. and E.I.D Parry (India) Limited.

Mr. M M Murugappan (age 62 yrs)

Mr. M M Murugappan, holds a Master's degree in Chemical Engineering from the University of Michigan, USA. He has held the position of Managing Director of Carborundum Universal Limited (CUMI) in the past. Besides serving as the Chairman of CUMI, Tube Investments of India, Cholamandalam MS General Insurance Company Limited, he is on the Boards of several companies including Mahindra & Mahindra Ltd, IIT Madras Research Park, Cyient Ltd. and TI Financial Holdings Limited. Mr. M M Murugappan was elected as a fellow of the Indian Ceramic Society and is also a member of the American Institute of Chemical Engineers, Indian Institute of Chemical Engineers, Plastics & Rubber Institute. He is also a member of the Board of Governors, IIT Madras.

8b. Other Directorships

The Details of other Directorships and Committee Memberships of the above-referred directors are as follows:

Mr. M M Venkatachalam

Name of the Company	Chairmanship/ Directorship	Committee	Chairman/ Member
Ramco Systems Limited	Director	Audit Committee	Member
Coromandel Engineering Company Limited	Chairman	-	-
The Ramco Cements Limited	Director	Audit Committee	Member
		Stakeholders Relationship Committee	Chairman
Ambadi Enterprises Limited	Chairman	Audit Committee	Member
Parry Agro Industries Limited	Chairman	Audit Committee	Member
		Stakeholders Relationship Committee	Chairman
Ambadi Investments Limited	Director	-	-
E.I.D Parry (India) Limited	Additional Director	Audit Committee	Member

Mr. M M Murugappan

Name of the Company	Chairmanship / Directorship	Committee	Chairman/ Member
Tube Investments of India Limited	Chairman	Stakeholders Relationship Committee	Chairman
Wendt India Ltd.	Chairman	Stakeholders Relationship Committee	Chairman
TI Financial Holdings Limited	Chairman	Stakeholders Relationship Committee	Chairman
Carborundum Universal Limited	Chairman	Stakeholders Relationship Committee	Chairman
Mahindra and Mahindra Limited	Director	Audit Committee	Member
Cyient Limited	Director	Audit Committee	Chairman
Cholamandalam MS General Insurance Company Limited	Chairman	-	-
Ambadi Investments Limited	Director	Audit Committee	Member
		Stakeholders Relationship Committee	Member
Cholamandalam Health Insurance Limited	Chairman	-	-

Note: Includes only public limited companies & Section 8 companies as defined in Companies Act, 2013.

8c. Mr. M M Venkatachalam holds 1,92,486 equity shares in the Company and is a Non-Independent Director. Mr. M M Murugappan is holding 3,78,150 equity shares in the Company and is a Non-Independent Director.

9. Disclosures

- **CEO and CFO Certification**

  The Managing Director and the Chief Financial Officer of the Company have given a Certificate to the Board as contemplated in Regulation 17 of the Listing Regulations.

- **Related Party Transactions**

  During the year there were three transactions which were not material in nature but were not in ordinary course of business for which shareholders approval was obtained and shareholders approved the same through postal ballot (including e-voting) by requisite majority on 23 February, 2018. Please refer to point no.(8) above for details.

  Prior omnibus approval of the Audit Committee was obtained for the transactions which are foreseen and are repetitive in nature. The related party transactions entered into are

Annexure I (Contd.)

reviewed by an independent audit firm to confirm that they were in the ordinary course of business and at arm's length basis. A statement of related party transactions is placed before the Audit Committee and Board on quarterly basis.

Transactions with the Related Parties as required under Indian Accounting Standard (Ind AS)– 24, Related Party Transactions, are disclosed in Note No. 41 of the financial statements forming part of this Annual Report.

The Company has framed a Policy on Related Party transactions and the same is available on website of the Company at http://www.coromandel.biz/pdf/InvestorsInformation/RPT_PolicyJul2017.pdf

- **Compliance**

  A Statement of Compliance with all Laws and Regulations as certified by the Managing Director, Chief Financial Officer and the Company Secretary is placed at periodic intervals for review by the Board. The Board considers material Show Cause/Demand Notices received from Statutory Authorities and the steps/action taken by the Company in this regard. The Board reviews the compliance of all the applicable Laws and gives appropriate directions wherever necessary.

- **Code of Conduct**

  The Board of Directors have laid-down a 'Code of Conduct' (Code) for all the Board Members and the senior management personnel of the Company and this Code is posted on the Website of the Company. Annual declaration is obtained from every person covered by the Code.

- **Risk Management**

  The Board regularly discusses the significant business risks identified by the management and the mitigation process being taken up.

  A Risk Management Committee, constituted by the Board comprised of Mr. Prasad Chandran, Independent Director and Chairman of the Committee, Mr. V Ravichandran, Vice Chairman and Mr. Sameer Goel, Managing Director. This Committee is empowered to monitor the Risk management and their mitigation processes.

  A detailed note on the risk identification and mitigation is included in Management Discussion and Analysis annexed to the Directors Report.

- **Vigil Mechanism**

  The Company has established a whistle blower mechanism to provide an avenue to raise concerns. The mechanism provides for adequate safeguards against victimization of employees who avail of it and also for appointment of an Ombudsman who will deal with the complaints received. The policy also lays down the process to be followed for dealing with complaints and in exceptional cases, also provides for direct appeal to the Chairman of the Audit Committee. During the year, no employee was denied access to Chairman of the Audit Committee.

- **Pecuniary transactions with Non-Executive Directors**

  There were no pecuniary transactions with any of the Non-Executive Directors except for Remuneration/Sitting Fees/ Commission paid to them as Directors of the Company.

- **Strictures/Penalty**

  During the past two years, there were no strictures or penalties imposed on the Company by either Stock Exchanges or Securities and Exchange Board of India or any statutory authority for non-compliance on any matter related to capital markets.

  During the year 2017-18, SEBI has passed an Order against Liberty Urvarak Limited (LUL), a company which has since been merged into the Company, levying a penalty of ₹2 lakh for delay in making disclosure under SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 in respect of acquisition of shares of Liberty Phosphate Limited (LPL) in the year 2012, before LPL and LUL was acquired by the Company. The penalty amount has been paid by the erstwhile promoters of LUL.

- **Management Discussion and Analysis**

  Management Discussion & Analysis is annexed to the Directors' Report which forms part of this Annual Report

10. Means of Communication

Quarterly results are published in The Business Line (all editions) and Andhra Prabha (Hyderabad Edition). The results are also posted on the Company's Website: www.coromandel.biz. Official press releases, letters sent to Stock Exchanges and presentation made to the Analysts are all also posted on the Company's Website.

Annexure I (Contd.)

11. General Shareholder Information

-	Date, Time & Venue of AGM	27 July, 2018 at 10:30 AM at Hotel Minerva Grand CMR Complex, Beside Manju Theatre Sarojini Devi Road,Secunderabad - 500 003
-	Financial Calendar	i) Financial Year – April to March ii) First Quarter Results – within 45 days of the end of the quarter. iii) Half-yearly Results – within 45 days of the end of the quarter. iv) Third Quarter Results – within 45 days of the end of the quarter. v) Results for the year ending 31 March, 2019 – within 60 days of the end of the quarter.
-	Date of Book Closure	21 July, 2018 to 27 July,2018 (both days inclusive)
-	Dividend 2017-18	Proposed Dividend: ₹3.50 per share (350%), subject to approval by members at the AGM. Interim Dividend: The Company has paid an interim dividend of ₹3/- per share for the financial year 2017-18. It was paid on 03 April, 2018.
-	Dividend Payment date (s)	Final Dividend: On or after 03 August, 2018.
-	Listing of Shares	Company's shares are listed at: BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400 001 National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor, Plot No.C/1, G Block Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051 Listing fees for the year have been paid to both the above Stock Exchanges.
-	Stock Code: - BSE Limited	 Physical Scrip Code No. 6395 Demat Scrip Code No. 506395
	- National Stock Exchange of India Limited	COROMANDEL
-	ISIN for (shares) of NSDL & CDSL	INE 169A01031
-	Market Price Data: High, Low during each month in last Financial year/Performance in comparison to BSE Sensex and S&P CNX Nifty	Please see Annexure 'A'
-	Registrar and Transfer Agents	M/s Karvy Computershare Pvt. Ltd Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramquda, Hyderabad - 500 032. Tel.No.(040) 67161616 - 1500 Fax No. (040) 23420814 E-mail Id: einward.ris@karvy.com
-	Share Transfer System	Company Secretary has been authorised to approve request for share transfers upto 1,000 shares. The Company Secretary jointly with the Chief Financial Officer or the Managing Director, has been authorised to approve transfer upto 5,000 shares. Share transfers in excess of 5,000 shares are approved by Stakeholders Relationship Committee.

Annexure I (Contd.)

-	Employee Stock Option Scheme	**ESOP Scheme, 2007** The Company has earmarked 1,27,85,976 equity shares of ₹ 1/- each under the Employee Stock Option Scheme 2007. Each Option is convertible into an equity share of ₹ 1/- each. The number of Options outstanding as on 31 March, 2018, are 52,100. The first vesting is exercisable over a period of three years from the date of vesting. The second, third and fourth vesting are exercisable over a period of 6 years from the date of vesting. **ESOP Scheme, 2016** The Company has earmarked 1,45,81,000 equity shares of ₹ 1/- each under the Employee Stock Option Scheme 2016. Each Option is convertible into an equity share of ₹ 1/- each. Options granted under this ESOP 2016 would vest on or after 1 (one) year from the date of grant but not later than 4 (four) years from the date of grant of such Options. The number of Options outstanding as on 31 March, 2018, are 21,28,400. The vested Options are exercisable within a period of 5 years from the date of vesting. The Company has granted 1,48,900 options to the employees during the year under the ESOP 2016.
-	Distribution of Shareholding and Share holding pattern as on 31 March, 2018	Please see Annexure 'B'
-	Dematerialisation of shares and Liquidity	94.39% of the shareholding has been dematerialized as on 31 March, 2018.
-	Commodity price risk or foreign exchange risk and hedging activities	As the Company is not engaged in commodity business, commodity risk is not applicable. Foreign Exchange risk is managed/hedged in accordance with the Policy framed by the Company for that purpose, and periodical update is given to the Board on a quarterly basis.
-	Plant Locations	The Company's plants are located at a) Malkapuram, Visakhapatnam, A.P. b) Beach Road, Kakinada, A.P. c) Ennore, Chennai, Tamil Nadu d) Ranipet, North Arcot, Tamil Nadu e) Ankleshwar, Gujarat f) Baribrahmana, Jammu & Kashmir g) Hospet, Karnataka h) Udaipur, Rajasthan i) Baroda, Gujarat j) Kota, Rajasthan k) Raigad, Maharashtra l) Khargone, Madhya Pradesh m) Raebareli, Uttar Pradesh n) Sarigam, Gujarat o) Dahej, Gujarat
-	Registered Office / Address for Correspondence	Coromandel International Limited Coromandel House 1-2-10, Sardar Patel Road, Secunderabad - 500 003 Tel.No. +91 40 27842034 Fax: +91 40 27844117 email: investorsgrievance@coromandel.murugappa.com
-	Nomination Facility	Section 72 of the Companies Act 2013, provides the facility of nomination to share /debenture/ deposit holders. The facility is mainly useful for all those holding the shares / debentures / deposits in single name. In cases where the securities / deposits are held in joint names, the nomination will be effective only in the event of the death of all the holders. Investors are advised to avail of this facility, especially investors holding securities in single name. The nomination form may be had on request from the Company's Registrars & Transfer Agents for the shares held in physical form. For the shares held in dematerialized form, the nomination has to be conveyed by the shareholders to their respective Depository Participant directly, as per the format prescribed by them.

Annexure I (Contd.)

12. DISCRETIONARY REQUIREMENT

a.	The Board	The Company maintains an office for non-executive Chairman at the Company's expense and has also allowed reimbursement of expenses incurred in performance of his duties.
b.	Shareholder Rights	Quarterly financial results are published in leading newspapers, viz. The Business Line and vernacular – Andhra Prabha. The audited results for the financial year are approved by the Board and then communicated to the members through the Annual Report and also published in the newspapers.
c.	Separate posts of Chairman and CEO	The Company has a separate post of Chairman
d.	Modified opinion(s) in audit report	All the financial statements received during the last five (5) years were with unmodified audit opinion.
e.	Other Discretionary Requirements	At present, other discretionary requirements have not been adopted by the Company.

13. OTHER REQUIREMENTS

a.	Unclaimed shares	Following is the reconciliation of unclaimed shares in "Coromandel International Limited – Unclaimed Suspense Account", pursuant to Schedule V of the Listing Regulations.	
		Number of shareholders as on 01 April, 2017	5,983
		Outstanding shares in the suspense account lying as on 01 April,2017	21,23,275
		Number of shareholders who approached the Company for transfer of shares from suspense account during the year	47
		Number of shareholders to whom shares were transferred from suspense account during the year	47
		Number of shareholders whose shares were transferred from suspense account to IEPF during the year	4,963
		Aggregate number of shareholders at the end of the year as on 31 March, 2018	973
		Aggregate number of shares at the end of the year as on 31 March, 2018	4,02,225
		All corporate benefits that accrue on these shares such as bonus shares, split, etc., shall also be credited to the Unclaimed Suspense Account and the voting rights on such shares shall remain frozen till the rightful owner of such shares claim the shares.	
b.	Compliance with corporate governance requirements specified in regulations 17 to 27 and regulations (b) to (i) of sub-regulation (2) of regulation 46.	Company has complied with all the relevant corporate governance requirements stipulated in the Listing Regulations.	

Annexure I (Contd.)

c. Transfer of Unpaid / Unclaimed Dividend and Shares to Investor Education and Protection Fund

Section 124 of the Companies Act, 2013, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), mandates the companies to transfer dividend that has remained unclaimed for a period of seven years from the unpaid dividend account to the Investor Education and Protection Fund (IEPF). During the year under review, the Company had sent individual notices and also advertised in the newspapers seeking action from the shareholders who have not claimed their dividends for seven consecutive years or more. Further, the Rules mandate that the shares on which dividend remains unpaid or unclaimed for seven consecutive years or more be transferred to the IEPF.

Accordingly, during the year 2017-18, the Company has transferred to IEPF unpaid/unclaimed dividends and the shares on which the dividends remains unpaid or unclaimed for a consecutive period of 7 years as detailed below:

Particulars	No. of shares	Amount of dividend
Final Dividend 2009-10	25,73,769	80,64,952
Final Dividend 2009-10*	1,26,086	62,81,147
Interim Dividend 2010-11#	39,502	98,943
Interim Dividend 2010-11	1,02,818	1,54,31,800

* Declared by erstwhile Sabero Organics Gujarat Limited, which subsequently got merged with the Company.

Declared by erstwhile Liberty Phosphate Limited, which subsequently got merged with the Company.

Annexure – A

Period	BSE Limited (₹)		Sensex Index		National Stock Exchange of India Limited(₹)		S&P CNX Nifty Total Return Index Value	
	High	Low	High	Low	High	Low	High	Low
Apr-17	384.00	308.00	30,184.22	29,241.48	385.00	306.45	9,367.15	9,075.15
May-17	436.00	340.00	31,255.28	29,804.12	436.00	349.10	9,649.60	9,269.90
Jun-17	444.00	400.00	31,522.87	30,680.66	444.70	399.30	9,709.30	9,448.75
Jul-17	463.20	402.80	32,672.66	31,017.11	452.00	402.00	10,114.85	9,543.55
Aug-17	467.50	387.00	32,686.48	31,128.02	468.00	385.95	10,137.85	9,685.55
Sep-17	446.00	409.00	32,524.11	31,081.83	447.00	407.70	10,178.95	9,687.55
Oct-17	542.90	430.50	33,340.17	31,440.48	548.00	430.45	10,384.50	9,831.05
Nov-17	524.90	494.00	33,865.95	32,683.59	524.90	494.00	10,490.45	10,094.00
Dec-17	580.00	494.35	34,137.97	32,565.16	584.90	495.00	10,552.40	10,033.35
Jan-18	588.00	520.20	36,443.98	33,703.37	586.75	522.05	11,171.55	10,404.65
Feb-18	565.00	503.00	36,256.83	33,482.81	565.55	501.00	11,117.35	10,276.30
Mar-18	578.20	490.50	34,278.63	32483.84	579.00	490.10	10,525.50	9,951.90

Annexure I (Contd.)

Annexure B

DISTRIBUTION OF HOLDINGS AS ON 31 March, 2018

No. of equity shares held	No. of Shares	% of Shares	No. of Shareholders	% of Shareholders
1- 5,000	1,99,71,743	6.83	56,603	98.20
5,001- 10,000	33,85,785	1.16	481	0.83
10,001- 20,000	34,81,101	1.19	243	0.42
20,001- 30,000	15,94,858	0.55	65	0.11
30,001- 40,000	15,66,080	0.54	46	0.08
40,001- 50,000	14,31,484	0.49	31	0.06
50,001- 100,000	36,84,995	1.26	51	0.09
100,001 & Above	25,72,67,363	87.98	120	0.21
Total	29,23,83,409	100.00	57,640	100.00

SHAREHOLDING PATTERN AS ON 31 March, 2018

Category	No. of shares	Percentage
Promoters	18,07,21,349	61.81
Mutual Funds	2,70,30,131	9.24
Banks, Financial Institutions	2,38,166	0.08
Insurance Company	26,10,328	0.89
Foreign Institutional Investor	1,63,14,768	5.58
Private Bodies Corporates	1,87,49,637	6.41
Indian Public	3,37,31,090	11.52
NBFCs Registered with RBI	1,28,442	0.04
Non-Resident Indians	46,32,949	1.58
Foreign Nationals	70,640	0.02
Foreign Bank	1,840	0.00
Overseas Corporate Bodies	48,01,000	1.64
Trusts	1,10,254	0.04
Clearing Members	3,76,640	0.13
Foreign Companies	19,500	0.01
Societies	4,500	0.00
IEPF	28,42,175	0.97
Total	**29,23,83,409**	**100.00**

On behalf of the Board of Directors
For **Coromandel International Limited**

Date: 24 April, 2018
Place: Secunderabad

M M Murugappan
Chairman

Annexure I (Contd.)

TO THE MEMBERS OF

COROMANDEL INTERNATIONAL LIMITED

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

1. This certificate is issued in accordance with the terms of our engagement letter reference no. GB/318/2017 dated 24 August, 2017.

2. We, Deloitte Haskins & Sells, Chartered Accountants, the Statutory Auditors of **Coromandel International Limited** ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March, 2018, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Managements' Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

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

5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31 March, 2018.

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

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

Ganesh Balakrishnan
(Partner)
(Membership No.201193)

Place: Secunderabad
Dated: 24 April, 2018

Annexure I (Contd.)

Declaration on Code of Conduct

This is to confirm that the Board has laid down a Code of Conduct for all Board members and senior management personnel of the Company. The Code of Conduct has also been posted on the website of the Company. It is further confirmed that all Directors and senior management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended on 31 March, 2018 as envisaged in Regulation 26(3) of the Listing Regulations.

Place: Secunderabad
Dated: 24 April, 2018

Sameer Goel
Managing Director

BUSINESS RESPONSIBILITY REPORT 2017-18

Preface:

Coromandel International Limited presents its Business Responsibility Report (BRR), as mandated by Securities and Exchange Board of India (SEBI), and in line with the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' (NVGs), as released by the Ministry of Corporate Affairs in July 2011. The report has been prepared as prescribed and in accordance with Regulation 34 of the SEBI (LODR) Regulations, 2015.

About Coromandel International Limited

Coromandel International Limited (Coromandel), part of one of India's leading business conglomerates Murugappa Group, and India's second largest Phosphatic fertiliser player, is in the business of Fertilisers, Specialty Nutrients, Crop Protection and Rural Retail. It manufactures a wide range of fertilisers, making it a leader in its addressable markets. In its endeavour to be a complete plant nutrition solutions Company, Coromandel has also introduced a range of Specialty Nutrient products comprising of water soluble fertilisers and micro nutrients. Coromandel is also pioneer in marketing Organic Fertilisers. The crop protection business has wide range of technicals, which are also exported to various countries. Coromandel has a pan India presence for distribution of these products, besides its own retail outlets. Coromandel has set up close to 800 rural retail centers in the States of Andhra Pradesh, Telangana, Karnataka and Maharashtra. Coromandel was voted as one of the top ten greenest companies in India by TERI, reflecting its commitment to the environment and society.

For more details, visit www.coromandel.biz

Section A: General Information about the Company

1	Corporate Identity Number	L24120TG1961PLC000892
2	Name of the company	Coromandel International Limited
3	Registered address	Coromandel House, 1-2-10, Sardar Patel Road, Secunderabad - 500 003, Telangana.
4	Website	www.coromandel.biz
5	E-mail id	mail@coromandel.murugappa.com
6	Financial Year reported	2017-18
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Fertilisers & Chemicals Fertiliser – 20122 | Pesticides – 20211
8	List three key products/services that the Company manufactures/provides	Fertilisers, Crop Protection Products and Speciality Nutrients
9	Total number of locations where business activity is undertaken by the Company	15 Manufacturing Locations in India AP - Vizag, Kakinada | TN: Ennore, Ranipet | JK: Jammu | GJ: Ankleshwar, Dahej, Sarigam, Nandesari RJ: Udaipur, Kota | MP: Nimrani | KA-Hospet , UP – Raebareli | MH – Pali
10	Markets served by the Company	India, Latin America, APAC, Africa, Europe, Australia and New Zealand

Section B: Financial Details of the Company

1	Paid up capital	₹ 29.24 Crore
2	Total turnover	₹11,044 Crore
3	Total profit after tax	₹ 659 Crore
4	Total spending on CSR as percentage of PAT (%)	2%
5	List of the activities in which expenditure in 4 above has been incurred	CSR Activities of Coromandel are focused on Health, Education and Community Development. For details refer Annual Report on CSR activities Page Nos. 78,79,80

Annexure J (Contd.)

Section C: Other Details

1	Does the Company have any Subsidiary Company/ Companies?	Yes
2	Do the Subsidiary Company / Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	The subsidiaries of Coromandel are primarily either investment companies or companies holding product registration in foreign countries for export of the company's products. Hence, this is not applicable. Number of subsidiary companies: 10
3	Do any other entity/entities (e.g. suppliers, distributors) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate % of such entity/entities?	No.

Section D: BR information

1	Details of Director(s) responsible for BR	Mr. Sameer Goel, Managing Director DIN: 07298938 BR Head: Mr. Sameer Goel, Managing Director DIN: 07298938 | Phone: 040 - 27841368 Email: GoelS@coromandel.murugappa.com

2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

S.No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national /international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/owner/CEO/ appropriate Board of Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	Policies & Codes: http://coromandel.biz/inv_financial.html CSR Policy: http://coromandel.biz/pdf/CSRPolicy/CSRPolicy_dec2014.pdf EQOHS Policy: http://coromandel.biz/pdf/2016-2017/she/Policy/EQSH_policy.pdf								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

Annexure J (Contd.)

All the policies in Coromandel are governed by its guiding principles and core values. These polices are mapped to each principle hereunder:

Coromandel Policies Mapping to BR Principles

	Principle	Applicable Policies
1.	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability	• Values and Beliefs, called the 'Five Lights' • Whistle Blower policy • Code of Conduct • Coromandel Guide to Business Conduct (CGBC)
2.	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle	• Environment, Quality, Occupational Health and Safety Policy (EQOHS Policy)
3.	Businesses should promote the wellbeing of all employees	• HR Policy • Communication policy • Policy on prevention of Sexual Harassment • Training Policy • 5S policy
4.	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.	• CSR Policy
5.	Businesses should respect and promote human rights	• Values and Beliefs, called the 'Five Lights' • Whistle Blower policy • Code of Conduct
6.	Business should respect, protect, and make efforts to restore the environment	• Environment, Quality, Occupational Health and Safety Policy (EQOHS Policy)
7.	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner	• Values and Beliefs, called the 'Five Lights'. • Coromandel Guide to Business Conduct (CGBC)
8.	Businesses should support inclusive growth and equitable development	• CSR Policy
9.	Businesses should engage with and provide value to their customers and consumers in a responsible manner	• Values and Beliefs, called the 'Five Lights' • Environment, Quality, Occupational Health and Safety Policy (EQOHS Policy)

2a. If answer to the compliance status of any of the Principles listed above is 'No', please explain why

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

Annexure J (Contd.)

3. **Governance related to BR**

- Frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company:

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

- Publication of BR or a Sustainability Report and its frequency:

  This is the second Business Responsibility Report of the Company and it forms part of the Company's Annual Report for the financial year 2017-18. The same can be accessed at http://coromandel.biz.inv_report.html. The previous report was made for the financial year 2016-17.

Section E: Principle-wise performance

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

Coromandel fosters a work culture with high ethical principles and standards and encourages its employees to perform with total integrity, commitment and ownership. Commitment to ethical and lawful business conduct is a cornerstone of Coromandel's business practices. It is a fundamental shared value among the Board of Directors, the senior management and all the employees in the Company. Coromandel has adopted the 'Code of Conduct' (Code), to ensure ethics, transparency and accountability in all aspects of the business, and create value for its stakeholders in a sustainable manner. The code embodies the belief that being aware of the Company's responsibility towards its stakeholders and acting with the Company's legitimate interest in mind, is essential for the Company's long-term excellence. All Directors and senior management personnel shall affirm compliance with this Code on an annual basis.

In line with the Murugappa Group's values and beliefs (The Five Lights), Coromandel has also adopted the 'Coromandel Guide to Business Conduct (CGBC)' to set forth the principles which guide business transactions with customers, outside businesses, governments, communities and shareholders. All policies are communicated to Coromandel's employees upon joining as well as reinforced through annual refresher sessions.

Coromandel has well established policies in accordance with the statutory guidelines and SEBI Regulations.

- Whistle Blower Policy/Vigil Mechanism
- The Dividend Distribution Policy
- Code of practices for fair disclosure of unpublished price sensitive information
- Remuneration Policy
- Policy on preservation and archival of documents
- Policy for Determination of Materiality for Disclosure of Information/Events to the Stock Exchanges
- Policy on Related Party Transactions
- Policy for determining Material Subsidiaries

The above mentioned policies of the Company can be accessed by anyone from the Company's website at http://coromandel.biz/inv_financial.html.

Key elements of Coromandel's corporate governance are transparency, disclosure, internal controls, risk management, internal and external communications, and adherence to high standards of safety, health, environment, accounting fidelity, products and service quality. The Board has empowered responsible persons to implement its broad policies and guidelines and has also set up adequate review processes. The Company ensures selection of vendors and contractors, who maintain and follow ethical standards. The Company endeavours to impart periodical training on Ethics to its employees and relevant stakeholders are also made aware of the same, on a regular basis.

During the year 2017-18, 10 complaints were received by the Ombudsman under Whistle Blower Policy which were enquired into and suitable actions were taken thereon and 1 complaint was pending as on 31 March, 2018. Quarterly report on such complaints and action taken thereon are reported to the Audit Committee

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

The core operating principles of Coromandel are Knows, Cares and Fulfils, in which, 'CARE' emphasizes on environment, community, partners, employees and shareholders. Coromandel has its own Fertiliser Technology Centre, FTC, at Vizag, recognized by Department of Scientific & Industrial Research (DSIR) of Ministry of Science & Technology and a R&D center at Hyderabad for Crop Protection Products. Coromandel is having an active R&D program to develop products with high Nutrient Use Efficiency (NUE) which offer the twin advantages of providing higher value to the farmer and protecting the environment as, during the life-cycle of the product the nutrient uptake by the plant is maximized and losses to the environment are minimized. The social and environmental concerns have been incorporated in the development of the following products of Coromandel.

- Organic Fertilisers - City Compost : Recycling of nutrients and carbon in organic waste
- Sulphur Enhanced Fertilisers: Maximizing the availability of Sulphur to the crop and minimizing leaching losses of Sulphur
- Zinc Fortified Fertilisers – Improving crop productivity and human health

Coromandel has been a leader in promoting organic fertilisers (Municipal compost, sugarcane filter-cake compost, oilseed cakes) to farmers for sustaining the soil health and improving productivity, by sustaining nutrient availability to crops and enriching organic carbon content of soil. Coromandel has initiated city compost Bio-mining in association with Visakhapatnam Municipality contributing significantly to conserve environment and add value to available resources. Also, during the year Coromandel has launched three crop specific water

Annexure J (Contd.)

soluble grade Specialty Nutrient products, which help in balanced nutrition of the selected crops.

In 2017-18, for sulphur enhanced grades (20:20:0:13S & 24:24:0:8S) of fertilisers, the production process has been streamlined and stabilized through continuous improvements, resulting in enhanced product quality, improved operational efficiency and higher throughput.

There was an increased focus at the manufacturing units for energy efficiency. For example, Ankleshwar unit has invested considerably to implement energy and water conservation projects like RO plant to recycle waste water, replacement of ordinary pump with more energy efficient pumps. Also, through effective operations and continual improvement, the fertilizer manufacturing processes reduced the consumption of raw materials, energy, water and fuel. The Company has achieved the following improvements in energy, water & raw material consumption during the year 2017-18:

- Reduced the specific water consumption by 10% in Vizag unit, 5% at Kakinada and Ennore
- Reduction of specific power consumption in the GSSP plant by 6% at Nandesari unit.
- Reduced the consumption of specific power by 5.52 % at Sarigam Unit
- Reduced the specific steam consumption by 13.65% at Sarigam unit
- Substantial reduction in COD of main filtrate in Sarigam and Ankleshwar units
- 5% yield increase for Mancozeb product in Sarigam unit and also successfully implemented effluent recycle system saving 1.4 KL/3.15 MT of Phenthoate product

Coromandel Vizag unit has received the 'Best Energy Efficient Unit' from CII for the 4th consecutive year. Also, the unit has received the Best Production Performance – 'Special Awards 2017' for a Phosphoric acid plant (winning 4 times, in consecutive years), Environment Protection Award for 'Complex fertilizer plant with captive acid'.

Most of the raw materials for manufacturing of fertilisers are imported due to its non-availability in India. However, Coromandel encourages procurement of local raw materials and indigenous spares, wherever feasible. For example, in its SSP business around 50% of rock phosphate is sourced locally from Rajasthan States Mines & Minerals Ltd., and almost 100% of sulphuric acid is sourced locally from other companies. Also, Coromandel encourages local and small vendors for supply of consumables, engineering stores and carrying out job contracts in order to develop the sustainable capabilities.

Coromandel strives towards sustainable way of utilizing & recycling of resources.

- Coromandel completely reprocesses or recycles the off-spec materials which include fines and over size products that get generated in the fertilizer granulation process. Around 7% fertilizer material was reprocessed during the year 2017-18.
- In Vizag unit, the waste water recycling and consumption is accounted to 80% of overall waste water generated from process and 100% from complex production process
- All other Fertiliser and Single Super Phosphate (SSP) units are zero process effluent discharge units and all process liquids are recycled back into the fertiliser manufacturing process
- Precipitated silica is recycled in the production operation and generation is below 5% in SSP Units and around 5-10% of SSP off-spec material is reprocessed
- Scrap material like torn HDPE bags and MS scrap are recycled by licensed vendor as applicable. Scarp material is < 5%.

Coromandel fully complies with the Indian laws relating to Intellectual Property Rights (IPR) and takes the help of renowned Patent Attorneys for guidance in IPR matters.

Principle 3: Businesses should promote the wellbeing of all employees

Coromandel continues to emphasize employee training and capability building by placing employee well-being at the forefront, as a key enabler in the organizational strategy

Best Energy Efficient Unit – Awarded by CII (4th consecutive times)

Best Production Performance 'Special Award 2017' for a Phosphoric Acid Plant (For consequently 4th times in a row)

Annexure J (Contd.)

In 2017-18, there are 4,472 Permanent manpower (2,977 Management staff, 1,348 Non-Management staff (NMS) and 147 Trainees) with 127 female employees and 9 differently abled employees. Also, there are around 6,754 off-roll/contract employees.

The industrial relations across all the plants continued to remain cordial and peaceful. The rights of workers to freedom of association and collective bargaining are recognised and respected. There are 8 employee associations across the manufacturing locations of the Company, with nearly 890 (66%) NMS being members of it. During 2017-18, Coromandel entered into long-term wage settlement as well as productivity linked incentive schemes at Ennore and Ranipet units, long term wage settlement at Hospet and rate contract for bagging at Kakinada unit.

As part of organizational value reinforcement, sensitization and awareness workshops on Murugappa Group's 'Five Lights' – Values and Beliefs, Whistle Blower policy and Coromandel Guide to Business Conduct (CGBC) were organized across locations to promote & reinforce value system and equality across the organization

Coromandel has a policy on prevention of sexual harassment (POSH) to ensure a harassment free workspace for the employees. Sexual harassment cases are dealt as per the Company policy on prevention of sexual harassment. All the employees are communicated on regular basis on the various aspects of prevention of sexual harassment at work through e-articles and other means of communication.

