



Annual Report
2017–2018

IFB Agro Industries Limited

IFB

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for your home



Certifications



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■ BOARD OF DIRECTORS*Chairman*

Mr. Bijon Nag

Joint Executive Chairman

Mr. Bikram Nag

Vice Chairman and Managing Director

Mr. Arup Kumar Banerjee

Independent Directors

Mr. Nandan Bhattacharya

Mr. Sudip Kumar Mukherji

Mr. Hari Ram Agarwal

Mr. Manoj Kumar Vijay

Dr. Lakshmishri Roy

Non Executive Director

Mr. Amitabha Kumar Nag

■ CHIEF FINANCIAL OFFICER

Mr. Rahul Choudhary

■ COMPANY SECRETARY

Mr. Ritesh Agarwal

■ AUDITORS

Walker Chandio & Co LLP

Chartered Accountants

■ REGISTERED OFFICE

Plot No. IND-5, Sector-1

East Calcutta Township, Kolkata - 700 107

Tel : (033) 3984 9675

Fax No.: (033) 2442 1003

E-mail : complianceifbagro@ifbglobal.com

Website : www.ifbagro.in

CIN : L01409WB1982PLC034590

■ REGISTRAR & SHARE TRANSFER AGENT

(For both Physical & Dematerialised Shares)

CB Management Services (P) Ltd.

P-22, Bondel Road, Kolkata - 700 019

Tel : (033) 4011 6700/2280 6692/2282 3643/2287 0263

Fax : (033) 4011 6739

E-mail: rta@cbmsl.com

Website : www.cbmsl.com

■ WORKS

Noorpur, P.S. Diamond Harbour

Dist. : South 24 Parganas

West Bengal - 743 368

Panagarh

Bud Bud

Dist. : Burdwan

West Bengal - 713 148

Dankuni

Dist. : Hooghly

West Bengal - 712 306

Marine Product Processing Plant

Plot No. IND-5, Sector-1

East Calcutta Township

Kolkata - 700 107

■ BANKERS

HDFC Bank Limited

ICICI Bank Limited

IDBI Bank Limited

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Notice to the Members

Notice is hereby given that the Thirty Sixth Annual General Meeting (AGM) of the members of IFB Agro Industries Limited will be held on 27th day of July, 2018, Friday, at 12.00 noon at Club Ecovista, Eco Space (Business Park), Premises No. 2F/11, Action Area II, Rajarhat, New Town, Kolkata 700 156 to transact the following business:

AS ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31 March 2018, together with the Reports of the Board of Directors ("the Board") and Auditors thereon.
2. To receive, consider and adopt Audited Consolidated Financial Statements of the Company for the year ended 31 March 2018 together with the Report of the Auditors thereon.
3. To appoint a Director in place of Mr. Bikram Nag (DIN 00827155), who retires by rotation and, being eligible, seeks re-appointment and to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:
"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Bikram Nag (DIN 00827155), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

AS SPECIAL BUSINESS

4. **To Re-appoint Mr. Bikram Nag (DIN 00827155) as Joint Executive Chairman.**

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

"RESOLVED THAT, in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including statutory modification(s) or re-enactment thereof, for the time being in force, the Company hereby approves the re-appointment of Mr. Bikram Nag as Joint Executive Chairman for a further period of three years with effect from 26 January 2019, liable to retire by rotation on such terms and conditions as set out in the explanatory statement annexed to the notice convening this Annual General Meeting, (including the remuneration to be paid in the event of loss or inadequacy of profits in the financial year during the tenure of his appointment), with the authority to the Board of Directors to alter or vary the terms and conditions of the said re-appointment and/ or remuneration in such manner as may be agreed to by and between the Board of Directors / Committee and Mr. Bikram Nag provided the remuneration after such alterations is within the maximum limits laid down in the Companies Act, 2013 for the time being in force."

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 20 of the Companies Act, 2013 and relevant rules framed thereunder and other applicable provisions, if any, whereby, a document may be served on any member by the Company by sending it to him / her by post, by registered post, by speed post, by electronic mode, or any other modes as may be prescribed, consent of the members be and is hereby accorded to charge from the member(s) such fees in advance equivalent to estimated actual expenses of delivery of the documents delivered through registered post or speed post or by courier service or such other mode of delivery of documents pursuant to specific request by the shareholder during delivery of documents, through a particular mode of service, provided such request along with requisite fees has been duly received by the Company at least 10 days in advance of dispatch of documents by the Company to the shareholder(s);

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors or its Committee be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary, proper or desirable to give effect to the resolution"

By Order of the Board

Registered Office:

Plot No. IND-5, Sector - 1
East Calcutta Township
Kolkata - 700 107
CIN: L01409WB1982PLC034590
E-mail: complianceifbagro@ifbglobal.com
Website : www.ifbagro.in

Kolkata, 30 May 2018

Ritesh Agarwal
Company Secretary
(ACS 17266)

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, however, 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 not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Provided that 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 shareholder. The holder of proxy shall prove his identity at the time of attending the meeting.

2. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the meeting.
3. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names as per the Register of Members will be entitled to vote. The voting rights of the member shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date.
4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days advance notice in writing is given to the Company.
5. **Members who hold shares in physical mode in multiple folios in identical names or joint holding in the same order of names are requested to write to the Company's Registrar & Share Transfer Agent, CB Management Services (P) Limited enclosing their share certificates for consolidation of all such shareholdings into one folio for better investor service.**
6. **Members who have not registered / updated their e-mail address with CB Management Services (P) Limited, if shares are held in physical mode or with their Depository Participant, if shares are held in electronic mode, are requested to do so to support “Green Initiative” for receiving all future communications from the Company including Annual Reports, Notices, etc. electronically.**
7. Members / proxies / Authorised Representatives are requested to bring to the Meeting necessary details of their shareholding, attendance slip(s) and copy(ies) of their Annual Report.
8. A Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of business under Item Nos. 3 to 5 of the Notice is annexed hereto. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of persons seeking appointment / reappointment of Directors under item no. 3 and 4 of the Notice are also annexed.
9. Members seeking any information or clarification on the Accounts are requested to send in written queries to the Company, at least one week before the date of the meeting. Replies will be provided in respect of such written queries at the meeting only.
10. The Register of Members and Share Transfer Registers of the Company will remain closed **from 21 July 2018 to 27 July 2018 (both days inclusive).**
11. **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 (DP's) with whom they are maintaining their demat account. Members holding shares in physical form can submit their PAN either to the Company or to the Registrar CB Management Services (P) Ltd.**
12. Members are also requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, PAN, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to the Company's Registrars and Transfer Agents, in case the shares are held by them in physical form.
13. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated 7 May 2018 issued by the Ministry of Corporate Affairs. Accordingly, no resolution is proposed for ratification of appointment of Auditors.
14. SEBI vide circular dated 8 June 2018 has amended that the securities of listed companies can be transferred only in dematerialized form from a cut-off date. In view of the above and to avail various benefits of dematerialization, members are advised to dematerialize shares held by them in physical form.
15. Attendance Slip and Proxy Form are being annexed to this Notice of the 36th Annual General Meeting for the convenience of the members.
16. Non- resident Indian members are requested to inform CB Management Services (P) Ltd., immediately of any change in their residential status on return to India for permanent settlement.

17. The Notice of Annual General Meeting along with Annual Report for 2017-2018 is being sent by electronic mode to all those members whose email ID's are registered with the Company or Depository Participants for communication purposes unless any member has requested for a hard copy of the same. Physical Copies of the Annual Report for 2017-2018 are being sent as per permitted mode to the members who have not registered their email addresses. **The notice of 36th Annual General Meeting of the Company and the Annual Report for 2017-2018 is also available on the Company's website: www.ifbagro.in.**
18. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
19. The Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
20. Relevant documents referred to in the accompanying notice and the explanatory statement shall remain open for inspection by the members at the registered office of the Company on all working days except Saturdays, during business hours upto the date of Annual General Meeting of the Company.
21. Voting through electronic means
 - i. 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 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting by electronic means and the business may be transacted through remote e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than the venue for the Annual General Meeting ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
 - ii. The facility for voting through ballot paper shall be made available at the Annual General Meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
 - iii. The members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.
 - iv. **The remote e-voting period commences on 24 July 2018 (9:00 am) and ends on 26 July 2018 (5:00 pm).** During this period, members of the Company, holding shares either in physical form or in dematerialized form, **as on the cut-off date of 20 July 2018**, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
 - v. The process and manner for remote e-voting are as under:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details of Step 1 are mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/>.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details will be as per details given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical

Your User ID is:

a)	For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****)
b)	For Members who hold shares in demat account with CDSL	16 Digit Beneficiary ID (For example if your Beneficiary ID is 12***** then your user ID is 12*****)
c)	For Members holding shares in Physical Form	EVEN Number followed by Folio Number registered with the company (For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***)

5. Your password details are given below:

- a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.
 - c. How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
- a. Click on “Forgot User Details/Password?” (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b. “Physical User Reset Password?” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 are mentioned below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
 2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
 3. Select “EVEN” of the Company.
 4. Now you are ready for e-Voting as the Voting page opens.
 5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
 6. Upon confirmation, the message “Vote cast successfully” will be displayed.
 7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
 8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- vi. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and remote e-voting user manual for members available at the downloads section of www.evoting.nsdl.com or call on toll free no. 1800-222-990.
 - vii. 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).
 - viii. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 20 July 2018.
 - ix. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice convening the AGM and holding shares upto the cut-off date i.e. 20 July 2018, may obtain his login ID and password by sending a request at evoting@nsdl.co.in or rta@cbmsl.com.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on www.evoting.nsdl.com or contact NSDL at the following toll free no. 1800-222-990.

- x. Mr. Jitendra Patnaik, Practicing Company Secretary (Membership No. FCS 05045) proprietor of M/s. J. Patnaik & Associates, Company Secretaries has been appointed by the Board of Directors as the Scrutinizer for providing facility to the members of the Company, to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- xi. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail (jpatnaikassociates@gmail.com) to with a copy marked to evoting@nsdl.co.in.
- xii. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
- xiii. Your login id and password can be used by you exclusively for e-voting on the resolutions placed by the Companies in which you are the shareholder.
- xiv. In case of joint holders, only one of the joint holders may cast his/her vote.
- xv. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut off date only shall be entitled to avail the facility of remote e-voting as well as voting at the Annual General Meeting through ballot paper.
- xvi. The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of “ballot paper” for all those members who are present at the Annual General Meeting but have not cast their votes by availing the remote e-voting facility.
- xvii. The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the Annual General Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the results of the voting forthwith.
- xviii. The results declared along with the Report of the Scrutinizer shall be placed on the website of the Company www.ifbagro.in and on the website of NSDL www.evoting.nsdl.com immediately after the declaration of the results by the Chairman or a person authorized by him in writing. The results shall also be immediately communicated to Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

22. A route map of the Annual General Meeting venue is given in the last page of this Annual Report.

By Order of the Board

Registered Office:

Plot No. IND-5, Sector - 1
East Calcutta Township
Kolkata - 700 107
CIN: L01409WB1982PLC034590
E-mail: complianceifbagro@ifbglobal.com
Website : www.ifbagro.in

Kolkata, 30 May 2018

Ritesh Agarwal
Company Secretary
(ACS 17266)

Statement Pursuant to Section 102(1) of the Companies Act, 2013

As required under Section 102(1) of the Companies Act, 2013('The Act'), the following explanatory statements set out all material facts relating to the business mentioned under items nos. 3 to 5 of the accompanying Notice dated 30 May 2018.

Item No. 3

Details of Director seeking re-appointment in the 36th Annual General Meeting:

Particulars	Mr. Bikram Nag
Date of Birth	27.09.1973
Nationality	Indian
Date of Appointment	14.10.1997
Qualification	BBA from Richmond College, U.K
Expertise in specific functional areas	More than 21 years of enriched experienced in Marketing and Business Management.
Relationship with other Directors	He is related to Mr. Bijon Nag and not related to any other Directors.
Directorships held in other Listed Entities	IFB Industries Limited
Memberships/Chairmanships of committees of other public companies	Nil
Number of shares held in the Company	1000

Item No. 4

Mr. Bikram Nag, BBA from Richmond College, U.K. was appointed as Director of the Company on 14 October 1997. He has more than 21 years of experience in the field of Marketing and Business Management. He has made several significant contributions to the Company's growth and implementation of investment plans and business strategies. His contributions have been invaluable.

Mr. Bikram Nag was appointed as the Executive Director of the Company at the Nineteenth Annual General Meeting held on 31 August 2001, for a period of three years with effect from 27 January 2001, which was further renewed from time to time. He was appointed as Joint Executive Chairman at the Annual General Meeting of the Company held on 26 July 2013 and reappointed at the AGM held on 31 July 2015. The existing term of Mr. Nag will expire on 26 January 2019.

The Board of Directors in its meeting held on 30 May 2018, considered the recommendations of the Nomination and Remuneration Committee, and re-appointed Mr. Bikram Nag (subject to the approval of members in the ensuing Annual General Meeting) as Joint Executive Chairman for a further period of 3 years with effect from 26 January 2019. He is liable to retire by rotation.

The terms and conditions of the re-appointment including remuneration payable to Mr. Bikram Nag are:

1. **Period of appointment:** Three years effective from 26 January 2019.
2. **Remuneration:**
 - a) Basic Salary: Rs. 3,20,000/- (Rupees Three lacs Twenty thousand only) per month.
 - b) House Rent Allowance: 50% of the basic salary.
 - c) Perquisites: Classified into three categories as under:

Part A

- i) Medical Reimbursement: As per the rules of the Company.
- ii) Leave Travel Allowance: For self and family once in a year incurred in accordance with the rules of the Company.
- iii) Insurance: As per the rules of the Company.
- iv) Club fees : Rs. 18,000/- (Rupees Eighteen thousand only) per annum.

Part B

- i) Gratuity as per the rules of the Company.
- ii) Contribution to the Provident Fund, Superannuation Fund as per the rules of the Company.
- iii) Leave encashment as per the rules of the Company.

Part C

- i) Car: Provision of car for use on Company's business will not be considered as perquisite. However, use of car for private purpose will be billed by the Company.
- ii) Telephone: Company will reimburse expenses in connection with telephone at residence & mobile connections used for official purposes as per the rules of the Company.
- d) Commission: In addition to salary, perquisites and other allowances, upto one percent commission based on net profits of the Company computed in the manner laid down in Section 198 of the Companies Act, 2013, or any statutory modification(s) or enactment thereof.

Explanation: For the purpose of this part, 'family' means the spouse and the dependent children.

Apart from the aforesaid remuneration, he will be entitled to reimbursement of all expenses incurred in connection with the business of the Company.

The terms and conditions of the said appointment and/or the agreement are subject to the provisions of Section 196, 197 and 198 of the Companies Act, 2013, read with Part II of Schedule V and may be altered, and varied from time to time by the Board of Directors as it may in its discretion deem fit within the maximum amount of remuneration payable in accordance with the applicable rules and regulations.

The appointee shall not be entitled to any sitting fees for Board / Committee meetings.

The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules thereunder or any statutory modifications or re-enactment thereof; and in the absence of any such rules, perquisite and allowances shall be evaluated at actual cost. The Company's contribution to Provident Fund, Superannuation or Annuity Fund, to the extent these singly or together are not taxable under the Income Tax Act, 1961, gratuity payable and encashment of leave shall not be included for the purpose of computation of the overall ceiling of remuneration.

The above may be treated as an abstract of the terms of contract between the Company and Mr. Bikram Nag under Section 190 of the Companies Act, 2013.

Brief resume of Mr. Nag, nature of his expertise, names of companies in which he holds directorship and memberships, chairmanships of Board Committees, shareholding and relationships amongst Directors interse as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Notice.

Mr. Bikram Nag is interested in the resolution set out in item no 4 of the Notice with regard to his re-appointment.

The relatives of Mr. Bikram Nag may be deemed to be interested in the resolutions set out in item No 4 of the notice to the extent of their shareholding interest, if any, in the Company.

None of the other Directors / Key Managerial Personnel / their relatives are, except Mr. Bijon Nag and Mr. Bikram Nag in any way, concerned or interested, financially or otherwise, in the resolution set out in Item no. 4 of the Notice.

The Board recommends the ordinary resolution set forth in Item No. 4 for the approval of the members.

Item No. 5

As per the provisions of Section 20 of the Companies Act, 2013, a document may be served on any member by sending it to him by registered post, by speed post, by electronic mode, or any other modes as may be prescribed. A member may also request the delivery of document through his / her desired mode by paying such fees as may be determined by the members in the Annual General Meeting.

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

Accordingly, the Board recommends the passing of the Ordinary Resolution of Item No.5 of the accompanying Notice for member's approval.

By Order of the Board

Registered Office:

Plot No. IND-5, Sector - 1
East Calcutta Township
Kolkata - 700 107
CIN: L01409WB1982PLC034590
E-mail: complianceifbagro@ifbglobal.com
Website : www.ifbagro.in

Ritesh Agarwal
Company Secretary
(ACS 17266)

Kolkata, 30 May 2018

Report of the Directors' & Management Discussion and Analysis Report

To the Members,

The directors have pleasure in presenting the Annual Report together with the Audited Financial Statements for the financial year ended 31 March 2018. The consolidated performance of the Company and its subsidiary has been referred wherever required.

Financial Results & Performance Review

The financial results for the year and for the previous year are summarized below:

FINANCIAL RESULTS

(Rs in Lacs)

Particulars	Standalone		Consolidated
	Year Ended 31.3.2018	Year Ended 31.3.2017	Year Ended 31.3.2018
Revenue from Operations (Gross)	1,49,967	1,16,760	1,50,345
Less: Excise Duty	61,057	32,766	61,057
Revenue from Operations (Net)	88,910	83,994	89,288
Other Income	977	1,176	983
Total Revenue	89,887	85,170	90,271
Profits prior to finance charges and depreciation (EBITDA)	6,785	6,302	6,492
Less: Finance Charges	258	154	258
Depreciation & Amortisation	2,143	2,033	2,145
Profit Before Tax	4,384	4,115	4,089
Less: Provision for Taxation	1,227	847	1,226
Profit After Tax	3,157	3,268	2,863

The Company has adopted "Ind AS" with effect from 1 April 2017. Financial statements for the year ended and as at 31 March 2016 have been re-stated to conform to IndAS. Note 37 to the financial statement provides further explanation on the transition to IndAS.