S.No	Category	No. of complaints filed during 2017-18	No. of complaints as on end of 2017-18	Remarks
1	Child labour/forced /involuntary labour	Nil	Nil	
2	Sexual Harassment	1	1	ICC investigated and submitted its recommendations to Mgmt. within 45 days from the date of complaint
3	Discriminatory employment	Nil	Nil	

Employee Well-Being: Coromandel continues to emphasize on employee well-being, health and engagement through various initiatives like

- Employee Wellness: The flagship health and wellness program of 10K Challenge - health awareness campaign Ver-4.0 was initiated across all locations apart from regular medical check-up and diagnosis support to employees & contract workmen. Employees participation in 10K Challenge increased as against the previous year (1888 Nos. in the year 2016-17| 2400 Nos in the year 2017-18).
- Employee Assistance Programme (EAP) launched with focus on emotional well-being of an employee and his/her family. EAP has partnered with an industry leader, Optum International, to provide counselling services to employee(s) and his/her family members. The consultation is available 24 X 7 through phone, online channels and if required, in person as well.
- Coromandel aims to prevent work-related illness and occupational diseases through implementation of management systems like ISO 14001, OHSAS 18001 and Process Safety Management System (PSMS). The Management reviews the Safety performance of the Company through set of Key performance indicators like Total Recordable Injuries Rate (TRIR) and also promotes the open culture of reporting Safety Near Miss incidents by the employees. Defensive driving, road safety, process safety and behavioral safety training were conducted across the manufacturing and sales & marketing locations.

Coromandel ensures continuous skill and competence upgrading of all its employees by providing access to necessary learning opportunities on an equal and non-discriminatory basis. The learning & development process of Coromandel aims to build employee capabilities in line with the current and future core competency requirements of the organisation. The Company has deployed various key developmental initiatives in the year 2017-18 viz., Sales capability building, "Vidhyaonline" e-learning modules, Leadership development program, Project Management, TQM, Structured Problem Solving Capabilities, Technical, Safety and behavioral trainings.

Coromandel also deputes its executives to the best of institutions to be trained in various areas including leadership, innovation, strategy and functional capabilities.

Almost 90% of permanent employees (including women employees) and 100% casual/contractual employees have undergone training in the areas of safety, health, behavioral and skill upgradation. Also, Coromandel encourages and provides training and counseling to employee(s) family members in various areas viz., home safety, home 5S, child education and family health.

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

"The fundamental principle of economic activity is that no man you transact with will lose; then you shall not" (an excerpt from Arthashastra). This was the basic principle adopted out by the founder of the Murugappa Group, over a century ago and the tradition has endured. Today, this belief continues to guide our decisions and define our work ethics.

Annexure J (Contd.)

Our Mission is "To enhance prosperity of farmers through quality farm solutions with sustainable value for all stakeholders". Coromandel strongly believes in inclusive growth. In line with the philosophy and mission, Coromandel has mapped all its stakeholders that include farmers/customers, employees, shareholders, Government, society, suppliers and business alliances with and society. The Company understands the short term and long term needs & expectations of its stakeholders through established communication mechanisms and delivers to achieve sustainable relationships.

As a responsible corporate, Coromandel believes that it can help make a difference to the environment and change lives for the better. Coromandel makes conscious efforts for community development and to enable the prosperity of farmers. Few of the initiatives with inclusive growth approach of Coromandel that enables farmers prosperity are mentioned below.

- Coromandel strongly believes that woman education has great influence in farmer's prosperity. In line with its mission to make the farmers prosper, a unique program called Rural Girl Child Education Assistance Programme (RGCEAP) has been initiated and executed since 2005. The strength of this initiative is its core targeted societal group i.e farmers, who are supported in achieving the noble objectives of reducing the drop out percentage of Rural Girl Child, empowering the rural women and encouraging the rural girl child for higher education. During the year 2017-18, 1,468 number of girl children, from 658 schools, were benefited through Coromandel RGCEAP.
- Coromandel continuously facilitates the farming community through various services for improving the crop yield like free soil testing for balanced nutrient inputs, farm advisory support through Agronomist team, unique grades & fortified fertilisers and providing complete farming solution.
- Coromandel strives for the betterment of community in and around its factory locations. Various initiatives in this direction include skill development for employability, livelihood through establishment of glove making units, providing health care through Coromandel Medical centres and mobile medical vans. During the year 2017-18, around 78,947 patients availed the services of Coromandel Medical centers, while 13,345 people benefited from the mobile medical van service.

Principle 5: Businesses should respect and promote human rights

Coromandel ensures compliance with all applicable laws of the land pertaining to human rights, in order to preserve the rights of all its internal and external stakeholders. Coromandel has a procedure for taking an undertaking from all its suppliers/contractors that they will abide by all the local laws as applicable to the workmen engaged by them for the Company. A special focus was given on prohibition of engagement of child labour.

Based on The Five Lights (Value System) of the Murugappa Group, Coromandel Guide to Business Conduct (CGBC) provides guidelines to set forth the principles which will guide business transaction with all stakeholders. The CGBC enables to embed the value system and respect for human rights in every aspect of business transactions including respect for employees fundamental rights, prevention of

sexual harassment, any kind of discrimination and adherence to SHE (Safety, Health & Environment) policies.

Coromandel measures the progress on Human rights protection through metrics like

- Training Mandays and employee coverage for awareness on Policies and CGBC
- Employee Engagement survey outcomes on respective parameters
- Number of grievances received and addressed
- Internal HR and Management audit points and closures
- 5S audit score for work environment

Coromandel has deployed various management systems towards ensuring the Human Rights and environment protection which is guided by various policies like HR policy, EQOHS (Environment, Quality, Occupational Health & Safety) Policy, 5S policy, Training and Communication policy.

There were no complaints on violation of human rights in 2017-18.

Principle 6: Business should respect, protect, and make efforts to restore the environment

Coromandel continually strives to minimize the environmental impact of its operations through sustainable practices and responsible use of natural resources through effective implementation of integrated Environment, Quality, Occupational Health & Safety (EQOHS) Policy and ISO 14001 – Environment Management System (EMS). As of now, the policy covers the entire operations of Coromandel (employees & contractors) and the Company is also in its early stages of deployment in extending the policy guidelines to its suppliers and joint ventures.

A fundamental part of the Company's annual business planning process is Environmental management, wherein each business has to frame the strategy and improvement/Capex projects for environmental management. The Company is also actively involved in sustainable development through various environmental activities at a large scale, like the development of green belt, continual improvement in consumption of raw materials along with energy & water. These activities form an indispensable part of all the operations and fully comply with all the requirements.

Annexure J (Contd.)

The 'Enterprise Risk Management' model has been adopted by the Company, in order to address its business and operational level risks. As part of this, environmental risks are also identified and addressed across the organization. Individual responsibilities are given to monitor and mitigate the potential environmental risks, if any. To understand and mitigate the long-term impact, manufacturing sites also undergo Environmental Impact Assessment studies.

At Coromandel, all major manufacturing processes have installed Continuous Emission monitoring systems, through which real time data is uploaded to Pollution control Board websites, which are open to Public viewing. Additional investments were done during the year to ensure and monitor Zero Liquid Discharge in all operating sites of SSP SBU by installing PTZ camera and Electromagnetic flow meters connected to Central and State PCB Department. As part of ISO 14001, Company has deployed various Environmental Management Programs (EMPs) which were implemented across units like Sound/ Noise Pollution Controls, Dust level Control through installation of Twin Vertex type Cyclones at SSP Baroda & Udaipur units and Greenery development. Coromandel has continued its support to the greening efforts of the local Government agencies and contributed around 10,000 saplings in Visakhapatnam district.

- Coromandel Visakhapatnam Unit has won 'Environment Protection award for Complex Fertilizer Plant with Captive acids' from Fertilizer Association of India during the year
- Coromandel Ennore and Visakhapatnam Units have won 4 STAR award from CII – Southern region for its 'EHS Excellence 2017'

To become energy efficient various projects were executed across units on a continual basis like the following:

- Commissioned state of the art Sewage Treatment Plant at Visakhapatnam unit, which produces water of 100% recyclable quality
- Adopted energy efficient motors & lighting systems
- Focus on use of renewable solar energy by installing solar street light fittings
- Installed VFD (variable frequency drive) at Udaipur, Baroda and Nimrani SSP Units
- Replaced 113 normal lights with LED lights across SSP Units
- Debottlenecking and enhanced capacity enhancement
- Implemented online stack monitoring, dewatering system for the ETP solid waste, dust and odour controls systems in Sarigam unit

Coromandel's proactive approach in preserving the biodiversity at Kakinada site has caught the attention of nationwide stakeholders. The video on 'Turning a Factory into a Bird Sanctuary' can be viewed through the link https://www.youtube.com/watch?v=Q0FDLaQUQ18. During 2017-18 Discovery channel has covered the Coromandel efforts in preserving the bio-diversity. Also a coffee table book on Coromandel Kakinada "Birds Paradise" was launched to support initiatives leading to sustainable conservation measures and improve understanding of the fragile ecosystems in relation to ecology, field biology and conservation

Coromandel has received all the needful environmental approvals and consents for the year from the PCB and MoEF. Company continuously ensures all the emissions, discharge and wastes disposal are well within the permissible limits. Coromandel files the environment reports to respective government bodies and these reports are also available to public at http://coromandel.biz/she_compliance_report.html.

No show-cause/legal notices is pending against the Company from CPCB/SPCB for the year 2017-18.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

Coromandel engages in policy advocacy in a responsible manner through its membership in various industry forums & associations. Coromandel continues to share its rich experience to provide incisive insights and detailed inputs to key decision makers in planning better policies in setting of new industry standards and regulatory development pertaining to areas such as fertilizer policies, subsidy policies, industry economic reforms, improving industry standards, development of new and unique grades of products for enhanced crop yields with and other inclusive development policies.

The Company works with apex industry institutions that are engaged in policy advocacy, like The Fertiliser Association of India, International Fertilizer Association, Crop Care Federation of India, Pesticide Manufacturers and Formulators Association of India, Southern Indian Chamber of Commerce and Industry, Confederation of Indian Industry, Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry, National Safety Council, Environmental/Pollution Control Boards, Bureau of Indian Standards, Central Insecticides Board, State Fertiliser marketing federation, Petroleum and Natural Gas Regulatory Board and Gas Authority of India.

Coromandel Leadership team plays an active role in industry federations. For example, Mr.Sameer Goel, Managing Director, is a Director in FAI, Mr. G Veerabhadram, President -Crop Protection, is a Director in CCFI and Dr.Kuppusamy, Sr.GM & Head-Regulatory Affairs (Crop Protection) is a Technical Committee member in CCFI, Mr. B. Prasannatha Rao, Executive VP and Head of HR, is a member of National Human Resource Development (NHRD), Mr. Arun Leslie George, Executive VP and Head of SSP Business, serves on the Board of Apprenticeship Training. Coromandel's engagement with the relevant authorities for responsible advocacy is guided by the values of integrity, respect and responsibility, providing sustainable value for all stakeholders. Few of the key areas that Coromandel has advocated through industry associations for the advancement and benefits of farmers are mentioned below.

1. GST rate on Fertiliser and Phosphoric Acid
2. Quality testing of SSP
3. Priority of 'Make in India' concept for Fertiliser industry
4. Balanced use of Fertiliser Nutrients

Annexure J (Contd.)

5. Neem oil coating of Urea
6. Micro Nutrient Fortification
7. Use of Sulphur enhanced Fertiliser
8. Promoting organic manure
9. Usage of Gypsum; and
10. Indigenous sourcing of Potash

Coromandel, for the social development initiatives and plant capacity enhancement projects, organizes meetings with the local administration and state governments to seek their participation and expertise support.

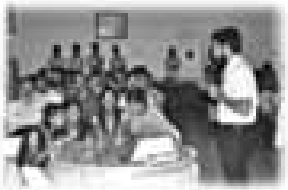
Principle 8: Businesses should support inclusive growth and equitable development

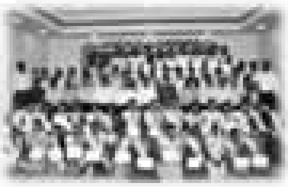
Coromandel, in line with its CSR policy, has been focusing on upliftment of the society by implementing the programs related to health, education and community development, to make a meaningful impact on their lives. The aim is to improve the wellbeing and quality of life of the community people, focusing on communities living close to Coromandel's areas of operation.

Coromandel has been executing Corporate Social Responsibility (CSR) activities for a long time through AMM Foundation of Murugappa Group. Coromandel is also working closely with Government as well as NGOs based on the need and expertise for implementing the program smoothly. Also, Coromandel has an in-house CSR team at every site to implement programs in coordination with various stakeholders which are coordinated from Corporate office to ensure effective implementation and constant monitoring to create an impact in the society and ensure improved socio-economic conditions.

Coromandel conducts **Social Impact Assessment (SIA)** of its CSR programs through reputed independent institutions to ensure that the social practices are participatory and support beneficiaries to make maximum impact. During 2017-18, three thematic impact studies of its initiatives including the –

1. **Coromandel Girl Child Scholarship Scheme** – The impact study consisting 2030 students from 9 States reflected the positive influence on the parent's attitude towards the girl child education (91%), motivation for higher education (99%), bringing in gender neutrality (62%), and reducing child marriage by bringing in attitudinal change among the parents (92%).
2. **Public Private Partnership** in Government General Hospital, Pediatric ward, Kakinada, Andhra Pradesh


19,941 children impacted


6565 girls benefited


727 schools


700 villages


70,015 get drinking water through 30 RO plants (12 in schools & 18 in communities)


548 house hold toilets built for communities


2996 got benefited through medical camps


37 toilets for girls


2353 women beneficiaries


PPP – 10 Programs
4 Hospitals, saved 425 lives


3129 benefited through sports


72,100 plants planted

Annexure J (Contd.)

National Award from Public Relations Society of India (PRSI) - Best CSR Project for Childcare

3. **Open defecation free villages** - Coromandel conducted behavior change communication programs to inculcate positive behavior in using toilets. The assessment study revealed that 82% of villagers are using toilets regularly and open defecation has been almost stopped.

This process helps the Company to understand the impact and change, capabilities required for the respective intervention and how the intervention can bring a change, to enhance benefits across the society.

Coromandel complements the government initiatives at the local level and has taken up to the national levels in partnership with local government and also engaged with respective departments for smooth implementation of the programs like

- Support Govt. Hospital: Coromandel adopted Government pediatric ward at Kakinada and enhanced the quality of services by providing infrastructure support like ventilators in saving lives of children and support government in reducing mortality rate.
- Coromandel Girl Child Scholarship Scheme in government schools across Andhra Pradesh, Telangana, Karnataka, Tamil Nadu, Gujarat, etc.,
- Support in supplying of drinking water: Coromandel in partnership with local governments established RO plants based on the need and requirement of respective panchayats/villages.
- Support to Swachh Bharat Initiative: Constructed individual toilets at community, at schools and conducted innovative behavior change communication programs in communities and schools to bring a positive change to use the services.

Coromandel has spent around 2% of its average net profit for the previous 3 years on CSR activities across locations in the areas of Education, Health and Community development. Year wise CSR expenditures are given below

Year	2015-16	2016-17	2017-18
₹ in lakhs	1075	1097	1440

Coromandel has won the following accolades for its work in the communities:

- National CSR Awards from Public Relations Society of India (PRSI) in the category of 'Best CSR project for Childcare' for the intervention in the Pediatric ward in the Government General Hospital in Kakinada
- ET NOW CSR Leadership Award for Best CSR practices.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

Coromandel believes that customer-centricity is the key to long-term business sustainability. The Company has made successful engagement and provides value to the customers and consumers in a responsible manner.

Coromandel enables overall well-being of customers and the society through its various best practices and value added services at no additional cost to customers/farmers with various aspects:

1. Agronomists: Coromandel's team of Agronomists works closely with the farmers to educate them about the usage of various farm inputs and overall solutions to the customer needs.
2. Soil testing services: Application of right nutrients to soil ensures higher crop yields and also reduces the cost of nutrient application.
3. Quick Test Kit for Quality: To measure nutrient content in the product to develop quality consciousness amongst the users of Single Super Phosphate (SSP)
4. Farm Advisory Services: Coromandel provides farm advisory services through various modes viz., 'Hello Gromor' Centre (Toll free helpline for farmers), voice SMSes, extensive farmers' group meetings, seminars, webinars and village sessions, Interactive touch screen kiosks of around 80nos for voice enabled online portal for knowledge sharing on crops
5. 'Pride' club for dealers: In addition to rewards and motivation, dealers who have Pride mobile app have access to various features like real time weather information, prices of agricultural commodities and crop pest management solutions

The products of Coromandel are in adherence with and governed by respective Government rules and regulations like Fertiliser Control Order (FCO) and Central Insecticides Board & Registration Committee (CIB&RC). Hence, there is no restriction or barrier of entry for other market players and customers are having the full freedom to select the products of their choice.

Coromandel discloses all the relevant information on safe and judicious usage of its products through various channels like packaging, labeling, leaflets and website. Crop protection chemicals/specialty nutrients products are provided with the info on safe handling, dosage to crop, time and method of application, thus encouraging consumers to use products in a responsible manner. Product details and state wise, crop wise fertigation schedules also provided to customer in SND knowledge portal of Coromandel. The Toll-free (Hello Gromor center) phone number are provided in all packs for enabling customers to register their queries and complaints.

Coromandel ensures that all the claims made in advertising are backed by the results established through pilot experiments, field studies and demonstrations carried out in fields and with proper registration of products as per all legal requirements.

Annexure J (Contd.)

Coromandel continuously educates and creates awareness to farmers on optimal usage of fertilisers and effects of usage of higher dosage of fertilisers and crop protection chemicals through its extensive soil testing, farm advisory, Store Advisory Board Meeting, Farmer panel Feedback and farmer education sessions.

- o 13180 number of SBZ (Sulphur, Boron & Zinc) soil analysis carried out and given recommendations
- o 1971 number of dealer trainings and organized crop seminars with scientists.

A total of 31613 farmer meetings/training sessions were conducted in 2017-18. 20 Store Advisory meetings were conducted in different stores across AP&TS and Karnataka. The Company interacted with nearly 300 farmers during Store Advisory Meeting. The key customer friendly new initiatives during 2017-18 include

- Gromor Dhamaka Scheme- In order to ensure the right usage of nutrients and crop protection chemicals, and adoption of scientific packaging, customer schemes were operated wherein, the customers buying the total package were offered discounts and incentives. 27514 farmers registered through the scheme.
- Gromor Anubhandam Scheme- In order to encourage customers to visit the Gromor centers regularly, to avail the technical services apart from buying agri-inputs, the Gromor Anubhandam loyalty program was operated. 29789 farmers registered through the scheme.
- Hingaaru Yojana – To ensure that the cotton farmers use entire set of agri-inputs as per the technical recommendations, a series of incentives, were offered at each stage of their crop, for which they bought the agri inputs. This scheme was operated in the state of Karnataka. 357 farmers have availed the scheme.

Coromandel promotes increased usage of Organic compost to rejuvenate the soil condition and enhance crop yield, thereby reduce the excessive application/consumption of Chemical fertilisers. Coromandel continually develops unique grades of products that enable slow release of nutrient to soil for enhanced retention/availability of nutrient to crops and thereby reducing seepage of nutrients.

During the year, Coromandel has organized number of Farm Advisory activities like Crop Seminar, Crop Demonstration, Soil Testing, with the aim to improve the farmers' crop productivity and profit.

Coromandel tracks grievances from the farmer, related to products and services and creates necessary improvement for farm productivity. During the year the number of calls received from/given to farmers by Hello Gromor on farm related advisory is as below:

- o In-bound calls - 8,254
- o Outbound calls - 1,954

Customer feedback is taken with utmost seriousness and attempts are made to satisfactorily close all customer feedback or complaints expeditiously. Around 27 product related complaints were received and addressed through CRM calls for the year 2017-18.

Coromandel also proactively seeks customer feedback through its Net Promoter Score initiative.

There are 23 customer/consumer legal cases/appeals filed and pending against the Company as on 31 March, 2018. These complaints are contested claims and are pending before various consumer forums. There are no cases filed and pending against the Company with respect to unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years.

Coromandel conducted various market research studies through external agencies during the Financial Year 2017-18, to understand the farmer's perception and satisfaction level across SBUs like Price Benchmarking, Cotton Brand Preference study, Product need gap study. The surveys depict the increased farmer's awareness level on choice and selection of products and services, opportunities through unmet needs of farmers and NPS score depicting the customer satisfaction level, promote or detract or remain passive, with the products and services. Coromandel persistently works towards maximizing the sustainable value for all stakeholders by delivering the promise, reliability assurance, value for money and exceeding expectations of customers in line with its brand essence 'Maximise'.

On behalf of the Board of Directors
For **Coromandel International Limited**

Date: 24 April, 2018
Place: Secunderabad

M M Murugappan
Chairman

Standalone Financial Statements

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INDEPENDENT AUDITOR'S REPORT

To The Members of Coromandel International Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Coromandel International Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2018, and the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

In conducting 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 thereunder and the Order issued under section 143(11) of the Act.

We conducted our audit of the standalone Ind AS financial statements 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 standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2018, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Company as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, 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 standalone Ind AS financial statements;

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No: 008072S)

Ganesh Balakrishnan
(Partner)
(Membership No: 201193)

Secunderabad, 24 April 2018

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of Coromandel International Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No: 008072S)

Ganesh Balakrishnan
(Partner)
(Membership No: 201193)

Secunderabad, 24 April 2018

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

In respect of immovable properties of land and buildings that have been taken on lease, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement as at the balance sheet date, except the following:

Particulars of the land and building	Carrying Amount (₹ in Lakhs)	Remarks
Leasehold Land	17.95	Lease deed in respect of land admeasuring 14,254 square meters at Madri, Udaipur taken on lease is pending to be transferred to the name of the Company.

(ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.

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

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit falling within the purview of the provisions of Section 73 to 76 of the Companies Act, 2013. There are no unclaimed deposits.

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

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

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31 March 2018 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Cess which have not been deposited as on 31 March 2018 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is pending	Period to which the Amount relates	Amount involved (₹ in Lakhs)	Amount unpaid (₹ in Lakhs)
The Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal	2008 -2009 to 2012 -2013.	268	190
West Bengal Sales Tax Act, 1994	Sales tax	Assistant Commissioner (Appeals)	2002-2003	4	4
		Sales Tax Appellate Tribunal	2008-2009, 2012-2013	1,058	958
		Senior Joint Commissioner Commercial	2012-2013	17	12
Andhra Pradesh General Sales Tax Act, 1957	Sales tax	Additional Commissioner Legal	1995-1996 to 1997-1998	27	27
		Sales Tax Appellate Tribunal	2002-2003 to 2003-2004	93	62
Uttar Pradesh Value Added Tax Act, 2008	Sales tax	Deputy Commissioner	2008-2009	125	111
		Deputy Commissioner Appeal	2012-2013	1	1
		Appellate Deputy Commissioner	2012-2013	40	40
		Assistant Commissioner	2013-2014	2	1
Gujarat Value Added Tax Act, 2003	Sales tax	Joint Commissioner	2010-2011 & 2011-2012	7	7
		Joint Commissioner (Appeals)	2011-2012	104	104
Rajasthan Value Added Tax Act, 2003	Sales tax	Deputy Commissioner Appeal	2012-2013	15	15
		Assistant Commissioner	2013-2014	57	57
Electricity Supply Act, 1948	Electricity Cess	High Court of Judicature at Hyderabad for the State of Telangana and State of Andhra Pradesh	2003-2004 to 2013-2014	293	293
Central Excise Act, 1944	Excise duty	High Court of Judicature at Hyderabad for the State of Telangana and State of Andhra Pradesh	2003 to 2007	254	254
		High Court of Madras	2001-2003	7	7
		CESTAT	2004-2005 to 2014-2015	388	334
		Commissioner (Appeals)	2003-2004 to 2004-2005, 2006-2007 & 2010 -2011 to 2015-2016	40	40
		Commissioner	2004-2005	3	3

Name of Statute	Nature of Dues	Forum where Dispute is pending	Period to which the Amount relates	Amount involved (₹ in Lakhs)	Amount unpaid (₹ in Lakhs)
The Customs Act, 1962	Customs duty	CESTAT	2005-2006 to 2010-2011 & 2016-2017	78	73
		Commissioner of Customs (Appeals)	2005-2006 to 2010-2011	344	344
The Finance Act, 1994	Service tax	Commissioner (Appeals)	2009-2010 to 2010-2011 & 2015-2016	66	62
		CESTAT	2011-2012 to 2015-2016	202	187
		High Court of Madras	2003-2004	2	2

(viii) In our opinion and according to the information and explanations given to us, having regard to the rollover of buyer's credit by banks, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government. The Company has not issued any debentures.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.

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

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary, or associate Company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No: 008072S)

Ganesh Balakrishnan
(Partner)
(Membership No: 201193)

Secunderabad, 24 April 2018

Balance Sheet

as at 31 March 2018

(₹ in lakhs, unless otherwise stated)

		Note	As at 31 March 2018	As at 31 March 2017
I	**ASSETS**			
1	**Non-current assets**			
	(a) Property, plant and equipment	4	1,29,332	1,31,570
	(b) Capital work-in-progress	4	3,596	1,371
	(c) Other intangible assets	5	836	792
	(d) Intangible assets under development	5	1,062	825
	(e) Financial assets			
	i) Investments	6	28,769	33,406
	(f) Other non-current assets	8	8,149	6,624
			1,71,744	**1,74,588**
2	**Current assets**			
	(a) Inventories	9	2,22,713	1,72,461
	(b) Financial assets			
	i) Investments	10	14	13
	ii) Trade receivables	11	1,52,313	1,61,849
	iii) Government subsidies receivable		2,62,686	2,55,703
	iv) Cash and cash equivalents	12	43,897	14,240
	v) Bank balances other than cash and cash equivalents	13	10,890	2,112
	vi) Loans	14	40,010	51,510
	vii) Other financial assets	7	2,138	3,756
	(c) Other current assets	15	70,642	20,066
			8,05,303	**6,81,710**
	Total assets		**9,77,047**	**8,56,298**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	(a) Equity share capital	16	2,924	2,917
	(b) Other equity	17	3,14,252	2,78,276
	Total equity		**3,17,176**	**2,81,193**
2	**Non-current liabilities**			
	(a) Financial liabilities			
	i) Other financial liabilities	19	128	123
	(b) Provisions	20	1,439	1,417
	(c) Deferred tax liabilities (net)	21.1	12,562	14,851
	(d) Other non-current liabilities	22	975	1,023
			15,104	**17,414**
3	**Current liabilities**			
	(a) Financial liabilities			
	i) Borrowings	18	2,73,081	2,23,056
	ii) Trade payables	23	3,35,870	2,93,165
	iii) Other financial liabilities	19	24,330	31,226
	(b) Provisions	20	906	1,474
	(c) Current tax liabilities (net)	21.4	2,195	1,639
	(d) Other current liabilities	22	8,385	7,131
			6,44,767	**5,57,691**
	Total liabilities		**6,59,871**	**5,75,105**
	Total equity and liabilities		**9,77,047**	**8,56,298**

See accompanying notes forming part of the financial statements

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants
Firm Registration Number: 008072S

Ganesh Balakrishnan
Partner
Membership Number: 201193

Place: Secunderabad
Date: 24 April 2018

For and on behalf of the Board of Directors

Sameer Goel
Managing Director

M M Murugappan
Chairman

Jayashree Satagopan
Chief Financial Officer

P Varadarajan
Company Secretary

Statement of Profit and Loss

for the year ended 31 March 2018

(₹ in lakhs, unless otherwise stated)

		Note	For the year ended 31 March 2018	For the year ended 31 March 2017
I	**Income**			
	Revenue from operations	24	10,98,654	10,18,530
	Other income	25	5,780	5,338
	Total income		**11,04,434**	**10,23,868**
II	**Expenses**			
	Cost of materials consumed		6,49,639	5,58,523
	Purchases of stock-in-trade		1,23,967	1,22,073
	Changes in inventories of finished goods, work-in-process and stock-in-trade	26	(18,023)	30,560
	Excise duty		4,343	16,434
	Employee benefits expense	27	35,025	31,015
	Finance costs	28	17,844	22,367
	Depreciation and amortisation expense	29	9,706	9,988
	Other expenses	30	1,81,681	1,61,722
	Total expenses		**10,04,182**	**9,52,682**
III	**Profit before exceptional items and tax (I - II)**		**1,00,252**	**71,186**
IV	**Exceptional item (net)**		**-**	**-**
V	**Profit before tax (III + IV)**		**1,00,252**	**71,186**
VI	**Tax expense:**			
	(1) Current tax		35,217	24,291
	(2) Deferred tax		(906)	(783)
			34,311	**23,508**
VII	**Profit for the year (V - VI)**		**65,941**	**47,678**
VIII	**Other comprehensive income**			
A	(i) Items that will not be reclassified to profit or loss			
	(a) Remeasurement of defined benefit plan	34(a)	(382)	(303)
	(b) Net fair value loss on investments in equity shares at FVTOCI		(5,361)	(3,757)
			(5,743)	**(4,060)**
	(ii) Income tax relating to items that will not be reclassified to profit or loss	21.3	(1,382)	(972)
B	(i) Items that will be reclassified to profit or loss		-	-
	Total other comprehensive income		**(4,361)**	**(3,088)**
IX	**Total comprehensive income for the year (VII + VIII)**		**61,580**	**44,590**
X	**Earnings per equity share of ₹1 each**	35		
	Basic ₹		22.57	16.35
	Diluted ₹		22.50	16.34

See accompanying notes forming part of the financial statements

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants
Firm Registration Number: 008072S

Ganesh Balakrishnan
Partner
Membership Number: 201193

Place: Secunderabad
Date: 24 April 2018

For and on behalf of the Board of Directors

Sameer Goel
Managing Director

M M Murugappan
Chairman

Jayashree Satagopan
Chief Financial Officer

P Varadarajan
Company Secretary

Cash Flow Statement

for the year ended 31 March 2018

(₹ in lakhs, unless otherwise stated)

	For the year ended 31 March 2018	For the year ended 31 March 2017
Cash flow from operating activities		
Profit before tax	**1,00,252**	**71,186**
Adjustments for:		
Depreciation and amortisation expense	9,706	9,988
(Profit)/ loss on sale/ scrap of property, plant and equipments (net)	445	(14)
Profit on sale of investment	(79)	(172)
Exchange differences (net)	8,623	(2,578)
Adjustment to the carrying value of investment	832	-
Loss/ (gain) on measuring investments at FVTPL (net)	8	(25)
Provision for doubtful trade receivables and other liabilities no longer required, written back	(95)	(178)
Provision for doubtful trade and other receivables, loans and advances (net)	1,849	2,248
Trade and other receivables written off	-	977
Provision for employee benefits	(1,049)	21
Share-based payments	863	169
Finance costs	17,844	22,367
Interest income	(5,347)	(4,678)
Dividend income	(245)	(25)
Others	(105)	(37)
Operating profit before working capital changes	**1,33,502**	**99,249**
Changes in working capital:		
Trade payables	33,537	(21,955)
Other liabilities	(8,033)	(605)
Trade receivables	7,687	(1,100)
Government subsidies receivable	(6,983)	(18,997)
Inventories	(50,252)	62,115
Other assets	(49,478)	(494)
Balances in margin money/ deposit accounts	-	8
Cash generated from operations	**59,980**	**1,18,221**
Direct taxes paid (net of refunds)	(34,661)	(26,519)
Net cash flow from operating activities **(A)**	**25,319**	**91,702**
Cash flows from investing activities		
Purchase of property, plant and equipments, including capital work-in-progress and capital advances	(11,432)	(8,987)
Purchase of leasehold land	(600)	(135)
Proceeds from sale of property, plant and equipments	311	1,033
Investment in joint ventures	-	(400)
Amount transferred from Escrow accounts	-	122
Purchase of non-current investments	(1,625)	-
Proceeds from sale of non-current investments	140	387
Inter-corporate deposits/ loans given	(40,000)	(51,500)
Inter-corporate deposits matured/ loans received	51,500	48,000
Purchase of current investments	(41,000)	(12,000)

Cash Flow Statement

for the year ended 31 March 2018

(₹ in lakhs, unless otherwise stated)

		For the year ended 31 March 2018	For the year ended 31 March 2017
Proceeds from sale of current investments		41,000	12,000
Interest received		5,893	4,266
Dividend received from current and non-current investments		245	25
Net cash from/ (used in) investing activities	**(B)**	**4,432**	**(7,189)**
Cash flow from financing activities			
Proceeds from issue of equity shares on exercise of employee stock options		1,673	189
Repayment of long-term borrowings		-	(9,407)
Increase/ (decrease) in short-term borrowings		44,390	(40,224)
Dividend paid including tax thereon		(28,133)	(14,030)
Interest and other borrowing costs paid		(18,024)	(22,731)
Net cash from/ (used in) financing activities	**(C)**	**(94)**	**(86,203)**
Net increase / (decrease) in cash and cash equivalents (A + B + C)		29,657	(1,690)
Cash and cash equivalents at the beginning of the year		14,240	15,930
Cash and cash equivalents at the end of the year		**43,897**	**14,240**

Note:

1. Cash Flow Statement has been prepared under the Indirect method as set out in the Indian Accounting Standard 7 on Cash Flow Statements. Cash and cash equivalents in the Cash Flow Statement comprise cash at bank and in hand, demand deposits and cash equivalents which are short-term and held for the purpose of meeting short-term cash commitments.
2. Reconciliation of liabilities from financing activities (short-term borrowings):

Opening balance	2,23,056
Proceeds	10,21,436
Repayments*	(9,71,411)
Fair value changes	-
Closing balance	**2,73,081**

*excludes effect of changes in foreign exchange rates of ₹ 5,635 lakhs

See accompanying notes forming part of the financial statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants
Firm Registration Number: 008072S

Ganesh Balakrishnan
Partner
Membership Number: 201193

Place: Secunderabad
Date: 24 April 2018

For and on behalf of the Board of Directors

Sameer Goel
Managing Director

M M Murugappan
Chairman

Jayashree Satagopan
Chief Financial Officer

P Varadarajan
Company Secretary

Statement of Changes in Equity

for the year ended 31 March 2018

a. Equity share capital

(₹ in lakhs, unless otherwise stated)

	Number of shares	Amount
Balance as at 1 April 2016	**29,13,20,465**	**2,913**
Add: Equity shares allotted pursuant to exercise of stock options	3,48,662	4
Balance as at 31 March 2017	**29,16,69,127**	**2,917**
Add: Equity shares allotted pursuant to exercise of stock options	7,14,282	7
Balance as at 31 March 2018	**29,23,83,409**	**2,924**

b. Other equity

(₹ in lakhs, unless otherwise stated)

	Reserves and Surplus (refer Note 17)							Items of other comprehensive income (refer Note 17)		
	Capital reserve	Capital redemption reserve	Securities premium reserve	Central subsidy	General reserve	Share options outstanding account	Retained earnings	Equity instruments through other comprehensive income	Remeasurement of the net defined benefit plans	Total
Balance at 1 April 2016	**20**	**986**	**10,586**	**11**	**1,70,340**	**67**	**67,028**	**(1,555)**	**(120)**	**2,47,363**
Profit for the year	-	-		-	-	-	47,678	-	-	47,678
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	(2,891)	(198)	(3,089)
Total comprehensive income for the year	**20**	**986**	**10,586**	**11**	**1,70,340**	**67**	**114,706**	**(4,446)**	**(318)**	**2,91,952**
Recognition of share-based payments	-	-	-	-	-	169	-	-	-	169
Amount received on exercise of employee stock options	-	-	185	-	-	-	-	-	-	185
Dividend on equity shares	-	-	-	-	-	-	(14,030)	-	-	(14,030)
Amounts transferred within the reserves	-	-	-	-	30,000	-	(30,000)	-	-	-
Balance at 31 March 2017	**20**	**986**	**10,771**	**11**	**2,00,340**	**236**	**70,676**	**(4,446)**	**(318)**	**2,78,276**
Balance at 1 April 2017	**20**	**986**	**10,771**	**11**	**2,00,340**	**236**	**70,676**	**(4,446)**	**(318)**	**2,78,276**
Profit for the year	-	-	-	-	-	-	65,941	-	-	65,941
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	(4,112)	(249)	(4,361)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**65,941**	**(4,112)**	**(249)**	**61,580**
Recognition of share-based payments	-	-	-	-	-	863	-	-	-	863
Dividend on equity shares	-	-	-	-	-	-	(28,133)	-	-	(28,133)
Amount received on exercise of employee stock options	-	-	1,666	-	-	-	-	-	-	1,666
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-
Amounts transferred within the reserves	-	-	171	-	30,020	(191)	(30,000)	-	-	-
Balance at 31 March 2018	**20**	**986**	**12,608**	**11**	**2,30,360**	**908**	**78,484**	**(8,558)**	**(567)**	**3,14,252**

See accompanying notes forming part of the financial statements

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants
Firm Registration Number: 008072S

Ganesh Balakrishnan
Partner
Membership Number: 201193

Place: Secunderabad
Date: 24 April 2018

For and on behalf of the Board of Directors

Sameer Goel
Managing Director

M M Murugappan
Chairman

Jayashree Satagopan
Chief Financial Officer

P Varadarajan
Company Secretary

Notes
forming part of the financial statements

1 General information

Coromandel International Limited ("the Company") is a limited company incorporated in India, equity shares of which are listed on the Bombay Stock Exchange and the National Stock Exchange in India. Its parent company is E.I.D-Parry (India) Limited.