During the year under review your Company has recorded net operational revenue of Rs. 88,910 lacs (as against Rs. 83,994 lacs in 2016-17) recording a growth of 6%.

Operational profit (EBITDA) has recorded an increase of 7.66% during 2017-18 as compared to the previous year.

Your Company has achieved a profit before tax of Rs. 4,384 lacs (as against Rs. 4,115 lacs in 2017-18) and net profit of Rs. 3,157 lacs (as against Rs. 3,268 lacs in 2016-17).

During the year under review, India Ratings and Research (IND-Ra) has maintained your Company's Long Term issuer rating to 'INDA+'.

Your Company operates in two segments: (1) Spirit, Liquor and Spirituous Beverages and (2) Marine Products

Spirit, Liquor and Spirituous Beverages:

The grain based distillery along with CO2 and DDGS plants operated at optimum capacity during the year under review. EBITDA margin at the distilleries suffered due to significant increase in input costs. The cost increases could not be passed on fully to the buyer's due to competition.

The company has invested in capacity expansion in CO₂ during the year. The capacity expansion will be operational during the financial year 2018-19. The Company has also spent on various Research and Development activities which will help to make distillery cost effective and more efficient.

Indian Made Indian Liquor (IMIL) business continues to face competition due to excess capacity created by the new bottling plants in West Bengal. In spite of tough competition, the IMIL business during the FY 2017-18, registered a revenue growth of 34%. Overall demand has decreased, due to hike in excise duty rate resulting into increase in prices. Excess capacity created in the market resulted in high retailer schemes and increased logistics costs. To increase its distribution and geographical reach, the company is exploring more tie-up operation in other parts of the States.

Bengal State Beverages Corporation (BEVCO), a State Government undertaking was introduced by the State Government for the distribution of the liquor in the state of West Bengal from August 2017. Your Company now sells all its IMIL products to BEVCO for onward distribution to the retailers.

Marine Products:

Marine exports have registered 4% growth in revenue during the current year. The tie-up plant in Andhra Pradesh performed better during the year. Operating margins improved during the year due to increase in export of more value added products including organic shrimps.

Revenue from Marine aqua feed business increased by 8% during the year under review but the operating margins remained at previous year level despite higher input costs and investments made in Aquashops (retail venture of feed division). Risk in the form of unsecured credit continued.

Marine domestic food business could register a revenue growth of 3% during the year under review. Ready to eat, Thai Meal was launched during the year for test marketing. We continued to invest in this business in terms of manpower, marketing and infrastructure. The business as yet is not cash positive.

Your Company incorporated a Wholly Owned Subsidiary in the name and style of IFB Agro Marine(FZE), a limited liability Company in the Sharjah Airport International Free Zone, Sharjah, United Arab Emirates on 20 April 2017. It was the first year of operation for the company. Efforts are being made to strengthen the trading operation in international market. The company achieved revenue of Rs 378 lacs and incurred a loss of Rs 294 lacs during the year, being the first year of operation. Better results are expected in the current financial year.

OUTLOOK, OPPORTUNITIES, THREATS AND CONCERNS

The current financial year will be a year of challenges for both the domestic and export business. The increase in the crude prices will impact the cost of the raw materials and the transportation cost, which will have a negative impact on the margins. The decline in the shrimp prices in the international market is expected to impact the profitability of the export business.

Entry of new players in the Aqua feed business in West Bengal may affect growth and margin. The competitive pressures may force us to offer extended credit in the unorganized market. However, the addition of more aqua shops in West Bengal to provide one stop solution to the shrimp farmers will help the company to strengthen its position in the Feed business.

Your Company will focus on margin improvement plans across the verticals through better procurement of its key raw materials like broken rice, shrimps etc. Consolidation in the IMIL space has started and it may create an opportunity for the company.

During 2018-19, the effort will be to ensure improved margins and better returns on capital employed.

Your Company is continuing its efforts to attain further efficiencies by process/technological improvements, reduction of wastages and optimal use of human resources in all the divisions.

INDAS – IFRS CONVERGED STANDARDS

Your Company had adopted Ind AS with effect from 1 April 2017. Your Company has published Ind AS Financials for the year ended 31 March 2018 along with comparable as on 31 March 2017 and Opening Statement of Assets and Liabilities as on 1 April 2016.

Your Company has shared all four quarters re-stated Ind AS Profit and Loss Statement with investors along with quarterly results for comparison.

GOODS AND SERVICES TAX (GST)

The Goods and Services Tax (GST) is a landmark reform which will have a lasting impact on the economy and on business. Implementation of a well-designed GST model that applies to the widest possible base at a low rate can provide stimulus to the business and contribute to the Hon'ble Prime Minister's mission of 'Make in India'.

Your Company has successfully implemented and migrated to GST with effect from 1 July 2017 and change across IT systems, Supply Chain and operations have been made keeping in mind the sweeping changes that GST has brought.

RISK MANAGEMENT

The Board has adopted a risk management policy whereby a proper framework is set up to identify, evaluate business risks and threats. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments have occurred after the close of the financial year till the date of this report, which affect the financial position of the Company.

DIVIDEND

In order to conserve resources for the further expansion and working capital requirements, your Directors have decided not to recommend any dividend for the financial year under review.

TRANSFER TO RESERVE

The Company does not propose to transfer any amount to Reserve.

NUMBER OF BOARD MEETINGS

During the year ended 31st March, 2018, six meetings of the Board were held.

EXTRACTS OF ANNUAL RETURN

The extracts of the Annual Return for the financial year 2017-18 as stipulated in MGT -9 pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 is given in Annexure I which forms part of this Report.

DIRECTORS

Mr. Bikram Nag, Joint Executive Chairman retires by rotation and being eligible, offers himself for re-appointment. The details about his qualification, other directorships etc. as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided in the explanatory statement under Section 102 of the Companies Act, 2013 separately and annexed to the notice.

Mr. Bikram Nag was appointed as the Executive Director of the Company at the Nineteenth Annual General Meeting held on 31 August 2001, for a period of three years with effect from 27 January 2001, which was further renewed from time to time. He was appointed as Joint Executive Chairman at the Annual General Meeting of the Company held on 26 July 2013 and reappointed at the AGM held on 31 July 2015. The existing term of Mr. Nag will expire on 26 January 2019.

The Board of Directors in its meeting held on May 30, 2018, considered the recommendations of the Nomination and Remuneration Committee, and re-appointed Mr. Bikram Nag (subject to the approval of members in the ensuing Annual General Meeting) as Joint Executive Chairman for a further period of 3 years with effect from 26 January 2019. He is liable to retire by rotation.

Appropriate resolutions seeking the reappointment of Director is appearing in the Notice convening the ensuing Annual General Meeting of the Company.

Mr. Indranil Goho, Joint Managing Director was inducted on the board of IFB Agro Industries Ltd on 23 September 2015. He resigned from the board of IFB Agro Industries Ltd w.e.f. 18 October 2017. The board sincerely record their appreciation of his association with the company and the support he has extended during his tenure.

DECLARATION BY INDEPENDENT DIRECTORS

All the Independent Directors have submitted a declaration that each of them meets the criteria of independence as provided in section 149(6) of the Companies Act, 2013. The declaration was placed and noted by the Board at its meeting held on 30 May 2018.

KEY MANAGERIAL PERSONNEL

During the year there were changes in the Key Managerial Personnel of your Company.

Mr. Indranil Goho, Joint Managing Director was inducted on the Board of IFB Agro Industries Ltd on 23 September 2015. He resigned from the Board of IFB Agro Industries Ltd w.e.f. 18 October, 2017 as Joint Managing Director of the Company.

Mr. Dipak Sen, Chief Financial Officer demised on 25 November 2017. He was inducted as Chief Financial Officer of the Company on 10 December 2014. The Board expressed their profound grief to the sad demise of Mr. Sen and recorded their appreciation that the company immensely benefited from his contribution as a Chief Financial Officer of the Company.

During the year Board of Directors of your Company has appointed Mr. Rahul Choudhary as Chief Financial Officer of the Company in compliance with the provisions of section 203 of Companies Act, 2013 at its meeting held on 2 December 2017.

ANNUAL EVALUATION OF BOARD'S PERFORMANCE

According to Regulation 25(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Schedule IV of the Companies Act, 2013, a meeting of the Independent Directors was held to review the performance of the Non-Independent Directors and the Board as a whole. Accordingly, a meeting of Independent Directors was held on 26 March 2018 wherein the performance of the Non-Independent Directors, Chairman and the Board as a whole was evaluated.

In the Board meeting that followed the meeting of the Independent Directors, the performance of the Board, its committees and individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Companies Act 2013, your Directors state that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Directors had prepared the annual accounts on a going concern basis;
- e. the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

- f. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

REMUNERATION POLICY

A Nomination and Remuneration Policy has been formulated pursuant to the provisions of Section 178 and other applicable provisions of the Companies Act, 2013 and rules thereto and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stating therein the Company's policy on Directors'/Key Managerial Personnel/other employee's appointment and remuneration by the Nomination and Remuneration Committee and approved by the Board of Directors.

The said policy may be referred to, at the Company's official website at <http://www.ifbagro.in>.

DEPOSITS

Your Company did not accept any deposit from the public / members under Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014 during the year.

REMUNERATION RATIO OF THE DIRECTORS / KEY MANAGERIAL PERSONNEL (KMP) / EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Particulars of Employees) Rules, 1975, in respect of employees of the Company and Directors is given in Annexure II which forms part of this Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any loans, guarantees or made any investments exceeding sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more, as prescribed in Section 186 of the Companies Act, 2013.

RELATED PARTY TRANSACTIONS

All contracts or arrangements with related parties, entered into or modified during the financial year, were on an arm's length basis and in the ordinary course of business. All such contracts or arrangements have been reviewed and approved by the Audit Committee. No material contracts or arrangements with related parties were entered into during the year under review. Accordingly, no transactions are being reported in Form No. AOC-2 in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014.

Your Company's Policy on Related Party Transactions, as adopted by your Board, can be accessed on the corporate website at http://www.ifbagro.in/ifb-admin/assets/1490251273_Policy%20on%20Related%20Party%20Transactions.pdf

ENERGY, TECHNOLOGY & FOREIGN EXCHANGE

As required under Section 134(3) (m) of the Companies Act, 2013, read with rules made there under, the information relating to Conservation of Energy, Technology Absorption and Foreign Exchange earnings & outgo is given in Annexure III which forms a part of this Report.

SUBSIDIARY/ASSOCIATES/JOINT VENTURE COMPANIES

During the year your Company incorporated a Wholly Owned Subsidiary in the name and style of IFB Agro Marine(FZE), a limited liability Company in the Sharjah Airport International Free Zone, Sharjah, United Arab Emirates on 20th April, 2017. The purpose of setting up this entity is to establish a marketing and trading outfit to explore markets in Middle East countries, Eastern Europe, CIS countries etc. for marine products.

In accordance with Section 129(3) of the Companies Act, 2013, the consolidated financial statements of the company has been prepared, which forms part of this Annual Report. Further, the report on the performance and financial position of the subsidiary in the prescribed form AOC-1 is annexed as Annexure VI to this report.

HUMAN RESOURCES

For the development of the human resources, number of training programmes were organized during the year. Internal personnel as well outside faculty members undertook these programmes. Your Company plans to organize more such training programmes for the overall development of its people. Total number of employees in the Company stood at 405 as on 31 March 2018.

PREVENTION OF SEXUAL HARASSMENT

In compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 the Company had constituted a Prevention of Sexual Harassment Committee. The Prevention of Sexual Harassment Policy is available on the company's website. All women employees were made aware of the Policy and the manner in which complaints could be lodged. During the year the Committee has not received any complaint.

WEBSITE OF THE COMPANY

The Company maintains a website www.ifbagro.in where detailed information of the Company and its products are provided.

AUDIT COMMITTEE

The composition and terms of reference of the Audit Committee has been furnished in the Corporate Governance Report forming part of this Annual Report. The Board has accepted the recommendations of the Audit Committee.

VIGIL MECHANISM

In pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for Directors and employees to report genuine concerns have been established. The said policy may be referred to, at the Company's official website at the weblink http://www.ifbagro.in/ifb-admin/assets/1490251334_Whistle%20Blower%20Policy.pdf

INTERNAL CONTROL SYSTEMS

Your Company has in place adequate internal control procedures which is commensurate with the size and nature of business. Detailed procedural manuals are in place to ensure that all the assets are safeguarded, protected against loss and all transactions are authorized, recorded and reported correctly. Further such controls have been tested during the year and no reportable material weakness in the design or operation was observed. Nonetheless your Company recognizes that any internal financial control framework, no matter how well designed, has inherent limitations and accordingly, regular audit and review processes ensure that such systems are reinforced on an ongoing basis.

LISTING WITH STOCK EXCHANGES

The Equity shares of the Company is listed with the Bombay Stock Exchange Limited and National Stock Exchange of India Limited and the Company has paid the Annual listing fee for the year 2018-19 to each of the said Exchanges. The Annual Custody/ issuer fee for the year 2018-19 has been paid by the Company to NSDL and CDSL.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In terms of Section 135 and Schedule VII of Companies Act, 2013, the Board of Directors of your Company have constituted a CSR Committee. The Committee comprises of Independent Directors and Executive Directors. The brief outline of the corporate social responsibility (CSR) policy of the Company and the initiative undertaken by the Company on CSR activities during the year are set out in Annexure IV of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The said policy may be referred to, at the Company's official website at the weblink [www.ifbagro.in / ifb-admin/assets/1491801369_policy%20on%20corporate%20social%20responsibility.pdf](http://www.ifbagro.in/ifb-admin/assets/1491801369_policy%20on%20corporate%20social%20responsibility.pdf).

Your Company has identified the activities and accordingly projects mainly relating to a) eradicating hunger, malnutrition and sanitation b) promoting education and livelihood enhancement and c) Promoting Healthcare were undertaken in line with the CSR policy. The necessary budget outlay was assigned to the aforesaid projects. However, due to multiyear project and certain procedural delay at the implementation level, the Company could not spend the allocated budget outlay. The Company made an expenditure of Rs. 56.44 lacs against the stipulated amount of Rs. 73.96 lacs.

CORPORATE GOVERNANCE

Your Company attaches considerable significance to good Corporate Governance as an important step towards building investor confidence, improving investors' protection and maximizing long-term stakeholders value. The certificate of the Auditors, M/s Walker Chandiok & Co LLP (Firm registration No: 001076N/N500013), Chartered Accountants confirming compliance of conditions of Corporate Governance as stipulated under Regulation 25 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 forms part of this Annual Report.

STATUTORY AUDITORS

The Auditors of the Company M/s. Walker, Chandiok & Co LLP, Chartered Accountants (Firm Registration No 001076N/N500013) have been appointed at the Annual General Meeting on 28 July 2017 to hold office till the conclusion of 37th Annual General Meeting. In terms of the first proviso to section 139 of the Companies Act, 2013, the appointment of the Auditor's shall be placed for ratification at every Annual general Meeting. However, the Companies Amendment Act, 2017 has come into force on 7 May 2018 and the requirement of ratification of appointment of Auditors in every Annual General Meeting has been omitted. Hence, M/s Walker Chandiok & Co LLP, (ICAI Firm Registration No. 001076N/N500013), Chartered Accountants will hold office till the conclusion of 37th Annual general Meeting. The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

SECRETARIAL AUDITOR

The provisions of Section 204 read with Section 134(3) of the Companies Act, 2013 mandates Secretarial Audit of the Company. The Board in its meeting held on 24 March 17, appointed Mr. Jitendra Patnaik, Proprietor of M/s J. Patnaik & Associates, Practising Company Secretary (Certificate of Practice No. 3102) as the Secretarial Auditor for a term of two years i.e. 2016-17 & 2017-18.

The Secretarial Auditors' Report for the financial year ending 31 March 2018 is given in Annexure V, which forms part of this report. The enclosed Secretarial Auditors' Report confirms compliance of applicable Secretarial Standards.

ACKNOWLEDGEMENT

Directors take this opportunity to express their thanks to various departments of the Central and State Government, Bankers, Customers and Stakeholders for their continued support.

The Directors wish to place on record their appreciation for the dedicated efforts put in by the employees of the Company at all levels.

Cautionary Statement: Statement in the Directors' Report and Management Discussion & Analysis Report describing the Company's expectations may be forward-looking within the meaning of applicable securities laws & regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operation include global and domestic demand and supply conditions affecting selling prices, new capacity additions, availability of critical materials and their costs, changes in government policies and tax laws.