The address of its registered office and principal place of business are disclosed in the annual report. The Company is engaged in the business of farm inputs comprising of fertiliser, crop protection, specialty nutrients and organic compost.

Our Executive Leadership Team comprises the following officers at the date of release of these financial statements:

- Sameer Goel – Managing Director
- G Veerabhadram – President – Crop Protection
- S Sankarasubramanian- President & Head (Fertilisers)
- Amir Alvi – Executive Vice President & Head Manufacturing (Fertilisers)
- Arun Leslie George – Executive Vice President & Head (SSP)
- B Prasannatha Rao – Executive Vice President & Head – HR
- Jayashree Satagopan- Executive Vice President & Chief Financial Officer
- Kalidas Pramanik – Executive Vice President - Marketing (Fertilisers & Organic)
- P Varadarajan – Senior Vice President – Legal and Company Secretary
- Ripu Daman Singh - Executive Vice President & Head (Retail)
- S Govindarajan – Executive Vice President & Head – Commercial
- Srikanthan S – Executive Vice President & COO – Crop Protection

The executive leadership team reviews the results of our operations and our financial position on consolidated, operating segment and business unit levels. Our operating segments are defined by the organisation and reporting structure through which we operate our business. We categorise our operating segments into Nutrient and other allied business and Crop Protection.

The Company has 15 manufacturing facilities located across India. The Company also operates a network of retail outlets across Andhra Pradesh, Telangana, Karnataka and Maharashtra. The Company's products are marketed all over the Country through an extensive network of dealers and its own retail centers. The crop protection products are exported to various countries.

2 Application of new and revised Ind AS

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On 28 March 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The amendment will come into force from 1 April 2018. The Company is currently evaluating the requirements of the amendment and is in the process of determining the impact on the financial statements.

Ind AS 115- Revenue from Contract with Customers: On 28 March 2018, MCA has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors.
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach).

The effective date for adoption of Ind AS 115 is financial periods beginning on or after 1 April 2018.

The Company will adopt the standard on 1 April 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended 31 March 2018 will not be retrospectively adjusted. The Company is currently evaluating the requirements of the revised standard and is in the process of determining the impact on the financial statements.

3 Significant accounting policies

3.1 Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013 ("the Act"), Companies (Indian Accounting Standards) Rules, 2015, along with relevant amendment rules issued thereafter and other relevant provisions of the Act, as applicable.

3.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, and on accrual basis.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Notes
forming part of the financial statements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

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

The principal accounting policies are set out below.

3.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

a) Sale of goods is recognised net of returns and trade discounts, when the risk and rewards of ownership are transferred to the customers. Sales include amounts recovered towards excise duty and exclude sales tax/ value added tax. Revenue is also recognised on sale of goods in case where the delivery is kept pending at the instance of the customer, the risk and rewards are transferred and customer takes title and accepts billing as per usual payment terms.

b) Subsidy is recognised on the basis of the rates notified from time to time by the Government of India in accordance with the Nutrient Based Subsidy (NBS) policy on the quantity of fertilisers sold by the Company for the period for which notification has been issued and for the remaining period, based on estimates.

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

d) Export benefits and other excise benefits are accounted for on accrual basis.

3.4 Other income

a) Dividend income from investments is recognised in the year in which the right to receive the payment is established.

b) Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

3.5 Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company's significant leasing arrangements are in respect of operating leases for premises that are cancelable in nature. The lease rentals under such agreements are recognised in the Statement of Profit and Loss as per the terms of the lease.

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor’s expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

3.6 Insurance claims

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

3.7 Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (i.e. the “functional currency”). The financial statements are presented in Indian Rupee (₹), the national currency of India, which is the functional currency of the Company.

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3.8 Foreign currencies

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for exchange differences on transactions entered into in order to hedge certain foreign currency risks.

3.9 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3.10 Employee benefits

3.10.1 Defined contribution plans

Contributions paid/payable to defined contribution plans comprising of Superannuation (under a scheme of Life Insurance Corporation of India) and Provident Funds for certain employees covered under the respective Schemes are recognised in the profit or loss each year when employees have rendered service entitling them to the contributions.

The Company makes contributions to two Provident Fund Trusts for certain employees, at a specified percentage of the employees' salary. The Company has an obligation to make good the shortfall, if any, between the return from the investments of trust and the notified interest rates. Liability on account of such shortfall, if any, is provided for based on the actuarial valuation carried out as at the end of the year.

3.10.2 Defined benefit plans

The Company's Gratuity scheme for its employees is a defined benefit retirement benefit plan. Obligation under the gratuity scheme is covered under a Scheme of Life Insurance Corporation of India (LIC) and contributions in respect of such scheme are recognized in the profit or loss. The liability as at the Balance Sheet date is provided for using the projected unit credit method, with actuarial valuations being carried out as at the end of the year.

Defined benefit costs are categorized as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss.

3.10.3 Short-term employee benefits

Short term employee benefits including accumulated compensated absences as at the Balance Sheet date are recognised as an expense as per Company's schemes based on expected obligation on an undiscounted basis.

3.10.4 Other long-term employee benefits

Other Long term employee benefit comprise of leave encashment which is provided for based on the actuarial valuation carried out as at the end of the year.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

3.11 Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

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The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

3.12 Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

3.13 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

- Current tax

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

- Deferred tax

  Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

  The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

  Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

- Current and deferred tax for the year

  Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

3.14 Property, plant and equipment

Property, plant and equipment are stated in the Balance Sheet at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price, attributable expenditure incurred in bringing the asset to its working condition for the intended use and cost of borrowing till the date of capitalisation in the case of assets involving material investment and substantial lead time.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is provided on the straight-line method as per the useful life prescribed in Schedule II to the 2013 Act except in respect of following categories of assets in whose case the life of certain assets has been assessed based on technical advice taking into account the nature of the asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement, maintenance support etc.

Asset	Useful lives (in years)
Plant and equipment	5 – 25
Vehicles	5 – 7
Office equipment, furniture and fixtures	3 – 5

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Assets costing ₹ 5,000 and below are depreciated over a period of one year. Land is not depreciated.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss

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arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3.15 Intangible assets

Intangible assets are carried at cost, net of accumulated amortisation and impairment losses, if any. Cost of an intangible asset comprises of purchase price and attributable expenditure on making the asset ready for its intended use.

Intangible assets are amortised on the straight-line method. Technical know-how is amortised over their estimated useful lives ranging from 5-10 years and product registration is amortised over the period of the registration subject to a maximum of 10 years.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognized.

3.16 Impairment of tangible and intangible assets

The Company assesses at each reporting date whether there is an indication that an asset/cash generating unit may be impaired. If any indication exists the Company estimates the recoverable amount of such assets and if carrying amount exceeds the recoverable amount, impairment is recognised. The recoverable amount is the higher of the net selling price and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using an appropriate discount factor. When there is indication that previously recognised impairment loss no longer exists or may have decreased such reversal of impairment loss is recognised in the profit or loss.

3.17 Inventories

Stores and spares, packing materials are valued at or below cost. Raw materials and other inventories are valued at lower of cost and net realizable value. Net realizable value represents the estimated selling price (including subsidy income, where applicable) of inventories less all estimated costs of completion and costs necessary to make the sale.

The method of determination of cost of various categories of inventories is as follows:

1. Stores and spares and packing materials – Weighted average cost.
2. Raw material – First-in-First-out basis. Cost includes purchase cost and other attributable expenses.
3. Finished goods and Work-in-process – Weighted average cost of production which comprises of direct material costs, direct wages and applicable overheads. Excise duty is included in the value of finished goods up to 30 June 2017.
4. Stock-in-trade – Weighted average cost

3.18 Exceptional item

Significant gains/losses or expenses incurred arising from external events that is not expected to recur are disclosed as 'Exceptional item'.

3.19 Provisions, contingent liabilities and contingent assets

Provisions are recognised only when there is a present obligation as a result of past events and when a reasonable estimate of the amount of obligation can be made. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liabilities are disclosed for (i) possible obligation which will be confirmed only by future events not wholly within the control of the Company or (ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

3.20 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3.21 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

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3.21.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortized cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortized cost. Thus, the exchange differences on the amortized cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

All other financial assets are subsequently measured at fair value.

3.21.2 Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

3.21.3 Investments in subsidiaries, joint ventures and associates

On initial recognition, these investments are recognized at fair value plus any directly attributable transaction cost. Subsequently, they are measured at cost.

3.21.4 Investments in equity instruments at FVTOCI

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Dividends on these investments in equity instruments are recognised in profit or loss when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in profit or loss are included in the 'Other income' line item.

3.21.5 Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably

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elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

3.21.6 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except

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that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

3.21.7 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset’s carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety, the Company allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

3.21.8 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortized cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.
- For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortized cost. Thus, the exchange differences on the amortized cost are recognized in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

3.22 Financial liabilities and equity instruments

3.22.1 Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

3.22.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

3.22.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent

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consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- It forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognised in profit or loss.

Financial liabilities subsequently measured at amortized cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109;
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

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Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognised in profit or loss.

3.23 Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, option contracts and interest rate swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recorded in other comprehensive income net of applicable deferred income taxes. The gain or loss relating to the ineffective portion is recognized immediately in the statement of income. The cumulative gain or loss previously recognized in other comprehensive income remains there until the forecast transaction occurs. When the hedged item is a non-financial asset, the amount recognized in other comprehensive income is transferred to the carrying amount of the asset when it is recognized. In other cases the amount recognized in other comprehensive income is transferred to profit or loss in the same period that the hedged item affects profit or loss. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognized in the other comprehensive income is transferred to statement of income.

3.24 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3.24.1 Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations, that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the financial statements.

Revenue recognition

In making their judgment, the management considered the detailed criteria for the recognition of revenue from the sale of goods set out in Ind AS 18 and, in particular, whether the Company had transferred to the buyer the significant risks and rewards of ownership of the goods.

Notes
(Contd.)

3.24.2 Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Items requiring significant estimate	Assumption and estimation uncertainty
Useful lives of property, plant and equipment	The Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. During the current year, there has been no change in life considered for the assets.
Fair value measurements and valuation processes	Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. The valuation committee which is headed by the Chief Financial Officer of the Company determines the appropriate valuation techniques and inputs for fair value measurements In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. Finance team works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. The Chief Financial Officer reports the valuation committee's findings to the board of directors of the Company annually to explain the cause of fluctuations in the fair value of the assets and liabilities.
Revenue recognition	The Company provides customer incentives, such as rebates, based on quantity purchased, timing of collections etc. Various estimates are made to recognise the impact of rebates and other incentives on revenue. These estimates are made based on historical and forecasted data, contractual terms and current conditions.
Subsidy income	Subsidy income is recognised on the basis of the rates notified from time to time by the Government of India in accordance with the Nutrient Based Subsidy (NBS) policy on the quantity of fertilisers sold by the Company for the period for which notification has been issued and for the remaining period, based on estimates.
Provision for doubtful receivables	The Company makes provision for doubtful receivables based on a provision matrix which takes into account historical credit loss experience and adjusted for current estimates.
Estimation of net realisable value of inventories	Inventories are stated at the lower of cost and net realisable value. In estimating the net realisable value of inventories the Company makes an estimate of future selling prices and costs necessary to make the sale.
Provision for employee benefits	The Company uses actuarial assumptions to determine the obligations for employee benefits at each reporting period. These assumptions include the discount rate, expected long-term rate of return on plan assets, rate of increase in compensation levels and mortality rates.
Provision for taxes	Significant judgments are required in determining the provision for income taxes, including the amount expected to be paid/ recovered for uncertain tax positions.

Notes
(Contd.)

(₹ in lakhs, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017
4. Property, plant and equipment and capital work-in-progress		
Carrying amounts of:		
Land	26,927	26,945
Buildings	19,474	19,098
Road	647	505
Railway slidings	1,831	2,019
Plant and equipment	78,119	80,789
Office equipment	1,006	858
Furniture and fixtures	676	705
Vehicles	652	651
	1,29,332	**1,31,570**
Capital work-in-progress	**3,596**	**1,371**

	Land	Buildings	Road	Railway slidings	Plant and equipment	Office equipment	Furniture and fixtures	Vehicles	Total
Details of Property, plant and equipment									
Cost or deemed cost									
Balance as at 1 April 2016	**26,945**	**25,680**	**1,854**	**2,972**	**163,184**	**4,820**	**3,424**	**2,279**	**2,31,158**
Additions	-	331	36	87	9,683	437	96	247	10,917
Disposals/ adjustments	-	183	-	-	3,795	246	54	282	4,560
Balance at 31 March 2017	**26,945**	**25,828**	**1,890**	**3,059**	**169,072**	**5,011**	**3,466**	**2,244**	**2,37,515**
Additions	-	1,142	360	-	5,581	572	140	240	8,035
Disposals/ adjustments	18	59	15	-	3,826	265	29	125	4,337
Balance at 31 March 2018	**26,927**	**26,911**	**2,235**	**3,059**	**170,827**	**5,318**	**3,577**	**2,359**	**2,41,213**

Notes:

1. Above includes opening gross block of ₹1,619 lakhs (2017: ₹1,407 lakhs) and additions amounting to ₹ 39 lakhs (2017: ₹ 213 lakhs) in respect of in-house Research and Development.
2. Refer Note 18.1 for details of assets pledged.

	Land	Buildings	Road	Railway slidings	Plant and equipment	Office equipment	Furniture and fixtures	Vehicles	Total
Accumulated depreciation and impairment									
Balance as at 1 April 2016	**-**	**6,039**	**1,194**	**855**	**83,939**	**3,907**	**2,628**	**1,603**	**1,00,165**
Disposals/ adjustments	-	26	-	-	3,495	188	43	222	3,974
Depreciation expense	-	717	191	185	7,839	434	176	212	9,754
Balance at 31 March 2017	**-**	**6,730**	**1,385**	**1,040**	**88,283**	**4,153**	**2,761**	**1,593**	**1,05,945**
Disposals/ adjustments	-	-	14	-	3,168	275	28	95	3,580
Depreciation expense	-	707	217	188	7,593	434	168	209	9,516
Balance at 31 March 2018	**-**	**7,437**	**1,588**	**1,228**	**92,708**	**4,312**	**2,901**	**1,707**	**111,881**

Notes
(Contd.)

(₹ in lakhs, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017
5. Other intangible assets and intangible assets under development		
Carrying amounts of:		
Product registrations	702	569
Technical know-how	134	223
	836	**792**
Intangible assets under development	**1,062**	**825**

	Product registrations	Technical know-how	Total
Details of Intangible assets			
Cost or deemed cost			
Balance as at 1 April 2016	**678**	**725**	**1,403**
Additions	494	-	494
Disposals/ adjustments	-	-	-
Balance as at 31 March 2017	**1,172**	**725**	**1,897**
Additions	234	-	234
Disposals/ adjustments	-	-	-
Balance as at 31 March 2018	**1,406**	**725**	**2,131**
Accumulated amortisation and impairment			
Balance as at 1 April 2016	**458**	**413**	**871**
Amortisation expense	145	89	234
Disposals/ adjustments	-	-	-
Balance as at 31 March 2017	**603**	**502**	**1,105**
Amortisation expense	101	89	190
Disposals/ adjustments	-	-	-
Balance as at 31 March 2018	**704**	**591**	**1,295**

Notes
(Contd.)

(₹ in lakhs, unless otherwise stated)

		As at 31 March 2018	As at 31 March 2017
6.	**Non-current investments**		
	Quoted equity instruments		
	(a) investments in quoted equity instruments at FVTPL		
	Rama Phosphate Limited	13	12
	13,719 (2017: 13,719) Equity shares of ₹10 each, fully paid-up		
	Total aggregate quoted investments (A)	**13**	**12**
	Unquoted equity instruments		
	(b) Investment in subsidiaries at cost		
	Liberty Pesticides and Fertilisers Limited	113	113
	7,50,000 (2017: 7,50,000) Equity shares of ₹10 each, fully paid-up		
	Parry Chemicals Limited	1,000	1,000
	1,00,00,000 (2017: 1,00,00,000) Equity shares of ₹10 each, fully paid-up		
	CFL Mauritius Limited	10,281	10,281
	2,20,25,000 (2017: 2,20,25,000) Ordinary shares of USD 1 each, fully paid-up		
	Sabero Australia Pty Ltd.	41	41
	5,578 (2017: 5,578) Equity shares of Australian Dollar 14 each fully paid-up		
	Sabero Europe B.V.	8	8
	61 (2017: 61) Equity shares of Dutch Guilder 453.78 each fully paid-up		
	Sabero Argentina S.A.	17	17
	161,500 (2017: 1,61,500) Equity Shares of Argentina Peso 1 each fully paid-up		
	Sabero Organics America S.A.	793	793
	33,88,057 (2017: 33,88,057) Equity Shares of Brazilian Real 1 each fully paid-up		
	Coromandel Agronegocios de Mexico, S.A de C.V (formerly Sabero Organics Mexico S.A de C.V)	29	29
	4,99,477 (2017: 4,99,477) Equity shares of Mexican Peso 1 each fully paid-up		
	Dare Investments Limited	500	500
	50,00,000 (2017: 50,00,000) Equity shares of ₹10 each, fully paid-up		
	Coromandel Brasil Limitada, Limited Liability Partnership**	466	466
	18,315 (2017: 18,315) Quotas of Brazilian Real 100 each, fully paid-up		
	Total aggregate investments in subsidiaries (B)	**13,248**	**13,248**
	(c) Investment in joint ventures at cost		
	Yanmar Coromandel Agrisolutions Private Limited	1,300	1,300
	1,30,04,000 (2017: 1,30,04,000) Equity shares of ₹10 each, fully paid-up		
	Less: Impairment allowance	(832)	-
		468	1,300
	Coromandel SQM (India) Private Limited	500	500
	50,00,000 (2017: 50,00,000) Ordinary shares of ₹10 each, fully paid-up		
	Total aggregate investments in joint ventures (C)	**968**	**1,800**

Notes
(Contd.)

(₹ in lakhs, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017
(d) Investment in associate at cost		
Sabero Organics Philippines Asia Inc. - Associate	*	*
320 (2017: 320) Equity shares of PHP$100 each fully paid-up		
Total aggregate investments in associate (D)	*****	*****
(e) Other equity instruments at FVTOCI		
Tunisian Indian Fertilisers S.A.#	-	4,719
41,79,848 (2017: 41,79,848) Ordinary shares of Tunisian Dinars (TND) 10 each, fully paid up		
Nandesari Environment Control Limited	9	8
2,000 (2017: 2,000) Equity shares of ₹10 each, fully paid-up		
Ranar Agrochem Limited (formerly Prathyusha Chemicals and Fertilisers Limited)	2	2
10,01,000 (2017: 10,01,000) Equity shares of ₹10 each, fully paid-up		
Indian Potash Limited	2,026	922
90,000 (2017: 90,000) Equity shares of ₹10 each, fully paid-up		
Foskor (Pty) Limited	884	3,447
1,99,590 (2017: 1,99,590) Ordinary shares of South African Rand 1 each, fully paid-up		
Murugappa Management Services Limited	73	73
16,139 (2017: 16,139) Equity shares of ₹100 each, fully paid-up		
Bharuch Enviro Infrastructure Limited	140	106
16,100 (2017: 16,100) Equity shares of ₹10 each, fully paid-up		
Narmada Clean Tech	16	68
2,75,000 (2017: 2,75,000) Equity shares of ₹10 each, fully paid-up		
A.P. Gas Power Corporation Limited	9,281	8,448
53,92,160 (2017: 53,92,160) Equity shares of ₹10 each, fully paid-up		
Total aggregate Equity investments at FVTOCI (E)	**12,431**	**17,793**
(f) Other investments at FVTPL		
Faering Capital India Evolving Fund	361	414
31,864 (2017: 36,435) units of ₹ 1,000 each, fully paid-up		
Total aggregate other investments (F)	**361**	**414**
(g) Others		
Share application money pending allotment - at cost	139	139
Loans at FVTOCI***	1,609	-
Total aggregate others (G)	**1,748**	**139**
Total investments (A) + (B) + (C) + (D) + (E) + (F)+ (G)	**28,769**	**33,406**
*less than a lakh		
Aggregate amount of quoted investments and market value thereof	13	12
Aggregate amount of unquoted investments	28,756	33,394
Aggregate amount of impairment in value of investments	832	-

Notes:

\# The Ordinary shares of Tunisian Indian Fertilisers S.A., Tunisia (TIFERT) held by the Company have been pledged to secure the obligations of TIFERT to their lenders, except 8,04,848 shares.

** the Company holds 100% of the quotas and is the only partner in the Limited Liability Partnership.

*** represents loan amounting ₹ 1,609 Lakhs (2017: ₹ Nil) to TIFERT which is compulsorily convertible to equity shares at the end of three years from June 2017.

Notes
(Contd.)

(₹ in lakhs, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017
7. Other financial assets		
Financial assets carried at fair value through profit or loss (FVTPL)		
Derivatives that are not designated in hedge accounting relationships		
Foreign currency forward contracts	669	1,361
Option contracts	378	-
	1,047	**1,361**
Financial assets carried at amortised cost		
Advances with related parties	125	485
Interest accrued but not due on deposits, loans, others	627	1,173
Insurance claims receivable	339	737
	1,091	**2,395**
	2,138	**3,756**
Current	2,138	3,756
Non-current	-	-
	2,138	**3,756**

8. Other non-current assets		
Capital advances	1,790	912
Pre-payment for leasehold land	3,126	2,574
Deposits	3,061	3,081
Others	172	57
	8,149	**6,624**

9. Inventories		
Raw materials	61,075	38,120
Raw materials in-transit	30,068	17,243
Work-in-process	1,391	2,499
Finished goods	1,03,439	79,693
Stock-in-trade	20,550	28,584
Stores and spares	3,951	3,764
Packing materials	2,239	2,558
	2,22,713	**1,72,461**

Note: For details of inventories pledged refer Note 18.1 and refer Note 3.17 for basis of valuation

Notes
(Contd.)

(₹ in lakhs, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017
10. Current investments		
Quoted instruments at FVTPL		
Canara Robecco Gold Saving Fund	14	13
1,49,284.652 (2017: 1,49,284.652) units of ₹10 each		
Total quoted investments (A)	**14**	**13**
Unquoted other investments at FVTPL		
UTI Master Shares	*	*
1,000 (2017: 1,000) shares of ₹10 each, fully paid-up		
Total unquoted investments (B)	*	*
Total current investments (A) + (B)	**14**	**13**
*less than a lakh		
Aggregate amount of quoted investments and market value thereof	14	13
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in value of investments	-	-

11. Trade receivables		
(a) Secured, considered good	8,012	7,487
(b) Unsecured, considered good	1,44,301	1,54,362
(c) Unsecured, considered doubtful	11,919	10,083
	1,64,232	1,71,932
Allowance for doubtful debts	11,919	10,083
	1,52,313	**1,61,849**

The credit period on sales of goods varies with seasons and business segments/ markets and generally ranges between 30 to 180 days. No interest is recovered on trade receivables for payments received after the due date.

Before accepting any new customer, the Company has a credit evaluation system to assess the potential customer's credit quality and define credit limits for the customer. Credit limits attributed to customers are reviewed on an annual basis.

The Company maintains an allowance for impairment of doubtful accounts based on financial condition of the customer, ageing of the customer receivable and overdues, available collaterals and historical experience of collections from customers. Accordingly, the Company creates provision for past due receivables beyond 180 days ranging between 25%-100% after reckoning the underlying collaterals. Besides, based on the expected credit loss model the Company also provides upto 0.50% for receivables less than 180 days.

	For the year ended 31 March 2018	For the year ended 31 March 2017
Movement in the allowance for doubtful debts		
Balance at beginning of the year	10,083	7,984
Impairment losses recognised on receivables	1,836	2,886
Amounts written off during the year as uncollectible	-	(787)
Balance at end of the year	**11,919**	**10,083**

The concentration of risk with respect to trade receivables is reasonably low, as its customers are located in several jurisdictions representing large number of minor receivables operating in independent markets. No single customer constitutes more than 5% balance of the total trade receivables as of the Balance Sheet date.

Notes
(Contd.)

(₹ in lakhs, unless otherwise stated)

Securitisation of financial assets

The Company securitises and surrenders control over the trade receivables, though it continues to act as an agent for the collection of receivables. The dealer finance facility provided by banks to the Company's fertiliser dealers under this arrangement is ₹ Nil (2017: ₹ 55,958 lakhs).

In some of these transactions, the Company also provides credit enhancements to the transferee by way of agreeing to bear a portion of default losses. Because of the existence of credit enhancements in certain transactions, the Company continues to have the obligation to pay to the transferee, limited to the extent of credit enhancement, even if it does not collect the equivalent amounts from the original asset, and hence, such transfer or assignment does not meet the derecognition criteria resulting into the transfer not being recorded as sale. Consequently, the proceeds received from the transfer amounting ₹ Nil (2017: ₹864 lakhs) are recorded as borrowings.

	As at 31 March 2018	As at 31 March 2017
12. Cash and cash equivalents		
Cash on hand	56	38
Balances with Banks:		
in Current accounts	9,340	9,891
in Deposit accounts	34,501	4,311
	43,897	**14,240**
13. Bank balances other than cash and cash equivalents		
Restricted		
Dividend accounts	10,176	1,395
Bonus debenture redemption and interest	705	708
Margin money/ deposit	9	9
	10,890	**2,112**

Unclaimed dividend accounts

If the dividend has not been claimed within 30 days from the date of its declaration, the Company is required to transfer the total amount of the dividend which remains unpaid or unclaimed, to a special account to be opened by the Company in a scheduled bank to be called "Unpaid Dividend Account". The unclaimed dividend lying in such account is required to be transferred to the Investor Education and Protection Fund (IEPF), administered by the Central Government after a period of seven years from the date of declaration.

Bonus debenture redemption and interest

If the proceeds on maturity of debentures and interest thereon has not been claimed within 30 days from the date of its declaration, the Company is required to transfer the total amount of the dividend which remains unpaid or unclaimed, to a special account to be opened by the Company in a scheduled bank to be called "Unpaid debenture account". The unclaimed amounts lying in such account is required to be transferred to the Investor Education and Protection Fund (IEPF), administered by the Central Government after a period of seven years from the date of declaration.

Escrow accounts

Represents indemnity amounts held back in accordance with the share purchase agreements in respect of acquisitions.

Margin money / deposit

Amounts in margin money/deposit accounts represents amounts deposited with certain government agencies.

Notes
(Contd.)

(₹ in lakhs, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017
14. Loans		
At amortised cost		
(Unsecured, considered good)		
Loans and advances to related parties	10	10
Inter-corporate deposits	40,000	51,500
	40,010	**51,510**
Current	40,010	51,510
Non-current	-	-
	40,010	**51,510**
15. Other current assets		
Advances recoverable in kind or for value to be received		
Considered good	19,952	15,883
Considered doubtful	373	360
	20,325	16,243
Less: Impairment allowance	373	360
	19,952	15,883
Gratuity fund (net) [Refer Note 34(a)]	121	-
Others (including Goods and Services Tax balances)	50,569	4,183
	70,642	**20,066**

16. Equity

	As at 31 March 2018	As at 31 March 2017
16.1 Equity share capital		
Authorised Share capital :		
35,00,00,000 (2017:35,00,00,000) fully paid equity shares of ₹1 each	3,500	3,500
Issued, subscribed and fully paid-up:		
29,23,83,409 (2017:29,16,69,127) fully paid equity shares of ₹1 each	2,924	2,917
	2,924	**2,917**

	Numbers of Shares	Amount
16.2 Reconciliation of number of equity shares and amount outstanding at the beginning and at the end of the year:		
Balance as at 1 April 2016	**29,13,20,465**	**2,913**
Add: Equity shares allotted pursuant to exercise of stock options	3,48,662	4
Balance as at 31 March 2017	**29,16,69,127**	**2,917**
Add: Equity shares allotted pursuant to exercise of stock options	7,14,282	7
Balance as at 31 March 2018	**29,23,83,409**	**2,924**

Notes
(Contd.)

16.3 Rights, preferences and restriction relating to each class of share capital:

Equity shares: The Company has one class of equity shares having a face value of ₹1 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in the case of interim dividend.

16.4 As at 31 March 2018, E.I.D Parry (India) Limited (Parent Company) held 17,71,55,580 (2017: 17,71,55,580) equity shares of ₹ 1 each fully paid-up representing 60.59% (2017: 60.74%) of the paid up capital. ICICI Prudential Life Insurance Company Limited held 1,36,65,482 (2017: 1,47,30,079) equity shares of ₹1 each fully paid-up representing 4.67% (2017: 5.05%). There are no other shareholders holding more than 5 % of the issued capital.

16.5 Share options granted under the Company's employee share option plan

As at 31 March 2018, shares reserved for issue under the 'ESOP 2007' scheme is 81,85,066 (2017: 87,94,148) equity shares of ₹1 each and under the 'ESOP 2016' scheme is 1,44,75,800 (2017: 1,45,81,000) equity shares of ₹1 each.

Share options granted under the Company's employee share option plan carry no rights to dividends and no voting rights. Further details of the employee share option plan are provided in Note 33.

16.6 Details of bonus shares issued, shares issued for consideration other than cash during the period of five years immediately preceding the reporting date

During the year ended 31 March 2015:

(a) 25,74,193 equity shares of ₹ 1 each fully paid-up were allotted to shareholders of erstwhile Liberty Phosphate Limited (LPL) in the proportion of 7 equity shares of ₹ 1 each of the Company for every 8 equity shares of ₹10 each held in the LPL pursuant to the Scheme of Amalgamation between LPL and the Company.

(b) 53,09,210 equity shares of ₹1 each fully paid-up were allotted to shareholders of erstwhile Sabero Organics Gujarat Limited (Sabero) in the proportion of 5 equity shares of ₹ 1 each of the Company for every 8 equity shares of ₹ 10 each held in Sabero pursuant to the Scheme of Amalgamation between Sabero and the Company.

(₹ in lakhs, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017
16.7 Cumulative redeemable preference shares		
Authorised capital		
50,00,000 (2017: 50,00,000) cumulative redeemable preference shares of ₹10 each	500	500

Cumulative redeemable preference shares: The Company has a class of cumulative redeemable preference shares having face value of ₹10 each with such rights, privileges and conditions respectively attached thereto as may be from time to time confirmed by the regulations of the company. Pursuant to the Scheme of Amalgamation, the cumulative redeemable preference shares carry cumulative dividend of 8% per annum in relation to capital paid upon them and are on original terms and conditions in which they were issued by erstwhile Liberty Phosphate Limited, the amalgamating company.

No such cumulative redeemable preference shares are issued and outstanding as of 31 March 2018 (2017: Nil).

17. Other equity		
General reserve	2,30,360	2,00,340
Retained earnings	78,484	70,676
Capital reserve	20	20
Capital redemption reserve	986	986
Securities Premium Account	12,608	10,771
Central subsidy	11	11
ESOP reserve	908	236
Equity Instruments through OCI	(8,558)	(4,446)
Remeasurement of the net defined benefit plans	(567)	(318)
	3,14,252	**2,78,276**

Notes
(Contd.)

(₹ in lakhs, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017
(i) General reserve		
Balance at beginning of year	2,00,340	1,70,340
Amount transferred on cancellation of stock options	20	-
Amount transferred from retained earnings	30,000	30,000
	2,30,360	**2,00,340**

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

	As at 31 March 2018	As at 31 March 2017
(ii) Retained earnings		
Balance at beginning of year	70,676	67,028
Profit for the year	65,941	47,678
Dividend on equity shares	(28,133)	(14,030)
Amount transferred to general reserve	(30,000)	(30,000)
	78,484	**70,676**

Retained earnings represents the Company's undistributed earnings after taxes.

In respect of the year ended 31 March 2018, the directors approved payment of interim dividend of ₹3 per share and proposed that a final dividend of ₹3.50 per share be paid on fully paid equity shares. The proposed final equity dividend is subject to approval by the shareholders at the Annual General Meeting and has not been included as a liability in these financial statements. The total estimated equity dividend to be paid with respect to interim dividend is ₹10,557 Lakhs including dividend distribution tax of ₹1,785 Lakhs and with respect to final dividend is ₹12,317 Lakhs including dividend distribution tax of ₹ 2,084 Lakhs.

In July 2017, a dividend of ₹ 5 per share amounting total dividend of ₹17,576 lakhs including dividend distribution tax of ₹ 2,973 lakhs was paid to holders of fully paid equity shares. In July 2016, a dividend of ₹ 4 per share amounting total dividend ₹ 14,030 lakhs including dividend distribution tax of ₹2,374 lakhs was paid to holders of fully paid equity shares.

	As at 31 March 2018	As at 31 March 2017
(iii) Capital Reserve	**20**	**20**
(iv) Capital Redemption reserve	**986**	**986**

Capital redemption reserve has been created pursuant to the requirements of the Act under which the Company is required to transfer certain amounts on redemption of the preference shares. The Company has redeemed the underlying preference shares in the earlier years. The capital redemption reserve can be utilised for issue of bonus shares.

	As at 31 March 2018	As at 31 March 2017
(v) Securities premium reserve		
Balance at beginning of year	10,771	10,586
Amount transferred on exercise of employee stock option	171	-
Amount received on exercise of employee stock option	1,666	185
	12,608	**10,771**

Securities premium reserve represents the amount received in excess of the face value of the equity shares. The utilisation of the securities premium reserve is governed by the Section 52 of the Act.

Notes
(Contd.)

(₹ in lakhs, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017
(vi) Central subsidy	**11**	**11**
(vii) Share options outstanding account		
Balance at beginning of year	236	67
Amount transferred on exercise/ cancellation of employee stock option	(191)	-
Recognition of share based payment expense	863	169
	908	**236**
Share options outstanding account relates to share options granted by the Company to its employees under its employee share option plan. These will be transferred to retained earnings after the exercise of the underlying options.		
(viii) Reserve for equity instruments through other comprehensive income		
Balance at beginning of year	(4,446)	(1,555)
Net fair value gain/ (loss) on investments in equity instruments at FVTOCI (net of tax)	(4,112)	(2,891)
	(8,558)	**(4,446)**
This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those assets have been disposed of.		
(ix) Remeasurement of the net defined benefit plans		
Balance at beginning of year	(318)	(120)
Actuarial gain/(loss) recognised (net of taxes)	(249)	(198)
	(567)	**(318)**

This reserve represents the actuarial gain/(loss) recognised on the defined benefit plan and will not be transferred to retained earnings.

Notes
(Contd.)

(₹ in lakhs, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017
18. Borrowings		
Secured- at amortised cost		
Loan repayable on demand from banks	39,796	25,693
Amount payable on securitisation of financial assets	-	864
Short term loans from banks	61,707	70,740
Unsecured- at amortised cost		
Loan repayable on demand from banks	49,941	62,557
Short term loans from		
Banks	31,400	52,984
Others	90,000	10,000
Loans from related parties	237	218
	2,73,081	**2,23,056**
Long term borrowings	-	-
Short term borrowings	2,73,081	2,23,056
	2,73,081	**2,23,056**

18.1 Summary of borrowing arrangements

i) Secured loan repayable on demand comprises cash credit balances secured by a pari-passu charge on current assets of the Company. Further, certain loans are secured by second charge on moveable fixed assets of the Company.

ii) Secured short-term borrowings comprises commercial papers and working capital demand loan. Commercial paper is secured by a pari-passu charge on current assets of the Company. Working capital demand loan is secured by specific subsidy receivables and letter of comfort from Government of India.

iii) Unsecured loans repayable on demand comprises of buyers credit denominated in foreign currency and unsecured short-term loans comprise of commercial paper, short-term loans and foreign currency loans from banks.

iv) Unsecured loans from related parties comprise of loan from a subsidiary, Liberty Pesticides and Fertilizers Limited.

v) Amount payable on securitisation of financial assets is secured by way of charge over certain trade receivables.

18.2 Breach of loan agreement

There is no breach of loan agreement

Notes
(Contd.)

(₹ in lakhs, unless otherwise stated)

		As at 31 March 2018	As at 31 March 2017
19.	**Other financial liabilities**		
	Financial liabilities mandatorily measured at fair value through profit or loss (FVTPL)		
	Derivatives not designated in hedge accounting relationships		
	Foreign currency forward contracts	382	5,157
	Option contracts	-	2,177
		382	**7,334**
	Financial liabilities carried at amortised cost		
	Guarantee issued	-	109
	Security and trade deposits received [includes non-current portion of ₹128 lakhs (2017: ₹123 lakhs)]	11,590	10,416
	Interest accrued but not due on borrowings	260	158
	Interest accrued but not due on others	950	1,232
	Interim dividend payable	8,772	-
	Unclaimed dividends	1,404	1,395
	Unclaimed debentures	705	708
	Payables on purchase of fixed assets	395	218
	Others*	-	9,779
		24,076	**24,015**
		24,458	**31,349**
	Current	24,330	31,226
	Non-current	128	123
		24,458	**31,349**
	*includes amount payable on contractual terms ₹ Nil (2017: ₹ 9,779 lakhs)		
20.	**Provisions**		
	Employee benefits*	2,345	2,891
		2,345	**2,891**
	Current	906	1,474
	Non-current	1,439	1,417
		2,345	**2,891**

*The provision for employee benefits represents leave entitlements and gratuity. Refer Note 34(a) for details of gratuity obligation

Notes
(Contd.)

(₹ in lakhs, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017
21. Income tax		
21.1 Deferred tax liabilities (net)		
Deferred tax liabilities/(assets) in relation to:		
Property, plant and equipment	21,048	21,145
Investments at FVTOCI	(2,547)	(972)
Provision for doubtful debts and advances	(4,295)	(3,614)
Statutory dues allowable on payment basis	(410)	(410)
Employees separation and retirement costs	(942)	(1,011)
Others	(292)	(287)
	12,562	**14,851**
21.2 Unrecognised deductible temporary differences, unused tax losses and unused tax credits		
Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:		
-long-term capital loss	13	74
-short-term capital loss	4	4
	17	**78**

Long-term capital loss is available for set-off till 31 March 2025 (2017: ₹74 lakhs till 31 March 2025), short-term capital loss till 31 March 2020.

	For the year ended 31 March 2018	For the year ended 31 March 2017
21.3 Income tax credit/ (expense) recognised directly in equity		
Tax effect on changes in fair value of other investments	1,249	867
Tax effect on actuarial gains/losses on defined benefit obligations	133	105
	1,382	**972**

	As at 31 March 2018	As at 31 March 2017
21.4 Current tax liabilities (net)	2,195	1,639
Income tax payable	2,195	1,639
	2,195	**1,639**

Notes
(Contd.)

(₹ in lakhs, unless otherwise stated)

	For the year ended 31 March 2018	For the year ended 31 March 2017
21.5 Reconciliation of tax expense to the accounting profit is as follows:		
Accounting profit before tax	**1,00,252**	**71,186**
Tax expense at statutory tax rate of 34.61%	34,695	24,636
Adjustments:		
Effect of income that is exempt from tax	(107)	(68)
Effect of expenses that are not deductible in determining taxable profit	35	45
Effect of concessions (research and development and other allowances)	(706)	(1,358)
Effect of change in tax rate	148	-
Others	246	253
Tax expense reported in the Statement of Profit and Loss	**34,311**	**23,508**

	As at 31 March 2018	As at 31 March 2017
22. Other liabilities		
Advances from customers	6,776	3,953
Income received in advance	975	1,023
Other liabilities (including statutory remittances)	1,609	3,178
	9,360	**8,154**
Current	8,385	7,131
Non-current	975	1,023
	9,360	**8,154**
23. Trade payables		
Acceptances	2,09,054	2,01,491
Others	1,26,816	91,674
	3,35,870	**2,93,165**

Refer Note 46 for details of dues to micro and small enterprises.

Notes
(Contd.)

(₹ in lakhs, unless otherwise stated)

	For the year ended 31 March 2018	For the year ended 31 March 2017
24. Revenue from operations		
The following is an analysis of the Company's revenue:		
Sales	8,25,728	7,66,278
Government subsidies	2,67,314	2,46,802
Other operating revenue	5,612	5,450
Total Revenue from operations	**10,98,654**	**10,18,530**

The Government of India introduced the Goods and Services tax (GST) with effect from 1 July 2017. Accordingly, in compliance with Indian Accounting Standard (Ind AS) 18 – 'Revenue', Revenue from operations for the period beginning 1 July 2017 to 31 March 2018 is presented net of GST. Revenue from operations of earlier periods included Excise duty which now is subsumed in GST.

Other operating revenues comprise:

Service income	168	284
DEPB income/ excise benefits	3,178	2,853
Provision for liabilities no longer required, written back	95	178
Insurance claim	329	681
Others	1,842	1,454
	5,612	**5,450**

25. Other income		
Interest income	5,347	4,678
Dividend income from investments carried at FVTPL	239	22
Dividend income from investments carried at FVTOCI	6	3
Guarantee income	109	109
Profit on sale/scrap of fixed assets (net)	-	14
Profit on sale of investment	79	172
Gain on measuring investments at FVTPL (net)	-	25
Others	-	315
	5,780	**5,338**

26 Changes in inventories of finished goods, work-in-process and stock-in-trade		
As at 1 April		
Work-in-process	2,499	2,175
Finished goods	79,693	95,057
Stock-in-trade	28,584	44,104
	1,10,776	**1,41,336**
Less: Credit taken on transition to Goods and Services Tax	3,419	-
Less: As at 31 March		
Work-in-process	1,391	2,499
Finished goods	1,03,439	79,693
Stock-in-trade	20,550	28,584
	125,380	**110,776**
	(18,023)	**30,560**

Notes
(Contd.)

(₹ in lakhs, unless otherwise stated)

		For the year ended 31 March 2018	For the year ended 31 March 2017
27.	**Employee benefits expense**		
	Salaries, wages and bonus	28,644	25,693
	Share based payments (Refer Note 33.3)	863	169
	Contribution to provident and other funds	2,410	2,215
	Staff welfare expenses	3,108	2,938
		35,025	**31,015**
28.	**Finance cost**		
	Interest expense*	16,884	21,857
	Other borrowing costs and charges	960	510
		17,844	**22,367**
	*includes ₹17 lakhs (2017: ₹12 lakhs) towards loan taken from a related party		
29.	**Depreciation and amortisation expense**		
	Depreciation of property, plant and equipment (refer Note 4)	9,516	9,754
	Amortisation of intangible assets (refer Note 5)	190	234
		9,706	**9,988**
30.	**Other expenses**		
	Stores and spares consumed	6,999	7,227
	Power, fuel and water	22,544	20,516
	Rent	8,589	3,905
	Repairs to:		
	Buildings	737	354
	Machinery	2,562	2,286
	Others	1,634	1,948
	Insurance charges	1,294	1,164
	Rates and taxes	1,023	904
	Freight and distribution	97,158	82,778
	Exchange differences (net)	5,642	10,251
	Loss on sale/scrap of property, plant and equipments (net)	445	-
	Provision for doubtful trade and other receivables, loans and advances (net)	1,849	2,248
	Trade and other receivables written off	-	977
	Loss on measuring investments at FVTPL (net)	8	-
	Adjustment in carrying amount of investment carried at cost	832	-
	Miscellaneous expenses	30,365	27,164
		1,81,681	**1,61,722**

Notes
(Contd.)

(₹ in lakhs, unless otherwise stated)

31. Segment information

31.1 Products and services from which reportable segments derive their revenues

The information reported to the Chief Operating Decision Maker (CODM) for the purpose of resource allocation and assessment of segment performance is based on types of goods and services. Accordingly, the Company's reportable segments under Ind AS 108 are as follows:

1. Nutrient and other allied business
2. Crop protection

The following is an analysis of the Company's revenue and results from operations by reportable segment:

	Segment revenue		Segment profit	
	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2018	For the year ended 31 March 2017
Nutrient and other allied business	9,60,235	8,91,343	1,00,640	73,086
Crop protection	1,50,617	1,39,841	24,254	26,134
	11,10,852	**10,31,184**	**1,24,894**	**99,220**
Less: Inter - segment	(12,198)	(12,654)	(334)	(289)
Total	**10,98,654**	**10,18,530**	**1,24,560**	**98,931**
Other income			5,780	5,338
Unallocable expense			(12,244)	(10,716)
Finance costs			(17,844)	(22,367)
Profit before tax			**1,00,252**	**71,186**

The accounting policies of the reportable segments are same as the Company's accounting policies. Segment profit represents the profit before interest and tax earned by each segment without allocation of central administrative costs and other income. This is the measure reported to the CODM.

Transfer prices between operating segments are on arm's length basis in a manner similar to transactions with third parties.

	As at 31 March 2018	As at 31 March 2017
31.2 Segment assets and liabilities		
Segment assets		
Nutrient and other allied business	7,35,292	6,55,606
Crop protection	1,16,520	96,896
Unallocable assets	1,25,235	1,03,796
Total assets	**9,77,047**	**8,56,298**
Segment liabilities		
Nutrient and other allied business	3,22,478	2,94,245
Crop protection	34,737	27,596
Unallocable liabilities	3,02,656	2,53,264
Total liabilities	**6,59,871**	**5,75,105**

For the purposes of monitoring segment performance and allocating resources between segments:

1. All assets are allocated to reportable segments other than inter-corporate deposits, investments, cash and cash equivalents and derivative contracts.
2. All liabilities are allocated to reportable segments other than borrowings, defined benefit obligation and long-term employee benefits, derivative contracts, current and deferred tax liabilities.

Notes
(Contd.)

(₹ in lakhs, unless otherwise stated)

	Depreciation and amortisation		Additions to non- current assets	
	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2018	For the year ended 31 March 2017
31.3 Other segment information				
Nutrient and other allied business	7,386	7,502	8,522	3,729
Crop protection	2,320	2,486	3,782	5,519

	For the year ended 31 March 2018	For the year ended 31 March 2017
31.4 Revenue from major products		
The following is an analysis of the Company's revenue from operations from its major products:		
Phosphatic Fertilisers	5,01,043	4,58,636
Urea	50,584	50,583
Muriate of Potash	18,699	18,827
Single Super Phosphate	28,983	27,136
Others	93,612	89,359
	6,92,921	**6,44,541**
Government subsidies	2,67,314	2,46,802
Nutrient and other allied business	**9,60,235**	**8,91,343**
Crop protection	1,50,617	1,39,841
Total	**11,10,852**	**10,31,184**
Less: Inter - segment	(12,198)	(12,654)
Revenue from operations	**10,98,654**	**10,18,530**

32. Financial instruments

32.1 Capital management

The Company's capital management objective is to maximise the total shareholder return by optimising cost of capital through flexible capital structure that supports growth. Further, the Company ensures optimal credit risk profile to maintain/enhance credit rating.

The Company determines the amount of capital required on the basis of annual operating plan and long-term strategic plans. The funding requirements are met through internal accruals and long-term/short-term borrowings. The Company monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

For the purpose of capital management, capital includes issued equity capital, securities premium and all other reserves. Net debt includes all long and short-term borrowings as reduced by cash and cash equivalents and inter-corporate deposits with financial institutions.

The following table summarises the capital of the Company:

	As at 31 March 2018	As at 31 March 2017
Equity	**3,17,176**	**2,81,193**
Short-term borrowings and current portion of long-term debt	2,73,081	2,23,056
Inter-corporate deposits with financial institutions	(40,000)	(51,500)
Cash and cash equivalents	(43,897)	(14,240)
Net debt	**1,89,184**	**1,57,316**
Total capital (equity + net debt)	**5,06,360**	**4,38,509**
Net debt to capital ratio	0.37	0.36
Interest coverage ratio	6.62	4.18

Notes
(Contd.)

(₹ in lakhs, unless otherwise stated)

		As at 31 March 2018	As at 31 March 2017
32.2	**Categories of financial instruments**		
	Financial assets		
	Measured at fair value through profit or loss (FVTPL)*		
	(a) Mandatorily measured:		
	(i) Derivative instruments not designated in hedge accounting relationship	1,047	1,361
	(ii) Equity investments	27	25
	(iii) Other investments	361	414
	Measured at amortised cost		
	(a) Cash and bank balances	54,787	16,352
	(b) Other financial assets at amortised cost	4,56,100	4,71,457
	Measured at FVTOCI*		
	(a) Investments in equity instruments designated upon initial recognition	12,431	17,793
	(b) Investments in other instruments designated upon initial recognition	1,609	-
	Measured at cost		
	(a) Investments in equity instruments in subsidiaries, joint ventures and associate	14,355	15,187
	Financial liabilities		
	Measured at fair value through profit or loss (FVTPL)*		
	(a) Derivative instruments not designated in hedge accounting relationship	382	7,334
	Measured at amortised cost	6,33,027	5,40,127
	Financial guarantee contract	-	109

* Refer Note 32.9 for fair valuation methods and assumptions

32.3 Financial risk management objectives

The Company has adequate internal processes to assess, monitor and manage financial risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks by using financial instruments such as foreign currency forward contracts, option contracts, interest and currency swaps to hedge risk exposures and appropriate risk management policies as detailed below. The use of these financial instruments is governed by the Company's policies, which outlines principles on foreign exchange risk, interest rate risk, credit risk and deployment of surplus funds.

Item	Primarily affected by	Risk management policies	Refer
Market risk - currency risk	USD balances and exposure towards trade payables, buyer's credit, exports, short-term and long-term borrowings	Mitigating foreign currency risk using foreign currency forward contracts, option contracts and currency swaps	Note 32.4.1
Market risk - interest rate risk	Change in market interest rates	Maintaining a combination of fixed and floating rate debt; interest rate swaps for long-term borrowings; cash management policies	Note 32.4.2
Market risk - other price risk	Decline in value of equity instruments	Monitoring forecasts of cash flows; diversification of portfolio	Note 32.4.3
Credit risk	Ability of customers or counterparties to financial instruments to meet contractual obligations	Credit approval and monitoring practices; counterparty credit policies and limits; arrangements with financial institutions	Note 32.5
Liquidity risk	Fluctuations in cash flows	Preparing and monitoring forecasts of cash flows; cash management policies; multiple-year credit and banking facilities	Note 32.6

Notes
(Contd.)

(₹ in lakhs, unless otherwise stated)

32.4 Market risk

The Company's financial instruments are exposed to market rate changes. The Company is exposed to the following significant market risks:

- Foreign currency risk
- Interest rate risk
- Other price risk

Market risk exposures are measured using sensitivity analysis. There has been no change to the Company's exposure to market risks or the manner in which these risks are being managed and measured.

32.4.1 Foreign currency risk management

The Company is exposed to foreign exchange risk on account of following:

1. Nutrient and other allied business has foreign exchange exposure for its imports of raw materials, intermediates and traded goods.
2. Crop Protection segment has foreign exchange exposure on both exports of finished goods and imports of raw materials, intermediates and traded goods.
3. Foreign currency borrowings in the form of external commercial borrowings, buyers credit, Foreign Currency Non-Repatriable (B) loans (FCNRB), packing credit etc. availed for meeting its funding requirements.

The Company has a forex policy in place whose objective is to mitigate foreign exchange risk by deploying the appropriate hedging strategies through combination of various hedging instruments such as foreign currency forward contracts, options contracts and has a dedicated forex desk to monitor the currency movement and respond swiftly to market situations. The Company follows netting principle for managing the foreign exchange exposure for each operating segment.

There are no long-term borrowings outstanding as on 31 March 2018 and 31 March 2017.

a. **The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities based on gross exposure at the end of the reporting period is as under:**

Currency	Liabilities		Assets	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
USD (millions)	448.27	454.81	41.08	33.19
INR (₹ in lakhs)	2,92,182	2,94,964	26,769	21,520
EURO (millions)	0.05	0.03	0.09	0.08
INR (₹ in lakhs)	43	23	70	56

The foreign currency risk on above exposure is mitigated by derivative contracts. The outstanding contracts as at the Balance Sheet date are as follows:

Notes
(Contd.)

(₹ in lakhs, unless otherwise stated)

b. Foreign currency forward and option contracts outstanding as at the Balance Sheet date:

	As at 31 March 2018		As at 31 March 2017	
	Buy	Sell	Buy	Sell
Forward contracts				
USD (millions)	276.82	77.75	241.78	40.05
INR (₹ in lakhs)	1,80,428	50,668	1,56,803	25,971
Number of contracts	68	33	76	27
Option contracts				
USD (millions)	66.30	-	93.50	-
INR (₹ in lakhs)	43,214	-	60,639	-
Number of contracts	10	-	16	-

The forward and option contracts have been entered into to hedge the foreign currency risk on purchase of raw materials, stock-in-trade and the related buyer's credit and in certain cases the foreign currency term loan and trade receivables.

c. Net open exposures outstanding as at the Balance Sheet date:

	Liabilities		Assets	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
USD (millions)	105.15	119.53	-	-
INR (₹ in lakhs)	68,540	77,522	-	-
EURO (millions)	0.05	0.03	0.09	0.08
INR (₹ in lakhs)	43	23	70	56

d. Foreign currency sensitivity analysis

The Company is mainly exposed to fluctuations in US Dollar. The following table details the Company's sensitivity to a ₹1 increase and decrease against the US Dollar. ₹1 is the sensitivity used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only net outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a ₹1 change in foreign currency rates. A positive number below indicates an increase in profit or equity where the Rupee strengthens by ₹1 against the US Dollar. For a ₹1 weakening against the US Dollar, there would be a comparable impact on the profit or equity.

Currency USD impact on:	2017-18	2016-17
Impact of ₹1 strengthening against US Dollar on profit or loss for the year	879	794
Impact of ₹1 weakening against US Dollar on profit or loss for the year	(999)	(807)
Impact of ₹1 strengthening against US Dollar on Equity as at the end of the reporting period	879	794
Impact of ₹1 weakening against US Dollar on Equity as at the end of the reporting period	(999)	(807)

Notes
(Contd.)

(₹ in lakhs, unless otherwise stated)

32.4.2 Interest rate risk management

The Company issues commercial papers, draws working capital demand loans, avails cash credit, foreign currency borrowings including buyers credit, Foreign Currency Non-Repatriable (B) loans (FCNRB), Packing Credit etc. for meeting its funding requirements.

Interest rates on these borrowings are exposed to change in respective benchmark rates. The Company manages the interest rate risk by maintaining appropriate mix/portfolio of the borrowings.

Interest rate sensitivity analysis

The sensitivity analysis below has been determined for borrowings assuming the amount of borrowings outstanding at the end of the reporting period was outstanding for the whole year. A 10 basis points increase or decrease in case of foreign currency borrowings and 50 basis points increase or decrease in case of rupee borrowings is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rate had been 10 basis points higher/ lower in case of foreign currency borrowings and 50 basis points higher/ lower in case of rupee borrowings and all other variables were held constant, the Company's profit for the year ended 31 March 2018 would decrease/ increase by ₹762 lakhs (31 March 2017: ₹ 545 lakhs)

32.4.3 Other price risks

The Company is exposed to equity price risks arising from equity investments. Certain of the Company's equity investments are held for strategic rather than trading purposes. The Company also holds certain other equity investments for trading purposes.

a. Equity price sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 5% higher/lower other comprehensive income/ equity for the year ended 31 March 2018 would increase/ decrease by ₹ 406 Lakhs (₹ 582 Lakhs for the year ended 31 March 2017) as a result of the changes in fair value of equity investments measured at FVTOCI. The impact of change in equity price on profit or loss is not significant.

32.5 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to the customer credit risk management. The Company uses financial information and past experience to evaluate credit quality of majority of its customers and individual credit limits are defined in accordance with this assessment. Outstanding receivables and the credit worthiness of its counterparties are periodically monitored and taken up on case to case basis. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions representing large number of minor receivables operating in independent markets.

The credit risk on cash and bank balances, derivative financial instruments is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

Notes
(Contd.)

(₹ in lakhs, unless otherwise stated)

32.6 Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. Note 32.8 sets out details of additional undrawn facilities that the Company has at its disposal to reduce liquidity risk.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31 March 2018:

	Carrying amount	upto 1 year	1-3 year	More than 3 year	Total contracted cash flows
Accounts payable and acceptances	3,35,870	3,37,392	-	-	3,37,392
Borrowings and interest thereon*	2,73,341	2,73,650	-	-	2,73,650
Other financial liabilities**	23,816	23,683	-	1,500	25,183
Foreign currency forward and option contracts	382	382	-	-	382
Total	**6,33,409**	**6,35,107**	**-**	**1,500**	**6,36,607**

The table below provides details of financial assets as at 31 March 2018:

	Carrying amount
Trade receivables	1,52,313
Government subsidies receivable	2,62,686
Loans	40,010
Other financial assets	1,091
Total	**4,56,100**

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31 March 2017:

	Carrying amount	upto 1 year	1-3 year	More than 3 year	Total contracted cash flows
Accounts payable and acceptances	2,93,165	2,93,898	-	-	2,93,898
Borrowings and interest thereon*	2,23,214	2,24,702	-	-	2,24,702
Other financial liabilities**	23,748	23,628	-	1,500	25,128
Foreign currency forward and option contracts	7,334	7,334	-	-	7,334
Total	**5,47,461**	**5,49,562**	**-**	**1,500**	**5,51,062**

Notes
(Contd.)

(₹ in lakhs, unless otherwise stated)

The table below provides details of financial assets as at 31 March 2017:

	Carrying amount
Trade receivables	1,61,849
Government subsidies receivable	2,55,703
Loans	51,510
Other financial assets	2,395
Total	**4,71,457**

* Included in Borrowing and interest theron are certain borrowings which are subject to variable interest rates. Amount included in the above maturity analysis assumes interest outflows based on the year end benchmark interest rates, the actual interest rates may differ based on the changes in the benchmark interest rates.

** Other financial liabilities include deposits received from customers amounting to ₹ 11,462 Lakhs (31 March 2017: ₹ 10,293 Lakhs). These deposits do not have a contractual re-payment term but are repayable on demand. Since, the Company does not have an unconditional right to defer the payment, these deposits have been classified as current balances. For including these amounts in the above mentioned maturity analysis, the Company has assumed that these deposits, including interest thereon, will be repayable at the end of the reporting period. The actual maturity period for the deposit amount and the interest thereon can differ based on the date on which these deposits are settled to the customers.

32.7 Financial guarantee contract

The Company has provided a sponsor guarantee for USD 41.1 million (proportionate to the shareholding of 15%) towards the borrowings of Tunisian Indian Fertilisers S.A. (TIFERT), a company based in Tunisia, manufacturing phosphoric acid. In March 2017, TIFERT has requested reschedulement of installment due to the lenders and delayed the payment. The same was not agreed to by the Lenders and the acceleration notice was served on TIFERT by lenders on 28 March, 2017. The loan installment was immediately paid on 30 March, 2017 by TIFERT however, on 4 April 2017 the lenders followed up with call notice on shareholders towards guaranteed amount (Coromandel's share USD 35.25 million outstanding as on 31 March, 2017). The Company alongwith other shareholders of TIFERT are in discussion with the Lenders to resolve the matter with regard to liquidity situation and operational improvements of TIFERT and also to find a solution for meeting the future debt obligations of TIFERT.

Based on communication exchanged with Lenders and operational improvement initiatives taken by TIFERT, the Company reasonably considers that TIFERT would be in a position to meet the debt obligations and it is unlikely that such an event of payment under guarantee amount will arise. TIFERT has paid the subsequent half-yearly installments that were due in September 2017 and March 2018 as per the payment schedule. The sponsor guarantee was valid upto 31 March, 2018. The Company's obligation under this financial guarantee if that amount is claimed by the counterparty to the guarantee is subject to a maximum of ₹ 17,777 Lakhs (31 March, 2017: ₹ 22,861 Lakhs). Carrying amount of the financial guarantee contract in the books is as under:

	As at 31 March 2018	As at 31 March 2017
Financial guarantee contract	-	109

Notes
(Contd.)

(₹ in lakhs, unless otherwise stated)

32.8 Financing facilities

The Company has access to financing facilities of which ₹1,23,626 Lakhs (as at 31 March, 2017: ₹ 1,79,972 Lakhs) were unused at the end of the reporting period. The Company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

32.9 Fair value measurements

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation techniques and inputs used):

Financial assets/financial liabilities	Fair Value as at*		Fair value hierarchy	Valuation techniques & key inputs used
	31 March 2018	31 March 2017		
1) Foreign currency forward contracts	287	(3,796)	Level 2	Refer Note 3(a)
2) Option contracts	378	(2,177)	Level 2	Refer Note 3(b)
3) Investments in quoted equity instruments at FVTPL	27	25	Level 1	Refer Note 2
4) Investments in unquoted venture capital fund at FVTPL	361	414	Level 3	Refer Note 4(a)
5) Investments in unquoted equity instruments at FVTOCI	10,165	16,614	Level 3	Refer Note 4(b)
	2,266	1,179	Level 3	Refer Note 4(c)

*positive value denotes financial asset (net) and negative value denotes financial liability (net)

Notes:

1. There were no transfers between Level 1 and 2 in the period.
2. The Level 1 financial instruments are measured using quotes in active market.

Notes
(Contd.)

(₹ in lakhs, unless otherwise stated)

3. The following table shows the valuation technique and key input used for Level 2:

Financial Instrument	Valuation Technique	Key Inputs used
(a) Foreign currency forward contracts	Discounted Cash Flow	Forward exchange rates, contract forward and interest rates, observable yield curves.
(b) Option contract not designated in hedge accounting relationships	Black Scholes model	The significant valuation inputs considered are the option exercise price, currency spot rates, tenure, risk-free interest rates and the anticipated volatility in the underlying currency.