On behalf of the Board

Registered Office:

Plot No. IND-5, Sector - 1
East Calcutta Township
Kolkata - 700 107
CIN: L01409WB1982PLC034590
E-mail: complianceifbagro@ifbglobal.com
Website : www.ifbagro.in
Kolkata, 30 May 2018

Bikram Nag
Joint Executive Chairman
(DIN: 00827155)

Arup Kumar Banerjee
Vice Chairman and
Managing Director
(DIN: 00336225)

Annexure I to Directors' Report

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st 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 AND OTHER DETAILS:

- i) CIN : L01409WB1982PLC034590
- ii) Registration Date : 19.02.1982
- iii) Name of the Company : IFB AGRO INDUSTRIES LIMITED
- iv) Category / Sub-Category of the Company : Company Limited by Shares
- v) Address of the Registered Office and contact details : Plot No. IND-5, Sector-1,
East Calcutta Township,
Kolkata - 700 107.
Tel No: (033) 39849675.
Fax No: (033) 24421003
E-Mail: complianceifbagro@ifbglobal.com
Website : www.ifbagro.in
- vi) Whether listed company : Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : CB Management Services (P) Ltd.
P-22, Bondel Road, Kolkata-700019.
Tel No: (033) 4011 6700/2280 6692/2282 3643/2287 0263
Fax No: (033) 40116739.
E-mail: rta@cbmsl.com
Website : www.cbmsl.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	Alcohol (Spirits and Spirituous Beverages)	1101	67%
2	Marine Products	1020	33%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	IFB Agro Marine(FZE), Sharjah Airport International Free Zone, Sharjah, U.A.E	018085	Wholly Owned Subsidiary	100%	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i) Category-wise Share Holding

		No. of Shares held at the beginning of the year 01.04.2017				No. of Shares held at the end of the year 31.03.2018				% Change during the year
	Category of Shareholder	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Promoter									
1	Indian									
(a)	Individuals/ HUF	238824	-	238824	2.55	239824	-	239824	2.56	0.01
(b)	Central Government(s)	-	-	-	-	-	-	-	-	-
(c)	State Government(s)	-	-	-	-	-	-	-	-	-
(d)	Bodies Corporate	5848856	-	5848856	62.44	5848856	-	5848856	62.44	-
(e)	Bank/Financial Institutions	-	-	-	-	-	-	-	-	-
(f)	Others	-	-	-	-	-	-	-	-	-
	Sub Total(A)(1)	6087680	-	6087680	64.99	6088680	-	6088680	65.00	0.01
2	Foreign									
(a)	NRIs-Individuals	-	-	-	-	-	-	-	-	-
(b)	Other-Individuals	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(d)	Bank/Financial Institutions	-	-	-	-	-	-	-	-	-
(e)	Any Others	-	-	-	-	-	-	-	-	-
	Sub Total(A)(2)	-	-	-	-	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	6087680	-	6087680	64.99	6088680	-	6088680	65.00	0.01
(B)	Public Shareholding									
1	Institutions									
(a)	Mutual Funds	-	9000	9000	0.1	-	9000	9000	0.1	0
(b)	Bank/Financial Institutions	1179	95850	97029	1.03	682	95850	96532	1.03	0.00
(c)	Central Government(s)	-	-	-	-	-	-	-	-	-
(d)	State Government(s)	-	-	-	-	-	-	-	-	-
(e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f)	Insurance Companies	-	-	-	-	-	-	-	-	-
(g)	Foreign Institutional Investors (FII)	-	-	-	-	-	-	-	-	-
(h)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(i)	Foreign Portfolio Investors	25000	-	25000	0.27	15000	-	15000	0.16	-0.11
(j)	Other (specify)	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(1)	26179	104850	131029	1.40	15682	104850	120532	1.29	-0.11

		No. of Shares held at the beginning of the year 01.04.2017				No. of Shares held at the end of the year 31.03.2018				% Change during the year
	Category of Shareholder	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B 2	Non-institutions									
(a)	Bodies Corporate									
i)	Indian	793155	5796	798951	8.53	782575	5496	788071	8.42	-0.11
ii)	Overseas	-	-	-	-	-	-	-	-	-
(b)	Individuals									
i)	Individual shareholders holding nominal share capital up to Rs 1 lakh	868640	350472	1219112	13.01	855517	334892	1190409	12.71	-0.30
ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	1068815	-	1068815	11.41	1101808	-	1101808	11.76	0.35
(c)	Other (specify)									
1	NRI	30139	29320	59459	0.64	40880	28659	69539	0.74	0.10
2	Clearing Member	1411	-	1411	0.02	7418	-	7418	0.08	0.06
3	OCB	-	-	-	-	-	-	-	-	-
4	Trust	154	-	154	0.00	154	-	154	0.00	0.00
5	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-
	Office of the Custodian Special Court	-	500	500	0	0.00	500	500	0.00	0.00
	Sub-Total (B)(2)	2762314	386088	3148402	33.61	2788352	369547	3157899	33.71	0.10
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)	2788493	490938	3279431	35.01	2804034	474397	3278431	35.00	-0.01
	TOTAL (A)+(B)	8876173	490938	9367111	100	8892714	474397	9367111	100	0
(C)	Shares held by Custodians for GDRs & ADRs	-	-	-	-	-	-	-	-	-
	GRAND TOTAL (A)+(B)+(C)	8876173	490938	9367111	100	8892714	474397	9367111	100	0

ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2017			Shareholding at the end of the year 31.03.2018			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total Shares	
1	Bijon Nag	237509	2.54	0	237509	2.54	0	0
2	Bikram Nag	0	0.00	0	1000	0.01	0	0.01
3	Priyambada Nag	1315	0.01	0	1315	0.01	0	0
4	Nurpur Gases Pvt.Ltd	785543	8.39	0	785543	8.39	0	0
5	Asansol Bottling & Packaging Co. Pvt. Ltd	307197	3.28	0	307197	3.28	0	0
6	Zim Properties Pvt.Ltd	385000	4.11	0	385000	4.11	0	0
7	Lupin Agencies Pvt.Ltd	385300	4.11	0	385300	4.11	0	0
8	Windsor Marketiers Pvt.Ltd	382916	4.09	0	382916	4.09	0	0
9	IFB Automotive Pvt.Ltd	3602900	38.46	0	3602900	38.46	0	0
	Total	6087680	64.99	0	6088680	65.00	0	0.01

(iii) Change in Promoters' Shareholding

Sl No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	6087680	64.99		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc)	Mr. Bikram Nag bought 1000 equity shares on 4th April, 2017	0.01		
	At the end of the year			6088680	65.00

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

Sl. N.	For each of the Top ten Shareholders		Shareholding at the beginning of the year (01.04.2017)		Cumulative Shareholding at the end of the year (31.03.2018)	
	Date	Reason	No of Shares Company	% of total shares of the	No of Shares Company	% of total shares of the
1	SICGIL INDIA LIMITED					
	a) At the beginning of the year	01.04.2017	683100	7.29	683100	7.29
	b) Changes during the year					
		21.04.2017 Buy	275	0.00	683375	7.30
		28.04.2017 Buy	25	0.00	683400	7.30
		05.05.2017 Sale	688	0.01	682712	7.29
		02.06.2017 Sale	8312	0.09	674400	7.20
	c) At the end of the year	31.03.2018			674400	7.20
2	F L DADABHOY					
	a) At the beginning of the year	01.04.2017	224400	2.40	224400	2.40
	b) Changes during the year					
		07.04.2017 Buy	150	0.00	224550	2.40
		21.04.2017 Buy	150	0.00	224700	2.40
		05.05.2017 Buy	1618	0.02	226318	2.42
		12.05.2017 Buy	7644	0.08	233962	2.50
		19.05.2017 Buy	2498	0.03	236460	2.52
		26.05.2017 Buy	1140	0.01	237600	2.54
		02.06.2017 Buy	6548	0.07	244148	2.61
		09.06.2017 Buy	352	0.00	244500	2.61
		23.06.2017 Buy	1200	0.01	245700	2.62
		30.06.2017 Buy	297	0.00	245997	2.63
		07.07.2017 Buy	3	0.00	246000	2.63
	c) At the end of the year	31.03.2018			246000	2.63
3	P F DADABHOY					
	a) At the beginning of the year	01.04.2017	174000	1.86	174000	1.86
	b) Changes during the year		-	-	-	-
	c) At the end of the year	31.03.2018			174000	1.86
4	N F DADABHOY					
	a) At the beginning of the year	01.04.2017	150900	1.61	150900	1.61
	b) Changes during the year		-	-	-	-
	c) At the end of the year	31.03.2018			150900	1.61
5	DOLLY KHANNA					
	a) At the beginning of the year	01.04.2017	146041	1.56	146041	1.56
	b) Changes during the year					
		28.04.2017 Sale	1000	0.01	145041	1.55
		12.05.2017 Sale	2365	0.03	142676	1.52
		19.05.2017 Sale	3000	0.03	139676	1.49
		26.05.2017 Sale	9665	0.10	130011	1.39
		02.06.2017 Sale	384	0.00	129627	1.38
		09.06.2017 Sale	1625	0.02	128002	1.37
		16.06.2017 Sale	2480	0.03	125522	1.34
		23.06.2017 Sale	2830	0.03	122692	1.31
		30.06.2017 Sale	7735	0.08	114957	1.23
		07.07.2017 Sale	720	0.01	114237	1.22
		21.07.2017 Sale	1672	0.02	112565	1.20
		25.08.2017 Sale	1000	0.01	111565	1.19
		01.09.2017 Sale	1000	0.01	110565	1.18
		08.09.2017 Sale	2000	0.02	108565	1.16

Sl. N.	For each of the Top ten Shareholders		Shareholding at the beginning of the year (01.04.2017)		Cumulative Shareholding at the end of the year (31.03.2018)	
	Date	Reason	No of Shares Company	% of total shares of the	No of Shares Company	% of total shares of the
	22.09.2017	Sale	2000	0.02	106565	1.14
	06.10.2017	Sale	500	0.01	106065	1.13
	13.10.2017	Sale	1000	0.01	105065	1.12
	27.10.2017	Buy	5505	0.06	110570	1.18
	01.12.2017	Buy	597	0.01	111167	1.19
	22.12.2017	Buy	1215	0.01	112382	1.20
	29.12.2017	Buy	7000	0.07	119382	1.27
	19.01.2018	Buy	1000	0.01	120382	1.29
	09.02.2018	Buy	500	0.01	120882	1.29
6	c) At the end of the year	31.03.2018			120882	1.29
	R F DADABHOY					
	a) At the beginning of the year	01.04.2017	129000	1.38	129000	1.38
	b) Changes during the year		-	-	-	-
7	c) At the end of the year	31.03.2018			129000	1.38
	SHIRIN WATWANI					
	a) At the beginning of the year	01.04.2017	102000	1.09	102000	1.09
	b) Changes during the year	23.06.2017 Buy	300	0.00	102300	1.09
8	c) At the end of the year	31.03.2018			102300	1.09
	ABN-AMRO BANK N V CALCUTTA BRANCH A/C TRANSCOM INTERNATIONAL INC.					
	a) At the beginning of the year	01.04.2017	72500	0.77	72500	0.77
	b) Changes during the year		-	-	-	-
9	c) At the end of the year	31.03.2018			72500	0.77
	AMIT ASHOK THAWANI					
	a) At the beginning of the year	01.04.2017	35728	0.38	35728	0.38
	b) Changes during the year					
		09.06.2017 Sale	50	0.00	35678	0.38
		04.08.2017 Sale	7512	0.08	28166	0.30
		11.08.2017 Sale	5844	0.06	22322	0.24
		18.08.2017 Sale	500	0.01	21822	0.23
		25.08.2017 Sale	7392	0.08	14430	0.15
		01.09.2017 Sale	4288	0.05	10142	0.11
		08.09.2017 Sale	5951	0.06	4191	0.04
		15.09.2017 Sale	701	0.01	3490	0.04
		29.09.2017 Sale	1163	0.01	2327	0.02
		13.10.2017 Sale	1867	0.02	460	0.00
		20.10.2017 Sale	460	0.00	0	0.00
	c) At the end of the year	31.03.2018			0	0.00
10	YOGESH SHASHIKUMAR SAVADEKAR					
	a) At the beginning of the year	01.04.2017	31000	0.33	31000	0.33
	b) Changes during the year		-	-	-	-
	c) At the end of the year	31.03.2018			31000	0.33
11	T T RAGHUNATHAN					
	a) At the beginning of the year	01.04.2017	0	0.00	0	0.00
	b) Changes during the year					
		28.07.2017 Buy	6000	0.06	6000	0.06
		04.08.2017 Buy	14000	0.15	20000	0.21
		01.12.2017 Buy	3000	0.03	23000	0.25
		15.12.2017 Buy	2000	0.02	25000	0.27
	c) At the end of the year	31.03.2018			25000	0.27

(v) **Shareholding of Directors and Key Managerial Personnel**

Name Of Director/KMP	Date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
Bijon Nag, Chairman					
At the beginning of the year	1/4/2017	237509	2.5356	237509	2.5356
Changes during the year	-	-	-	-	-
At the end of the year	31/03/2018	-	-	237509	2.5356
Bikram Nag, Joint Executive Chairman					
At the beginning of the year	1/4/2017	-	-	-	-
Changes during the year (Buy)	4/4/2017	1000	0.01	-	-
At the end of the year	31/03/2018	-	-	1000	0.01
Arup Kumar Banerjee, Vice Chairman and Managing Director					
At the beginning of the year	1/4/2017	1450	0.0155	1450	0.0155
Changes during the year (Transfer)	16/12/2017	1450	0.0155	-	-
At the end of the year	-	-	-	-	-
Indranil Goho, Joint Managing Director					
At the beginning of the year	1/4/2017	5	0.0001	5	0.0001
Changes during the year	-	-	-	-	-
At the end of the year	31/03/2018	-	-	5	0.0001
Rahul Choudhury, Chief Financial Officer					
At the beginning of the year	1/4/2017	510	0.001	510	0.001
Changes during the year	-	-	-	-	-
At the end of the year	31/03/2018	-	-	510	0.001

V. INDEBTEDNESS

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

(Figure in Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	42,94,54,227	-	-	42,94,54,227
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	24,08,884	-	-	24,08,884
Total (i+ii+iii)	43,18,63,111	-	-	43,18,63,111
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	12,14,39,738	-	-	12,14,39,738
Net Change	12,14,39,738	-	-	12,14,39,738
Indebtedness at the end of the financial year				
i) Principal Amount	30,83,45,490	-	-	30,83,45,490
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	20,77,882	-	-	20,77,882
Total (i+ii+iii)	31,04,23,372	-	-	31,04,23,372

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Directors and Whole time Director :

(Figure in Rs.)

Sl. No.	Particulars of Remuneration	Name of MD/WTD			Total Amount
		Bikram Nag Joint Executive Chairman	Arup Kumar Banerjee, Vice Chairman and Managing Director	Indranil Goho Joint Managing Director (Upto 18th October, 2017)	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	66,94,240	1,45,11,308	71,25,131	283,30,679
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission payable				
	- as % of profit	45,00,000	45,00,000	-	90,00,000
	- Others, specify...				
5	Others, please specify	-	-	-	-
	Total (A)	1,11,94,240	1,90,11,308	71,25,131	3,73,30,679
	Ceiling as per the Act	2,31,99,289	2,31,99,289	2,31,99,289	4,63,98,578*

*Being 10% of the Net Profits of the Company as calculated under Section 198 of the Companies Act, 2013

B. Remuneration to other Directors:

(Figure in Rs.)

Particulars of Remuneration	Name of Directors							Total Amount
	Mr. Bijon Nag	Mr. Amitabha Kumar Nag	Mr. Nandan Bhattacharya	Mr. Sudip Kumar Mukherji	Mr. Hari Ram Agarwal	Mr. Manoj Kumar Vijay	Dr. Lakshmeshri Roy	
Independent Directors								
Fee for attending Board & Committee meetings	-	-	2,33,000	1,80,000	2,10,000	1,57,000	1,05,000	8,85,000
Commission	-	-	-	-	-	-	-	-
Others, please specify	-	-	-	-	-	-	-	-
Total (1)	-	-	2,33,000	1,80,000	2,10,000	1,57,000	1,05,000	8,85,000
Other Non-Executive Directors								
Fee for attending Board / Committee meetings	60,000	2,14,000	-	-	-	-	-	2,74,000
Commission	-	-	-	-	-	-	-	-
Others, please specify	-	-	-	-	-	-	-	-
Total (2)	60,000	2,14,000	-	-	-	-	-	2,74,000
Total (B)=(1+2)	60,000	2,14,000	2,33,000	1,80,000	2,10,000	1,57,000	1,05,000	11,59,000
Total Managerial Remuneration (A) + (B)								3,84,89,679
Overall Ceiling as per the Act*								5,10,38,436

*being 11% of the Net Profits of the Company as calculated under Section 198 of the Companies Act, 2013

C. Remuneration to Key Managerial Personnel other than MD/WTB

(Figure in Rs.)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		Mr Dipak Sen Chief Financial Officer (Upto 25.11.2017)	Mr. Rahul Choudhury Chief Financial Officer (w.e.f. 02.12.2017)	Mr Ritesh Agarwal Company Secretary	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	55,35,195	19,09,269	35,15,665	1,09,60,129
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL	NIL
4	Commission	NIL	NIL	NIL	NIL
	- as % of profit	NIL	NIL	NIL	NIL
	others, specify...	NIL	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL	NIL
	Total	55,35,195	19,09,269	35,15,665	1,09,60,129

VII) PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: There is no penalty, punishment or compounding of offences during the year ended 31st March, 2018.

On behalf of the Board

Registered Office:

Plot No. IND-5, Sector - 1
 East Calcutta Township
 Kolkata - 700 107
 CIN: L01409WB1982PLC034590
 E-mail: complianceifbagro@ifbglobal.com
 Website : www.ifbagro.in
 Kolkata, 30 May 2018

Bikram Nag
Joint Executive Chairman
 (DIN: 00827155)

Arup Kumar Banerjee
*Vice Chairman and
 Managing Director*
 (DIN: 00336225)

Annexure II to Directors' Report

- (i) **The ratio of the remuneration of each Director to the median remuneration to the employee of the Company for the financial year 2017-18**

Director's Name	Ratio to median remuneration
Mr. Arup Kumar Banerjee, Vice Chairman and Managing Director	37.35
Mr. Bikram Nag, Joint Executive Chairman	21.99
Mr. Indranil Goho, Joint Managing Director (#Resigned w.e.f 18 October 2017)	14.00#

* Non Executive Directors are paid sitting fee only. Hence, not considered for ratio to median remuneration.

- (ii) **The Percentage increase in remuneration of each Director, Chief Financial Officer (CFO), Company Secretary (CS) in the financial year 2017-18.**

Director's/CFO/CS	% increase / (decrease) in remuneration in the Financial Year
Mr. Arup Kumar Banerjee, Vice Chairman and Managing Director	2.05%*
Mr. Bikram Nag, Joint Executive Chairman	2.61%*
Mr. Indranil Goho, Joint Managing Director (Resigned w.e.f 18 October 2017)	NA#
Mr. Dipak Sen, Chief Financial Officer (Deceased on 25 November 2017)	NA#
Mr. Rahul Choudhary, Chief Financial Officer (joined w.e.f 2 December 2017)	NA#
Mr. Ritesh Agarwal, Company Secretary	NIL

* There was no increase in remuneration of Directors and KMPs, the increase is due to increase in variable component which is linked to the net profits as calculated under Section 198 of the Companies Act, 2013.