4. The following table shows the valuation technique and key input used for Level 3:

Financial Instrument	Valuation Technique	Key Inputs used	Sensitivity
(a) Investments in unquoted venture capital fund at FVTPL	Net Asset Value (NAV) method	The Company uses net asset value (NAV) as reported by the venture capital fund for its valuation purpose.	A 10% increase/ decrease in the value of unquoted investments of the fund would increase/ decrease the carrying amount of investment by ₹ 21 Lakhs (2017: ₹ 24 Lakhs).
(b) Investments in unquoted equity instruments at FVTOCI	Discounted Cash Flow Method	Long-term growth rates, taking into account management's experience and knowledge of market conditions of the specific industries, ranging from 0 to 2% (2017: 2%)	If the long-term growth rates used were 100 basis points higher/lower while all the other variables were held constant, the carrying amount would increase/decrease by ₹ 1,939 lakhs (2017: ₹ 2,165 lakhs)
		Weighted average cost of capital (WACC) as determined ranging from 12% to 15% (2017: 12% to 15%)	A 100 basis points increase/decrease in the WACC or discount rate used while holding all other variables constant would decrease/increase the carrying amount by ₹ 2,193 lakhs (2017: ₹ 2,080)
(c) Investments in unquoted equity instruments at FVTOCI	Market Multiple Approach	Discount for lack of marketability, determined by reference to the share price of listed entities in similar industries, ranging from 30% to 50% (2017: 30% to 50%)	A 10% increase/ decrease in the discount for lack of marketability used in isolation would decrease/increase the carrying amount by ₹ 36 lakhs (2017: ₹ 58 lakhs)

Notes
(Contd.)

(₹ in lakhs, unless otherwise stated)

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

	Fair value hierarchy	As at 31 March 2018		As at 31 March 2017	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial assets					
Financial assets at amortised cost:					
- Trade receivables	Level 2	1,52,313	1,52,313	1,61,849	1,61,849
- Government subsidies receivable	Level 2	2,62,686	2,62,686	2,55,703	2,55,703
- Cash and cash equivalents	Level 2	43,897	43,897	14,240	14,240
- Bank balances other than cash and cash equivalents	Level 2	10,890	10,890	2,112	2,112
- Loans	Level 2	40,010	40,010	51,510	51,510
- Other financial assets	Level 2	1,091	1,091	2,395	2,395
Financial liabilities					
Financial liabilities at amortised cost:					
- Borrowings	Level 2	2,73,081	2,73,081	2,23,056	2,23,056
- Trade payables	Level 2	3,35,870	3,35,870	2,93,165	2,93,165
- Other financial liabilities	Level 2	24,076	24,095	24,015	24,051

1. In case of trade receivables, government subsidies receivables, cash and cash equivalents, trade payables, borrowings and other financial assets and liabilities it is assessed that the fair values approximate their carrying amounts largely due to the short-term maturities of these instruments.
2. The fair values of the financial assets and financial liabilities included above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

Reconciliation of Level 3 fair value measurements for the year ended 31 March 2018:

	Investments in unquoted venture capital fund at FVTPL	Investments in unquoted equity instruments at FVTOCI	Total
Opening balance	414	17,793	18,207
Total gains or losses:			
- in profit or loss	71	-	71
- in other comprehensive income	-	(5,362)	(5,362)
Purchases	16	-	16
Sold	(140)	-	(140)
Closing balance	**361**	**12,431**	**12,792**

Notes
(Contd.)

(₹ in lakhs, unless otherwise stated)

Reconciliation of Level 3 fair value measurements for the year ended 31 March 2017:

	Investments in unquoted venture capital fund at FVTPL	Investments in unquoted equity instruments at FVTOCI	Total
Opening balance	471	21,551	22,022
Total gains or losses:			
- in profit or loss	23	-	23
- in other comprehensive income	-	(3,758)	(3,758)
Purchases	-	-	-
Sold	(80)	-	(80)
Closing balance	**414**	**17,793**	**18,207**

33 Share based payments

Particulars	Employee Stock Option Scheme 2007 ('ESOP 2007 Scheme')	Employee Stock Option Scheme 2016 ('ESOP 2016 Scheme'):
Approval of shareholders	24 July 2007	11 January 2017
Administration	Remuneration and Nomination Committee of the Board of Directors	
Eligibility	The committee determines which eligible employees will receive options	
Number of equity shares reserved under the scheme	1,27,85,976	1,45,81,000
Number of equity shares per option	1	1
Vesting period	1-5 years	1-4 years
Exercise period	Within 6* years from date of vesting	Within 5 years from date of vesting
Exercise Price Determination	Latest available closing market price of the shares on the stock exchange where there is highest trading volume prior to the date of the Remuneration and Nomination Committee approving the grant.	

* In partial modification of the special resolution passed for establishing ESOP 2007, the shareholders in their meeting held on 23 July 2012 decided to approve the extension of the exercise period of options granted under the ESOP 2007 from three years to six years.

33.1 Employee Stock Option Scheme 2007 ('ESOP 2007 Scheme'):

a) Pursuant to the ESOP 2007 Scheme, the Company granted options which vest over a period of four years commencing from the respective dates of grant. Following are the number of options outstanding during the year:

	For the year ended 31 March 2018		For the year ended 31 March 2017	
	No. of Options	Weighted average exercise price (₹)	No. of Options	Weighted average exercise price (₹)
At the beginning of the year	6,61,182	224.81	10,85,924	175.64
Granted	-	-	-	-
Exercised	6,09,082	219.45	3,48,662	54.07
Cancelled	-	-	76,080	305.46
Lapsed	-	-	-	-
At the end of the year	52,100	287.5	6,61,182	224.81

b) The above outstanding options have been granted in various tranches and have a weighted average remaining life of 0.02 years (2017: 0.05 years). The exercise price of the outstanding options range from ₹ 44.58 to ₹ 334.35 (2017: ₹ 44.58 to ₹ 334.35). The weighted average share price during the year is ₹ 460 (2017: ₹ 263).

Notes
(Contd.)

c) Number of options exercisable at the end of the year 52,100 (2017: 6,61,182).

d) The fair values of the option with modified terms were determined using a Black Scholes' model. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions, and behavioural considerations. Expected volatility is based on the historical share price volatility over the past 3-4 years.

Following assumptions were used for calculation of fair value of grants:

	For the year ended 31 March 2018	For the year ended 31 March 2017
Dividend yield (%)	700	700
Expected volatility (%)	0.39-0.47	0.39-0.47
Risk free interest rate (%)	8	8
Expected term (in years)	4-6	4-6

33.2 Employee Stock Option Scheme 2016 ('ESOP 2016 Scheme'):

a) Pursuant to the ESOP 2016 Scheme, the Company granted options which vest over a period of four years commencing from the respective dates of grant. Following are the number of options outstanding during the year:

	For the year ended 31 March 2018		For the year ended 31 March 2017	
	No. of Options	Weighted average exercise price (₹)	No. of Options	Weighted average exercise price (₹)
At the beginning of the year	21,74,500	319.65	-	-
Granted *	1,48,900	529.40	21,74,500	319.65
Exercised	1,05,200	319.65	-	-
Cancelled	89,800	319.65	-	-
Lapsed	-	-	-	-
At the end of the year	21,28,400	334.32	21,74,500	319.65

* the weighted average fair value of options granted during the year is ₹ 207.85 (2017: ₹ 118.53)

b) The above outstanding options have been granted in various tranches and have a weighted average remaining life of 4.09 years (2017: 5.10 years). The exercise price of the outstanding options range from ₹ 319.65 to ₹ 529.40 (2017: ₹ 319.65). The weighted average share price during the year is ₹ 460 (2017: ₹ 263).

c) Number of options exercisable at the end of the year 3,11,740 (2017: Nil).

d) The fair values of the option were determined using a Black Scholes' model. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions, and behavioural considerations. Expected volatility is based on the historical share price volatility over the past 5-6 years.

Following assumptions were used for calculation of fair value of grants:

	For the year ended 31 March 2018	For the year ended 31 March 2017
Dividend yield (%)	400-500	400
Expected volatility (%)	0.32-0.34	0.32
Risk free interest rate (%)	7.0 – 7.6	7.0
Expected term (in years)	5-6	5-6

33.3 Share based payments

The Company recorded employee share based payments of ₹ 863 lakhs (2017: ₹ 169 lakhs) under 'Employee benefits expense'.

Notes
(Contd.)

34 Employee benefits plan

a) Defined benefit plans

(₹ in lakhs)

	Gratuity Plan	
	2017-2018	**2016-17**
Change in Defined Benefit Obligation (DBO) during the year		
Present value of DBO at the beginning of the year	4,613	4,131
Current service cost	438	404
Interest cost	310	308
Actuarial (gain)/ loss arising from changes in financial assumptions	(145)	180
Actuarial loss arising from changes in experience adjustments	462	143
Benefits paid	(684)	(553)
Present value of DBO at the end of the year	**4,994**	**4,613**
Change in fair value of plant assets during the year		
Fair value of plan assets at the beginning of the year	4,309	3,583
Interest income	342	316
Employer contributions	1,213	944
Benefits paid	(684)	(553)
Remeasurements – return on plan assets (excluding interest income)	(65)	20
Present value of DBO at the end of the year	**5,115**	**4,309**
Amounts recognised in the Balance Sheet		
Present value of DBO at the end of the year	4,994	4,613
Fair value of plan assets at the end of the year	5,115	4,309
Funded status of the plans – (asset)/ liability	**(121)**	**304**
(Asset)/ liability recognised in the Balance Sheet	**(121)**	**304**
Components of employer expense		
Current service cost	438	404
Interest income on net defined benefit obligation	(32)	(7)
Expense recognised in Statement of Profit and Loss	**406**	**397**
Remeasurement on the net defined benefit obligation		
Return on plan assets (excluding interest income)	65	(20)
Actuarial loss arising from changes in financial assumptions	(145)	180
Actuarial loss arising from changes in experience adjustments	462	143
Remeasurements recognised in other comprehensive income	**382**	**303**
Total defined benefit cost recognised	**788**	**700**
Nature and extent of investment details of the plan assets#		
State and Central Securities	-	-
Bonds	-	-
Special deposits	-	-
Insurer managed funds	100%	100%

includes details of trusts other than those covered under a Scheme of Life Insurance Corporation of India

Notes
(Contd.)

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Employee who has completed five years of service is entitled to specific benefit depending on the employee's length of service and salary at retirement or relieving age. The fund has the form of trust and it is governed by the Board of Trustees which consists of employer and employee representatives. The Board of Trustees is responsible for the administration of plan assets.

The Board of Trustees reviews the level of funding and asset-liability matching strategy in the gratuity plan to keep the scheme adequately funded for settlement of obligations under the plan.

Gratuity for employees is covered under a scheme of Life Insurance Corporation of India (LIC) which is basically a year-on-year cash accumulation plan. As part of the scheme the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance company, as part of the policy rules, makes payment of all gratuity settlements during the year subject to sufficiency of funds under the policy.

(₹ in lakhs)

	Gratuity Plan	
	31 March 2018	**31 March 2017**
Assumptions		
Discount rate	7.82%	7.25%
Estimated rate of return on plan assets	7.25%	8.00%
Expected rate of salary increase	5-7%	5-7%
Attrition rate	5.00%	5.00%
Sensitivity analysis – DBO at the end of the year (₹ in lakhs)		
Discount rate + 100 basis points	4,738	4,372
Discount rate - 100 basis points	5,279	4,885
Salary increase rate +1%	5,247	4,856
Salary increase rate -1%	4,761	4,393
Attrition rate +1%	5,017	4,629
Attrition rate -1%	4,965	4,596
Weighted average duration of DBO	11 years	11 years
Expected cash flows (₹ in lakhs)		
1. Expected employer contribution in the next year	780	850
2. Expected benefit payments		
Year 1	742	758
Year 2	664	552
Year 3	598	568
Year 4	512	511
Year 5	456	434
Beyond 5 years	1,337	1,316

b) Defined contribution plans

In respect of the defined contribution plans, an amount of ₹1,939 lakhs (2017: ₹1,740 lakhs) has been recognised as an expense in the Statement of Profit and Loss during the year.

Notes
(Contd.)

35 Earnings per share

		For the year ended 31 March 2018	For the year ended 31 March 2017
i) Profit after tax (₹ in lakhs)	[a]	65,941	47,668
Basic			
ii) Weighted average number of equity shares of ₹1/- each outstanding during the year	[b]	29,21,00,265	29,15,25,662
Dilution			
iii) Effect of potential equity shares on employees stock options outstanding		9,60,261	2,83,320
iv) Weighted average number of equity shares of ₹1/- each outstanding during the year[c]	[c]	29,30,60,526	29,18,08,982
Earnings Per Share (face value of ₹ 1/- each)			
v) Basic – [a]/[b] – (₹)		22.57	16.35
vi) Diluted – [a]/[c] – (₹)		22.50	16.34

36 Contingent liabilities (to the extent not provided for)

a) Claims against the Company not acknowledged as debt:

(₹ in lakhs)

	As at 31 March 2018	As at 31 March 2017
In respect of matters under dispute:		
Excise duty	602	628
Customs duty	386	397
Sales tax	1,522	1,543
Income tax	1,791	2,080
Service tax	245	214
Goods and Services Tax	32	-
Others	1,916	1,929

The amounts disclosed above represent our best estimate and the uncertainties are dependent on the outcome of the legal processes initiated by the Company or the claimant as the case may be.

b) The Company has received a Product Liability claim from a customer in respect of contamination in the product exported during the year. The amount of claim is not mentioned in the claim document. Discussions have been initiated with the customer to determined the amount and consequently no provision towards the said claim has been made as at Balance Sheet date. The Company carries product liability insurance and has intimated the insurance company of receipt of such claim.

37 Commitments

a) Capital commitments

(₹ in lakhs)

	As at 31 March 2018	As at 31 March 2017
Capital expenditure commitments	5,834	2,797
Commitment towards investments	338	332

Also refer Note 42 on acquisition of the Bio Pesticides Business and Parry America Inc., USA

b) Other commitments

(i) Maximum obligation on long term lease of land - ₹2,742 lakhs (2017: ₹1,343 lakhs).

Notes
(Contd.)

38 Leases

The Company has entered into certain operating lease agreements and an amount of ₹8,287 lakhs (2017: 3,684 ₹ in lakhs) paid under such agreements has been charged to the Statement of Profit and Loss. These leases are generally not non-cancellable and are renewable by mutual consent on mutually agreed terms. There are no restrictions imposed by such agreements.

39 Corporate social responsibility

Expenses incurred on Corporate Social Responsibility (CSR) programs under Section 135 of the 2013 Act are charged to the Statement of Profit and Loss under 'Other expenses' (Note 30) ₹1,396 lakhs (2017: ₹1,063 lakhs) and under 'Employee benefits expense' (Note 27) ₹43 lakhs (2017: ₹33 lakhs).

40 Research and development expenses incurred on the following heads have been accounted under the natural heads:

(₹ in Lakhs)

	For the year ended 31 March 2018	For the year ended 31 March 2017
Salaries, wages and bonus	548	521
Contribution to provident and other funds	55	45
Consumption of stores and spare parts	39	11
Power and fuel	30	13
Repairs to machinery	102	44
Miscellaneous expenses	155	95
	929	**730**

41 Related party disclosures

(A) Names of the related parties and their relationship:

(i) Details of subsidiaries, joint ventures and associates:

Names	Nature of relationship	Country of incorporation	Percentage of holding as at 31 March 2018	Percentage of holding as at 31 March 2017
Liberty Pesticides and Fertilisers Limited (LPFL)	Subsidiary	India	100	100
Sabero Organics America S.A. (SOAL)	Subsidiary	Brazil	99.98	99.98
Sabero Australia Pty Ltd, Australia (Sabero Australia)	Subsidiary	Australia	100	100
Sabero Europe B.V. (Sabero Europe)	Subsidiary	Netherlands	100	100
Sabero Argentina S.A. (Sabero Argentina)	Subsidiary	Argentina	95	95
Coromandel Agronegocios de Mexico, S.A de C.V. (Coromandel Mexico) (formerly Sabero Organics Mexico S.A de C.V)	Subsidiary	Mexico	100	100
Parry Chemicals Limited (PCL)	Subsidiary	India	100	100
Dare Investments Limited (DIL)	Subsidiary	India	100	100
CFL Mauritius Limited (CML)	Subsidiary	India	100	100
Coromandel Brasil Limitada (CBL)	Subsidiary	Brazil	100	100
Sabero Organics Philippines Asia Inc.	Associate	Philippines	40	40
Coromandel Getax Phosphates Pte Ltd. (CGPL)	Joint venture (Upto 8 September 2016)	Singapore	-	50
Coromandel SQM (India) Pvt Limited (CSQM)	Joint venture	India	50	50
Yanmar Coromandel Agrisolutions Private Limited (YCAS)	Joint venture	India	40	40

Notes
(Contd.)

(ii) Details of other related parties

Names	Nature of relationship
E.I.D Parry (India) Limited	Parent company
Parry Infrastructure Company Private Limited (PICPL)	Fellow subsidiary
Parry Sugar Industries Limited (PSIL)	Fellow subsidiary (Upto 25 April 2017)
Parry Enterprises (India) Limited (PEIL)	Associate of parent company
Coromandel Provident Fund	Employee benefit plan
Coromandel Provident Fund No. 1	Employee benefit plan
CFL Gratuity Fund	Employee benefit plan
Coromandel Gratuity Fund – I	Employee benefit plan
Coromandel Gratuity Fund – II	Employee benefit plan
Coromandel Management Staff Pension Fund	Employee benefit plan
Coromandel Superannuation Fund	Employee benefit plan
Coromandel Benevolent Fund	Employee benefit plan
Mr. Sameer Goel	Key management personnel
Mr. S Suresh	Key management personnel of Parent company
Mr. V Ramesh	Key management personnel of Parent company

(B) Transactions during the year:

(₹ in lakhs)

	For the year ended 31 March 2018	For the year ended 31 March 2017
i) Sale of finished goods/raw materials/services		
a) Joint venture - CSQM	191	325
ii) Rent received		
a) Fellow subsidiary – PICPL	95	95
b) Joint venture – CSQM	16	16
c) Associate – PEIL	7	6
iii) Expenses reimbursed by		
a) Parent company	-	1
b) Joint venture – CSQM	4	3
c) Subsidiary – PCL	55	38
d) Joint venture – YCAS	-	*
e) Associate – PEIL	1	2
iv) Purchase of finished goods and services		
a) Parent company	1,868	1,527
b) Joint venture – CSQM	3,078	2,911
c) Associate – PEIL	1,467	644
d) Joint venture - YCAS	*	-
v) Commission on sales		
a) Subsidiary – PCL	40	44
b) Subsidiary – CBL	166	139
c) Subsidiary – Coromandel Mexico	96	150
d) Subsidiary – SOAL	121	263
e) Subsidiary – Sabero Argentina	-	9
f) Subsidiary – Sabero Australia	12	2
g) Associate – Sabero Philippines	10	12

Notes
(Contd.)

(₹ in lakhs)

	For the year ended 31 March 2018	For the year ended 31 March 2017
vi) Expenses reimbursed to		
a) Parent company	407	311
b) Subsidiary – Sabero Australia	-	8
c) Subsidiary – LPFL	4	3
vii) Interest received on Inter corporate deposit/Loan		
a) Subsidiary - DIL	1	1
viii) Loan received		
a) Subsidiary – LPFL	19	218
ix) Investment made in equity shares of		
a) Joint venture – YCAS	-	400
x) Purchase of assets and spares		
a) Joint venture – YCAS	257	124
xi) Dividend paid (including interim dividend payable)		
a) Parent company	14,172	7,086
xii) Rent paid		
a) Parent company	6	6
b) Subsidiary – PCL	3	2
c) Joint venture – YCAS	2	2
xiii) Interest paid on loans		
a) Subsidiary – LPFL	17	12
xiv) Deposit paid and received back		
a) Parent Company	1	2
b) Joint venture – CSQM	-	1

* less than a lakh

Also refer Note 42

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No expense has been recognised in the current or prior years for bad or doubtful debts in respect of the amounts owed by related parties.

(C) Transactions with key management personnel

a) Dividends paid to directors during the year ended 31 March 2018 ₹23 lakhs (2017: ₹16 lakhs).

b) Compensation of key management personnel of the Company:

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

(₹ in Lakhs)

	For the year ended 31 March 2018	For the year ended 31 March 2017
Short-term employee benefits	406	371
Others*	265	264
Total compensation	**671**	**635**

*excludes Goods and Services Tax/ service tax

Notes
(Contd.)

c) During the year, the Company has granted Nil (2017: 6,56,900) employee stock options under the ESOP 2016 scheme to Mr. Sameer Goel.

(D) Refer Note 34 for transactions with Employee benefit funds.

(E) Outstanding balances as at the year end

(₹ in lakhs)

	As at 31 March 2018	As at 31 March 2017
a) Trade receivables/Loans and advances		
- Parent company	91	297
- Subsidiary – PCL	10	-
- Subsidiary - DIL	11	13
- Fellow subsidiary – PSIL	-	91
- Associate – Sabero Philippines	6	5
- Subsidiary – SOAL	135	135
- Subsidiary – Coromandel Mexico	-	*
- Fellow subsidiary – PICPL	22	98
b) Trade payables/ Other liabilities		
- Parent company	5,315	-
- Joint venture – CSQM	636	1,522
- Fellow subsidiary – PICPL	1,106	1,859
- Subsidiary – PCL	-	*
- Subsidiary – CBL	-	*
- Subsidiary – LPFL	237	226
- Joint venture - YCAS	53	1
- Associate - PEIL	35	56

*less than a lakh

42 The Board of Directors at their meeting held on 22 December 2017 has approved acquisition of the Bio Pesticides Business of E.I.D Parry (India) Limited on a going concern basis by way of a slump sale for a lump sum consideration of ₹30,261 lakhs subject to adjustment for working capital as on the Closing Date and acquisition of shares held by E.I.D Parry (India) Limited in Parry America Inc., USA for a consideration of ₹3,540 lakhs with effect from 1 April 2018 or such other date as may be agreed to by the Board ('Closing Date'). The shareholders have approved these transactions through postal ballot/e-voting and agreements have been signed to give effect to the same.

43 Disclosure as per Regulation 34(3) and 53(f) of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015:

Loans and advances in the nature of loans to subsidiaries: **(₹ in lakhs)**

	Relationship	As at 31 March 2018	Maximum balance outstanding during the year
Dare Investments Limited (DIL) (Refer note b)	Subsidiary	10	10
		(10)	(10)

Notes:

a. Figures in bracket relate to previous year

b. The loan is repayable on demand and carries interest. Section 186 of the 2013 Act is not applicable as DIL is wholly owned subsidiary of the Company

Notes
(Contd.)

44 Payments to Auditors **(₹ in lakhs)**

	For the year ended 31 March 2018	For the year ended 31 March 2017
Audit fees	65	55
Tax audit fees	15	12
Limited reviews	33	24
Certifications	70	70
Other services	-	10
Reimbursement of expenses	1	3
Total	**184**	**174**

Note: Amounts given above excludes Goods and Services Tax/ service tax

45 During the year, the Company has made political donation of ₹ Nil (2017: ₹ 100 lakhs to Triumph Electoral Trust).

46 Based on and to the extent of information available with the Company under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars as at reporting date are furnished below:

Sl.No.	Particulars	As at 31 March 2018	As at 31 March 2017
(i)	Principal amount due to suppliers under MSMED Act, as at the end of the year	651	656
(ii)	Interest accrued and due to suppliers under MSMED Act on the above amount as at the end of the year	-	-
(iii)	Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
(iv)	Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
(v)	Interest paid to suppliers under MSMED Act (Section 16)	-	-
(vi)	Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
(vii)	Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (ii) + (vi)	-	-

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.

47 Approval of financial statements

The financial statements were approved by the Board of Directors on 24 April 2018.

For and on behalf of the Board of Directors

Sameer Goel
Managing Director

M M Murugappan
Chairman

Jayashree Satagopan
Chief Financial Officer

P Varadarajan
Company Secretary

Place: Secunderabad
Date: 24 April 2018

Consolidated Financial Statements

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INDEPENDENT AUDITOR'S REPORT

To The Members of Coromandel International Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Coromandel International Limited (hereinafter referred to as "the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), which includes Group's share of profit/(loss) in its associate and its joint ventures, comprising the Consolidated Balance Sheet as at 31 March 2018, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity, for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Parent's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its Associate and Joint ventures in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associate and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, its associate and its joint ventures and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Parent, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. In conducting 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 thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Parent's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Parent's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraphs (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries, associate and joint ventures referred to below in the Other Matters paragraph, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2018, and their consolidated profit, consolidated total comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Other Matters

(a) We did not audit the financial statements/ financial information of nine subsidiaries, whose financial statements/ financial information reflect total assets of ₹ 8,652 lakhs as at 31 March 2018, total revenues of ₹ 872 lakhs and net cash (outflows) amounting to ₹ 138 lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net profit of ₹ 218 lakhs for the year ended 31 March 2018, as considered in the consolidated Ind AS financial statements, in respect of one joint venture, whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and one joint venture, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint venture is based solely on the reports of the other auditors.

Six of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

(b) We did not audit the financial statements / financial information of one subsidiary, whose financial statements/ financial information reflect total assets of ₹ Nil as at 31 March 2018, total revenues of ₹ Nil and net cash (outflows) amounting to ₹ 0.22 lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net loss of ₹ 1.28 lakhs for the year ended 31 March 2018, as considered in the consolidated Ind AS financial statements, in respect of an associate, whose financial statements / financial information have not been audited by us. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and joint venture, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/ financial information are not material to the Group.

Our opinion on the consolidated Ind AS financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and other auditors on separate financial statements and the other financial information of subsidiaries, associate and joint venture companies incorporated in India, referred in the Other Matters paragraph above we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Parent as on 31 March, 2018 taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of its subsidiary companies and joint venture companies incorporated in India, none of the directors of the Group companies and joint venture companies incorporated in India is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditors' reports of the Parent, subsidiary companies and Joint venture companies incorporated in India, to whom internal financial controls over financial reporting is applicable. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies, for the reasons stated therein.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associate and joint ventures.

ii. The Group, its associate and joint ventures did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies and joint venture companies incorporated in India.

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

Ganesh Balakrishnan
(Partner)
(Membership No. 201193)

Secunderabad, 24 April 2018

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f)under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31 March, 2018, we have audited the internal financial controls over financial reporting of **COROMANDEL INTERNATIONAL LIMITED** (hereinafter referred to as "the Parent") and its subsidiary companies and joint venture, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent, its subsidiary companies and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent, its subsidiary companies and its joint venture, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies and joint venture, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent, its subsidiary companies and its joint venture, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent, its subsidiary companies and joint venture, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2018, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to three subsidiary companies and one joint venture, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No: 008072S)

Ganesh Balakrishnan
(Partner)
(Membership No: 201193)

Secunderabad, 24 April 2018

Consolidated Balance Sheet
as at 31 March 2018

(₹ in lakhs, unless otherwise stated)

		Note	As at 31 March 2018	As at 31 March 2017
I	**ASSETS**			
1	**Non-current assets**			
	(a) Property, plant and equipment	4	1,29,350	1,31,588
	(b) Capital work-in-progress	4	3,585	1,367
	(c) Goodwill		32	32
	(d) Other intangible assets	5	1,108	1,134
	(e) Intangible assets under development	5	1,062	825
	(f) Financial assets			
	i) Investments			
	a) Investments in joint ventures	6	1,620	1,680
	b) Other investments	6	20,505	37,155
	(g) Income tax assets (net)		51	25
	(h) Other non-current assets	8	8,911	7,025
			1,66,224	**1,80,831**
2	**Current assets**			
	(a) Inventories	9	2,22,713	1,72,461
	(b) Financial assets			
	i) Investments	10	14	13
	ii) Trade receivables	11	1,52,343	1,62,167
	iii) Government subsidies receivable		2,62,686	2,55,703
	iv) Cash and cash equivalents	12	44,190	14,671
	v) Bank balances other than cash and cash equivalents	13	10,890	2,112
	vi) Loans	14	40,777	52,225
	vii) Other financial assets	7	2,159	3,788
	(c) Other current assets	15	70,729	20,529
			8,06,501	**6,83,669**
	Total assets		**9,72,725**	**8,64,500**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	(a) Equity share capital	16	2,924	2,917
	(b) Other equity	17	3,09,662	2,86,160
	Equity attributable to owners of the Company		**3,12,586**	**2,89,077**
2	**Non-current liabilities**			
	(a) Financial liabilities			
	i) Other financial liabilities	19	128	123
	(b) Provisions	20	1,439	1,417
	(c) Deferred tax liabilities (net)	21	12,897	14,947
	(d) Other non-current liabilities	22	975	1,023
			15,439	**17,510**
3	**Current liabilities**			
	(a) Financial liabilities			
	i) Borrowings	18	2,72,844	2,22,838
	ii) Trade payables	23	3,35,895	2,93,454
	iii) Other financial liabilities	19	24,331	31,223
	(b) Provisions	20	906	1,474
	(c) Current tax liabilities (net)	21.4	2,195	1,640
	(d) Other current liabilities	22	8,529	7,284
			6,44,700	**5,57,913**
	Total liabilities		**6,60,139**	**5,75,423**
	Total equity and liabilities		**9,72,725**	**8,64,500**

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants
Firm Registration Number:008072S

Ganesh Balakrishnan
Partner
Membership Number:201193
Place: Secunderabad
Date: 24 April 2018

For and on behalf of the Board of Directors

Sameer Goel
Managing Director

M M Murugappan
Chairman

Jayashree Satagopan
Chief Financial Officer

P Varadarajan
Company Secretary

Consolidated Statement of Profit and Loss

for the year ended 31 March 2018

(₹ in lakhs, unless otherwise stated)

		Note	For the year ended 31 March 2018	For the year ended 31 March 2017
I	**Income**			
	Revenue from operations	24	10,99,014	10,19,509
	Other income	25	5,837	5,482
	Total income		**11,04,851**	**10,24,991**
II	**Expenses**			
	Cost of materials consumed		6,49,639	5,58,523
	Purchases of stock-in-trade		1,24,317	1,23,013
	Changes in inventories of finished goods, work-in-process and stock-in-trade	26	(18,023)	30,560
	Excise duty		4,343	16,434
	Employee benefits expense	27	35,104	31,084
	Finance costs	28	17,829	22,378
	Depreciation and amortisation expense	29	9,759	10,071
	Other expenses	30	1,80,944	1,61,627
	Total expenses		**10,03,912**	**9,53,690**
III	**Exceptional item (net)**		**-**	**-**
IV	**Share of profit/ (loss) of joint ventures and associate**	43	**(60)**	**(71)**
V	**Profit before tax (I-II+III+IV)**		**1,00,879**	**71,230**
VI	**Tax expense:**			
	(1) Current tax		35,229	24,317
	(2) Deferred tax		(712)	(783)
			34,517	**23,534**
VII	**Profit for the year (V-VI)**		**66,362**	**47,696**
VIII	**Other Comprehensive Income**			
A	(i) Items that will not be reclassified to profit or loss			
	(a)Remeasurement of defined benefit plan	34(a)	(382)	(303)
	(b)Net fair value (loss)/gain on investments in equity shares at FVTOCI		(18,151)	(8,683)
			(18,533)	**(8,986)**
	(ii) Income tax relating to items that will not be reclassified to profit or loss	21.3	(1,337)	(1,063)
B	(i) Items that will be reclassified to profit or loss			
	(a)Exchange differences on translating foreign operations		(60)	(419)
			(60)	(419)
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Total other comprehensive income		**(17,256)**	**(8,342)**
IX	**Total Comprehensive Income for the year (VII+VIII)**		**49,106**	**39,354**
X	**Earnings per equity share of ₹ 1 each:**	35		
	Basic ₹		22.72	16.36
	Diluted ₹		22.64	16.34

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants
Firm Registration Number:008072S

Ganesh Balakrishnan
Partner
Membership Number:201193
Place: Secunderabad
Date: 24 April 2018

For and on behalf of the Board of Directors

Sameer Goel
Managing Director

M M Murugappan
Chairman

Jayashree Satagopan
Chief Financial Officer

P Varadarajan
Company Secretary

Consolidated Cash Flow Statement

for the year ended 31 March 2018

(₹ in lakhs, unless otherwise stated)

		For the year ended 31 March 2018	For the year ended 31 March 2017
Cash flow from operating activities			
Profit before tax		**1,00,879**	**71,230**
Adjustments for:			
Depreciation and amortisation expense		9,759	10,071
(Profit)/ loss on sale/ scrap of property, plant and equipments (net)		445	(14)
Profit on sale of investment		(79)	(242)
Exchange differences (net)		8,623	(2,579)
Share of loss of joint ventures accounted using equity method		60	71
Loss/ (gain) on measuring investments at FVTPL (net)		8	(25)
Provision for doubtful trade receivables and other liabilities no longer required, written back		(95)	(164)
Provision for doubtful trade and other receivables, loans and advances (net)		1,849	2,248
Trade and other receivables written off		-	977
Provision for employee benefits		(1,049)	21
Share-based payments		863	169
Finance costs		17,829	22,378
Interest income		(5,403)	(4,752)
Dividend income		(245)	(25)
Others		7	(37)
Operating profit before working capital changes		**1,33,451**	**99,327**
Changes in working capital:			
Trade payables		33,189	(21,887)
Other liabilities		(8,038)	(576)
Trade receivables		7,975	(1,207)
Government subsidies receivable		(6,983)	(18,997)
Inventories		(50,252)	62,115
Other assets		(49,087)	(752)
Balances in margin money/ deposit accounts		-	8
Cash generated from operations		**60,255**	**118,031**
Direct taxes paid (net of refunds)		(34,700)	(26,507)
Net cash flow from operating activities	**(A)**	**25,555**	**91,524**
Cash flows from investing activities			
Purchase of property, plant and equipments, including capital work-in-progress and capital advances		(11,425)	(8,980)
Purchase of leasehold land		(981)	(135)
Proceeds from sale of property, plant and equipments		311	1,033
Investment in joint ventures		-	(400)
Amount transferred from Escrow accounts		-	122
Purchase of non-current investments		(1,625)	-
Proceeds from sale of non-current investments		140	387
Inter-corporate deposits/ loans given		(40,052)	(52,225)
Inter-corporate deposits matured/ loans received		51,500	48,000
Purchase of current investments		(41,000)	(12,000)
Proceeds from sale of current investments		41,000	12,000
Interest received		5,950	4,313
Dividend received from current and non-current investments		245	25
Net cash from/ (used in) investing activities	**(B)**	**4,063**	**(7,860)**

Consolidated Cash Flow Statement

for the year ended 31 March 2018

(₹ in lakhs, unless otherwise stated)

		For the year ended 31 March 2018	For the year ended 31 March 2017
Cash flow from financing activities			
Proceeds from issue of equity shares on exercise of employee stock options		1,673	189
Repayment of long-term borrowings		-	(9,407)
Increase/ (decrease) in short-term borrowings		44,371	(40,442)
Dividend paid including tax thereon		(28,133)	(14,030)
Interest and other borrowing costs paid		(18,009)	(22,750)
Net cash from/ (used in) financing activities	**(C)**	**(98)**	**(86,440)**
Net increase/(decrease) in cash and cash equivalents (A + B + C)		29,520	(2,776)
Cash and cash equivalents at the beginning of the year		14,671	17,448
Exchange (loss)/ gain on cash and cash equivalents		(1)	(1)
Cash and cash equivalents at the end of the year		**44,190**	**14,671**

Note:

1. Cash Flow Statement has been prepared under the Indirect method as set out in the Indian Accounting Standard 7 on Cash Flow Statements. Cash and cash equivalents in the Cash Flow Statement comprise cash at bank and in hand, demand deposits and cash equivalents which are short-term and held for the purpose of meeting short-term cash commitments.
2. Reconciliation of liabilities from financing activities (short-term borrowings):

Opening balance	2,22,838
Proceeds	10,21,417
Repayments*	(9,71,411)
Fair value changes	-
Closing balance	**2,72,844**

*excludes effect of changes in foreign exchange rates of ₹5,635 lakhs

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants
Firm Registration Number:008072S

Ganesh Balakrishnan
Partner
Membership Number:201193
Place: Secunderabad
Date: 24 April 2018

For and on behalf of the Board of Directors

Sameer Goel
Managing Director

M M Murugappan
Chairman

Jayashree Satagopan
Chief Financial Officer

P Varadarajan
Company Secretary

Consolidated Statement of Changes in Equity
for the year ended 31 March 2018

a. Equity share capital

(₹ in lakhs, unless otherwise stated)

	Number of shares	Amount
Balance as at 1 April 2016	**29,13,20,465**	**2,913**
Add: Equity shares allotted pursuant to exercise of stock options	3,48,662	4
Balance as at 31 March 2017	**29,16,69,127**	**2,917**
Add: Equity shares allotted pursuant to exercise of stock options	7,14,282	7
Balance as at 31 March 2018	**29,23,83,409**	**2,924**

b. Other equity

(₹ in lakhs, unless otherwise stated)

	Reserves and Surplus (refer Note 17)							Items of other comprehensive income (refer Note 17)			
	Capital reserve	Capital redemption reserve	Securities premium reserve	Central subsidy	General reserve	Share options outstanding account	Retained earnings	Foreign currency translation reserve	Equity instruments through other comprehensive income	Remeasurement of the net defined benefit plans	Total
Balance at 1 April 2016	**352**	**986**	**10,586**	**11**	**170,340**	**67**	**66,400**	**5,542**	**6,319**	**(120)**	**260,483**
Profit for the year	-	-		-	-	-	47,696	-	-	-	47,696
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	(419)	(7,726)	(198)	(8,343)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**47,696**	**(419)**	**(7,726)**	**(198)**	**39,353**
Recognition of share-based payments	-	-	-	-	-	169	-	-	-	-	169
Amount received on exercise of employee stock options	-	-	185	-	-	-	-	-	-	-	185
Dividend on equity shares	-	-	-	-	-	-	(14,030)	-	-	-	(14,030)
Amounts transferred within the reserves	-	-	-	-	30,000	-	(30,000)	-	-	-	-
Balance at 31 March 2017	**352**	**986**	**10,771**	**11**	**200,340**	**236**	**70,066**	**5,123**	**(1,407)**	**(318)**	**286,160**
Balance at 1 April 2017	**352**	**986**	**10,771**	**11**	**200,340**	**236**	**70,066**	**5,123**	**(1,407)**	**(318)**	**286,160**
Profit for the year	-	-	-	-	-	-	66,362	-	-	-	66,362
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	(60)	(16,947)	(249)	(17,256)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**66,362**	**(60)**	**(16,947)**	**(249)**	**49,106**
Recognition of share-based payments	-	-	-	-	-	863	-	-	-	-	863
Dividend on equity shares	-	-	-	-	-	-	(28,133)	-	-	-	(28,133)
Amount received on exercise of employee stock options	-	-	1,666	-	-	-	-	-	-	-	1,666
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-
Amounts transferred within the reserves	-	-	171	-	30,020	(191)	(30,000)	-	-	-	-
Balance at 31 March 2018	**352**	**986**	**12,608**	**11**	**230,360**	**908**	**78,295**	**5,063**	**(18,354)**	**(567)**	**309,662**

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants
Firm Registration Number:008072S

Ganesh Balakrishnan
Partner
Membership Number:201193
Place: Secunderabad
Date: 24 April 2018

For and on behalf of the Board of Directors

Sameer Goel
Managing Director

M M Murugappan
Chairman

Jayashree Satagopan
Chief Financial Officer

P Varadarajan
Company Secretary

Notes
forming part of the Consolidated financial statements

1 General information

Coromandel International Limited ("the Company") is a limited company incorporated in India, equity shares of which are listed on the Bombay Stock Exchange and the National Stock Exchange in India. Its parent company is E.I.D Parry (India) Limited.

The address of its registered office and principal place of business are disclosed in the annual report. The Company is engaged in the business of farm inputs comprising of fertiliser, crop protection, specialty nutrients and organic compost.

Our Executive Leadership Team comprises the following officers at the date of release of these financial statements:

- Sameer Goel – Managing Director
- G Veerabhadram – President – Crop Protection
- S Sankarasubramanian- President & Head (Fertilisers)
- Amir Alvi – Executive Vice President & Head Manufacturing (Fertilisers)
- Arun Leslie George – Executive Vice President & Head (SSP)
- B Prasannatha Rao – Executive Vice President & Head – HR
- Jayashree Satagopan- Executive Vice President & Chief Financial Officer
- Kalidas Pramanik – Executive Vice President - Marketing (Fertilisers & Organic)
- P Varadarajan – Senior Vice President – Legal and Company Secretary
- Ripu Daman Singh - Executive Vice President & Head (Retail)
- S Govindarajan – Executive Vice President & Head – Commercial
- Srikanthan S – Executive Vice President & COO – Crop Protection

The executive leadership team reviews the results of our operations and our financial position on consolidated, operating segment and business unit levels. Our operating segments are defined by the organisation and reporting structure through which we operate our business. We categorise our operating segments into Nutrient and other allied business and Crop Protection.

2 Application of new and revised Ind AS

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On 28 March 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The amendment will come into force from 1 April 2018. The Company is currently evaluating the requirements of the amendment and is in the process of determining the impact on the financial statements.

Ind AS 115- Revenue from Contract with Customers: On 28 March 2018, MCA has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

The effective date for adoption of Ind AS 115 is financial periods beginning on or after 1 April 2018.

The Company will adopt the standard on 1 April 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended 31 March 2018 will not be retrospectively adjusted. The Company is currently evaluating the requirements of the revised standard and is in the process of determining the impact on the financial statements.

3 Significant accounting policies

3.1 Statement of compliance

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013 ("the Act"), Companies (Indian Accounting Standards) Rules, 2015, along with relevant amendment rules issued thereafter and other relevant provisions of the Act, as applicable.

3.2 Basis of preparation and presentation

The consolidated financial statements include accounts of Coromandel International Limited ("the Company") and its subsidiaries Liberty Pesticides and Fertilisers Limited, Sabero Organics America S.A., Sabero Australia Pty Ltd, Sabero Europe B.V., Sabero Argentina S.A., Coromandel Agronegocios de Mexico S.A de C.V (formerly Sabero Organics Mexico S.A de C.V), Parry Chemicals Limited, Dare Investments Limited, CFL Mauritius Limited, Coromandel Brasil Limitada, (a Limited Liability Partnership), its joint ventures Yanmar Coromandel Agrisolutions Private Limited, Coromandel Getax Phosphates Pte Limited (Upto 8 September 2016) and Coromandel SQM (India) Private Limited; all together referred to as 'the Group'.

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The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, and on accrual basis.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

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

The principal accounting policies are set out below.

3.3 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company’s voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

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3.3.1 Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

3.4 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

3.5 Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

After application of the equity method of accounting, the Group determines whether there is any objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate or a joint venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group's investment in an associate or a joint venture.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms

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part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale.

3.6 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

a) Sale of goods is recognised net of returns and trade discounts, when the risk and rewards of ownership are transferred to the customers. Sales include amounts recovered towards excise duty and exclude sales tax/ value added tax. Revenue is also recognised on sale of goods in case where the delivery is kept pending at the instance of the customer, the risk and rewards are transferred and customer takes title and accepts billing as per usual payment terms.

b) Subsidy is recognised on the basis of the rates notified from time to time by the Government of India in accordance with the Nutrient Based Subsidy (NBS) policy on the quantity of fertilisers sold by the Company for the period for which notification has been issued and for the remaining period, based on estimates.

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

d) Export benefits and other excise benefits are accounted for on accrual basis.

3.7 Other income

a) Dividend income from investments is recognised in the year in which the right to receive the payment is established.

b) Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

3.8 Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group's significant leasing arrangements are in respect of operating leases for premises that are cancelable in nature. The lease rentals under such agreements are recognised in the Statement of Profit and Loss as per the terms of the lease.

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

3.9 Insurance claims

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

3.10 Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which these entities operate (i.e. the "functional currency"). The financial statements are presented in Indian Rupee (₹), the national currency of India, which is the functional currency of the Group.

3.11 Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for exchange differences on transactions entered into in order to hedge certain foreign currency risks.

3.12 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

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Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3.13 Employee benefits

3.13.1 Defined contribution plans

Contributions paid/payable to defined contribution plans comprising of Superannuation (under a scheme of Life Insurance Corporation of India) and Provident Funds for certain employees covered under the respective Schemes are recognised in the profit or loss each year when employees have rendered service entitling them to the contributions.

The Company makes contributions to two Provident Fund Trusts for certain employees, at a specified percentage of the employees' salary. The Company has an obligation to make good the shortfall, if any, between the return from the investments of trust and the notified interest rates. Liability on account of such shortfall, if any, is provided for based on the actuarial valuation carried out as at the end of the year.

3.13.2 Defined benefit plans

The Company's Gratuity scheme for its employees is a defined benefit retirement benefit plan. Obligation under the gratuity scheme is covered under a Scheme of Life Insurance Corporation of India (LIC) and contributions in respect of such scheme are recognized in the profit or loss. The liability as at the Balance Sheet date is provided for using the projected unit credit method, with actuarial valuations being carried out as at the end of the year.

Defined benefit costs are categorized as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss.

3.13.3 Short-term employee benefits

Short term employee benefits including accumulated compensated absences as at the Balance Sheet date are recognised as an expense as per Company's schemes based on expected obligation on an undiscounted basis.

3.13.4 Other long-term employee benefits

Other Long term employee benefit comprise of leave encashment which is provided for based on the actuarial valuation carried out as at the end of the year.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

3.14 Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

3.15 Earnings per share

The Group presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

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3.16 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

- Current tax

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

- Deferred tax

  Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

  The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

  Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

- Current and deferred tax for the year

  Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

3.17 Property, plant and equipment

Property, plant and equipment are stated in the Balance Sheet at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price, attributable expenditure incurred in bringing the asset to its working condition for the intended use and cost of borrowing till the date of capitalisation in the case of assets involving material investment and substantial lead time.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is provided on the straight-line method as per the useful life prescribed in Schedule II to the 2013 Act except in respect of following categories of assets in whose case the life of certain assets has been assessed based on technical advice taking into account the nature of the asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement, maintenance support etc.

Asset	Useful lives (in years)
Plant and equipment	5 – 25
Vehicles	5 – 7
Office equipment, furniture and fixtures	3 – 5

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Assets costing ₹ 5,000 and below are depreciated over a period of one year. Land is not depreciated.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3.18 Intangible assets

Intangible assets are carried at cost, net of accumulated amortisation and impairment losses, if any. Cost of an intangible asset comprises of purchase price and attributable expenditure on making the asset ready for its intended use.

Intangible assets are amortised on the straight-line method. Technical know-how is amortised over their estimated useful lives ranging from 5-10 years and product registration is amortised over the period of the registration subject to a maximum of 10 years.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between

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the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognized.

3.19 Impairment of tangible and intangible assets

The Group assesses at each reporting date whether there is an indication that an asset/cash generating unit may be impaired. If any indication exists the Group estimates the recoverable amount of such assets and if carrying amount exceeds the recoverable amount, impairment is recognised. The recoverable amount is the higher of the net selling price and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using an appropriate discount factor. When there is indication that previously recognised impairment loss no longer exists or may have decreased such reversal of impairment loss is recognised in the profit or loss.

3.20 Inventories

Stores and spares, packing materials are valued at or below cost. Raw materials and other inventories are valued at lower of cost and net realizable value. Net realizable value represents the estimated selling price (including subsidy income, where applicable) of inventories less all estimated costs of completion and costs necessary to make the sale.

The method of determination of cost of various categories of inventories is as follows:

1. Stores and spares and packing materials – Weighted average cost.
2. Raw material – First-in-First-out basis. Cost includes purchase cost and other attributable expenses.
3. Finished goods and Work-in-process – Weighted average cost of production which comprises of direct material costs, direct wages and applicable overheads. Excise duty is included in the value of finished goods up to 30 June 2017.
4. Stock-in-trade – Weighted average cost

3.21 Exceptional item

Significant gains/losses or expenses incurred arising from external events that is not expected to recur are disclosed as 'Exceptional item'.

3.22 Provisions, contingent liabilities and contingent assets

Provisions are recognised only when there is a present obligation as a result of past events and when a reasonable estimate of the amount of obligation can be made. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liabilities are disclosed for (i) possible obligation which will be confirmed only by future events not wholly within the control of the Group or (ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

3.23 Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3.24 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

3.24.1 <u>Classification of financial assets</u>

Debt instruments that meet the following conditions are subsequently measured at amortized cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value

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through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortized cost. Thus, the exchange differences on the amortized cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

All other financial assets are subsequently measured at fair value.

3.24.2 Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

3.24.3 Investments in subsidiaries, joint ventures and associates

On initial recognition, these investments are recognized at fair value plus any directly attributable transaction cost. Subsequently, they are measured at cost.

3.24.4 Investments in equity instruments at FVTOCI

On initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Dividends on these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in profit or loss are included in the 'Other income' line item.

3.24.5 Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and

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losses on them on different bases. The Group has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

3.24.6 Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Group measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Group again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

3.24.7 Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an

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associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety, the Group allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

3.24.8 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortized cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.
- For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortized cost. Thus, the exchange differences on the amortized cost are recognized in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

3.25 Financial liabilities and equity instruments

3.25.1 Classification as debt or equity

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

3.25.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

3.25.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Group, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Group as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio

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of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or

- It is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Group as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis;or .
- It forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Group that are designated by the Group as at fair value through profit or loss are recognised in profit or loss.

Financial liabilities subsequently measured at amortized cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a group entity are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109;
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign

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currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

Derecognition of financial liabilities

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognised in profit or loss.

3.26 Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, option contracts and interest rate swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recorded in other comprehensive income net of applicable deferred income taxes. The gain or loss relating to the ineffective portion is recognized immediately in the statement of income. The cumulative gain or loss previously recognized in other comprehensive income remains there until the forecast transaction occurs. When the hedged item is a non-financial asset, the amount recognized in other comprehensive income is transferred to the carrying amount of the asset when it is recognized. In other cases the amount recognized in other comprehensive income is transferred to profit or loss in the same period that the hedged item affects profit or loss. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognized in the other comprehensive income is transferred to statement of income.

3.27 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3.27.1 Critical judgments in applying accounting policies

The following are the critical judgments, apart from those involving estimations, that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognized in the financial statements.

Revenue recognition

In making their judgment, the management considered the detailed criteria for the recognition of revenue from the sale of goods set out in Ind AS 18 and, in particular, whether the Group had transferred to the buyer the significant risks and rewards of ownership of the goods.

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3.27.2 Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Items requiring significant estimate	Assumption and estimation uncertainty
Useful lives of property, plant and equipment	The Group reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. During the current year, there has been no change in life considered for the assets.
Fair value measurements and valuation processes	Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. The valuation committee which is headed by the Chief Financial Officer of the Company determines the appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. Finance team works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. The Chief Financial Officer reports the valuation committee's findings to the board of directors of the Company annually to explain the cause of fluctuations in the fair value of the assets and liabilities.
Revenue recognition	The Group provides customer incentives, such as rebates, based on quantity purchased, timing of collections etc. Various estimates are made to recognise the impact of rebates and other incentives on revenue. These estimates are made based on historical and forecasted data, contractual terms and current conditions.
Subsidy income	Subsidy income is recognised on the basis of the rates notified from time to time by the Government of India in accordance with the Nutrient Based Subsidy (NBS) policy on the quantity of fertilisers sold by the Company for the period for which notification has been issued and for the remaining period, based on estimates.
Provision for doubtful receivables	The Group makes provision for doubtful receivables based on a provision matrix which takes into account historical credit loss experience and adjusted for current estimates.
Estimation of net realisable value of inventories	Inventories are stated at the lower of cost and net realisable value. In estimating the net realisable value of inventories the Group makes an estimate of future selling prices and costs necessary to make the sale.
Provision for employee benefits	The Group uses actuarial assumptions to determine the obligations for employee benefits at each reporting period. These assumptions include the discount rate, expected long-term rate of return on plan assets, rate of increase in compensation levels and mortality rates.
Provision for taxes	Significant judgments are required in determining the provision for income taxes, including the amount expected to be paid/ recovered for uncertain tax positions.

(₹ in lakhs, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017
4. Property, plant and equipment and capital work-in-progress		
Carrying amounts of:		
Land	26,943	26,961
Buildings	19,474	19,098
Road	647	505
Railway slidings	1,831	2,019
Plant and equipment	78,121	80,791
Office equipment	1,006	858
Furniture and fixtures	676	705
Vehicles	652	651
	1,29,350	**1,31,588**
Capital work-in-progress	**3,585**	**1,367**

Details of Property, plant and equipment

	Land	Buildings	Road	Railway slidings	Plant and equipment	Office equipment	Furniture and fixtures	Vehicles	Total
Cost or deemed cost									
Balance as at 1 April 2016	**26,961**	**25,680**	**1,854**	**2,972**	**1,63,184**	**4,823**	**3,424**	**2,291**	**2,31,189**
Additions	-	331	36	87	9,683	437	96	247	10,917
Disposals/ adjustments	-	183	-	-	3,795	246	54	282	4,560
Effect of translation	-	-	-	-	-	-	-	2	2
Balance at 31 March 2017	**26,961**	**25,828**	**1,890**	**3,059**	**1,69,072**	**5,014**	**3,466**	**2,258**	**2,37,548**
Additions	-	1,142	360	-	5,581	572	140	240	8,035
Disposals/ adjustments	18	59	15	-	3,826	265	29	125	4,337
Effect of translation	-	-	-	-	-	-	-	(1)	(1)
Balance at 31 March 2018	**26,943**	**26,911**	**2,235**	**3,059**	**1,70,827**	**5,321**	**3,577**	**2,372**	**2,41,245**

Notes:

1. Above includes opening gross block of ₹1,619 lakhs (2017: ₹1,407 lakhs) and additions amounting to ₹ 39 lakhs (2017: ₹ 213 lakhs) in respect of in-house Research and Development.
2. Refer Note 18.1 for details of assets pledged.

	Land	Buildings	Road	Railway slidings	Plant and equipment	Office equipment	Furniture and fixtures	Vehicles	Total
Accumulated depreciation and impairment									
Balance as at 1 April 2016	**-**	**6,039**	**1,194**	**855**	**83,937**	**3,910**	**2,628**	**1,615**	**1,00,178**
Disposals/ adjustments	-	26	-	-	3,495	188	43	222	3,974
Depreciation expense	-	717	191	185	7,839	434	176	212	9,754
Effect of translation	-	-	-	-	-	-	-	2	2
Balance at 31 March 2017	**-**	**6,730**	**1,385**	**1,040**	**88,281**	**4,156**	**2,761**	**1,607**	**1,05,960**
Disposals/ adjustments	-	-	14	-	3,168	275	28	95	3,580
Depreciation expense	-	707	217	188	7,593	434	168	209	9,516
Effect of translation	-	-	-	-	-	-	-	(1)	(1)
Balance at 31 March 2018	**-**	**7,437**	**1,588**	**1,228**	**92,706**	**4,315**	**2,901**	**1,720**	**1,11,895**

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5. Other intangible assets and intangible assets under development

(₹ in lakhs, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017
Carrying amounts of:		
Product registrations	974	911
Technical know-how	134	223
	1,108	**1,134**
Intangible assets under development	**1,062**	**825**

Details of Intangible assets

	Product registrations	Technical know-how	Total
Cost or deemed cost			
Balance as at 1 April 2016	**1,203**	**725**	**1,928**
Additions	494	-	494
Disposals/ adjustments	-	-	-
Effect of translation	71	-	71
Balance as at 31 March 2017	**1,768**	**725**	**2,493**
Additions	234	-	234
Disposals/ adjustments	-	-	-
Effect of translation	(34)	-	(34)
Balance as at 31 March 2018	**1,968**	**725**	**2,693**

	Product Registration	Technical know how	Total
Accumulated amortisation and impairment			
Balance as at 1 April 2016	**604**	**413**	**1,017**
Amortisation expense	228	89	317
Disposals/ adjustments	-	-	-
Effect of translation	25	-	25
Balance as at 31 March 2017	**857**	**502**	**1,359**
Amortisation expense	154	89	243
Disposals/ adjustments	-	-	-
Effect of translation	(17)	-	(17)
Balance as at 31 March 2018	**994**	**591**	**1,585**

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(₹ in lakhs, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017
6. Non-current investments		
Quoted equity instruments		
(a) investments in quoted equity instruments at FVTPL		
Rama Phosphate Limited	13	12
13,719 (2017: 13,719) Equity shares of ₹10 each, fully paid-up		
Total aggregate quoted equity instruments at FVTPL (A)	**13**	**12**
(b) investments in quoted equity instruments at FVTOCI		
Coromandel Engineering Company Limited	1,190	971
25,00,100 (2017: 25,00,100) Equity shares of ₹10 each, fully paid-up		
Total aggregate quoted equity instruments at FVTPL (B)	**1,190**	**971**
Unquoted equity instruments		
(c) investments in unquoted equity investments at FVTOCI		
Tunisian Indian Fertilisers S.A.#	-	4,719
41,79,848 (2017: 41,79,848) Ordinary shares of Tunisian Dinars (TND) 10 each, fully paid up		
Nandesari Environment Control Limited	9	8
2,000 (2017: 2,000) Equity shares of ₹10 each, fully paid-up		
Ranar Agrochem Limited (formerly Prathyusha Chemicals and Fertilisers Limited)	2	2
10,01,000 (2017: 10,01,000) Equity shares of ₹10 each, fully paid-up		
Indian Potash Limited	2,026	922
90,000 (2017: 90,000) Equity shares of ₹10 each, fully paid-up		
Foskor (Pty) Limited	5,781	21,408
12,82,070 (2017: 12,82,070) Ordinary shares of South African Rand 1 each, fully paid-up		
Murugappa Management Services Limited	73	73
16,139 (2017: 16,139) Equity shares of ₹100 each, fully paid-up		
Bharuch Enviro Infrastructure Limited	140	106
16,100 (2017: 16,100) Equity shares of ₹10 each, fully paid-up		
Narmada Clean Tech	16	68
2,75,000 (2017: 2,75,000) Equity shares of ₹10 each, fully paid-up		
A.P. Gas Power Corporation Limited	9,281	8,448
53,92,160 (2017: 53,92,160) Equity shares of ₹10 each, fully paid-up		
Total aggregate Equity investments at FVTOCI (C)	**17,328**	**35,754**
(d) Investment in joint ventures		
Yanmar Coromandel Agrisolutions Private Limited	453	725
1,30,04,000 (2017: 1,30,04,000) Equity shares of ₹10 each, fully paid-up		
Coromandel SQM (India) Private Limited	1,167	955
50,00,000 (2017: 50,00,000) Ordinary shares of ₹10 each, fully paid-up		
Total aggregate investments in joint ventures (D)	**1,620**	**1,680**

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(₹ in lakhs, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017
(e) Investment in associate		
Sabero Organics Philippines Asia Inc. - Associate	*	*
320 (2017: 320) Equity shares of PHP$100 each fully paid-up		
Total aggregate investment in associate (E)	*****	*****
(f) Other investments at FVTPL		
Faering Capital India Evolving Fund	361	414
31,864 (2017: 36,435) units of ₹1,000 each, fully paid-up		
Total aggregate other investments (F)	**361**	**414**
(g) Others		
Share application money pending allotment - at cost	4	4
Loans at FVTOCI**	1,609	-
Total aggregate others (G)	**1,613**	**4**
Total investments (A) + (B) + (C) + (D) + (E) + (F) + (G)	**22,125**	**38,835**
*less than a lakh		
Aggregate amount of quoted investments and market value thereof	1,203	983
Aggregate amount of unquoted investments	20,922	37,852
Aggregate amount of impairment in value of investments	-	-

Notes:

The Ordinary shares of Tunisian Indian Fertilisers S.A., Tunisia (TIFERT) held by the Group have been pledged to secure the obligations of TIFERT to their lenders, except 8,04,848 shares.

** includes loan amounting ₹1,609 lakhs (2017: ₹Nil) to TIFERT which is compulsorily convertible to equity shares at the end of three years from June 2017.

7. Other financial assets

	As at 31 March 2018	As at 31 March 2017
Financial assets carried at fair value through profit or loss (FVTPL)		
Derivatives that are not designated in hedge accounting relationships		
Foreign currency forward contracts	669	1,361
Option contracts	378	-
	1,047	**1,361**
Financial assets carried at amortised cost		
Advances with related parties	115	485
Interest accrued but not due on deposits, loans, others	658	1,205
Insurance claims receivable	339	737
	1,112	**2,427**
	2,159	**3,788**
Current	2,159	3,788
Non-current	-	-
	2,159	**3,788**

Consolidated Notes
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(₹ in lakhs, unless otherwise stated)

		As at 31 March 2018	As at 31 March 2017
8.	**Other non-current assets**		
	Capital advances	1,790	912
	Pre-payment for leasehold land	3,887	2,969
	Deposits	3,062	3,087
	Others	172	57
		8,911	**7,025**
9.	**Inventories**		
	Raw materials	61,075	38,120
	Raw materials in-transit	30,068	17,243
	Work-in-process	1,391	2,499
	Finished goods	1,03,439	79,693
	Stock-in-trade	20,550	28,584
	Stores and spares	3,951	3,764
	Packing materials	2,239	2,558
		2,22,713	**1,72,461**
	Note: For details of inventories pledged refer Note 18.1 and refer Note 3.20 for basis of valuation		
10.	**Current investments**		
	Quoted instruments at FVTPL		
	Canara Robecco Gold Saving Fund	14	13
	1,49,284.652 (2017: 1,49,284.652) units of ₹10 each		
	Total quoted investments (A)	**14**	**13**
	Unquoted other investments at FVTPL		
	UTI Master Shares	*	*
	1,000 (2017: 1,000) shares of ₹10 each, fully paid-up		
	Total unquoted investments (B)	**-**	**-**
	Total current investments (A) + (B)	**14**	**13**
	*less than a lakh		
	Aggregate amount of quoted investments and market value thereof	14	13
	Aggregate amount of unquoted investments	-	-
	Aggregate amount of impairment in value of investments	-	-

Consolidated Notes
(Contd.)

(₹ in lakhs, unless otherwise stated)

		As at 31 March 2018	As at 31 March 2017
11.	**Trade receivables**		
	(a) Secured, considered good	8,012	7,487
	(b) Unsecured, considered good	1,44,331	1,54,680
	(c) Unsecured, considered doubtful	11,919	10,083
		1,64,262	1,72,250
	Allowance for doubtful debts	11,919	10,083
		1,52,343	**1,62,167**

The credit period on sales of goods varies with seasons and business segments/ markets and generally ranges between 30 to 180 days. No interest is recovered on trade receivables for payments received after the due date.

Before accepting any new customer, the Group has a credit evaluation system to assess the potential customer's credit quality and define credit limits for the customer. Credit limits attributed to customers are reviewed on an annual basis.

The Group maintains an allowance for impairment of doubtful accounts based on financial condition of the customer, ageing of the customer receivable and overdues, available collaterals and historical experience of collections from customers. Accordingly, the Group creates provision for past due receivables beyond 180 days ranging between 25%-100% after reckoning the underlying collaterals. Besides, based on the expected credit loss model the Group also provides upto 0.50% for receivables less than 180 days.

Movement in the allowance for doubtful debts	For the year ended 31 March 2018	For the year ended 31 March 2017
Balance at beginning of the year	10,083	7,984
Impairment losses recognised on receivables	1,836	2,886
Amounts written off during the year as uncollectible	-	(787)
Balance at end of the year	**11,919**	**10,083**

The concentration of risk with respect to trade receivables is reasonably low, as its customers are located in several jurisdictions representing large number of minor receivables operating in independent markets. No single customer constitutes more than 5% balance of the total trade receivables as of the Balance Sheet date.

Securitisation of financial assets

The Company securitises and surrenders control over the trade receivables, though it continues to act as an agent for the collection of receivables. The dealer finance facility provided by banks to the Company's fertiliser dealers under this arrangement is ₹Nil (2017: ₹ 55,958 lakhs).

In some of these transactions, the Company also provides credit enhancements to the transferee by way of agreeing to bear a portion of default losses. Because of the existence of credit enhancements in certain transactions, the Company continues to have the obligation to pay to the transferee, limited to the extent of credit enhancement, even if it does not collect the equivalent amounts from the original asset, and hence, such transfer or assignment does not meet the derecognition criteria resulting into the transfer not being recorded as sale. Consequently, the proceeds received from the transfer amounting ₹Nil (2017: ₹864 lakhs) are recorded as borrowings.

Consolidated Notes
(Contd.)

(₹ in lakhs, unless otherwise stated)

		As at 31 March 2018	As at 31 March 2017
12.	**Cash and cash equivalents**		
	Cash on hand	61	38
	Balances with Banks:		
	in Current accounts	9,628	10,312
	in Deposit accounts	34,501	4,321
		44,190	**14,671**
13.	**Bank balances other than cash and cash equivalents**		
	Restricted		
	Dividend accounts	10,176	1,395
	Bonus debenture redemption and interest	705	708
	Margin money/ deposit	9	9
		10,890	**2,112**

Unclaimed dividend accounts

If the dividend has not been claimed within 30 days from the date of its declaration, the Group is required to transfer the total amount of the dividend which remains unpaid or unclaimed, to a special account to be opened by the Group in a scheduled bank to be called "Unpaid Dividend Account". The unclaimed dividend lying in such account is required to be transferred to the Investor Education and Protection Fund (IEPF), administered by the Central Government after a period of seven years from the date of declaration.

Bonus debenture redemption and interest

If the proceeds on maturity of debentures and interest thereon has not been claimed within 30 days from the date of its declaration, the Group is required to transfer the total amount of the dividend which remains unpaid or unclaimed, to a special account to be opened by the Group in a scheduled bank to be called "Unpaid debenture account". The unclaimed amounts lying in such account is required to be transferred to the Investor Education and Protection Fund (IEPF), administered by the Central Government after a period of seven years from the date of declaration.

Margin money / deposit

Amounts in margin money/deposit accounts represents amounts deposited with certain government agencies.

14. Loans

At amortised cost		
(Unsecured, considered good)		
Inter-corporate deposits	40,777	52,225
	40,777	**52,225**
Current	40,777	52,225
Non-current	-	-
	40,777	**52,225**

Consolidated Notes
(Contd.)