Not consider being for the part of the year

- (iii) **Percentage increase in the median remuneration of employees in the financial year 2017-18 : 9.77%**
 (iv) **Number of permanent employees on the rolls of the Company as on 31.03.2018 : 405**
 (v) **Average percentile increase in salaries of Employees other than 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 for the year 2017-18 was around 9.77%

The average increase in staff salary for the year 2017-18 was 14.83%.

The average increase in Managerial Remuneration for the year 2017-18 was 7.84%

(vi) **The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess the highest paid Director during the year:** None

(vii) **Affirmation that the remuneration is as per the remuneration policy of the Company:**

The Board of Directors of the Company affirms that the remuneration is as per the remuneration policy of the Company.

(viii) The statement containing the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in a separate annexure forming part of this report. In terms of Section 136 of the Act, the said annexure is open for inspection at the registered office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

On behalf of the Board

Registered Office:

Plot No. IND-5, Sector - 1
East Calcutta Township
Kolkata - 700 107
CIN: L01409WB1982PLC034590
E-mail: complianceifbagro@ifbglobal.com
Website : www.ifbagro.in
Kolkata, 30 May 2018

Bikram Nag
Joint Executive Chairman
(DIN: 00827155)

Arup Kumar Banerjee
*Vice Chairman and
Managing Director*
(DIN: 00336225)

Annexure III to Directors' Report

Statement pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014.

[A] CONSERVATION OF ENERGY

- a) Energy conservation measures taken:
1. Continued operation of Distilleries on 'Eco Smart' multi pressure distillation technology with integrated evaporation plant. This energy efficient technology has helped in reducing of steam consumption.
 2. Very High Gravity fermentation process (VHG) is continued as standard operating procedure which helped to reduce the consumption of steam and water.
 3. Distilleries were being operated on cogenerated power. This year captive power generation improved by 26.5% compared to last year due to increase in capacity.
 4. Jet cooking process was modified to use low pressure exhaust steam in liquefaction process, which helped to reduce heat energy consumption and resulting in reduction in fuel consumption.
 5. Total steam condensate recycling (100% recycling) from DDGS and new distillation unit has substantially reduced fuel and energy consumption.
 6. Overall power factor achieved > 98% for the distillery operation, with the help of using modern gadgets.
- b) Steps taken for utilizing alternate sources of energy
1. Use of steam condensate for de-superheating of process steam, leading to saving of steam and water.
 2. Use of Biogas in boiler produced from waste water.
 3. Use of rice husk along with saw dust, straw and Groundnut shell dust in boiler as alternative source of energy.
- The capital investment on energy conservation equipment is not significant.

[B] TECHNOLOGY ABSORPTION

- a) Efforts made towards technology absorption
1. Adoption and use of high temperature tolerant yeast strain to support high gravity fermentation which helped to reduce energy consumption for fermentation cooling.
 2. Installation of sand separator in milling section to avoid sand related erosion in process machinery.
 3. Installation of rotating steam tube bundled dryer with PLC controls for making DDGS with flexible product quality options.
 4. Vapour integration from DDGS dryer to this slap evaporation for steam and fuel saving.
 5. Introduction of water cooled screw type brine chiller with refrigerant R134A, which is environment friendly, and does not lead to GHG (greenhouse gas) emission.
 6. Incorporation state of art high precision imported mass flow meters for fully automatic spirit handling process at distillery which is first of its kind in the country.
 7. Continuation of CPCB approved online monitoring instruments (system) for water and stack monitoring.
- b) Benefits derived :
1. Improvement in fermentation efficiencies and overall yield.
 2. Improved quality, productivity and yield in grain distillery operation.
 3. Minimizing spirit handling loss at distillery using precision mass flow meters, adding benefits to both company and to state exchequer.
 4. Lowering of steam and water consumption through 'Eco Smart' distillation technology and integration of vapour from DDGS dryer for thin slop evaporation very high gravity fermentation technique, multi effect evaporation plant operation, and utilization of reverse osmosis plant to clean treated condensate and effluent water.
 5. Ground water conservation.
 6. Improvement in fuel burning efficiencies in Boiler.

c) Technology Imported :

Coriolis principle based precision mass flow meters were imported during the year and the technology with SCADA controls were fully absorbed. This technology is adopted for the first time in distillery industry in India.

d) Research & Development:

1. Talks are in advanced stage with reputed Institute to develop enzymes for captive use in the distillery.
2. In house R&D has successfully developed and all purpose floor/surface cleaner utilizing distillery byproducts. It is under phase I trial now.
3. Successfully completed feeding trial at NDRI , Kalyani, to utilize CDS ,and DDGS as an active ingredient for cattle feed.
4. Project on DDGS digestibility in poultry feed is sponsored with University of Animal Science.
5. Expenditure on R&D:

5.1 Capital	:	NIL
5.2 Recurring	:	Rs 22.04 lacs
5.3 Total	:	Rs 22.04 lacs

[C] FOREIGN EXCHANGE EARNINGS AND OUTGO

	31.03.2018	(Rs. in Lacs) 31.03.2017
a) Foreign Exchange Earnings (FOB value)	18057.50	17206.42
b) CIF Value of Capital Imports	-	290.10
c) Expenditure in Foreign Currency	632.48	572.51

On behalf of the Board

Registered Office:

Plot No. IND-5, Sector - 1
 East Calcutta Township
 Kolkata - 700 107
 CIN: L01409WB1982PLC034590
 E-mail: complianceifbagro@ifbglobal.com
 Website : www.ifbagro.in
 Kolkata, 30 May 2018

Bikram Nag
Joint Executive Chairman
 (DIN: 00827155)

Arup Kumar Banerjee
*Vice Chairman and
 Managing Director*
 (DIN: 00336225)

Annexure IV to Directors' Report
CORPORATE SOCIAL RESPONSIBILITY

The Company constituted a Corporate Social Responsibility (CSR) Committee pursuant to provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 are provided herein below:

1.	A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes. Weblink	The CSR Committee evolved a policy to spend the amount towards the activities mentioned in Clause i, ii, ix & x of Schedule VII of the Companies Act, 2013. www.ifbagro.in
2.	The Composition of the CSR Committee.	Mr. A.K. Banerjee - Chairman Mr. H.R. Agarwal - Member Mr. M.K. Vijay - Member
3.	Average net profit of the Company for last three financial years.	Average net profit of Rs. 3698.14 lacs
4.	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above).	Rs. 73.96 lacs
5.	Details of CSR spent during the financial year 2016-17	
	(a) Total amount to be spent for the financial year 2016-17	Rs. 73.96 lacs
	(b) Amount unspent , if any	Rs. 17.52 Lacs

5(c.) Manner in which the amount spent during the financial year is detailed below:

(Rs. in Lacs)

SL No	CSR project or activity identified	Sector in which the project is covered	Projects or programmes 1) Local area or other 2) Specify the State and district where projects or programmes was undertaken.	Amount outlay (budget) project or programmes wise.	Amount spent on the projects or programmes sub heads: 1) Direct Expenditure on projects or programs 2) Overheads	Cumulative Expenditure upto to the reporting Period.	Amount spent Direct or through implementing Agency.
1	Eradicating hunger, malnutrition and sanitation etc	Eradicating hunger, malnutrition and sanitation etc	District: 24 Parganas(S), Burdwan, State-West Bengal	3.00	1.55	1.55	Direct
2	Promoting Healthcare and Safe Drinking Water	Promoting Healthcare and Safe Drinking Water	District: 24 Parganas(S), State-West Bengal	9.00	7.15	7.15	Direct and through Indian Institute of Cerebral Palsy
3	Promoting education and Livelihood enhancement	Promoting education and Livelihood enhancement	District: 24 Parganas(S), Burdwan, Hooghly, Midnapore, State-West Bengal	61.96	47.74	47.74	Direct
	TOTAL			73.96	56.44	56.44	

The Committee has stated that the implementation and monitoring of CSR policies are in compliance with CSR objectives and policy of the Company.

Sd/-

Arup Kumar Banerjee
Vice Chairman and Managing Director &
Chairman of CSR Committee

Kolkata, 30 May 2018

Annexure V to Directors' Report**Form No. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018***[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]*

To,
The Members,
IFB Agro Industries Limited
Plot No IND 5, Sector -1,
East Calcutta Township
Kolkata - 700107

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **IFB Agro Industries Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by **IFB Agro Industries Limited** and also based on the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March 2018 ("Audit Period") 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.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **IFB Agro Industries Limited** ("the Company") for the financial year ended on 31st March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not Applicable to the Company during the period under review);
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not Applicable to the Company during the period under review);
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable to the Company during the period under review);
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable to the Company during the period under review);

- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;(Not Applicable to the Company during the period under review), and
- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (vi) Other applicable laws generally applicable to the Industry/Company:
 - a) Factories Act, 1948;
 - b) The Payment of Wages Act, 1936;
 - c) The Minimum Wages Act, 1948;
 - d) The Payment of Gratuity Act, 1972;
 - e) The Child Labour (Prohibition & Regulations) Act, 1986;
 - f) The Environment (Protection) Act, 1986, read with the Environment (Protection) Rules, 1986;
 - g) The Water (Prevention & Control of Pollution) Act, 1974, read with Water (Prevention & Control of Pollution) Rules, 1975;
 - h) The Air (Prevention & Control of Pollution) Act, 1981 read with Air (Prevention & Control of Pollution) Rules, 1982;
- (vii) Other applicable laws specifically applicable to the Industry/Company:
 - a) The Food Safety and Standards Act, 2006;

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

 - (i) Secretarial Standard-I and II issued by the Institute of Company Secretaries of India.
 - (ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and Bombay Stock Exchange Limited;

I further report that

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

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period there are no events or actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For J. Patnaik & Associates
Company Secretaries

J. Patnaik, Proprietor
FCS No. : 5045
C. P. No.: 3102

Place : Kolkata
Date : 15 May 2018

Annexure VI to Directors' Report
Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures
Part A Subsidiaries

Sl. No.	1
Name of the subsidiary	IFB AGRO MARINE(FZE)
The date since when subsidiary was acquired	20-April-2017
Reporting Period for the subsidiary concerned, if different from the holding company's reporting period.	NOT APPLICABLE
Reporting currency	AED
Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	INR17.726
Share capital	1,800,000
Reserves and surplus	(1,678,165)
Total assets	397,694
Total Liabilities	397,694
Investments	-
Turnover	2,156,124
Profit / Loss before taxation	(1,678,165)
Provision for taxation	-
Profit / Loss after taxation	(1,678,165)
Proposed Dividend	-
Extent of shareholding (in percentage)	100%

Notes:

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

Part B Associates and Joint Ventures
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Since there are no associates and joint ventures as at 31 March, 2018, the information required in Part B has not been furnished.

On behalf of the Board

Registered Office:

Plot No. IND-5, Sector - 1
East Calcutta Township
Kolkata - 700 107
CIN: L01409WB1982PLC034590
E-mail: complianceifbagro@ifbglobal.com
Website : www.ifbagro.in
Kolkata, 30 May 2018

Bikram Nag
Joint Executive Chairman
(DIN: 00827155)

Arup Kumar Banerjee
*Vice Chairman and
Managing Director*
(DIN: 00336225)

Report on Corporate Governance

1) Company's philosophy on code of Governance

The Company's philosophy on Corporate Governance envisages attainment of the highest levels of transparency, empowerment, accountability, motivation in all operations and all interactions with its shareholders, investors, lenders, directors, employees and customers.

The Company believes that all its operations and actions must serve the underlying goal of enhancing overall stakeholder's value, over a sustained period of time.

2) Board of Directors

A) Composition of the Board of Directors as on 31 March 2018 is as follows:

The Board of Directors of the Company have an optimum combination of Executive, Non Executive and Independent Directors who have an in-depth knowledge of business, in addition to the expertise in their areas of specialization. The Board of the Company comprises 9 (nine) Directors that includes 1 (one) Woman Director.

Category	No. of Directors	%
Executive Directors	2	22.22
Independent Non-Executive Directors	5	55.56
Other Non-Executive Directors	2	22.22
Total	9	100.00

B) Particulars of Directorships & Committee Chairmanship/Membership of other Companies & Attendance at the Board Meetings & Last AGM held on 28.07.2017

Name	Category	No. of Board Meetings attended during 2017-18	Whether attended in AGM held on 28 July 2017	No. of Directorships in other Indian Public Limited Companies as on 31 March 2018		No. of Committee position held in other Indian Public Limited Companies as on 31 March 2018*	
				Chairman	Member	Chairman	Member
Mr. Bijon Nag (Chairman)	Non-Executive Director	4	Yes	1	NIL	NIL	NIL
Mr. Bikram Nag (Joint Executive Chairman)	Executive Director	6	Yes	1	1	NIL	NIL
Mr. Arup Kumar Banerjee (Vice Chairman and Managing Director)	Executive Director	6	Yes	NIL	NIL	NIL	NIL
Mr. Nandan Bhattacharya	Independent Non-Executive Director	6	Yes	NIL	6	NIL	5
Mr. Amitabha Kumar Nag	Non-Executive Director	6	Yes	NIL	NIL	NIL	NIL
Mr. Sudip Kumar Mukherji	Independent Non-Executive Director	6	Yes	NIL	NIL	NIL	NIL
Mr. Hari Ram Agarwal	Independent Non-Executive Director	6	Yes	NIL	NIL	NIL	NIL
Mr. Manoj Kumar Vijay	Independent Non-Executive Director	6	Yes	NIL	2	NIL	NIL
Dr. Lakshmishri Roy	Independent Non-Executive Woman Director	6	Yes	NIL	NIL	NIL	NIL
Mr. Indranil Goho (Joint Managing Director)**	Executive Director	2	Yes	NIL	1	NIL	NIL

* Only Membership/ Chairmanship of Audit Committee, Investor Grievance and Stakeholders' Relationship Committee have been considered.

** Mr. Indranil Goho resigned from the Board of Directors of the Company as Joint Managing Director of the Company from 18 October 2017.

No Director is a member of more than ten Committees or Chairman of more than five Committees across all companies in which they are Directors.

No Director is related to any other Director on the Board except Mr. Bijon Nag and Mr. Bikram Nag in terms of the definition of "Relative" given under the Companies Act, 2013.

C) Board Meetings held in the financial year 2017-2018

The Board meets at least once in a quarter in order to consider amongst other business, the quarterly performance of the Company and its financial results. The gap between any two meetings does not exceed 4 months.

During the year under review 6 (six) meetings were held on following dates:

17 May 2017, 26 July 2017, 27 October 2017, 2 December 2017, 31 January 2018 and 26 March 2018.

3) Audit Committee

Terms of Reference

The Audit Committee reviews the Audit Reports submitted by the Internal Auditors, Statutory Auditors, financial results, effectiveness of internal audit process and the Company's risk management strategy and to establish the vigil mechanism. It reviews the Company's established systems and the Committee is governed by provisions of the Companies Act, 2013 and Listing Agreement with Stock Exchanges and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Composition, Name of Members, Number of Meetings, Chairperson and attendance of the Audit Committee during the financial year 2017-18:

Name of Members	Members/Chairman	No. of Meetings held	No. of Meetings attended
Mr. Nandan Bhattacharya	Chairman	5	5
Mr. Amitabha Kumar Nag	Member	5	5
Mr. Sudip Kumar Mukherji	Member	5	5
Mr. Hari Ram Agarwal	Member	5	5

During the year under review 5 (Five) meetings were held of the members of the Committee which are as follows:

17 May 2017, 26 July 2017, 27 October 2017, 2 December 2017 and 31 January 2018.

The Company Secretary acted as the 'Secretary' to the Audit Committee.

4) Nomination and Remuneration Committee

Terms of reference

This Committee identifies the persons, who are qualified to become Directors of the Company / who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and also carries out evaluation of each director's performance. The Committee also formulate the criteria for determining qualifications, positive attributes, independence of the Directors and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

Composition, Name of Members, Number of Meetings, Chairperson and attendance of the Nomination and Remuneration Committee during the financial year 2017-18:

Name of Members	Member/Chairman	No. of Meetings held	No. of Meetings attended
Mr. Nandan Bhattacharya	Chairman	3	3
Mr. Amitabha Kumar Nag	Member	3	3
Mr. Manoj Kumar Vijay	Member	3	3
Mr. Hari Ram Agarwal	Member	3	3

During the year under review three meetings were held on the following dates:

17 May 2017, 27 October 2017 and 2 December 2017

Nomination and Remuneration Policy

The Nomination and Remuneration Policy may be referred to at the Company's official website at the weblink : http://www.ifbagro.in/ifb-admin/assets/1490251218_Nomination-and-remuneration-policy.pdf

Remuneration/Commission paid to Directors during the financial year 2017-18:

(Figures in Rupees)

Name of Director	Sitting Fees	Salary, Perquisites & Commission	Total
Mr. Bijon Nag	60,000	-	60,000
Mr. Bikram Nag	-	1,11,94,240	1,11,94,240
Mr. Arup Kumar Banerjee	-	1,90,11,380	1,90,11,380
Mr. Nandan Bhattacharya	2,33,000	-	2,33,000
Mr. Amitabha Kumar Nag	2,14,000	-	2,14,000
Mr Hari Ram Agarwal	2,10,000	-	2,10,000
Mr Manoj Kumar Vijay	1,57,000	-	1,57,000
Mr Sudip Kumar Mukherji	1,80,000	-	1,80,000
Dr. Lakshmishri Roy	1,05,000	-	1,05,000
Mr. Indranil Goho*	-	71,25,131	71,25,131

- Mr. Bikram Nag was appointed as the Joint Executive Chairman for a period of 3 years w.e.f 27 January 2016 till 26 January 2019.
- Mr. Arup Kumar Banerjee was appointed as Vice Chairman and Managing Director for a period of 3 years w.e.f 30 July 2017.
- No severance fee is payable and no stock option has been given.
- Other than sitting fees, there is no other pecuniary relationship or transactions with any of the Non - Executive Directors.
- * Mr. Indranil Goho resigned from the Board of Directors as Joint Managing Director of Company w.e.f. 18 October 2017.

5) Stakeholders' Relationship Committee

Terms of reference

The Committee focuses primarily on monitoring expeditious redressal of investors /stakeholders grievances and also function in an efficient manner that all issues /concerns stakeholders are addressed / resolved promptly.