(₹ in lakhs, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017
15. Other current assets		
Advances recoverable in kind or for value to be received		
Considered good	19,956	16,266
Considered doubtful	373	360
	20,329	16,626
Less: Impairment allowance	373	360
	19,956	16,266
Gratuity fund (net) [Refer Note 34(a)]	121	-
Others (including Goods and Services Tax balances)	50,652	4,263
	70,729	**20,529**

16. Equity

	As at 31 March 2018	As at 31 March 2017
16.1 Equity share capital		
Authorised Share capital :		
35,00,00,000 (2017:35,00,00,000) fully paid equity shares of ₹1 each	3,500	3,500
Issued, subscribed and fully paid-up:		
29,23,83,409 (2017:29,16,69,127) fully paid equity shares of ₹1 each	2,924	2,917
	2,924	**2,917**

16.2 Reconciliation of number of equity shares and amount outstanding at the beginning and at the end of the year:

	Numbers of Shares	Amount
Balance as at 1 April 2016	**29,13,20,465**	**2,913**
Add: Equity shares allotted pursuant to exercise of stock options	348,662	4
Balance as at 31 March 2017	**29,16,69,127**	**2,917**
Add: Equity shares allotted pursuant to exercise of stock options	714,282	7
Balance as at 31 March 2018	**29,23,83,409**	**2,924**

16.3 Rights, preferences and restriction relating to each class of share capital:

Equity shares: The Company has one class of equity shares having a face value of ₹1 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in the case of interim dividend.

16.4 As at 31 March 2018, E.I.D Parry (India) Limited (Parent Company) held 17,71,55,580 (2017: 17,71,55,580) equity shares of ₹1 each fully paid-up representing 60.59% (2017: 60.74%) of the paid up capital. ICICI Prudential Life Insurance Company Limited held 1,36,65,482 (2017: 1,47,30,079) equity shares of ₹1 each fully paid-up representing 4.67% (2017: 5.05%). There are no other shareholders holding more than 5 % of the issued capital.

16.5 Share options granted under the Group's employee share option plan

As at 31 March 2018, shares reserved for issue under the 'ESOP 2007' scheme is 81,85,066 (2017: 87,94,148) equity shares of ₹1 each and under the 'ESOP 2016' scheme is 1,44,75,800 (2017: 1,45,81,000) equity shares of ₹1 each.

Share options granted under the Group's employee share option plan carry no rights to dividends and no voting rights. Further details of the employee share option plan are provided in Note 33.

Consolidated Notes
(Contd.)

(₹ in lakhs, unless otherwise stated)

16.6 Details of bonus shares issued, shares issued for consideration other than cash during the period of five years immediately preceding the reporting date

During the year ended 31 March 2015:

(a) 25,74,193 equity shares of ₹1 each fully paid-up were allotted to shareholders of ertwhile Liberty Phosphate Limited (LPL) in the proportion of 7 equity shares of ₹1 each of the Company for every 8 equity shares of ₹10 each held in the LPL pursuant to the Scheme of Amalgamation between LPL and the Company.

(b) 53,09,210 equity shares of ₹1 each fully paid-up were allotted to shareholders of ertwhile Sabero Organics Gujarat Limited (Sabero) in the proportion of 5 equity shares of ₹1 each of the Company for every 8 equity shares of ₹10 each held in Sabero pursuant to the Scheme of Amalgamation between Sabero and the Company.

	As at 31 March 2018	As at 31 March 2017
16.7 Cumulative redeemable preference shares		
Authorised capital		
50,00,000 (2017: 50,00,000) cumulative redeemable preference shares of ₹10 each	500	500

Cumulative redeemable preference shares: The Company has a class of cumulative redeemable preference shares having face value of ₹10 each with such rights, privileges and conditions respectively attached thereto as may be from time to time confirmed by the regulations of the company. Pursuant to the Scheme of Amalgamation, the cumulative redeemable preference shares carry cumulative dividend of 8% per annum in relation to capital paid upon them and are on original terms and conditions in which they were issued by erstwhile Liberty Phosphate Limited, the amalgamating company.

No such cumulative redeemable preference shares are issued and outstanding as of 31 March 2018 (2017: Nil).

	As at 31 March 2018	As at 31 March 2017
17. Other equity		
General reserve	2,30,360	2,00,340
Retained earnings	78,295	70,066
Capital reserve	352	352
Capital redemption reserve	986	986
Securities Premium Account	12,608	10,771
Central subsidy	11	11
ESOP reserve	908	236
Foreign currency translation reserve	5,063	5,123
Equity Instruments through OCI	(18,354)	(1,407)
Remeasurement of the net defined benefit plans	(567)	(318)
	3,09,662	**2,86,160**
(i) General reserve		
Balance at beginning of year	2,00,340	1,70,340
Amount transferred on cancellation of stock options	20	-
Amount transferred from retained earnings	30,000	30,000
	2,30,360	**2,00,340**

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

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(Contd.)

(₹ in lakhs, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017
(ii) Retained earnings		
Balance at beginning of year	70,066	66,400
Profit for the year	66,362	47,696
Dividend on equity shares	(28,133)	(14,030)
Amount transferred to general reserve	(30,000)	(30,000)
	78,295	**70,066**

Retained earnings represents the Company's undistributed earnings after taxes.

In respect of the year ended 31 March 2018, the directors approved payment of interim dividend of ₹3 per share and proposed that a final dividend of ₹3.50 per share be paid on fully paid equity shares. The proposed final equity dividend is subject to approval by the shareholders at the Annual General Meeting and has not been included as a liability in these financial statements. The total estimated equity dividend to be paid with respect to interim dividend is ₹10,557 Lakhs including dividend distribution tax of ₹1,785 Lakhs and with respect to final dividend is ₹12,317 Lakhs including dividend distribution tax of ₹2,084 Lakhs.

In July 2017, a dividend of ₹ 5 per share amounting total dividend of ₹17,576 lakhs including dividend distribution tax of ₹ 2,973 lakhs was paid to holders of fully paid equity shares. In July 2016, a dividend of ₹ 4 per share amounting total dividend ₹ 14,030 lakhs including dividend distribution tax of ₹2,374 lakhs was paid to holders of fully paid equity shares.

(iii) Capital Reserve	**352**	**352**
(iv) Capital Redemption reserve	**986**	**986**

Capital redemption reserve has been created pursuant to the requirements of the Act under which the Company is required to transfer certain amounts on redemption of the preference shares. The Company has redeemed the underlying preference shares in the earlier years. The capital redemption reserve can be utilised for issue of bonus shares.

(v) Securities premium reserve		
Balance at beginning of year	10,771	10,586
Amount transferred on exercise of employee stock option	171	-
Amount received on exercise of employee stock option	1,666	185
	12,608	**10,771**

Securities premium reserve represents the amount received in excess of the face value of the equity shares. The utilisation of the securities premium reserve is governed by the Section 52 of the Act.

(vi) Central subsidy	**11**	**11**
(vii) Share options outstanding account		
Balance at beginning of year	236	67
Amount transferred on exercise/ cancellation of employee stock option	(191)	-
Recognition of share based payment expense	863	169
	908	**236**

Share options outstanding account relates to share options granted by the Company to its employees under its employee share option plan. These will be transferred to retained earnings after the exercise of the underlying options.

Consolidated Notes
(Contd.)

(₹ in lakhs, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017
(viii) Foreign currency translation reserve		
Balance at beginning of year	5,123	5,542
Movement during the year	(60)	(419)
	5,063	**5,123**

Exchange differences relating to the results and net assets of the Group's foreign operation from their functional currencies to the Group's presentation currency i.e. Indian Rupee (₹) are recognised directly and accumulated in the foreign currency translation reserve. These balances are reclassified to profit or loss on the disposal of the foreign operations.

	As at 31 March 2018	As at 31 March 2017
(ix) Reserve for equity instruments through other comprehensive income		
Balance at beginning of year	(1,407)	6,319
Net fair value gain/ (loss) on investments in equity instruments at FVTOCI (net of tax)	(16,947)	(7,726)
	(18,354)	**(1,407)**

This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those assets have been disposed of.

	As at 31 March 2018	As at 31 March 2017
(x) Remeasurement of the net defined benefit plans		
Balance at beginning of year	(318)	(120)
Actuarial gain/(loss) recognised (net of taxes)	(249)	(198)
	(567)	**(318)**

This reserve represents the actuarial gain/(loss) recognised on the defined benefit plan and will not be transferred to retained earnings.

18. Borrowings

	As at 31 March 2018	As at 31 March 2017
Secured- at amortised cost		
Loan repayable on demand from banks	39,796	25,693
Amount payable on securitisation of financial assets	-	864
Short term loans from banks	61,707	70,740
Unsecured- at amortised cost		
Loan repayable on demand from banks	49,941	62,557
Banks	31,400	52,984
Others	90,000	10,000
	2,72,844	**2,22,838**
Long term borrowings	-	-
Short term borrowings	2,72,844	2,22,838
	2,72,844	**2,22,838**

18.1 Summary of borrowing arrangements

i) Secured loan repayable on demand comprises cash credit balances secured by a pari-passu charge on current assets of the Company. Further, certain loans are secured by second charge on moveable fixed assets of the Company.

ii) Secured short-term borrowings comprises commercial papers and working capital demand loan. Commercial paper is secured by a pari-passu charge on current assets of the Company. Working capital demand loan is secured by specific subsidy receivables and letter of comfort from Government of India.

iii) Unsecured loans repayable on demand comprises of buyers credit denominated in foreign currency and unsecured short-term loans comprise of commercial paper, short-term loans and foreign currency loans from banks.

iv) Amount payable on securitisation of financial assets is secured by way of charge over certain trade receivables.

18.2 Breach of loan agreement

There is no breach of loan agreement

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(Contd.)

(₹ in lakhs, unless otherwise stated)

		As at 31 March 2018	As at 31 March 2017
19.	**Other financial liabilities**		
	Financial liabilities mandatorily measured at fair value through profit or loss (FVTPL)		
	Derivatives not designated in hedge accounting relationships		
	Foreign currency forward contracts	382	5,157
	Option contracts	-	2,177
		382	**7,334**
	Financial liabilities carried at amortised cost		
	Guarantee issued	-	109
	Security and trade deposits received (includes non-current portion of ₹128 lakhs (2017: ₹123 lakhs)	11,591	10,417
	Interest accrued but not due on borrowings	252	150
	Interest accrued but not due on others	950	1,232
	Interim dividend payable	8,772	-
	Unclaimed dividends	1,404	1,395
	Unclaimed debentures	705	708
	Payables on purchase of fixed assets	395	218
	Others*	8	9,783
		24,077	**24,012**
		24,459	**31,346**
	Current	24,331	31,223
	Non-current	128	123
		24,459	**31,346**
	*includes amount payable on contractual terms ₹ Nil (2017: ₹ 9,779 lakhs)		
20.	**Provision**		
	Employee benefits*	2,345	2,891
		2,345	**2,891**
	Current	906	1,474
	Non-current	1,439	1,417
		2,345	**2,891**

*The provision for employee benefits represents leave entitlements and gratuity. Refer Note 34(a) for details

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(Contd.)

(₹ in lakhs, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017
21. Income tax		
21.1 Deferred tax liabilities (net)		
Deferred tax liabilities/(assets) in relation to:		
Property, plant and equipment	21,242	21,145
Investments at FVTOCI	(2,406)	(876)
Provision for doubtful debts and advances	(4,295)	(3,614)
Statutory dues allowable on payment basis	(410)	(410)
Employees separation and retirement costs	(942)	(1,011)
Others	(292)	(287)
	12,897	**14,947**
21.2 Unrecognised deductible temporary differences, unused tax losses and unused tax credits		
Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:		
- long-term capital loss	13	74
- short-term capital loss	4	4
- unused tax losses	267	278
	284	**356**

Long-term capital loss is available for set-off till 31 March 2025 (2017: ₹74 lakhs till 31 March 2025), short-term capital loss till 31 March 2020, unused tax losses amounting ₹250 lakhs (2017: ₹250 lakhs) do not have any expiry and balance unused tax losses have an expiry ranging from 2018 till 2025.

	For the year ended 31 March 2018	For the year ended 31 March 2017
21.3 Income tax credit/ (expense) recognised directly in equity		
Tax effect on changes in fair value of other investments	1,204	958
Tax effect on actuarial gains/losses on defined benefit obligations	133	105
	1,337	**1,063**

	As at 31 March 2018	As at 31 March 2017
21.4 Current tax liabilities (net)		
Income tax payable	2,195	1,640
	2,195	**1,640**

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(Contd.)

(₹ in lakhs, unless otherwise stated)

	For the year ended 31 March 2018	For the year ended 31 March 2017
21.5 Reconciliation of tax expense to the accounting profit is as follows:		
Accounting profit before tax	**1,00,879**	**71,230**
Tax expense at statutory tax rate of 34.61%	34,912	24,651
Adjustments:		
Effect of income that is exempt from tax	(107)	(68)
Effect of expenses that are not deductible in determining taxable profit	35	45
Effect of concessions (research and development and other allowances)	(706)	(1,358)
Effect of change in tax rate	148	-
Others	235	264
Tax expense reported in the Statement of Profit and Loss	**34,517**	**23,534**

	As at 31 March 2018	As at 31 March 2017
22. Other liabilities		
Advances from customers	6,776	3,953
Income received in advance	975	1,023
Other liabilities (including statutory remittances)	1,753	3,331
	9,504	**8,307**
Current	8,529	7,284
Non-current	975	1,023
	9,504	**8,307**
23. Trade payables		
Acceptances	2,09,054	2,01,491
Others	1,26,841	91,963
	3,35,895	**2,93,454**

Due to MSME 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. Refer Note 47

24. Revenue from operations

The following is an analysis of the Group's revenue:

	For the year ended 31 March 2018	For the year ended 31 March 2017
Sales	8,26,096	7,67,296
Government subsidies	2,67,314	2,46,802
Other operating revenue	5,604	5,411
Total Revenue from operations	**10,99,014**	**10,19,509**

The Government of India introduced the Goods and Services tax (GST) with effect from 1 July 2017. Accordingly, in compliance with Indian Accounting Standard (Ind AS) 18 – 'Revenue', Revenue from operations for the period beginning 1 July 2017 to 31 March 2018 is presented net of GST. Revenue from operations of earlier periods included Excise duty which now is subsumed in GST.

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(Contd.)

(₹ in lakhs, unless otherwise stated)

	For the year ended 31 March 2018	For the year ended 31 March 2017
Other operating revenues comprise:		
Service income	168	284
DEPB income/ excise benefits	3,178	2,853
Provision for liabilities no longer required, written back	95	164
Insurance claim	329	681
Others	1,834	1,429
	5,604	**5,411**
25. Other income		
Interest income	5,403	4,752
Dividend income from investments carried at FVTPL	239	22
Dividend income from investments carried at FVTOCI	6	3
Guarantee income	109	109
Profit on sale/scrap of fixed assets (net)	-	14
Profit on sale of investment	79	242
Gain on measuring investments at FVTPL (net)	-	25
Others	1	315
	5,837	**5,482**
26. Changes in inventories of finished goods, work-in-process and stock-in-trade		
As at 1 April		
Work-in-process	2,499	2,175
Finished goods	79,693	95,057
Stock-in-trade	28,584	44,104
	1,10,776	**1,41,336**
Less: Credit taken on transition to Goods and Services Tax	3,419	-
Less: As at 31 March		
Work-in-process	1,391	2,499
Finished goods	1,03,439	79,693
Stock-in-trade	20,550	28,584
	1,25,380	**1,10,776**
	(18,023)	**30,560**
27. Employee benefits expense		
Salaries, wages and bonus	28,723	25,762
Share based payments (Refer Note 33.3)	863	169
Contribution to provident and other funds	2,410	2,215
Staff welfare expenses	3,108	2,938
	35,104	**31,084**
28. Finance cost		
Interest expense	16,867	21,845
Other borrowing costs and charges	962	533
	17,829	**22,378**
29. Depreciation and amortisation expense		
Depreciation of property, plant and equipment (refer Note 4)	9,516	9,754
Amortisation of intangible assets (refer Note 5)	243	317
	9,759	**10,071**

Consolidated Notes
(Contd.)

(₹ in lakhs, unless otherwise stated)

		For the year ended 31 March 2018	For the year ended 31 March 2017
30.	**Other expenses**		
	Stores and spares consumed	6,999	7,227
	Power, fuel and water	22,544	20,516
	Rent	8,616	3,923
	Repairs to:		
	Buildings	737	354
	Machinery	2,562	2,286
	Others	1,634	1,948
	Insurance charges	1,294	1,164
	Rates and taxes	1,033	925
	Freight and distribution	97,158	82,778
	Exchange differences (net)	5,661	10,251
	Loss on sale/scrap of property, plant and equipments (net)	445	-
	Provision for doubtful trade and other receivables, loans and advances (net)	1,849	2,248
	Trade and other receivables written off	-	977
	Loss on measuring investments at FVTPL (net)	8	-
	Miscellaneous expenses	30,404	27,030
		1,80,944	**1,61,627**

31. Segment information

31.1 Products and services from which reportable segments derive their revenues

The information reported to the Chief Operating Decision Maker (CODM) for the purpose of resource allocation and assessment of segment performance is based on types of goods and services. Accordingly, the Group's reportable segments under Ind AS 108 are as follows:

1. Nutrient and other allied business
2. Crop protection

The following is an analysis of the Group's revenue and results from operations by reportable segment:

	Segment revenue		Segment profit	
	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2018	For the year ended 31 March 2017
Nutrient and other allied business	9,60,236	8,91,343	1,01,443	73,048
Crop protection	1,50,976	1,40,820	24,066	26,154
	11,11,212	**10,32,163**	**1,25,509**	**99,202**
Less: Inter - segment	(12,198)	(12,654)	(334)	(289)
Total	**10,99,014**	**10,19,509**	**1,25,175**	**98,913**
Other income			5,837	5,482
Unallocable expense			(12,244)	(10,716)
Finance costs			(17,829)	(22,378)
Share in profit/ (loss) of joint venture			(60)	(71)
Profit before tax			**1,00,879**	**71,230**

The accounting policies of the reportable segments are same as the Group's accounting policies. Segment profit represents the profit before interest and tax earned by each segment without allocation of central administrative costs and other income. This is the measure reported to the CODM.

Transfer prices between operating segments are on arm's length basis in a manner similar to transactions with third parties.

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31.2 Segment assets and liabilities

(₹ in lakhs, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017
Segment assets		
Nutrient and other allied business	7,36,232	6,56,580
Crop protection	1,16,801	97,507
Unallocable assets	1,19,692	1,10,413
Total assets	**9,72,725**	**8,64,500**
Segment liabilities		
Nutrient and other allied business	3,22,498	2,94,267
Crop protection	34,895	28,021
Unallocable liabilities	3,02,746	2,53,135
Total liabilities	**6,60,139**	**5,75,423**

For the purposes of monitoring segment performance and allocating resources between segments:

1. All assets are allocated to reportable segments other than inter-corporate deposits, investments, cash and cash equivalents and derivative contracts.
2. All liabilities are allocated to reportable segments other than borrowings, defined benefit obligation and long-term employee benefits, derivative contracts, current and deferred tax liabilities.

31.3 Other segment information

	Depreciation and amortisation		Additions to non- current assets	
	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2018	For the year ended 31 March 2017
Nutrient and other allied business	7,386	7,502	8,510	3,728
Crop protection	2,373	2,569	3,782	5,519

31.4 Revenue from major products

The following is an analysis of the Group's revenue from operations from its major products:

	For the year ended 31 March 2018	For the year ended 31 March 2017
Phosphatic Fertilisers	5,01,043	4,58,636
Urea	50,584	50,583
Muriate of Potash	18,699	18,827
Single Super Phosphate	28,983	27,136
Others	93,613	89,359
	6,92,922	**6,44,541**
Government subsidies	2,67,314	2,46,802
Nutrient and other allied business	**9,60,236**	**8,91,343**
Crop protection	1,50,976	1,40,820
Total	**11,11,212**	**10,32,163**
Less: Inter - segment	(12,198)	(12,654)
Revenue from operations	**10,99,014**	**10,19,509**

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(₹ in lakhs, unless otherwise stated)

32. Financial instruments

32.1 Capital management

The Group's capital management objective is to maximise the total shareholder return by optimising cost of capital through flexible capital structure that supports growth. Further, the Group ensures optimal credit risk profile to maintain/enhance credit rating.

The Group determines the amount of capital required on the basis of annual operating plan and long-term strategic plans. The funding requirements are met through internal accruals and long-term/short-term borrowings. The Group monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Group.

For the purpose of capital management, capital includes issued equity capital, securities premium and all other reserves. Net debt includes all long and short-term borrowings as reduced by cash and cash equivalents and inter-corporate deposits with financial institutions.

The following table summarises the capital of the Group:

	As at 31 March 2018	As at 31 March 2017
Equity	**3,12,586**	**2,89,077**
Short-term borrowings and current portion of long-term debt	2,72,844	2,22,838
Inter-corporate deposits with financial institutions	(40,777)	(52,225)
Cash and cash equivalents	(44,190)	(14,671)
Net debt	**1,87,877**	**1,55,942**
Total capital (equity + net debt)	**5,00,463**	**4,45,019**
Net debt to capital ratio	0.38	0.35
Interest coverage ratio	6.66	4.18

32.2 Categories of financial instruments

Financial assets		
Measured at fair value through profit or loss (FVTPL)*		
(a) Mandatorily measured:		
(i) Derivative instruments not designated in hedge accounting relationship	1,047	1,361
(ii) Equity investments	27	25
(iii) Other investments	361	414
Measured at amortised cost		
(a) Cash and bank balances	55,080	16,783
(b) Other financial assets at amortised cost	4,56,918	4,72,522
Measured at FVTOCI*		
(a) Investments in equity instruments designated upon initial recognition	18,518	36,725
(b) Investments in other instruments designated upon initial recognition	1,609	-
Measured at cost		
(a) Investments in equity instruments in subsidiaries, joint ventures and associate	1,624	1,684
Financial liabilities		
Measured at fair value through profit or loss (FVTPL)*		
(a) Derivative instruments not designated in hedge accounting relationship	382	7,334
Measured at amortised cost	6,32,816	5,40,195
Financial guarantee contract	-	109

*Refer note 32.9 for fair valuation methods and assumptions

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(₹ in lakhs, unless otherwise stated)

32.3 Financial risk management objectives

The Group has adequate internal processes to assess, monitor and manage financial risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group seeks to minimise the effects of these risks by using financial instruments such as foreign currency forward contracts, option contracts, interest and currency swaps to hedge risk exposures and appropriate risk management policies as detailed below. The use of these financial instruments is governed by the Group's policies, which outlines principles on foreign exchange risk, interest rate risk, credit risk and deployment of surplus funds.

Item	Primarily affected by	Risk management policies	Refer
Market risk - currency risk	USD balances and exposure towards trade payables, buyer's credit, exports, short-term and long-term borrowings	Mitigating foreign currency risk using foreign currency forward contracts, option contracts and currency swaps	Note 32.4.1
Market risk - interest rate risk	Change in market interest rates	Maintaining a combination of fixed and floating rate debt; interest rate swaps for long-term borrowings; cash management policies	Note 32.4.2
Market risk - other price risk	Decline in value of equity instruments	Monitoring forecasts of cash flows; diversification of portfolio	Note 32.4.3
Credit risk	Ability of customers or counterparties to financial instruments to meet contractual obligations	Credit approval and monitoring practices; counterparty credit policies and limits; arrangements with financial institutions	Note 32.5
Liquidity risk	Fluctuations in cash flows	Preparing and monitoring forecasts of cash flows; cash management policies; multiple-year credit and banking facilities	Note 32.6

32.4 Market risk

The Group's financial instruments are exposed to market rate changes. The Company is exposed to the following significant market risks:

- Foreign currency risk
- Interest rate risk
- Other price risk

Market risk exposures are measured using sensitivity analysis. There has been no change to the group's exposure to market risks or the manner in which these risks are being managed and measured.

32.4.1 Foreign currency risk management

The Group is exposed to foreign exchange risk on account of following:

1. Nutrient and other allied business has foreign exchange exposure for its imports of raw materials, intermediates and traded goods.
2. Crop Protection segment has foreign exchange exposure on both exports of finished goods and imports of raw materials, intermediates and traded goods.
3. Foreign currency borrowings in the form of external commercial borrowings, buyers credit, Foreign Currency Non-Repatriable (B) loans (FCNRB), packing credit etc. availed for meeting its funding requirements.

The Group has a forex policy in place whose objective is to mitigate foreign exchange risk by deploying the appropriate hedging strategies through combination of various hedging instruments such as foreign currency forward contracts, options contracts and has a dedicated forex desk to monitor the currency movement and respond swiftly to market situations. The Group follows netting principle for managing the foreign exchange exposure for each operating segment.

There are no long-term borrowings outstanding as on 31 March 2018 and 31 March 2017.

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(₹ in lakhs, unless otherwise stated)

a. **The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities based on gross exposure at the end of the reporting period is as under:**

Currency	Liabilities		Assets	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
USD (millions)	448.27	454.81	41.08	33.19
INR (₹ in lakhs)	2,92,182	2,94,964	26,769	21,520
EURO (millions)	0.05	0.03	0.09	0.08
INR (₹ in lakhs)	43	23	70	56

The foreign currency risk on above exposure is mitigated by derivative contracts. The outstanding contracts as at the Balance Sheet date are as follows:

b. **Foreign currency forward and option contracts outstanding as at the Balance Sheet date:**

	As at 31 March 2018		As at 31 March 2017	
	Buy	Sell	Buy	Sell
Forward contracts				
USD (millions)	276.82	77.75	241.78	40.05
INR (₹ in lakhs)	1,80,428	50,668	1,56,803	25,971
Number of contracts	68	33	76	27
Option contracts				
USD (millions)	66.30	-	93.50	-
INR (₹ in lakhs)	43,214	-	60,639	-
Number of contracts	10	-	16	-

The forward and option contracts have been entered into to hedge the foreign currency risk on purchase of raw materials, stock-in-trade and the related buyer's credit and in certain cases the foreign currency term loan and trade receivables.

c. **Net open exposures outstanding as at the Balance Sheet date:**

	Liabilities		Assets	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
USD (millions)	105.15	119.53	-	-
INR (₹ in lakhs)	68,540	77,522	-	-
EURO (millions)	0.05	0.03	0.09	0.08
INR (₹ in lakhs)	43	23	70	56

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(₹ in lakhs, unless otherwise stated)

d. Foreign currency sensitivity analysis

The Group is mainly exposed to fluctuations in US Dollar. The following table details the Group's sensitivity to a ₹1 increase and decrease against the US Dollar. ₹1 is the sensitivity used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only net outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a ₹1 change in foreign currency rates. A positive number below indicates an increase in profit or equity where the Rupee strengthens by ₹1 against the US Dollar. For a ₹1 weakening against the US Dollar, there would be a comparable impact on the profit or equity.

Currency USD impact on:	2017-18	2016-17
Impact of ₹1 strengthening against US Dollar on profit or loss for the year	879	794
Impact of ₹1 weakening against US Dollar on profit or loss for the year	(999)	(807)
Impact of ₹1 strengthening against US Dollar on Equity as at the end of the reporting period	879	794
Impact of ₹1 weakening against US Dollar on Equity as at the end of the reporting period	(999)	(807)

32.4.2 Interest rate risk management

The Group issues commercial papers, draws working capital demand loans, avails cash credit, foreign currency borrowings including buyers credit, Foreign Currency Non-Repatriable (B) loans (FCNRB), Packing Credit etc. for meeting its funding requirements.

Interest rates on these borrowings are exposed to change in respective benchmark rates. The Group manages the interest rate risk by maintaining appropriate mix/portfolio of the borrowings.

a. Interest rate sensitivity analysis

The sensitivity analysis below has been determined for borrowings assuming the amount of borrowings outstanding at the end of the reporting period was outstanding for the whole year. A 10 basis points increase or decrease in case of foreign currency borrowings and 50 basis points increase or decrease in case of rupee borrowings is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rate had been 10 basis points higher/ lower in case of foreign currency borrowings and 50 basis points higher/ lower in case of rupee borrowings and all other variables were held constant, the Group's profit for the year ended 31 March 2018 would decrease/ increase by ₹761 lakhs (2017: ₹545 lakhs)

32.4.3 Other price risks

The Group is exposed to equity price risks arising from equity investments. Certain of the Group's equity investments are held for strategic rather than trading purposes. The Group also holds certain other equity investments for trading purposes.

a. Equity price sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 5% higher/lower other comprehensive income/ equity for the year ended 31 March 2018 would increase/ decrease by ₹605 Lakhs (2017: ₹1,201 Lakhs) as a result of the changes in fair value of equity investments measured at FVTOCI. The impact of change in equity price on profit or loss is not significant

32.5 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to the customer credit risk management. The Group uses financial information and past experience to evaluate credit quality of

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(₹ in lakhs, unless otherwise stated)

majority of its customers and individual credit limits are defined in accordance with this assessment. Outstanding receivables and the credit worthiness of its counterparties are periodically monitored and taken up on case to case basis. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions representing large number of minor receivables operating in independent markets.

The credit risk on cash and bank balances, derivative financial instruments is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

32.6 Liquidity risk management

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. Note 32.8 sets out details of additional undrawn facilities that the Company has at its disposal to reduce liquidity risk.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31 March 2018:

	Carrying amount	upto 1 year	1-3 year	More than 3 year	Total contracted cash flows
Accounts payable and acceptances	3,35,895	3,37,417	-	-	3,37,417
Borrowings and interest thereon*	2,73,096	2,73,413	-	-	2,73,413
Other financial liabilities**	23,825	23,692	-	1,500	25,192
Foreign currency forward and option contracts	382	382	-	-	382
Total	**6,33,198**	**6,34,904**	**-**	**1,500**	**6,36,404**

The table below provides details of financial assets as at 31 March 2018:

	Carrying amount
Trade receivables	1,52,343
Government subsidies receivable	2,62,686
Loans	40,777
Other financial assets	1,112
Total	**4,56,918**

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31 March 2017:

	Carrying amount	upto 1 year	1-3 year	More than 3 year	Total contracted cash flows
Accounts payable and acceptances	2,93,454	2,94,187	-	-	2,94,187
Borrowings and interest thereon*	2,22,988	2,24,476	-	-	2,24,476
Other financial liabilities**	23,753	23,633	-	1,500	25,133
Foreign currency forward and option contracts	7,334	7,334	-	-	7,334
Total	**5,47,529**	**5,49,630**	**-**	**1,500**	**5,51,130**

The table below provides details of financial assets as at 31 March 2017:

	Carrying amount
Trade receivables	1,62,167
Government subsidies receivable	2,55,703
Loans	52,225
Other financial assets	2,427
Total	**4,72,522**

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*Included in Borrowing and interest theron are certain borrowings which are subject to variable interest rates. Amount included in the above maturity analysis assumes interest outflows based on the year end benchmark interest rates, the actual interest rates may differ based on the changes in the benchmark interest rates.

**Other financial liabilities include deposits received from customers amounting to ₹ 11,462 Lakhs (2017 : ₹ 10,293 Lakhs). These deposits do not have a contractual re-payment term but are repayable on demand. Since, the group does not have an unconditional right to defer the payment, these deposits have been classified as current balances. For including these amounts in the above mentioned maturity analysis, the group has assumed that these deposits, including interest thereon, will be repayable at the end of the reporting period. The actual maturity period for the deposit amount and the interest thereon can differ based on the date on which these deposits are settled to the customers.

32.7 Financial guarantee contract

The Company has provided a sponsor guarantee for USD 41.1 million (proportionate to the shareholding of 15%) towards the borrowings of Tunisian Indian Fertilisers S.A. (TIFERT), a company based in Tunisia, manufacturing phosphoric acid. In March 2017, TIFERT has requested reschedulement of installment due to the lenders and delayed the payment. The same was not agreed to by the Lenders and the acceleration notice was served on TIFERT by lenders on 28 March 2017. The loan installment was immediately paid on 30 March 2017 by TIFERT however, on 4 April 2017 the lenders followed up with call notice on shareholders towards guaranteed amount (Coromandel's share USD 35.25 million outstanding as on 31 March 2017). The Company alongwith other shareholders of TIFERT are in discussion with the Lenders to resolve the matter with regard to liquidity situation and operational improvements of TIFERT and also to find a solution for meeting the future debt obligations of TIFERT.

Based on communication exchanged with Lenders and operational improvement initiatives taken by TIFERT, the Company reasonably considers that TIFERT would be in a position to meet the debt obligations and it is unlikely that such an event of payment under guarantee amount will arise. TIFERT has paid the subsequent half-yearly instalments that were due in September 2017 and March 2018 as per the payment schedule. The sponsor guarantee was valid upto 31 March 2018. The Company's obligation under this financial guarantee if that amount is claimed by the counterparty to the guarantee is subject to a maximum of ₹ 17,777 Lakhs (31 March 2017: ₹ 22,861 Lakhs). Carrying amount of the financial guarantee contract in the books is as under:

(₹ in lakhs, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017
Financial guarantee contract	-	109

32.8 Financing facilities

The Company has access to financing facilities of which ₹1,23,626 Lakhs (2017: ₹ 1,79,972 Lakhs) were unused at the end of the reporting period. The Group expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

32.9 Fair value measurements

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation techniques and inputs used):

Financial assets/financial liabilities	Fair Value as at*		Fair value hierarchy	Valuation techniques & key inputs used
1) Foreign currency forward contracts	287	(3,796)	Level 2	Refer Note 3(a)
2) Option contracts	378	(2,177)	Level 2	Refer Note 3(b)
3) Investments in quoted equity instruments at FVTPL	27	25	Level 1	Refer Note 2
4) Investments in unquoted venture capital fund at FVTPL	361	414	Level 3	Refer Note 4(a)
5) Investments in quoted equity investments at FVTOCI	1,190	971	Level 1	Refer Note 2
6) Investments in unquoted equity instruments at FVTOCI	15,062	34,575	Level 3	Refer Note 4(b)
	2,266	1,179	Level 3	Refer Note 4(c)

* positive value denotes financial asset (net) and negative value denotes financial liability (net)

Notes:

1. There were no transfers between Level 1 and 2 in the period.
2. The Level 1 financial instruments are measured using quotes in active market.

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(₹ in lakhs, unless otherwise stated)

3. The following table shows the valuation technique and key input used for Level 2:

Financial Instrument	Valuation Technique	Key Inputs used
(a) Foreign currency forward contracts	Discounted Cash Flow	Forward exchange rates, contract forward and interest rates, observable yield curves.
(b) Option contract not designated in hedge accounting relationships	Black Scholes model	The significant valuation inputs considered are the option exercise price, currency spot rates, tenure, risk-free interest rates and the anticipated volatility in the underlying currency.

4. The following table shows the valuation technique and key input used for Level 3:

Financial Instrument	Valuation Technique	Key Inputs used	Sensitivity
(a) Investments in unquoted venture capital fund at FVTPL	Net Asset Value (NAV) method	The Company uses net asset value (NAV) as reported by the venture capital fund for its valuation purpose.	A 10% increase/ decrease in the value of unquoted investments of the fund would increase/ decrease the carrying amount of investment by ₹ 21 Lakhs (2017: ₹ 24 Lakhs).
(b) Investments in unquoted equity instruments at FVTOCI	Discounted Cash Flow Method	Long-term growth rates, taking into account management's experience and knowledge of market conditions of the specific industries, ranging from 0 to 2% (2017: 2%)	If the long-term growth rates used were 100 basis points higher/lower while all the other variables were held constant, the carrying amount would increase/decrease by ₹ 4,758 lakhs (2017: ₹4,747 lakhs)
		Weighted average cost of capital (WACC) as determined ranging from 12% to 15% (2017: 12% to 15%)	A 100 basis points increase/ decrease in the WACC or discount rate used while holding all other variables constant would decrease/ increase the carrying amount by ₹ 5,508 lakhs (2017: ₹ 5,167 lakhs)
(c) Investments in unquoted equity instruments at FVTOCI	Market Multiple Approach	Discount for lack of marketability, determined by reference to the share price of listed entities in similar industries, ranging from 30% to 50% (2017: 30% to 50%)	A 10% increase/ decrease in the discount for lack of marketability used in isolation would decrease/ increase the carrying amount by ₹36 lakhs (2017: ₹ 58 lakhs)

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

	Fair value hierarchy	As at 31 March 2018		As at 31 March 2017	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial assets					
Financial assets at amortised cost:					
- Trade receivables	Level 2	1,52,343	1,52,343	1,62,167	1,62,167
- Government subsidies receivable	Level 2	2,62,686	2,62,686	2,55,703	2,55,703
- Cash and cash equivalents	Level 2	44,190	44,190	14,671	14,671
- Bank balances other than cash and cash equivalents	Level 2	10,890	10,890	2,112	2,112
- Loans	Level 2	40,777	40,777	52,225	52,225
- Other financial assets	Level 2	1,112	1,112	2,427	2,427

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(₹ in lakhs, unless otherwise stated)

	Fair value hierarchy	As at 31 March 2018		As at 31 March 2017	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities					
Financial liabilities at amortised cost:					
- Borrowings	Level 2	2,72,844	2,72,844	2,22,838	2,22,838
- Trade payables	Level 2	3,35,895	3,35,895	2,93,454	2,93,454
- Other financial liabilities	Level 2	24,077	24,096	24,012	24,048

1. In case of trade receivables, government subsidies receivables, cash and cash equivalents, trade payables, borrowings and other financial assets and liabilities it is assessed that the fair values approximate their carrying amounts largely due to the short-term maturities of these instruments.
2. The fair values of the financial assets and financial liabilities included above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

Reconciliation of Level 3 fair value measurements for the year ended 31 March 2018:

	Investments in unquoted venture capital fund at FVTPL	Investments in unquoted equity instruments at FVTOCI	Total
Opening balance	414	35,754	36,168
Total gains or losses:			
- in profit or loss	71	-	71
- in other comprehensive income	-	(18,370)	(18,370)
Exchange differences		(56)	(56)
Purchases	16	-	16
Sold	(140)	-	(140)
Closing balance	**361**	**17,328**	**17,689**

Reconciliation of Level 3 fair value measurements for the year ended 31 March 2017:

	Investments in unquoted venture capital fund at FVTPL	Investments in unquoted equity instruments at FVTOCI	Total
Opening balance	471	44,327	44,798
Total gains or losses:			
- in profit or loss	23	-	23
- in other comprehensive income	-	(8,238)	(8,238)
Exchange differences		(335)	(335)
Purchases	-	-	-
Sold	(80)	-	(80)
Closing balance	**414**	**35,754**	**36,168**

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33 Share based payments

Particulars	Employee Stock Option Scheme 2007 ('ESOP 2007 Scheme')	Employee Stock Option Scheme 2016 ('ESOP 2016 Scheme'):
Approval of shareholders	24 July, 2007	11 January, 2017
Administration	Remuneration and Nomination Committee of the Board of Directors	
Eligibility	The committee determines which eligible employees will receive options	
Number of equity shares reserved under the scheme	1,27,85,976	1,45,81,000
Number of equity shares per option	1	1
Vesting period	1-5 years	1-4 years
Exercise period	Within 6* years from date of vesting	Within 5 years from date of vesting
Exercise Price Determination	Latest available closing market price of the shares on the stock exchange where there is highest trading volume prior to the date of the Remuneration and Nomination Committee approving the grant.	

*In partial modification of the special resolution passed for establishing ESOP 2007, the shareholders in their meeting held on 23 July 2012 decided to approve the extension of the exercise period of options granted under the ESOP 2007 from three years to six years.

33.1 Employee Stock Option Scheme 2007 ('ESOP 2007 Scheme'):

a) Pursuant to the ESOP 2007 Scheme, the Company granted options which vest over a period of four years commencing from the respective dates of grant. Following are the number of options outstanding during the year:

	For the year ended 31 March 2018		For the year ended 31 March 2017	
	No. of Options	Weighted average exercise price (₹)	No. of Options	Weighted average exercise price (₹)
At the beginning of the year	6,61,182	224.81	10,85,924	175.64
Granted	-	-	-	-
Exercised	6,09,082	219.45	3,48,662	54.07
Cancelled	-	-	76,080	305.46
Lapsed	-	-	-	-
At the end of the year	52,100	287.5	6,61,182	224.81

b) The above outstanding options have been granted in various tranches and have a weighted average remaining life of 0.02 years (2017: 0.05 years). The exercise price of the outstanding options range from ₹ 44.58 to ₹ 334.35 (2017: ₹ 44.58 to ₹ 334.35). The weighted average share price during the year is ₹ 460 (2017: ₹ 263).

c) Number of options exercisable at the end of the year 52,100 (2017: 6,61,182).

d) The fair values of the option with modified terms were determined using a Black Scholes' model. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions, and behavioural considerations. Expected volatility is based on the historical share price volatility over the past 3-4 years.

Following assumptions were used for calculation of fair value of grants:

	For the year ended 31 March 2018	For the year ended 31 March 2017
Dividend yield (%)	700	700
Expected volatility (%)	0.39-0.47	0.39-0.47
Risk free interest rate (%)	8	8
Expected term (in years)	4-6	4-6

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33.2 Employee Stock Option Scheme 2016 ('ESOP 2016 Scheme'):

a) Pursuant to the ESOP 2016 Scheme, the Company granted options which vest over a period of four years commencing from the respective dates of grant. Following are the number of options outstanding during the year:

	For the year ended 31 March 2018		For the year ended 31 March 2017	
	No. of Options	Weighted average exercise price (₹)	No. of Options	Weighted average exercise price (₹)
At the beginning of the year	21,74,500	319.65	-	-
Granted	1,48,900	529.40	21,74,500	319.65
Exercised	1,05,200	319.65	-	-
Cancelled	89,800	319.65	-	-
Lapsed	-	-	-	-
At the end of the year	21,28,400	334.32	21,74,500	319.65

* the weighted average fair value of options granted during the year is ₹ 207.85 (2017: ₹ 118.53)

b) The above outstanding options have been granted in various tranches and have a weighted average remaining life of 4.09 years (2017: 5.10 years). The exercise price of the outstanding options range from ₹ 319.65 to ₹ 529.40 (2017: ₹ 319.65). The weighted average share price during the year is ₹ 460 (2017: ₹ 263).

c) Number of options exercisable at the end of the year 3,11,740 (2017: Nil).

d) The fair values of the option were determined using a Black Scholes' model. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions, and behavioural considerations. Expected volatility is based on the historical share price volatility over the past 5-6 years.

Following assumptions were used for calculation of fair value of grants:

	For the year ended 31 March 2018	For the year ended 31 March 2017
Dividend yield (%)	400-500	400
Expected volatility (%)	0.32-0.34	0.32
Risk free interest rate (%)	7.0 – 7.6	7.0
Expected term (in years)	5-6	5-6

33.3 Share based payments

The Company recorded employee share based payments of ₹ 863 lakhs (2017: ₹ 169 lakhs) under 'Employee benefits expense'.

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34 Employee benefits plan

a) Defined benefit plans

(₹ in lakhs)

	Gratuity plan	
	2017-2018	**2016-17**
Change in Defined Benefit Obligation (DBO) during the year		
Present value of DBO at the beginning of the year	4,613	4,131
Current service cost	438	404
Interest cost	310	308
Actuarial (gain)/ loss arising from changes in financial assumptions	(145)	180
Actuarial loss arising from changes in experience adjustments	462	143
Benefits paid	(684)	(553)
Present value of DBO at the end of the year	**4,994**	**4,613**
Change in fair value of plant assets during the year		
Fair value of plan assets at the beginning of the year	4,309	3,583
Interest income	342	316
Employer contributions	1,213	944
Benefits paid	(684)	(553)
Remeasurements – return on plan assets (excluding interest income)	(65)	20
Present value of DBO at the end of the year	**5,115**	**4,309**
Amounts recognised in the Balance Sheet		
Present value of DBO at the end of the year	4,994	4,613
Fair value of plan assets at the end of the year	5,115	4,309
Funded status of the plans – (asset)/ liability	**(121)**	**304**
(Asset)/ liability recognised in the Balance Sheet	**(121)**	**304**
Components of employer expense		
Current service cost	438	404
Interest income on net defined benefit obligation	(32)	(7)
Expense recognised in Statement of Profit and Loss	**406**	**397**
Remeasurement on the net defined benefit obligation		
Return on plan assets (excluding interest income)	65	(20)
Actuarial loss arising from changes in financial assumptions	(145)	180
Actuarial loss arising from changes in experience adjustments	462	143
Remeasurements recognised in other comprehensive income	**382**	**303**
Total defined benefit cost recognised	**788**	**700**
Nature and extent of investment details of the plan assets#		
State and Central Securities	-	-
Bonds	-	-
Special deposits	-	-
Insurer managed funds	100%	100%

includes details of trusts other than those covered under a Scheme of Life Insurance Corporation of India

Consolidated Notes
(Contd.)

(₹ in lakhs)

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Employee who has completed five years of service is entitled to specific benefit depending on the employee's length of service and salary at retirement or relieving age. The fund has the form of trust and it is governed by the Board of Trustees which consists of employer and employee representatives. The Board of Trustees is responsible for the administration of plan assets.

The Board of Trustees reviews the level of funding and asset-liability matching strategy in the gratuity plan to keep the scheme adequately funded for settlement of obligations under the plan.

Gratuity for employees is covered under a scheme of Life Insurance Corporation of India (LIC) which is basically a year-on-year cash accumulation plan. As part of the scheme the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance company, as part of the policy rules, makes payment of all gratuity settlements during the year subject to sufficiency of funds under the policy.

	Gratuity plan	
	31 March 2018	**31 March 2017**
Assumptions		
Discount rate	7.82%	7.25%
Estimated rate of return on plan assets	7.25%	8.00%
Expected rate of salary increase	5-7%	5-7%
Attrition rate	5.00%	5.00%
Sensitivity analysis – DBO at the end of the year (₹ in lakhs)		
Discount rate + 100 basis points	4,738	4,372
Discount rate - 100 basis points	5,279	4,885
Salary increase rate +1%	5,247	4,856
Salary increase rate -1%	4,761	4,393
Attrition rate +1%	5,017	4,629
Attrition rate -1%	4,965	4,596
Weighted average duration of DBO	11 years	11 years
Expected cash flows (₹ in lakhs)	780	850
1. Expected employer contribution in the next year		
2. Expected benefit payments		
Year 1	742	758
Year 2	664	552
Year 3	598	568
Year 4	512	511
Year 5	456	434
Beyond 5 years	1,337	1,316

b) Defined contribution plans

In respect of the defined contribution plans, an amount of ₹1,939 lakhs (2017: ₹1,740 lakhs) has been recognised as an expense in the Consolidated Statement of Profit and Loss during the year.

Consolidated Notes
(Contd.)

35 Earnings per share

(₹ in lakhs)

		For the year ended 31 March 2018	For the year ended 31 March 2017
i) Profit after tax (₹ in lakhs)	[a]	66,362	47,696
Basic			
ii) Weighted average number of equity shares of ₹1/- each outstanding during the year	[b]	29,21,00,265	29,15,25,662
Dilution			
iii) Effect of potential equity shares on employees stock options outstanding		9,60,261	2,83,320
iv) Weighted average number of equity shares of ₹1/- each outstanding during the year[c]	[c]	29,30,60,526	29,18,08,982
Earnings Per Share (face value of ₹ 1/- each)			
v) Basic – [a]/[b] – (₹)		22.72	16.36
vi) Diluted – [a]/[c] – (₹)		22.64	16.34

36 Contingent liabilities (to the extent not provided for)

a) Claims against the Company not acknowledged as debt:

	As at 31 March 2018	As at 31 March 2017
In respect of matters under dispute:		
Excise duty	602	628
Customs duty	386	397
Sales tax	1,522	1,543
Income tax	1,795	2,084
Service tax	245	214
Goods and Services Tax	32	-
Others	1,943	1,956

The amounts disclosed above represent our best estimate and the uncertainties are dependent on the outcome of the legal processes initiated by the Company or the claimant as the case may be.

b) The Company has received a Product Liability claim from a customer in respect of contamination in the product exported during the year. The amount of claim is not mentioned in the claim document. Discussions have been initiated with the customer to determine the amount and consequently no provision towards the said claim has been made as at Balance Sheet date. The Company carries product liability insurance and has intimated the insurance company of receipt of such claim.

37 Commitments

a) Capital commitments

	As at 31 March 2018	As at 31 March 2017
Capital expenditure commitments	5,834	2,797
Commitment towards investments	338	332

Also refer Note 42 on acquisition of the Bio Pesticides Business and Parry America Inc., USA

b) Other commitments

(i) Maximum obligation on long term lease of land - ₹2,742 lakhs (2017: ₹1,343 lakhs).

Consolidated Notes
(Contd.)

(₹ in lakhs)

38 Leases

The Group has entered into certain operating lease agreements and an amount of ₹8,314 lakhs (2017: ₹3,702 lakhs) paid under such agreements has been charged to the Consolidated Statement of Profit and Loss. These leases are generally not non-cancellable and are renewable by mutual consent on mutually agreed terms. There are no restrictions imposed by such agreements.

39 Corporate social responsibility

Expenses incurred on Corporate Social Responsibility (CSR) programs under Section 135 of the 2013 Act are charged to the Consolidated Statement of Profit and Loss under 'Other expenses' (Note 30) ₹1,396 lakhs (2017: ₹1,063 lakhs) and under 'Employee benefits expense' (Note 27) ₹43 lakhs (2017: ₹33 lakhs).

40 Research and development expenses incurred on the following heads have been accounted under the natural heads:

	For the year ended 31 March 2018	For the year ended 31 March 2017
Salaries, wages and bonus	548	521
Contribution to provident and other funds	55	45
Consumption of stores and spare parts	39	11
Power and fuel	30	13
Repairs to machinery	102	44
Miscellaneous expenses	155	95
	929	**730**

41 Related party disclosures

(A) Names of the related parties and their relationship:

Names	Nature of relationship
E.I.D Parry (India) Limited	Parent company
Sabero Organics Philippines Asia Inc.	Associate
Parry Infrastructure Company Private Limited (PICPL)	Fellow subsidiary
Parry Sugar Industries Limited (PSIL)	Fellow subsidiary (Upto 25 April 2017)
Coromandel Getax Phosphates Pte Ltd. (CGPL)	Joint venture (Upto 8 September 2016)
Coromandel SQM (India) Pvt Limited (CSQM)	Joint venture
Yanmar Coromandel Agrisolutions Private Limited (YCAS)	Joint venture
Parry Enterprises (India) Limited (PEIL)	Associate of parent company
Coromandel Provident Fund	Employee benefit plan
Coromandel Provident Fund No. 1	Employee benefit plan
CFL Gratuity Fund	Employee benefit plan
Coromandel Gratuity Fund – I	Employee benefit plan
Coromandel Gratuity Fund – II	Employee benefit plan
Coromandel Management Staff Pension Fund	Employee benefit plan
Coromandel Superannuation Fund	Employee benefit plan
Coromandel Benevolent Fund	Employee benefit plan
Mr. Sameer Goel	Key management personnel
Mr. S Suresh	Key management personnel of Parent company
Mr. V Ramesh	Key management personnel of Parent company

Consolidated Notes
(Contd.)

(B) Transactions during the year: (₹ in lakhs)

	For the year ended 31 March 2018	For the year ended 31 March 2017
i) Sale of finished goods/raw materials/services		
a) Joint venture - CSQM	191	325
ii) Rent received		
a) Fellow subsidiary – PICPL	95	95
b) Joint venture – CSQM	16	16
c) Associate – PEIL	7	6
iii) Expenses reimbursed by		
a) Parent company	-	1
b) Joint venture – CSQM	4	3
c) Joint venture – YCAS	-	*
d) Associate – PEIL	1	2
iv) Purchase of finished goods and services		
a) Parent company	1,868	1,527
b) Joint venture – CSQM	3,078	2,911
c) Associate – PEIL	1,467	644
d) Joint venture - YCAS	*	-
v) Commission on sales		
a) Associate – Sabero Philippines	10	12
vi) Expenses reimbursed to		
a) Parent company	407	311
b) Joint venture - YCAS	-	-
vii) Investment made in equity shares of		
a) Joint venture – YCAS	-	400
viii) Purchase of assets and spares		
a) Joint venture – YCAS	257	124
ix) Dividend paid (including interim dividend payable)		
a) Parent company	14,172	7,086
x) Rent paid		
a) Parent company	6	6
b) Joint venture – YCAS	2	2
xi) Deposit paid and received back		
a) Parent Company	1	2
b) Joint venture – CSQM	-	1

* less than a lakh

Also refer Note 42

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No expense has been recognised in the current or prior years for bad or doubtful debts in respect of the amounts owed by related parties.

Consolidated Notes
(Contd.)

(₹ in lakhs)

(C) Transactions with key management personnel

a) Dividends paid to directors during the year ended 31 March 2018 ₹23 lakhs (2017: ₹16 lakhs).

b) Compensation of key management personnel:

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

	For the year ended 31 March 2018	For the year ended 31 March 2017
Short-term employee benefits	406	371
Others*	265	264
Total compensation	**671**	**635**

*excludes Goods and Services Tax/ service tax

c) During the year, the Company has granted Nil (2017: 6,56,900) employee stock options under the ESOP 2016 scheme to Mr. Sameer Goel.

(D) Refer Note 34 for transactions with Employee benefit funds**.**

(E) Outstanding balances as at the year end

	As at 31 March 2018	As at 31 March 2017
a) Trade receivables/Loans and advances		
- Parent company	91	297
- Fellow subsidiary – PSIL	-	91
- Fellow subsidiary – PICPL	22	98
- Associate – Sabero Philippines	6	5
b) Trade payables/ Other liabilities		
- Parent company	5,315	-
- Joint venture – CSQM	636	1,522
- Fellow subsidiary – PICPL	1,106	1,859
- Joint venture - YCAS	53	1
- Associate - PEIL	35	56

*less than a lakh

42 The Board of Directors at their meeting held on 22 December 2017 has approved acquisition of the Bio Pesticides Business of E.I.D Parry (India) Limited on a going concern basis by way of a slump sale for a lump sum consideration of ₹30,261 lakhs subject to adjustment for working capital as on the Closing Date and acquisition of shares held by E.I.D Parry (India) Limited in Parry America Inc., USA for a consideration of ₹3,540 lakhs with effect from 1 April 2018 or such other date as may be agreed to by the Board ('Closing Date'). The shareholders have approved these transactions through postal ballot/e-voting and agreements have been signed to give effect to the same.

Consolidated Notes
(Contd.)

43 Financial information in respect of joint ventures and associates that are not individually material:

a. **Joint ventures**:

(₹ in Lakhs)

	For the Year ended 31 March 2018	For the Year ended 31 March 2017
Group's share of profit/ (loss)	(60)	(71)
Group's share of other comprehensive income	*	*
Group's share of total comprehensive income	(60)	(71)

	As at 31 March 2018	As at 31 March 2017
Aggregate carrying amount of the Group's interests in these joint ventures	1,620	1,680

b. **Associates**:

	For the Year ended 31 March 2018	For the Year ended 31 March 2017
Group's share of profit/ (loss)	*	*
Group's share of other comprehensive income	*	*
Group's share of total comprehensive income	*	*

	As at 31 March 2018	As at 31 March 2017
Aggregate carrying amount of the Group's interests in these joint ventures	*	*

*less than a lakh

44 Payments to Auditors of the Company

	For the Year ended 31 March 2018	For the Year ended 31 March 2017
Audit fees	65	55
Tax audit fees	15	12
Limited reviews	33	24
Certifications	70	70
Other services	-	10
Reimbursement of expenses	2	3
Total	**185**	**174**

Note: Amounts given above excludes Goods and Services Tax/ service tax

45 During the year, the Group has made political donation of ₹ Nil (2017: ₹ 100 lakhs to Triumph Electoral Trust).

Consolidated Notes
(Contd.)

46 Additional disclosures related to consolidated financial statements:

a. List of subsidiaries and joint ventures considered for consolidation:

(₹ in lakhs)

Name of the Company	Relationship	Country of incorporation	Percentage of voting power as at 31 March 2018	Net assets 31 March 2018 % of consolidated net assets	Net assets 31 March 2018 Amount in lakhs	Share in profit/(loss) 31 March 2018 % of consolidated profit/(loss)	Share in profit/(loss) 31 March 2018 Amount in lakhs	Share in other comprehensive income 31 March 2018 % of consolidated other comprehensive income	Share in other comprehensive income 31 March 2018 Amount in lakhs	Share in total comprehensive income 31 March 2018 % of consolidated total comprehensive income	Share in total comprehensive income 31 March 2018 Amount in lakhs
Coromandel International Limited*	Parent	India	-	97%	302,794	100%	66,582	25%	(4,361)	127%	62,221
Liberty Pesticides and Fertilisers Limited (LPFL)	Subsidiary	India	100	*	255	*	13	-	-	*	13
Sabero Organics America S.A. (SOAL)	Subsidiary	Brazil	99.98	*	186	*	(124)	*	(15)	*	(139)
Sabero Australia Pty Ltd, Australia (Sabero Australia)	Subsidiary	Australia	100	*	(7)	*	(4)	-	-	*	(4)
Sabero Europe B.V. (Sabero Europe)	Subsidiary	Netherlands	100	*	(7)	*	(5)	*	(1)	*	(6)
Sabero Argentina S.A. (Sabero Argentina)	Subsidiary	Argentina	95	-	-	-	-	-	-	-	-
Coromandel Agronegocios de Mexico, S.A de C.V (Coromandel Mexico)	Subsidiary	Mexico	100	*	95	*	(22)	*	3	*	(19)
Parry Chemicals Limited (PCL)	Subsidiary	India	100	1%	1,601	*	8	-	-	*	8
Dare Investments Limited (DIL)	Subsidiary	India	100	*	1,038	*	(4)	-1%	175	*	171
CFL Mauritius Limited (CML)	Subsidiary	Mauritius	100	2%	5,114	*	(27)	76%	(13,063)	-27%	(13,090)
Coromandel Brasil Limitada (CBL), Limited Liability Partnership	Subsidiary	Brazil	100	*	(103)	*	5	*	6	*	11
Coromandel SQM (India) Private Limited (CSQM)	Joint venture	India	50	*	1,167	*	211	-	-	*	211
Yanmar Coromandel Agrisolutions Private Limited (YCAS)	Joint venture	India	40	*	453	*	(271)	-	-	-1%	(271)
Total					**3,12,586**		**66,362**		**(17,256)**		**49,106**

*less than 1%

The above excludes Sabero Organics Philippines Asia Inc., an Associate for which all amounts are less than a lakh.

b. In respect of CML, SOAL, Coromandel Mexico, CBL and Sabero Argentina the financial year is from 1 January 2017 to 31 December 2017 and accordingly audited financial statements are available up to 31 December 2017. These consolidated financial statements have been adjusted by the Management for significant transactions between 1 January and 31 March to align for consolidation purposes.

c. In respect of Sabero Europe the financial year is from 1 June 2017 to 31 May 2018 however un-audited financial statements for the period 1 April 2017 to 31 March 2018 has been considered for the purpose of preparation of consolidated financial statements.

Consolidated Notes
(Contd.)

47 Based on and to the extent of information available with the Group under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars as at reporting date are furnished below:

(₹ in Lakhs)

Sl.No.	Particulars	As at 31 March 2018	As at 31 March 2017
(i)	Principal amount due to suppliers under MSMED Act, as at the end of the year	651	656
(ii)	Interest accrued and due to suppliers under MSMED Act on the above amount as at the end of the year	-	-
(iii)	Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
(iv)	Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
(v)	Interest paid to suppliers under MSMED Act (Section 16)	-	-
(vi)	Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
(vii)	Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (ii) + (vi)	-	-

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.

48 Approval of financial statements

The financial statements were approved by the Board of Directors on 24 April 2018.

For and on behalf of the Board of Directors

Sameer Goel
Managing Director

M M Murugappan
Chairman

Jayashree Satagopan
Chief Financial Officer

P Varadarajan
Company Secretary

Place: Secunderabad
Date: 24 April 2018

Notes

Notes

COROMANDEL INTERNATIONAL LIMITED

Regd. Office: "Coromandel House", 1-2-10, Sardar Patel Road, Secunderabad - 500 003, Telangana.
E-mail Id : investorsgrievance@coromandel.murugappa.com, Website: www.coromandel.biz
Tel. : +91-40-2784 2034, CIN : L24120TG1961PLC000892

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the company : Coromandel International limited (CIN:L24120TG1961PLC000892)
Registered office : Coromandel House, 1-2-10 Sardar Patel Road, Secunderabad - 500 003
Name of the Member(s) : ....
Address : ....
E-mail ID : ....
Folio No. / DP ID - Client ID : ....

I/We, being the member(s) holding .... equity shares of the above named company, hereby appoint

1. Name : ....
   Address : ....
   E-mail Id : ....
   Signature : ....or failing him
2. Name : ....
   Address : ....
   E-mail Id : ....
   Signature : ....or failing him
3. Name : ....
   Address : ....
   E-mail Id : ....
   Signature : .... or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 56th Annual General Meeting of the Company, to be held on Friday, 27 July, 2018 at 10.30 a.m. at Hotel Minerva Grand, S. D. Road, Secunderabad - 500 003 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Subject matter of the Resolution
1	Adoption of Audited Standalone Financial Statements for the financial year ended 31 March, 2018, together with the Reports of the Board of Directors and the Auditors thereon.
2	Adoption of Audited Consolidated Financial Statements for the financial year ended 31 March, 2018, together with the Report of the Auditors thereon.
3	Declaration of Dividend for the year ended 31 March, 2018
4	Re-appointment of Mr. M M Venkatachalam, as a Director
5	Ratification of appointment of M/s. Deloitte Haskins & Sells as Statutory Auditors
6	Appointment of Mr. M M Murugappan as a Director
7	Ratification of payment of Remuneration to Cost Auditors for the year 2018-19

Signed this ..... day of July, 2018

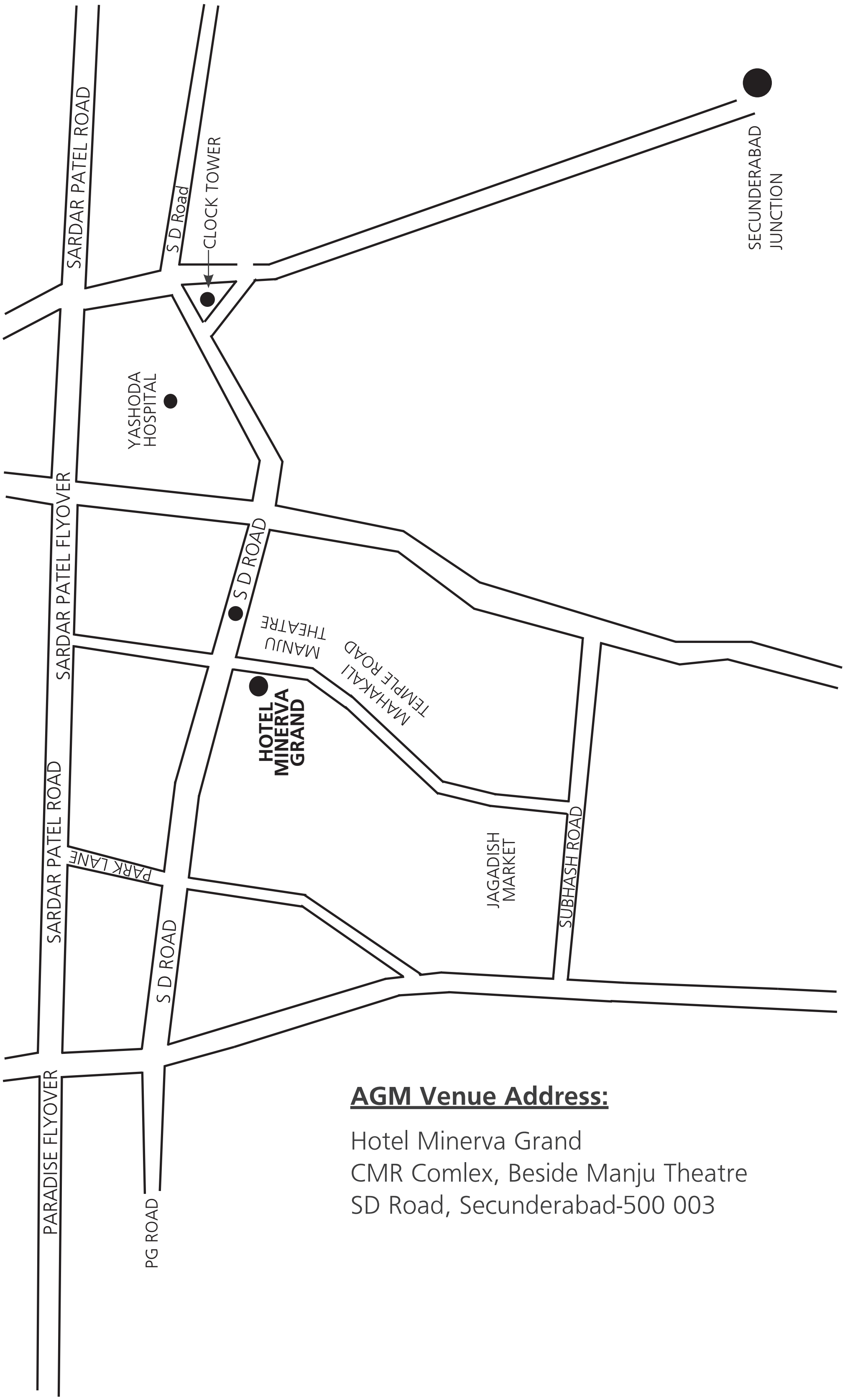
Signature of Shareholder ....

Affix a Revenue stamp of ₹ 1/-

Signature of Proxy...

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Route Map to AGM Venue:



AGM Venue Address:

Hotel Minerva Grand
CMR Comlex, Beside Manju Theatre
SD Road, Secunderabad-500 003

Not to Scale

The Five Lights

The Spirit of the Murugappa Group

These **five lights** guide us as we navigate through professional and personal decisions.

Coromandel

FUTURE POSITIVE

Fertilisers | Crop Protection | Specialty Nutrients | Retail

Coromandel International Limited, “Coromandel House”, 1-2-10, Sardar Patel Road, Secunderabad - 500 003, Telangana.
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