Composition, Name of Members, Number of Meetings, Chairperson and attendance of the Stakeholder's Relationship Committee during the financial year 2017-18:

Name of Members	Member/Chairman	No of Meetings held	No. of Meetings attended
Mr. Nandan Bhattacharya	Chairman	19	19
Mr. Amitabha Kumar Nag	Member	19	17
Mr. Manoj Kumar Vijay	Member	19	11

In view of compulsory trading of shares in dematerialized form and consequent lowering of volume of physical transfers there were very few complaints which were sufficiently addressed to at the level of the Compliance Officer and CB Management Services (P) Ltd., the Registrar & Transfer Agent of the Company for shares both in physical and demat modes.

During the year under review nineteen meetings were held on the following dates:

21 April 2017, 2 May 2017, 17 May 2017, 31 May 2017, 12 June 2017, 10 July 2017, 21 July 2017, 26 July 2017, 25 August 2017, 19 September 2017, 27 October 2017, 9 November 2017, 24 November 2017, 12 December 2017, 26 December 2017, 25 January 2018, 15 February 2018, 28 February 2018 and 20 March 2018.

Investor Grievance Redressal

The number of complaints received and resolved to the satisfaction of investor during the year under review and their break-up are as under:

No. of shareholders complaints received so far	Nil
No. of complaints not solved to the satisfaction of shareholders	Nil
No. of pending complaints	Nil

Name, Designation & Address of the Compliance Officer:

Mr. Ritesh Agarwal, Company Secretary

IFB Agro Industries Limited

Plot No- IND 5, Sector-1,

East Calcutta Township, Kolkata-700 107

Tel: (033) 39849524 • Fax: (033) 24421003

E-Mail: complianceifbagro@ifbglobal.com

6) General Body Meetings

a. Location and time where last three AGMs were held:

AGM	For the year ended	Date	Venue of the AGM	Time
35 th	2016-2017	28.07.2017	Club Ecovista Eco Space (Business Park), Premises No. 2F/11, Action Area II Rajarhat, New Town Kolkata - 700 156.	12.30 P.M
34 th	2015-2016	22.07.2016	Club Ecovista Eco Space (Business Park), Premises No. 2F/11, Action Area II Rajarhat, New Town Kolkata - 700 156.	12.30 P.M
33 rd	2014-2015	31.07.2015	Club Ecovista Eco Space (Business Park), Premises No. 2F/11, Action Area II Rajarhat, New Town Kolkata - 700 156.	12.30 P.M

b. Whether any special resolution passed in the previous three AGMs : Yes

c. Whether any special resolution passed last year through postal ballot : No

Details of voting pattern : N.A.

Person who conducted the postal ballot exercise : N.A.

d. Whether any special resolution is proposed to be conducted through postal ballot : No

e. Procedure for postal ballot:

Your Company will comply with the requirements of postal ballot as and when such matter arises requiring approval of the shareholders by such process under the Companies Act, 2013 and rules made thereunder, if any.

7) Disclosure:

a. Disclosure on materially significant related party transactions that may have potential conflict with the interests of the Company at large.

None of the transactions with any of the related parties were in conflict with interests of the Company. Transactions with the related parties are disclosed in Note No. 33 "Notes to Financial Statements" annexed to the Financial Statements for the year.

The Board has adopted a policy for related party transactions which has been uploaded on the Company's website of the following link http://www.ifbagro.in/ifb-admin/assets/1490251273_Policy%20on%20Related%20Party%20Transactions.pdf

b. Details of non-compliance by the Company, penalties, and strictures imposed on the Company by the Stock Exchanges, SEBI or any statutory authorities on any matter related to capital markets during the last 3 years: *None*.

c. The financial statements for the year 2017-18 have been prepared in accordance with the applicable accounting standards prescribed by The Institute of Chartered Accountants of India and there are no deviations.

- d. The Board has noted and reviewed the Compliance Reports of all laws applicable to the Company, which were placed before each of its meeting held during the year 2017-2018.
- e. The Company has adopted Whistle Blower/Vigil Mechanism Policy for Directors and employees which has been placed in the website of the Company at www.ifbagro.in. No personnel has been denied access to the Audit Committee.
- f. The Company has periodically reviewed and reporting to the Board of Directors of risk assessment by senior executives with a view to minimise risk.
- g. Reconciliation of Share Capital Audit:
A Qualified Practicing Company Secretary carried out a Share Capital Audit during the financial year 2016-17 on quarterly basis to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Reconciliation of Share Capital Audit Report confirms that the total Paid up Share Capital is in agreement with the total No. of Shares in physical form and the total number of Dematerialized shares held with NSDL and CDSL.
- h. Separate Meeting of the Independent Directors :
As per the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors are required to hold at least one meeting in a year. Accordingly, a meeting had been held on 24th March, 2018.
- i. Code of Conduct for Board members and Senior Management :
The Board of Directors has laid down the 'Code of Conduct' for all the Board members and members of the Senior Management of the Company. All the Board members and Senior Management Personnel have affirmed compliance with the code of conduct. The Code is available on the Company's Official website under the weblink: http://www.ifbagro.in/ifb-admin/assets/1490250982_Code%20of%20Conduct%20dtd%2005-6-15.pdf
- j. Familiarisation Programme for Independent Directors :
The Company through its Managing Director / Executive Director / Key Managerial Personnel conducts programmes/ presentations periodically to familiarize the Independent Directors with the strategy, operations and functions of the Company. The programmes/presentations also familiarises the Independent Directors with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business operates, business model of the Company etc. through various programmes.
The familiarisation programme is available on the Company's official website of the following link http://www.ifbagro.in/ifb-admin/assets/1491985105_Familiarization%20Programmes%202018.pdf
- k. The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.
This Corporate Governance Report of the Company for the financial year 2017-2018 as on 31 March 2018 are in compliance with the requirements of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable.

8) Means of communication

Quarterly Results: The Company's quarterly/half yearly/ annual financial results are sent to the Stock Exchanges with whom the Company has listing agreements as soon as the results are approved and taken on record by the Board of Directors of the Company. Further, the results are generally published in leading newspapers such as Business Standard (English) and Aajkal (Bengali).

Website : The Company's website (www.ifbagro.in) contains a separate dedicated section 'Investor Relations' where shareholders' information is available. The Company's Annual Report is also available in the website of the Company.

Annual Report : The Annual Report containing, inter alia, Audited Financial Statements, Directors' Report and Management's Discussion and Analysis Report, Corporate Governance Report and other important information is circulated to members.

NSE Electronic Application Processing System (NEAPS) : The NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, statement of investor complaints, among others are also filed electronically on the Listing Centre.

BSE Corporate Compliance & Listing Centre (the Listing Centre) : BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, statement of investor complaints, among others are also filed electronically on the Listing Centre.

9) **General Shareholder information:**

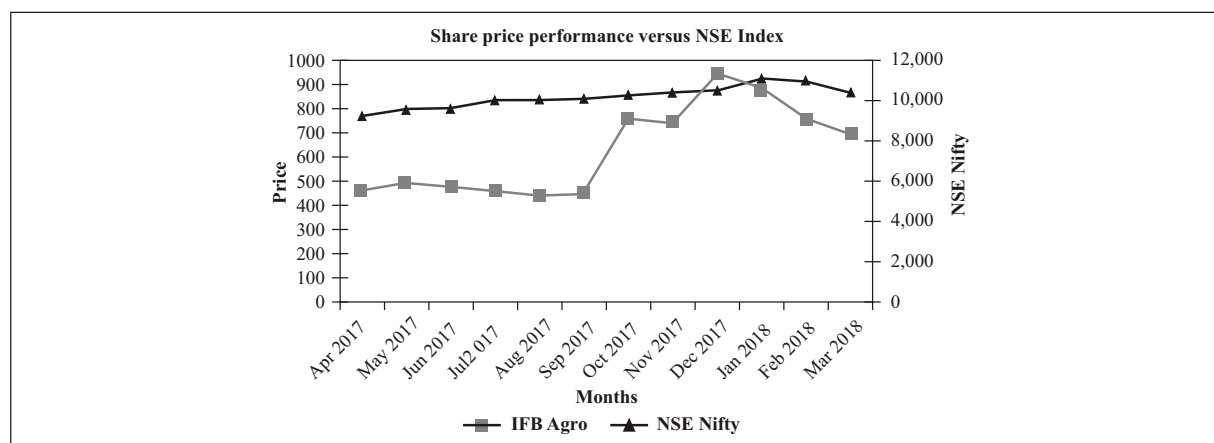
- i) 36th AGM date, time and venue : 27 day of July 2018, At 12.00 noon
Club Ecovista, Ecospace Business Park,
Premises No. 2F/11, Action Area II,
Rajarhat, New Town, Kolkata 700156.
- ii) Financial year : 1 April 2017 to 31 March 2018.
- iii) Book closure date : 21 July 2018 to 27 July 2018 (both days inclusive)
- iv) Dividend Payment date : Not Applicable.
- v) Listing on Stock Exchanges : a) Bombay Stock Exchange Limited (BSE)
b) National Stock Exchange of India Limited (NSE)
- vi) Stock Code : BSE : 507438
NSE : IFB Agro EQ
NSDL & CDSL : ISIN No. INE 076C01018

vii) **Market Price Data :**

Monthly high and low quotation of shares traded at National Stock Exchange of India Ltd & Bombay Stock Exchange Limited during the financial year 2017-18.

Month	BSE		NSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
Apr,2017	461.00	430.00	463.30	431.00
May,207	461.00	366.00	495.00	373.10
June,2017	484.95	385.00	480.00	383.20
July,2017	450.00	413.05	458.50	407.55
August,2017	444.00	379.05	438.90	379.00
September,2017	450.00	385.00	450.00	385.00
October,2017	757.00	408.50	764.40	415.00
November,2017	739.90	638.70	745.00	645.00
December,2017	938.90	675.00	948.00	675.45
January,2018	885.00	768.00	894.55	775.00
Fenruary,2018	751.00	638.50	760.00	632.70
March,2018	693.00	510.00	700.00	522.20

viii) **Share price performance in comparison to broad based indices - NSE Nifty**



- ix) Registrar & Share Transfer Agent : CB Management Services (P) Ltd.
P-22, Bondel Road, Kolkata - 700 019
Tel : (033) 4011 6700/2280 6692/2282 3643/2287 0263
Fax : (033) 4011 6739
E-mail : rta@cbmsl.com
Website :www.cbmsl.com

x) Share Transfer System

M/s CB Management Services (P) Ltd. of P-22, Bondel Road, Kolkata - 700 019, a SEBI registered Registrar is the Registrar of the Company both in physical and dematerialised segment.

Since the Company's shares can be traded only in demat mode, shareholders would be required to send their physical shares certificates, Demat Request Forms (DRF) etc. directly to the Share Transfer Agent, CB Management Services (P) Ltd. Shareholders would also have to ensure that their respective Depository Participant do not delay in sending the DRF and physical share certificates to the aforesaid Share Transfer Agents so that no Demat requests from any shareholder remains pending with the Share Transfer Agent beyond a period of 30 days.

xi) Distribution of Shareholding & Shareholding Pattern

(a) Distribution of Shareholding as on 31 March 2018

Range		No. of Shareholders	% of total	No. of Shares	% of total
From	To				
1	500	7764	94.42	728285	7.78
501	1000	256	3.11	190090	2.03
1001	2000	91	1.11	132107	1.41
2001	3000	33	0.40	78841	0.84
3001	4000	21	0.26	73729	0.79
4001	5000	12	0.15	54587	0.58
5001	10000	16	0.19	106917	1.14
10001	9999999	30	0.36	8002555	85.43
Total :		8223	100.00	9367111	100.00

b) Shareholding Pattern as on 31 March 2018

	No. of Shares	% of total	% Dematerialised
Indian Promoters	6088680	65.00	65.00
Mutual Funds/UTI	9000	0.10	0.00
Banks, Financial Institutions & Insurance Companies	96532	1.03	0.00
Private Corporate Bodies/Trust	788225	8.42	8.36
Indian Public	2292217	24.47	20.90
Non Resident Indians/Foreign Portfolio Investor	84539	0.90	0.60
Clearing Members	7418	0.08	0.08
Office of the Custodian Special Court	500	0.00	0.00
Total :	9367111	100.00	94.94

xii) Dematerialization of shares

As on 31 March 2018, 94.94% of the Company's total shares representing 8892714 shares were held in dematerialised form and the balance 5.06% representing 474397 shares were held in physical form.

- xiii) Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity : The Company has not issued, any GDRs/ADRs/Warrants or any convertible instruments.

- xiv) Commodity price risk/ foreign exchange risk and hedging activities. : The Company is exposed to the foreign exchange risk for ECB Loan, import of Capital Goods and export of finished goods and engages in foreign currency hedging with banks by way of currency forward contracts in order to protect its foreign currency exposure from exchange fluctuations in terms of the foreign exchange risk management policy of the Company.

xv) Plant Locations

A. Owned Plant Locations

- Distillery Plant – Noorpur, P.S. Diamond Harbour, South 24-Parganas, West Bengal - 743 368
- IMIL Bottling Plant 1) Panagarh, Dist. Burdwan, West Bengal - 713 148
2) Dankuni, Dist. Hooghly, West Bengal - 712 306
- Marine Product Processing Plant – IFB Agro Industries Limited, Plot No.IND-5, Sector-1 East Calcutta Township, Kolkata - 700 107

B. Tie-up Plant Locations

- IMIL Bottling Plant 1) Prasanta Kumar Dutta, Kandi, Murshidabad, West Bengal - 742137
2) Singh Fisher N, Purulia, West Bengal - 723102
3) Herald Beverages Pvt. Ltd., Jiyancha, 24 Pgs(S) - 743 504
- Marine Product Processing plant – Neeli Aqua Pvt. Ltd., Ongole, Andhra Pradesh -523212

xvi) Address for correspondence :

- Registered Office – IFB Agro Industries Limited
CIN : L01409WB1982PLC034590
Plot No.IND-5, Sector-1
East Calcutta Township
Kolkata - 700 107
Tel. : (033) 3984 9675
Fax : (033) 2442 1003
E-mail: complianceifbagro@ifbglobal.com
Website : www.ifbagro.in

10. Requirement under PART E of Schedule II

i) **The Board**

The Company maintains the Office of Non-Executive Chairman. The Company also pays for all the expenses incurred by the Non-Executive Chairman towards performance of his duties.

ii) **Shareholders' Rights**

The Company's financial results are published in the Newspaper and also posted on its website www.ifbagro.com. Hence, financial results are not send to the shareholders. However, the Company furnishes the financial results on receipt of request from the shareholders.

iii) **Audit Opinion**

The Company, at present, does not have any audit qualification pertaining to financial statements.

iv) **Separate Posts of Chairman and Managing Director**

Mr. Bijon Nag is the Non Executive Chairman of the Company, Mr. Bikram Nag is the Joint Executive Chairman of the Company and Mr. Arup Kumar Banerjee is the Vice Chairman and Managing Director of the Company. The Company has complied with the requirement of having separate persons to the Post of Chairman and Managing Director.

v) **Reporting of Internal Auditor**

The Company's Internal Auditor reports directly to the Audit Committee.

On behalf of the Board

Kolkata, 30 May 2018

Bikram Nag
Joint Executive Chairman
(DIN: 00827155)

Arup Kumar Banerjee
Vice Chairman and
Managing Director
(DIN: 00336225)

Certificate of Compliance with Code of Conduct Policy

I declare that in terms of Schedule V under Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has received affirmation of Compliance with Code of Conduct from all the Board members and Senior Management Personnel of the Company for the financial year ended 31 March 2018.

For IFB Agro Industries Limited

Place : Kolkata
Date : 30 May 2018

Arup Kumar Banerjee
Vice Chairman and
Managing Director

Independent Auditor's Certificate on Corporate Governance**To the Members of IFB Agro Industries Limited**

1. This certificate is issued in accordance with the terms of our engagement letter dated 06 September 2017.
2. We have examined the compliance of conditions of corporate governance by IFB Agro Industries Limited ('the Company') for the year ended on 31 March 2018, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Management's Responsibility

3. The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('ICAI'), and 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.
6. 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

7. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31 March 2018.

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.

Restriction on use

8. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013

per **Anamitra Das**
Partner
Membership No.:062191

Place: Kolkata
Date: 30 May 2018

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification

To
The Board of Directors
IFB Agro Industries Limited
Kolkata

Dear Sirs,

Sub: CEO & CFO Certificate

We, Arup Kumar Banerjee, Vice Chairman and Managing Director and Rahul Choudhary, Chief Financial Officer responsible for the finance function certify to the Board that:

- a) We have reviewed the financial statements and the cash flow statement for the year ended 31 March 2018 and that to the best of our knowledge and belief:
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31 March 2018 which are fraudulent, illegal or violative to Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal control for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and the audit committee and steps have taken to rectify these deficiencies.
- d)
 - i) There has not been any significant change in internal control over financial reporting during the year under reference.
 - ii) There has not been any significant change in accounting policies during the year under reference.
 - iii) We are not aware of any instance of fraud during the year, with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place : Kolkata
Date : 30 May 2018

Arup Kumar Banerjee
Vice Chairman and
Managing Director

Rahul Choudhary
Chief Financial Officer

Independent Auditors' Report to the Members of IFB Agro Industries Limited.

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of IFB Agro Industries Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2018, 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 Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. 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.
5. 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 these standalone financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these standalone financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2018, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The Company had prepared separate sets of statutory financial statements for the year ended 31 March 2017 and 31 March 2016 in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) on which we issued auditor's reports to the shareholders of the Company dated 17 May 2017 and 14 May 2016 respectively. These financial statements have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have also been audited by us. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. Further to our comments in Annexure A, as required by Section 143(3) of the Act, we report that:
- we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - 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;
 - the standalone financial statements dealt with by this report are in agreement with the books of account;
 - in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under Section 133 of the Act;
 - on the basis of the written representations received from the directors and 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;
 - we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 30 May 2018 as per Annexure B expresses our unmodified opinion on adequacy and operative effectiveness of internal controls over financial reporting; and
 - 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:
 - the Company, as detailed in Note 31 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position;
 - the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and
 - the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016 which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013

per **Anamitra Das**
Partner
Membership No. 062191

Place : Kolkata
Date : 30 May 2018

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT of even date to the members of IFB Agro Industries Limited, on the financial statements for the year ended 31 March 2018

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year by engaging the outside expert and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of all the immovable properties (which are included under the head 'Property, plant and equipment') are held in the name of the Company.
- (ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year, except for stocks lying with third parties. For stocks lying with third parties at the year-end, written confirmations have been obtained by the management. No material discrepancies were noticed on the aforesaid verification.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has complied with the provisions of Section 186 in respect of investments. Further, in our opinion, the Company has not entered into any transaction covered under Section 185 and Section 186 of the Act in respect of loans, guarantees and security.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.
- (b) The dues outstanding in respect of income-tax, sales-tax, service-tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ in lacs)	Amount Paid Under Protest (₹ in lacs)	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Income tax	62.96	62.96	2013-14	Commissioner of Income Tax (Appeals)
West Bengal Sales Tax Act, 1994	Sales tax	25.44	Nil	2004-05	Sr. Jt. Commissioner (Commercial Taxes), West Bengal
West Bengal Sales Tax Act, 1994	Sales tax	344.66	Nil	2005-06	Appellate and Revisional Board, West Bengal
West Bengal Sales Tax Act, 1994	Sales tax	41.38	Nil	2006-07	Appellate and Revisional Board, West Bengal
West Bengal Sales Tax Act, 1994	Sales tax	397.00	Nil	2007-08	Appellate and Revisional Board, West Bengal
West Bengal Sales Tax Act, 1994	Sales tax	175.11	Nil	2008-09	Appellate and Revisional Board, West Bengal

Name of the statute	Nature of dues	Amount (₹ in lacs)	Amount Paid Under Protest (₹ in lacs)	Period to which the amount relates	Forum where dispute is pending
West Bengal Sales Tax Act, 1994	Sales tax	61.70	Nil	2012-13	Appellate and Revisional Board, West Bengal
West Bengal Sales Tax Act, 1994	Sales tax	145.00	45.00	2013-14	Appellate and Revisional Board, West Bengal
West Bengal Sales Tax Act, 1994	Sales tax	324.31	Nil	2014-15	Appellate and Revisional Board, West Bengal
Central Sales Tax Act, 1956	Sales tax	9.08	Nil	2005-06	Appellate and Revisional Board, West Bengal
Central Sales Tax Act, 1956	Sales tax	1.76	Nil	2007-08	Appellate and Revisional Board, West Bengal
West Bengal VAT Act, 2003	Value added tax	131.00	Nil	2005-06	Sr. Jt. Commissioner (Commercial Taxes), West Bengal
West Bengal VAT Act, 2003	Value added tax	5.75	Nil	2006-07	Appellate and Revisional Board, West Bengal
West Bengal VAT Act, 2003	Value added tax	924.60	Nil	2007-08	Appellate and Revisional Board, West Bengal
West Bengal VAT Act, 2003	Value added tax	569.98	Nil	2008-09	Appellate and Revisional Board, West Bengal
The Bengal Excise Act, 1909	State excise duty	139.61	Nil	2010-11	West Bengal Taxation Tribunal
The Bengal Excise Act, 1909	State excise duty	189.00	Nil	2011-12	West Bengal Taxation Tribunal
The Bengal Excise Act, 1909	State excise duty	117.18	Nil	2012-13	West Bengal Taxation Tribunal
The Bengal Excise Act, 1909	State excise duty	126.00	Nil	2013-14	West Bengal Taxation Tribunal
The Bengal Excise Act, 1909	State excise duty	101.00	Nil	2014-15	West Bengal Taxation Tribunal
The Bengal Excise Act, 1909	State excise duty	197.00	Nil	2015-16	West Bengal Taxation Tribunal
The Bengal Excise Act, 1909	State excise duty	332.00	Nil	2016-17	West Bengal Taxation Tribunal
West Bengal Molasses Control Act, 1973	State excise duty	43.34	15.00	2003-2006	High Court of Calcutta
West Bengal Molasses Control Act, 1973	State excise duty	14.65	Nil	2008	High Court of Calcutta
The Customs Act, 1962	Customs duty	38.02	Nil	2013-14	Commissioner of Customs (Appeals)

- (viii) The Company has not defaulted in repayment of loans or borrowings to any bank during the year. The Company has no loans or borrowings payable to a financial institution or government and no dues payable to debenture-holders during the year.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purposes for which the loans were obtained.
- (x) No fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) Managerial remuneration has been paid / provided by the company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013

Place: Kolkata
Date: 30 May 2018

per **Anamitra Das**
Partner
Membership No.:062191

Annexure B to the Independent Auditor's Report of even date to the members of IFB Agro Industries Limited, on the financial statements for the year ended 31 March 2018**Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

1. In conjunction with our audit of the standalone financial statements of IFB Agro Industries Limited ('the Company') as at and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Company as at that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR 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 IFCoFR include 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

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2018, 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 issued by the ICAI.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No. 001076N/N500013

per **Anamitra Das**

Partner

Membership No.: 062191

Place : Kolkata

Date : 30 May, 2018

Standalone Balance Sheet as at 31 March 2018

(All amounts in ₹ lacs, unless otherwise stated)

	Notes	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Assets				
Non-current assets				
Property, plant and equipment	3 (a)	13,498.45	14,055.63	14,463.98
Capital work-in-progress	3 (b)	640.38	166.49	19.99
Financial assets				
(i) Investments	4 (a)	4,122.20	2,721.54	2,033.95
(ii) Loans	5 (a)	16.05	17.03	23.33
(iii) Other financial assets	6 (a)	184.92	170.42	166.52
Non-current tax assets (net)	28	262.79	262.79	163.04
Deferred tax assets	16 (a)	283.78	711.75	579.93
Other non-current assets	7 (a)	942.96	456.03	195.80
Total non-current assets		19,951.53	18,561.68	17,646.54
Current assets				
Inventories	8	6,517.93	4,302.88	4,501.03
Financial assets				
(i) Investments	4 (b)	9,333.50	11,842.31	8,955.36
(ii) Trade receivables	9	6,291.76	4,207.38	4,072.33
(iii) Cash and cash equivalents	10 (a)	1,477.96	971.01	1,469.57
(iv) Bank balances other than (iii) above	10 (b)	-	535.90	-
(v) Loans	5 (b)	51.78	78.32	340.32
(vi) Other financial assets	6 (b)	6.09	6.58	21.61
Other current assets	7 (b)	2,345.99	1,633.12	1,793.52
Total current assets		26,025.01	23,577.50	21,153.74
Total assets		45,976.54	42,139.18	38,800.28
Equity and liabilities				
Equity				
Equity share capital	11	936.71	936.71	936.71
Other equity	12	33,496.15	29,398.87	25,665.46
Total equity		34,432.86	30,335.58	26,602.17
Liabilities				
Non-current liabilities				
Financial liabilities				
(i) Borrowings	13	1,900.56	3,081.99	4,336.13
(ii) Other financial liabilities	14 (a)	240.02	240.02	240.02
Provisions	15 (a)	-	-	223.46
Deferred tax liabilities (net)	16 (b)	2,179.60	2,225.68	2,007.52
Other non-current liabilities	17 (a)	36.99	39.87	-
Total non-current liabilities		4,357.17	5,587.56	6,807.13
Current liabilities				
Financial liabilities				
(i) Trade payables	18	3,842.12	2,987.02	2,771.36
(ii) Other financial liabilities	14 (b)	1,881.34	2,130.84	1,569.54
Current tax liabilities, net	28	274.19	143.99	119.87
Other current liabilities	17 (b)	996.34	772.94	753.37
Provisions	15 (b)	192.52	181.25	176.84
Total current liabilities		7,186.51	6,216.04	5,390.98
Total liabilities		11,543.68	11,803.60	12,198.11
Total equity and liabilities		45,976.54	42,139.18	38,800.28

The accompanying notes 1 to 37 form an integral part of these standalone financial statements.

This is the standalone Balance Sheet referred to in our report of even date.

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013
per **Anamitra Das**
Partner
Membership No. 062191
Kolkata, 30 May 2018

For and on behalf of the Board of Directors of **IFB Agro Industries Ltd**

Joint Executive Chairman
Vice Chairman and Managing Director
Chief Financial Officer
Company Secretary
Kolkata, 30 May 2018

Bikram Nag (DIN: 00827155)
Arup Kumar Banerjee (DIN: 00336225)
Rahul Choudhary
Ritesh Agarwal

Standalone Statement of Profit and Loss for the year ended 31 March 2018

(All amounts in ₹ lacs, unless otherwise stated)

	Notes	Year ended 31 March 2018	Year ended 31 March 2017
Income			
Revenue from operations (net)	19	149,967.33	116,760.20
Other income	20	977.46	1,176.27
Total income		150,944.79	117,936.47
Expenses			
Cost of materials consumed	21	43,187.02	42,923.40
Purchases of stock-in-trade	22	22,933.72	21,978.68
Changes in inventories of finished goods, work-in-progress and stock-in-trade	23	(1,307.13)	(573.89)
Excise duty		61,057.56	32,766.20
Employee benefits expense	24	3,826.25	3,749.38
Finance costs	25	258.09	153.93
Depreciation, amortisation and impairment expenses	26	2,143.54	2,032.58
Other expenses	27	14,462.09	10,791.11
Total expenses		146,561.14	113,821.39
Profit before tax		4,383.65	4,115.08
Tax expenses	28		
Current tax		1,279.02	837.66
Deferred tax		(196.87)	191.32
Tax pertaining to prior years		144.32	(182.06)
		1,226.47	846.92
Profit after tax		3,157.18	3,268.16
Other comprehensive income:			
(a) Items that will not be reclassified subsequently to profit or loss:			
(i) Changes in fair value of equity instruments		1,077.95	687.59
(ii) Remeasurement of post-employment benefit obligations		12.94	(195.50)
(iii) Tax relating to these items		150.79	26.84
Total other comprehensive income for the year, net of tax		940.10	465.25
Total comprehensive income for the year		4,097.28	3,733.41
Earnings per equity share			
Basic and diluted earnings per share (₹)	29	33.70	34.89

The accompanying notes 1 to 37 form an integral part of these standalone financial statements.

This is the standalone Statement of Profit and Loss referred to in our report of even date.

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013

per **Anamitra Das**
Partner
Membership No. 062191
Kolkata, 30 May 2018

For and on behalf of the Board of Directors of IFB Agro Industries Ltd

Joint Executive Chairman
Vice Chairman and Managing Director
Chief Financial Officer
Company Secretary
Kolkata, 30 May 2018

Bikram Nag (DIN: 00827155)
Arup Kumar Banerjee (DIN: 00336225)
Rahul Choudhary
Ritesh Agarwal

Standalone Statement of Cash Flow for the year ended 31 March 2018

(All amounts in ₹ lacs, unless otherwise stated)

	Year ended 31 March 2018	Year ended 31 March 2017
A. Cash flow from operating activities:		
Profit before tax	4,383.65	4,115.08
Adjustment for:		
Depreciation, amortisation and impairment expenses	2,143.54	2,032.58
Bad debts written-off	33.89	7.92
Provision for bad and doubtful debts	223.44	42.17
Provision for bad and doubtful debts written back	(23.07)	(136.40)
Gain from fair valuation of investments classified as fair value through profit or loss(FVTPL)	(453.62)	(578.59)
Net gain (loss) on foreign currency transactions and translations	(20.23)	19.50
Amortisation of capital subsidy	(2.88)	(10.13)
(Gain)/loss on sale of property, plant and equipments (net)	3.65	(14.45)
Liability no longer required, written back	(178.79)	(152.42)
Remeasurement adjustment for defined benefit obligation	12.94	(195.50)
Interest income	(40.55)	(90.25)
Dividend income	(13.80)	-
Interest and other finance costs	258.09	153.93
	6,326.26	5,193.44
Operating profit before working capital changes:		
Adjustment for:		
(Increase) / decrease in inventories	(2,215.05)	198.15
(Increase) in trade receivables	(2,318.64)	(155.08)
Decrease in loans	27.52	268.30
Decrease in other financial assets	0.49	61.95
(Increase) / decrease in other non-financial assets	(1,386.62)	106.95
Increase in trade payables	855.10	215.66
Increase / (decrease) in provisions	11.27	(219.05)
(Decrease) in other financial liabilities	(156.31)	(36.15)
Increase in other non-financial liabilities	402.19	171.99
Cash generated from operations	1,546.21	5,806.16
Income taxes paid (net of refund)	(865.17)	(863.05)
Net cash generated from operating activities (A)	681.04	4,943.11
B. Cash flow from investing activities		
Purchase of property, plant and equipment (including capital work in progress)	(1,987.88)	(2,078.53)
Proceeds from sale of property, plant and equipment	35.48	115.21
Capital subsidy received	-	50.00
Investments made in wholly owned subsidiary	(322.70)	-
Purchase of investments measured at FVTPL	(35,371.48)	(36,571.37)
Sale of investments measured at FVTPL	38,333.93	34,263.01
Investments in term deposits with banks	(4.85)	(504.74)
Proceeds from maturities of term deposits with banks	500.00	-
Dividend received	13.80	-
Interest received	66.58	58.84
Net cash generated from / (used in) investing activities (B)	1,262.88	(4,667.58)

Standalone Statement of Cash Flow for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

		Year ended 31 March 2018	Year ended 31 March 2017
C. Cash flow from financing activities			
Repayment of long-term borrowings		(1,175.79)	(655.91)
Other interest and finance cost		(261.40)	(154.05)
Proceeds from other long term loans, net		-	39.51
Net cash (used in) financing activities	(C)	(1,437.19)	(770.45)
Net increase/(decrease) in cash and cash equivalents	(A+B+C)	506.73	(494.92)
Cash and cash equivalents as at the beginning of the year		971.01	1,465.93
Cash and cash equivalents as at the end of the year		1,477.74	971.01

Notes:

- The above Standalone Statement of Cash Flow has been prepared under the 'Indirect Method' as set out in Ind AS 7, "Statement of Cash Flow".
- Reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financial activities are as under:

Particulars	Balance as on 31 March 2018	Balance as on 31 March 2017
Long term borrowings:		
- Opening balance	4,325.04	4,981.43
- Received during the year	-	39.51
- Repayment made during the year	(1,205.93)	(636.31)
- Changes on account of foreign currency fluctuations	30.14	(19.60)
- Change on account of fair value measurement	(23.50)	(39.99)
Total liabilities from financing activities	3,125.75	4,325.04
	As at 31 March 2018	As at 31 March 2017
iii) Cash and cash equivalents comprises of:		
Cash on hand	10.57	3.78
Balances with banks		
- In current accounts	867.17	967.23
Bank deposits with maturity less than 3 months	600.00	-
	1,477.74	971.01

- Interest accrued on bank deposits ₹ 0.22 lacs (31 March 2017 - Nil; 1 April 2016 - ₹ 3.64 lacs included in cash and cash equivalents in note 10 has been adjusted with interest received under cash flow from investing activities.

This is the standalone Statement of cash flow referred to in our report of even date.

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013

per **Anamitra Das**
Partner
Membership No. 062191
Kolkata, 30 May 2018

For and on behalf of the Board of Directors of **IFB Agro Industries Ltd**

Joint Executive Chairman
Vice Chairman and Managing Director
Chief Financial Officer
Company Secretary
Kolkata, 30 May 2018

Bikram Nag (DIN: 00827155)
Arup Kumar Banerjee (DIN: 00336225)
Rahul Choudhary
Ritesh Agarwal

Standalone Statement of Changes in Equity for the year ended 31 March 2018

(All amounts in ₹ lacs, unless otherwise stated)

(A) Equity

Particulars	As at 31 March 2018	As at 31 March 2017
Balance at the beginning of the year	936.71	936.71
Changes in Equity Share capital during the year	-	-
Balance at the end of the year	936.71	936.71

(B) Other equity

	Reserves and surplus			Other comprehensive income		
	Securities premium account	General reserves	Retained earnings	Equity Instruments through OCI	Others	Total
As at 01 April 2016 (refer note 37)	3,193.72	284.95	20,787.69	1,399.10	-	25,665.46
Profits for the year	-	-	3,268.16	-	-	3,268.16
Items of other comprehensive income, net of tax:						
- Remeasurements of defined benefit plans	-	-	-	-	(127.09)	(127.09)
- Changes in fair value of equity instruments	-	-	-	592.34	-	592.34
As at 31 March 2017	3,193.72	284.95	24,055.85	1,991.44	(127.09)	29,398.87
Profits for the year	-	-	3,157.18	-	-	3,157.18
Items of Other comprehensive income, net of tax:						
- Remeasurements of defined benefit plans	-	-	-	-	8.41	8.41
- Changes in fair value of equity instruments	-	-	-	931.69	-	931.69
As at 31 March 2018	3,193.72	284.95	27,213.03	2,923.13	(118.68)	33,496.15

This is the standalone Statement of Change in Equity referred to in our report of even date.

For Walker Chandiook & Co LLP
Chartered Accountants
Firm Registration No. 001076N/N500013

per Anamitra Das
Partner
Membership No. 062191
Kolkata, 30 May 2018

For and on behalf of the Board of Directors of IFB Agro Industries Ltd

Joint Executive Chairman
Vice Chairman and Managing Director
Chief Financial Officer
Company Secretary
Kolkata, 30 May 2018

Bikram Nag (DIN: 00827155)
Arup Kumar Banerjee (DIN: 00336225)
Rahul Choudhary
Ritesh Agarwal

Notes to standalone financial statements for the year ended 31 March 2018

(All amounts in ₹ lacs, unless otherwise stated)

Summary of significant accounting policies and other explanatory information

1 Background

IFB Agro Industries Limited is a Company limited by shares, incorporated and domiciled in India. The Company is primarily engaged in the business of manufacturing alcohol, bottling of branded alcoholic beverages as well as processed and packed marine foods both for domestic and export markets. The Company is listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited. The registered office of the Company is located at Plot No. IND-5, Sector-I, East Calcutta Township, Kolkata – 700 107, India.

These financial statements are approved by the Company's Board of Directors on 30 May 2018.

Basis of Preparation

(a) General information and statement of compliance with Indian Accounting Standards

The standalone financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (hereinafter referred to as the "Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act. Standalone financial statements up to the year ended 31 March 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act ('Previous GAAP'). These financial statements are the first standalone financial statements of the Company under Ind AS. Note 37 provides for an explanation of how the transition from previous GAAP to Ind AS has impacted the Company's financial position, financial performance and cash flows. The Company has uniformly applied the accounting policies during the periods presented.

Historical cost convention

The standalone financial statements have been prepared on a historical cost basis, except the following:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value; and
- defined benefit plans – plan assets measured at fair value.

Accounting estimates and judgements

Preparation of financial statements requires the use of judgements, estimates and assumptions in the application of accounting policies that affects the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation of such estimates and judgments are done based on historical experience and other factors, including future expectations that are believed to be reasonable. Revisions to accounting estimates are recognized prospectively.

Details of critical estimates and judgments used which have a significant effect on the carrying amount of assets and liabilities, are provided in the following notes:

Income tax:

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. Refer note 28.

Useful life of property, plant and equipments:

Refer note 2 (b) for details.

Measurement of defined benefit obligations:

The costs of providing pensions and other post-employment benefits are charged to the standalone statement of profit and loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in Note 24 and 32.

Impairment of assets:

Refer note 2 (b), (c) and (e) for details.

Classification of leases:

Refer note 2 (n) for details.

Estimation of provisions and contingencies:

Refer note 2 (o), 15 and 31 for details.

Recognition of deferred tax assets:

Refer note 2 (p) for details.

Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

Fair value measurements:

When the fair values of financial assets and financial liabilities recorded in the standalone balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions. Refer note 35 (c) for details.

The Company presents all its assets and liabilities in the standalone balance sheet based on current or non-current classification. Assets and liabilities are classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

(b) Recent accounting pronouncements

Ministry of Corporate Affairs vide notification dated 28 March 2018, has issued the Companies (Indian Accounting Standards) Amendments Rules, 2018. These amended rules are effective from 1 April 2018.

Ind AS 115, Revenue from contracts with customers (Ind AS 115)

With the notification, of Ind AS 115, Ind AS 18 - Revenue has been withdrawn from the financial year beginning 1 April 2018 onwards and consequential amendments have also been made in other standards.

Ind AS 115 promotes to create a single model for revenue recognition for contracts. It applies to most revenue arrangements. Among other things, it changes the criteria for determining whether revenue is recognised at a point in time or over time. It provides a new contract-based five-step revenue model for revenue recognition and measurement. Ind AS 115 provides more detailed guidance on specific topics where existing revenue standards Ind AS 18 are lacking such as multiple element arrangements, variable consideration, sale with a right to return, licensing arrangements etc. The Company is evaluating the requirements of the amendment and its impact on the financial statements.

Appendix B Foreign currency transactions and advance consideration to Ind AS 21

Appendix B is inserted to Ind AS 21 - The effects of changes in foreign exchange rates. This appendix addresses the issue of determining the date of transaction for initial recognition of a foreign currency transactions (or part of it) under Ind AS 21, when an entity recognises a non-monetary asset or a non-monetary liability arising from the payment or receipt of advance consideration before the entity recognises the related asset, expense or income (or part of it). It clarified that the date of the transaction for the purpose of determining the exchange rate to use on initial recognition related asset, expense or income (or part of it) is the date on which an entity initially recognises the non-monetary asset or a non-monetary liability arising from the payment or receipt of advance consideration in foreign currency. The Company is evaluating the requirements of the amendment and its impact on the financial statements.

2 Significant accounting policies**(a) Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duties and net of returns, trade allowances, rebates, goods and service tax and amounts collected on behalf of third parties.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Sale of goods:

Revenue is recognised on dispatch of goods or on delivery to customer, in accordance with the terms of sale.

Tie-up manufacturing arrangements:

The Company has entered into tie-up manufacturing arrangements with the tie-up manufacturers (TMU), where-in TMU's would manufacture and sell branded alcoholic products on behalf of the Company. Accordingly, the transactions of the tie-up units under such arrangements have been recorded as gross revenue, excise duty and expenses as they were transactions of the Company.

Income from export incentives:

Income from export incentives such as Merchandise Export from India Scheme (MEIS) and duty drawback are recognized on accrual basis.

Interest income:

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

Dividend income:

Dividend income is recognized when the right to receive dividend is established.

(b) Property, plant and equipment

Recognition and initial measurement:

Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are added in the asset's carrying amount/recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of such item can be measured reliably. All other repairs and maintenance expenses are charged to the standalone statement of profit and loss in the period in which they are incurred. Gains or losses arising on retirement or disposal of property, plant and equipment are recognized in the standalone statement of profit and loss.

Capital work-in-progress:

Property, plant and equipment which are not ready for intended use as on the balance sheet date are disclosed as "Capital work-in-progress".

Subsequent measurement (depreciation and useful lives):

Depreciation is provided on a pro-rata basis on the written down value (WDV) method based on estimated useful life prescribed under Schedule II of the Companies Act, 2013 with the exception of plant and machinery of bottling plants that are being depreciated considering a useful life of 20 years based on technical evaluation. Depreciation of land acquired under finance lease and leasehold improvements is provided over their respective lease period or estimated useful life whichever is shorter. Residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each Balance Sheet date and any change in them is adjusted prospectively.

Category of asset	Useful life
Buildings	10 - 30 years
Plant and equipment	15 - 40 years
Furniture and fixtures	10 years
Office equipments	3 - 5 years
Vehicles	10 years

Freehold land is carried at historical cost and leasehold improvements are amortized over the period of the lease.

De-recognition:

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the standalone statement of profit and loss, when the asset is de-recognized.

First-time adoption of Ind AS:

Upon first-time adoption of Ind AS, the Company has elected to measure all its property, plant and equipment recognised as at 1 April 2016, as per the previous GAAP, and used the carrying amount as its deemed cost on the date of transition to Ind AS.

(c) Impairment of non-financial assets

Assessment for impairment is done at each Balance Sheet date when there is an indication that a non-financial asset may be impaired. For the purpose of assessing impairment, smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets/groups of assets is considered as a cash generating unit. If any indication of impairment exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made. Asset/cash generating unit whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognizing the impairment loss as an expense in the standalone statement of profit and loss. Recoverable amount is higher of an asset's/cash generating unit's fair value less cost of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset/cash generating unit and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset/cash generating unit in any prior accounting periods may no longer exist or may have decreased, based on which a reversal of an earlier recorded impairment loss is recognized in the standalone statement of profit and loss.

Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

(d) Investments in subsidiaries

Investment in subsidiary company is carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. On disposal of the investments, the difference between net disposal proceeds and the carrying amount is recognized in the standalone statement of profit and loss. As on the date of transition and in the comparable period, the Company did not have any investments in subsidiary, associate or joint venture.

(e) Financial instruments**Classification:**

The Company classifies its financial assets in the following measurement categories depending on the Company's business model for managing such financial assets and the contractual cash flow terms of the asset.

- (i) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- (ii) those subsequently measured at amortized cost.

For assets measured at fair value, gains or losses are either recorded in the standalone statement of profit and loss or other comprehensive income. Investments in debt instruments are classified depending on the business model managing such investments. The Company re-classifies the debt investments when and only when there is a change in business model managing those assets. For investments in equity instruments which are not held for trading, the Company has made an irrevocable election at the time of initial recognition to account for such equity investments at fair value through other comprehensive income.

Measurement:

At initial recognition, the Company measures a financial asset (other than those carried at fair value through profit or loss) at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the standalone statement of profit and loss as and when they are incurred.

(e) Financial instruments*Debt instruments*

Subsequent measurement of debt instruments depends on the Company's business model managing such debt instruments and the contractual cash flow characteristics of the instrument. There are three measurement categories into which the debt instruments are classified:

- (i) **Amortized cost:** Business model managing such asset has the objective to realize the contractual cash flows arising from the asset by holding such asset and the contractual cash flows represent solely payments of principal and interest on the outstanding amount of principal, measured at amortized cost. A gain or loss on a financial asset subsequently measured at amortized cost is recognized in the standalone statement of profit or loss when the asset is de-recognised or impaired.
- (ii) **Fair value through other comprehensive income (FVOCI):** Business model managing such asset has the objective to collect the contractual cash flows arising from such asset and to sale the asset, where such contractual cash flows represent solely payments of principal and interest on the outstanding amount of principal, measured at fair value through other comprehensive income (FVOCI). Changes in fair value of such instruments are recognized through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognized in the standalone statement of profit and loss. When the financial asset is de-recognised, the cumulative gain or loss previously recognized in OCI is reclassified from equity to standalone statement of profit and loss and recognized in other income.
- (iii) **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognized in standalone statement of profit and loss in the period in which it arises.

Equity instruments:

The Company classifies all its equity investments at fair value, apart from investments in subsidiary. In case of equity instruments not held for trading, Company's management has made an irrevocable election to present fair value gains and losses on such equity instruments in other comprehensive income and there is no subsequent reclassification of fair value gains and losses to the standalone statement of profit and loss.

Investments in mutual funds:

Investments in mutual funds are measured at fair value through profit and loss.

Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

Impairment:

The Company assesses the expected credit losses for its financial assets at amortized cost and FVTOCI debt instruments. Impairment methodology applied depends on whether there has been a significant increase in credit risk and the loss amount assessed depends upon past events, present conditions and future economic scenario.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 which requires loss allowance to be recognized at an amount equivalent to the lifetime expected credit losses from the initial recognition of such receivables irrespective of whether there has been a significant increase in credit risk.

De-recognition:

A financial asset is de-recognized when:

- (i) Contractual right to receive cash flows from such financial asset expires;
- (ii) Company transfers the contractual right to receive cash flows from the financial asset; or
- (iii) Company retains the right to receive the contractual cash flows from the financial asset, but assumes a contractual obligation to pay such cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards associated with the ownership of the financial asset. In such cases, the financial asset is de-recognized. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognized.

Where the Company has neither transferred nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company does not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in such financial asset.

(f) Government grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable certainty that the grant or the subsidy will be received and the conditions attached to such grant will be complied. When the grant or the subsidy relates to a revenue item, it is recognized as income over the period necessary to match them on a systematic basis to the costs which they intend to compensate. Where the grant or the subsidy relates to a capital asset, it is initially recorded as deferred revenue income and subsequently recognized as income in the standalone statement of profit and loss, over the remaining useful life of the related asset.

(g) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit and loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment and amortised over the period of the facility to which it relates.

Borrowings are derecognized from the standalone balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in standalone statement of profit and loss as other gains or (losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(h) Borrowing costs

Borrowing costs that are directly attributable to the acquisition or construction of qualifying asset are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get itself ready for the intended use. Other borrowing costs are recognized as an expense in the period in which they are incurred. Borrowing costs include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

(i) Inventories

Raw materials, packing materials, work-in-progress, stores and spares, finished goods and stock-in-trade are valued at lower of cost and net realizable value. However, materials and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realisable value is made on item-by-item basis.

Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

Cost of inventories comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from the tax authorities), cost of conversion and all other costs incurred in bringing the inventories to their present location and condition. In determining the cost, weighted average cost method is used. In determining the cost of manufactured finished goods and work-in-progress an appropriate share of fixed and variable production overheads, excise duty as applicable and other costs incurred in bringing the inventories to their present location and conditions are considered. Fixed production overheads are allocated on the basis of normal capacity of production facilities. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Adequate allowance is made for obsolete and slow moving items.

(j) Cash and cash equivalents

Cash and cash equivalents comprise of cash-on-hand and demand deposits with banks. The Company considers it's highly liquid, short-term investments (having maturity less than three months) which can be readily converted to fixed/determinable amount of money and subject to insignificant risks arising from changes in their fair values, as cash equivalents. Accordingly time deposits with banks along with interest accrued thereon, having original maturity less than three months, is considered as cash equivalent.

(k) Assets held for sale

Assets are classified as held for sale under current assets if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable and is expected to be sold within one year from the balance sheet date. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits and financial assets which are specifically exempt from this requirement.

(l) Foreign currency transactions**Functional currency and presentation currency:**

The financial statements are presented in Indian Rupees (i.e., INR), the functional currency of the Company. Functional currency is the currency of the primary economic environment in which the Company operates.

Transactions and balances:

Foreign currency transactions are translated into the functional currency using exchange rates prevailing at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions, and from translation of monetary assets and liabilities at the exchange rates prevailing on the balance sheet dates are recognized in the standalone statement of profit and loss.

(m) Employee benefits expense**Defined contribution plans:**

The Company provides defined contribution plans for post-employment benefits in the form of provident fund and superannuation fund administered by Regional Provident Fund Commissioner and Life Insurance Corporation of India respectively. The Company's contributions to defined contribution plans are charged to the standalone statement of profit and loss as and when incurred. Provident and superannuation funds are classified as defined contribution plans as the Company has no further obligation beyond making the contributions, even if the assets of the fund is not enough to pay all the employee benefits.

Defined benefit plans:

Liability for compensated absence and gratuity is provided on the basis of actuarial valuation as at the Balance Sheet date carried out by an independent actuary using Projected Unit Credit (PUC) method. It is used to measure the plan liabilities, including death-in-service and incapacity benefits. Plan liability is the actuarial present value of the 'defined benefit obligations' as on the Balance Sheet dates for all active members.

Gratuity plan is classified as post retirement employee benefit and hence the current service cost is recognized in the standalone statement of profit and loss under "employee benefit expenses" during the period in which it is incurred. Net interest cost/(income) on net defined benefit obligation/(asset) is recognized in the standalone statement of profit and loss in the period in which it is incurred/(earned) under the head "finance cost" or "interest income" as may be appropriate. Remeasurement of defined benefit obligation due to change in actuarial assumptions or experience adjustments or expected return on plan assets (to the extent not covered under net interest on net defined benefit obligation) is recognized under other comprehensive income and not subsequently reclassified to the standalone statement of profit and loss.

Liability for compensated absence has been classified as long-term employee benefit and the entire cost incurred on such plan is recognized in the standalone statement of profit and loss under "employee benefit expenses" during the period in which it is incurred.

Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

Termination benefits

Termination benefits are recognized as an expense as and when incurred. The Company recognizes termination benefits at the earlier of the following dates:

- (i) when the Company can no longer withdraw the offer of those benefits; or
- (ii) when the Company recognizes a restructuring cost within the scope of Ind AS 37.

Termination benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

(n) Leases

A lease is classified at the inception date as a finance lease or an operating lease. A lease which transfers substantially all risks and rewards incidental to the ownership of the leased asset is classified as a finance lease. All other lease arrangements are classified as operating leases.

The determination of whether an arrangement contains a deemed lease is based on the substance of the arrangement at the inception of the lease. The arrangement contains a deemed lease if fulfilment of the arrangement depends on the use of a specific asset or assets and the arrangement conveys to the transferee a right to use the specific asset(s), even if such right is not explicitly specified in the arrangement.

Finance leases are capitalized at the inception of the lease at lower of the fair value of such leased asset and present value of the minimum lease payments. Corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the standalone statement of profit and loss over the lease period so as to produce a constant periodic rate of return on the remaining balance of the liability for each period.

Payments made under operating leases (net of any incentives received from the lessor) are charged to standalone statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation.

Manufacturing tie-up expenses made to the transferor (based on number of bottled alcohol manufactured) under an arrangement for bottling of branded alcohol on Company's behalf, which has been classified as deemed lease, is recognized in the standalone statement of profit and loss as "manufacturing tie-up expenses" in the period in which it is incurred.

(o) Provisions, contingent liabilities and contingent assets

Provisions:

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of such obligation can be made. Provisions are measured at the best estimate of the expenditure required to settle the obligation at the Balance Sheet date. If the effect of time value of money is material i.e., the obligation is to be settled after a period of 12 months from the end of the reporting date, such provisions are discounted to reflect its present value using a pre-tax discounting rate that reflects the current market assessments of time value of money and risks specific to the obligation. When discounting is used, increase in the provision amount due to the passage of time is recognized as finance cost.

Contingent liabilities:

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent assets:

Contingent assets are not recognized in the financial statement. However when there is a virtual certainty that an inflow of resources embodying economic benefits will arise from the contingent asset, such asset and the related income is recognized in the period in which the changes occurred.

(p) Income tax

Income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rates with adjustments for changes in deferred tax assets or liabilities attributable to temporary differences and unused tax losses or credits.

Current tax is calculated based on tax laws enacted or substantively enacted at the end of the reporting period.

Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

Deferred tax is recognized on temporary differences arising from the tax bases of assets and liabilities and their respective carrying amounts in the standalone financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction that does not result from a business combination and at the time of such transaction, affects neither the accounting profit or loss nor taxable profit (tax loss) for the period. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available against which those temporary differences/losses can be utilized. Minimum alternate tax ('MAT') credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the standalone statement of profit and loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Current tax assets and tax liabilities are offsetted where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

(q) Segment reporting

Operating segments are identified in a manner consistent with the internal reporting presented to the chief operating decision maker (CODM).

The chief operating decision maker (CODM) is a function which regularly reviews the financial results of the operating segments for the purpose of assessing its performance and allocation of funds to such segments. The Company identifies its Managing Committee as the chief operating decision maker. As per Ind AS 108, the Company has identified the following operating segments:

- (i) Alcohol, spirit and spirituous beverages
- (ii) Marine products
- (iii) Others

(r) Events after reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

(s) Earnings per share

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events that have changed the number of outstanding equity shares, without a corresponding change in the resources. For the purpose of calculating diluted earnings per equity share, net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares. As on the balance sheet dates, the Company has no dilutive potential equity shares.

Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

3 (a) Property, plant and equipment

	Owned assets						Leased assets		Total
	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Office equipments	Vehicles	Leasehold land	Plant and equipment	
Gross Block (Deemed Cost) (refer note (i) below)									
Balance as at 1 April 2016 (refer note 37)	437.86	2,099.28	11,477.52	30.92	62.66	49.10	66.62	240.02	14,463.98
Additions	3.55	207.34	1,392.10	9.51	55.16	57.37	-	-	1,725.03
Disposal	44.61	0.47	61.76	0.64	1.17	2.82	-	-	111.47
Balance as at 31 March 2017	396.80	2,306.15	12,807.86	39.79	116.65	103.65	66.62	240.02	16,077.54
Additions	432.50	62.75	651.80	17.19	44.26	45.32	371.67	-	1,625.49
Disposal	-	-	146.58	0.62	1.60	0.51	-	-	149.31
Balance as at 31 March 2018	829.30	2,368.90	13,313.08	56.36	159.31	148.46	438.29	240.02	17,553.72
Accumulated Depreciation and Impairment (Deemed Cost) (refer note (i) below)									
Balance as at 1 April 2016 (refer note 37)	-	-	-	-	-	-	-	-	-
Charge for the year	-	228.86	1,724.09	10.59	47.17	20.38	1.49	-	2,032.58
Disposal/adjustments	-	0.03	10.23	0.01	0.15	0.25	-	-	10.67
Impairment provision	-	-	-	-	-	-	-	-	-
Impairment reversal	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2017	-	228.83	1,713.86	10.58	47.02	20.13	1.49	-	2,021.91
Charge for the year	-	220.03	1,700.87	12.01	47.10	35.51	10.01	-	2,025.53
Disposal/adjustments	-	-	11.35	0.21	1.06	0.04	-	-	12.66
Impairment provision	-	-	118.01	-	-	-	-	-	118.01
Impairment reversal	-	-	97.52	-	-	-	-	-	97.52
Balance as at 31 March 2018	-	448.86	3,423.87	22.38	93.06	55.60	11.50	-	4,055.27
Net Block									
Balance as at 1 April 2016	437.86	2,099.28	11,477.52	30.92	62.66	49.10	66.62	240.02	14,463.98
Balance as at 31 March 2017	396.80	2,077.32	11,094.00	29.21	69.63	83.52	65.13	240.02	14,055.63
Balance as at 31 March 2018	829.30	1920.04	9889.21	33.98	66.25	92.86	426.79	240.02	13,498.45

Notes:

- Represents deemed cost as on the date of transition to Ind AS. Gross block and accumulated depreciation have been netted off.
- The Company's marine product processing plant at Kolkata has been erected on land obtained under finance lease of ninety-nine years, valid upto 9 August 2093 through license from Kolkata Metropolitan Development Authority, for which formal lease deed is yet to be executed.
- Plant and equipment includes electrical installation and laboratory equipment.
- Land under finance lease represents payments made and costs incurred in connection with acquisition of leasehold rights and are being amortized over the period of lease.
- The Company, based on technical evaluation, has assessed and concluded that none of the components of property, plant and equipment have an useful life which is different from that of the principal asset.
- Term loan from banks (External commercial borrowings) is secured by an exclusive charge on all present and future assets (plant and equipments and civil work) at Noorpur unit and on other plant and equipment of the Company.

Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)
(All amounts in ₹ lacs, unless otherwise stated)

			Year ended 31 March 2018		Year ended 31 March 2017	
3	(b) Capital work-in-progress					
	Opening balance as at the beginning of the year		166.49		19.99	
	Additions made during the year		816.76		1,877.73	
	Transferred to property, plant and equipment		(342.87)		(1,731.23)	
	Balance as at year end		640.38		166.49	
	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	Nos.	Amount	Nos.	Amount	Nos.	Amount
4	Investments					
(a) Non-current investments (refer notes 35, 36 and 37)						
Investments in equity instruments (Subsidiary)						
Unquoted						
(Measured at cost)						
	IFB Agro Marine FZE (Face value ₹ 322.70 lacs per share, fully paid-up) (refer note (iii) below)	1	322.70	-	-	-
			322.70		-	-
Investments in equity instruments						
Quoted						
(Designated at fair value through other comprehensive income)						
	IFB Industries Limited (Face value ₹ 10 per share, fully paid-up)	172,733	1,973.39	172,733	1,112.06	172,733
			1,973.39		1,112.06	548.17
Unquoted						
(Designated at fair value through other comprehensive income)						
(a)	CPL Projects Limited (Face value ₹ 10 per share, fully paid-up)	90,000	46.74	90,000	46.71	90,000
(b)	Zenith Investments Limited (Face value ₹ 10 per share, fully paid-up)	260,000	2.90	260,000	2.90	260,000
(c)	Asansol Bottling and Packaging Company Private Limited (Face value ₹ 100 per share, fully paid-up)	23,900	307.76	23,900	299.51	23,900
(d)	Nurpur Gases Private Limited (Face value ₹ 10 per share, fully paid-up)	145,000	81.66	145,000	81.66	145,000
(e)	IFB Automotive Private Limited (Face value ₹ 10 per share, fully paid-up)	955,998	1,387.05	955,998	1,178.70	955,998
			1,826.11		1,609.48	1,485.78
Total non-current investments			4,122.20		2,721.54	2,033.95

Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

4 Investments (cont'd)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Other disclosures for non-current investments:			
(a) Aggregate amount of quoted investments and market value thereof	1,973.39	1,112.06	548.17
(b) Aggregate amount of unquoted investments, and	2,148.81	1,609.48	1,485.78
(c) Aggregate amount of impairment in value of investments	-	-	-

Notes:

- As at the Balance Sheet date, none of the investments in equity instruments have been impaired.
- The investments in equity instruments are for long-term strategic purposes and not held for trading. Under Ind AS 109, the Company has chosen to designate these investments as equity instruments at fair value through other comprehensive income as the management believes that this provides a more meaningful presentation for long-term investments than reflecting the changes in fair values immediately in the standalone statement of profit and loss for such period. Based on the aforesaid designation, changes in fair values are accumulated in Other Equity under the head "equity instruments through OCI". The Company transfers the accumulated balance from this account to retained earnings when such equity instruments are derecognized.
- The Company has measured its investment in subsidiary at cost in accordance with Ind AS 27 - Separate Financial Statements.

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
(b) Current investments (refer notes 35, 36 and 37)			
Investments in mutual funds (refer note (i) for details)			
Unquoted			
<i>(Measured at fair value through profit and loss)</i>			
Mutual funds	9,333.50	11,842.31	8,955.36
Total current investments	9,333.50	11,842.31	8,955.36
Other disclosures for current investments:			
(a) Aggregate amount of unquoted investments, and	9,333.50	11,842.31	8,955.36
(b) Aggregate amount of impairment in value of investments	-	-	-

(i) Investments in mutual funds

Balance as on 31 March 2018

Particulars	Units	Amount
Franklin India Low Duration Fund (Growth)	10,436,342.70	2,084.72
Franklin India Short Term Income Plan - Retail Plan (Growth)	11,355.67	416.78
ICICI Prudential Equity Arbitrage Fund (Growth)	2,487,031.27	572.08
Reliance Medium Term Fund - Direct Growth Plan - Growth Option	6,401,519.49	2,381.51
Invesco India Liquid Fund - Direct Plan Growth (LF - D1)	22,537.06	539.10
Kotak Low Duration Fund Direct (Growth)	71,020.51	1,555.98
Franklin India Ultra Short Bond Fund - Super Institutional Plan (Growth)	3,359,856.58	808.15
HSBC Cash Fund (Growth)	27,807.81	479.83
Edelweiss Arbitrage Direct Plan Growth (AT - DG)	3,753,412.40	495.35
		9,333.50

Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)
(All amounts in ₹ lacs, unless otherwise stated)
4 Investments (cont'd)

Balance as on 31 March 2017

Particulars	Units	Amount
Franklin India Low Duration Fund (Growth)	11,273,714.07	2,081.45
Franklin India Short Term Income Plan - Retail Plan (Growth)	5,906.46	200.00
ICICI Prudential Equity Arbitrage Fund (Growth)	2,487,031.27	540.95
ICICI Prudential Savings Fund - Direct Plan (Growth)	695,168.01	1,700.00
Invesco India Ultra Short Term Fund - US-IG (Growth)	108,805.58	2,450.23
Invesco Medium Term Bond Fund - MT-GP (Growth)	142,653.26	2,365.66
Kotak Low Duration Fund Standard - Regular (Growth)	75,662.92	1,500.00
Reliance Medium Term Fund - Direct (Growth)	2,894,297.23	1,004.02
		<u>11,842.31</u>

Balance as on 1 April 2016

Particulars	Units	Value
Reliance Liquidity Fund (Growth)	23,034.32	524.62
Franklin India Low Duration Fund (Growth)	3,149,923.77	526.68
ICICI Prudential Flexible Income (Growth)	360,214.72	1,031.01
ICICI Prudential Savings Fund - Direct (Growth)	746,376.45	1,711.10
Invesco Credit Opportunities Fund - Direct (Growth)	51,622.87	900.29
Invesco Medium Term Bond Fund (Growth)	279,397.65	4,261.66
		<u>8,955.36</u>

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
5 Loans			
(a) Non-current			
<i>(Unsecured, considered good)</i>			
Security deposits	<u>16.05</u>	<u>17.03</u>	<u>23.33</u>
	<u>16.05</u>	<u>17.03</u>	<u>23.33</u>
(b) Current			
<i>(Unsecured, considered good)</i>			
Security deposit	<u>12.85</u>	<u>60.36</u>	<u>311.27</u>
Loan to employees	<u>38.93</u>	<u>17.96</u>	<u>29.05</u>
	<u>51.78</u>	<u>78.32</u>	<u>340.32</u>

Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
6 Other financial assets			
(a) Non-current			
<i>(Unsecured, considered good)</i>			
Bank deposits with remaining maturity more than 12 months (*)	151.55	146.70	141.96
Accrued interest on bank deposits	33.37	23.72	24.56
	<u>184.92</u>	<u>170.42</u>	<u>166.52</u>
(*) Bank deposits are under lien with various government authorities.			
(b) Current			
<i>(Unsecured, considered good)</i>			
Other receivables, considered doubtful	-	-	46.92
Less: Allowance for doubtful receivables	-	-	46.92
	-	-	-
Advance to tie-up manufacturing units	-	-	5.03
Derivative instruments	6.09	-	-
Other receivables, considered good	-	6.58	16.58
	<u>6.09</u>	<u>6.58</u>	<u>21.61</u>
7 Other assets			
(a) Non-current			
<i>(Unsecured, considered good)</i>			
Capital advances	79.00	265.76	59.13
Advances other than capital advances:			
- Security deposits	13.28	13.63	5.63
- Amount deposited with government authorities	60.10	60.10	44.27
- Advance to service provider	158.12	97.85	86.77
Excess amount paid for defined benefit plans (refer note 32)	335.39	18.69	-
Excess amount paid for other long-term employee benefit (refer note 32)	297.07	-	-
	<u>942.96</u>	<u>456.03</u>	<u>195.80</u>
(b) Current			
<i>(Unsecured, considered good)</i>			
Advances other than capital advances:			
- Advance to vendors	509.10	220.23	412.31
- Other advances	4.95	18.13	116.35
- Security deposits	-	0.91	0.97
- Advance to tie-up manufacturing units	178.20	284.79	330.40
- Prepaid expenses	343.69	210.96	186.45
Balances with government authorities (**)	960.88	498.97	590.91
Export incentives receivable	349.17	399.13	156.13
	<u>2,345.99</u>	<u>1,633.12</u>	<u>1,793.52</u>

(**) Balances with government authorities primarily include amounts realisable from goods and services tax, state excise authorities and transitional credit carried forward under the goods and services tax regime. These are expected to be realised within a period of one-year, by off-setting the same against the output goods and services tax liability on goods supplied by the Company. Accordingly these balances have been classified as current assets.

Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)
(All amounts in ₹ lacs, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
8 Inventories (*)			
<i>(valued at lower of cost and net realisable value)</i>			
Raw materials	1,210.83	427.52	1,310.52
Packing materials	175.48	224.86	195.89
Work-in-progress	156.83	283.60	89.23
Finished goods	3,961.98	2,165.31	2,145.08
Finished goods-in-transit	222.53	163.86	-
Stock-in-trade	578.83	792.76	556.31
Stores and spares	211.45	244.97	204.00
	<u>6,517.93</u>	<u>4,302.88</u>	<u>4,501.03</u>
(*) The cost of inventories recognised as an expense during the year is disclosed under note 21, 22 and 23)			
9 Trade receivables			
Secured, considered good	549.44	1,107.39	1,143.47
Unsecured, considered good	5,742.32	3,099.99	2,928.86
Doubtful	520.76	320.39	367.65
	<u>6,812.52</u>	<u>4,527.77</u>	<u>4,439.98</u>
Less: Allowance for doubtful debts	520.76	320.39	367.65
	<u>6,291.76</u>	<u>4,207.38</u>	<u>4,072.33</u>
Other disclosures:			
(i) Movement in allowance for doubtful debts during the year is as follows:			
Balance at the beginning of the year	320.39	367.65	114.86
Add: Allowances for doubtful debts during the year	223.44	42.17	252.79
Less: Bad debts recovered during the year	23.07	89.43	-
Balance at the end of the year	<u>520.76</u>	<u>320.39</u>	<u>367.65</u>
10 Cash and bank balances			
(a) Cash and cash equivalents			
Cash on hand	10.57	3.78	5.16
Balances with banks			
- In current accounts	867.17	967.23	460.77
Bank deposits with original maturity less than 3 months	600.00	-	1,000.00
Accrued interest on bank deposits	0.22	-	3.64
	<u>1,477.96</u>	<u>971.01</u>	<u>1,469.57</u>
(b) Other bank balances			
Bank deposits with original maturity more than 3 months, but less than 12 months	-	500.00	-
Accrued interest on bank deposits	-	35.90	-
	<u>-</u>	<u>535.90</u>	<u>-</u>

Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	Number	Amount	Number	Amount	Number	Amount
11 Equity share capital						
Authorized share capital						
Equity shares of ₹ 10 each	12,000,000	1,200.00	12,000,000	1,200.00	12,000,000	1,200.00
	12,000,000	1,200.00	12,000,000	1,200.00	12,000,000	1,200.00
Issued, subscribed and fully paid up						
Equity shares of ₹ 10 each	9,367,111	936.71	9,367,111	936.71	9,367,111	936.71
	9,367,111	936.71	9,367,111	936.71	9,367,111	936.71
(a) Reconciliation of shares outstanding at the beginning and at the end of the year						
	Number	Amount	Number	Amount	Number	Amount
Balance at the beginning of the year	9,367,111	936.71	9,367,111	936.71	9,367,111	936.71
Add : Issued during the year	-	-	-	-	-	-
Balance at the end of the year	9,367,111	936.71	9,367,111	936.71	9,367,111	936.71

(b) No additional shares were allotted as fully paid up by way of bonus shares or pursuant to contract without payment being received in cash during the last five years. Further, none of the shares were bought back by the Company during the last five years.

(c) **Details of shareholders holding more than 5% of the aggregate shares in the Company:**

Name of the shareholders	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	Number	Percentage	Number	Percentage	Number	Percentage
Fully paid-up equity shares of ₹ 10 each:						
(a) IFB Automotive Private Limited	3,602,900	38.46%	3,602,900	38.46%	3,602,900	38.46%
(b) Nurpur Gases Private Limited	785,543	8.39%	785,543	8.39%	785,543	8.39%
(c) SICGIL India Limited (*)	683,100	7.29%	683,100	7.29%	678,150	7.24%
	5,071,543		5,071,543		5,066,593	

(*) SICGIL India Ltd. ('SICGIL') along with Persons Acting in Concert ('PAC') (collectively referred to as 'SICGIL group') holds 15.76% equity share capital in the Company. As per the order of the Hon'ble National Company Law Tribunal ('NCLT'), dated 5 July 2017, the SICGIL Group's voting rights in respect of the equity shares held by them has been restricted to 5% of the total equity share capital of the Company. However, the SICGIL Group has preferred an appeal against the said order before the Appellate Tribunal.

(d) **Terms/ rights attached to equity shares**

The Company has only one class of equity shares having a par value of ₹ 10 per share. Such holder of equity share is entitled to one vote per share. In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholdings, however, no such preferential amounts exists currently. During this financial year the Company has not proposed/declared any dividend. However, if any dividend is proposed by the Board of Directors, it will be subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in case of interim dividend

Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)
(All amounts in ₹ lacs, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
12 Other equity			
(a) Other reserves			
Securities premium account	3,193.72	3,193.72	3,193.72
General reserve	284.95	284.95	284.95
Retained earnings	27,213.03	24,055.85	20,787.69
(b) Other comprehensive income	2,804.45	1,864.35	1,399.10
	<u>33,496.15</u>	<u>29,398.87</u>	<u>25,665.46</u>

Nature and purpose of reserves:
Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilized in accordance with the provisions of Section 52 of the Companies Act, 2013.

General reserve

General reserve has been created out of profits earned by the Company in the previous years. General reserves are free reserves and can be utilised in accordance with the requirements of the Companies Act, 2013.

Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfer to general reserves, dividends and other distributions made to the shareholders.

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Balance at the beginning of the year	24,055.85	20,787.69
Add: Profit for the year	3,157.18	3,268.16
Balance at the end of the year	<u>27,213.03</u>	<u>24,055.85</u>

Other comprehensive income

The Company has elected to recognize changes in fair value of certain investments in equity instruments in other comprehensive income. These changes are accumulated within "Equity instruments through OCI" under other equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity instruments is derecognized.

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Balance at the beginning of the year	1,864.35	1,399.10
Add: Remeasurement of defined benefit plans (net of tax)	8.41	(127.09)
Add: Changes in fair value of equity instruments through OCI (net of tax)	931.69	592.34
Balance at the end of the year	<u>2,804.45</u>	<u>1,864.35</u>

Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
13 Borrowings			
(a) Non-current			
<i>Secured</i>			
Term loans			
Foreign currency loan from bank (in nature of external commercial borrowing)	3,091.24	4,285.53	4,981.43
Vehicle loan from others	34.51	39.51	-
Less: Current maturities of long-term borrowings (refer note 14)	1,225.19	1,243.05	645.30
	<u>1,900.56</u>	<u>3,081.99</u>	<u>4,336.13</u>

Other disclosures:

(i) Foreign currency loan from bank

Term loan from bank (originally amounting to 7.5 million US dollars equivalent to ₹ 4,908.00 lacs) is secured by an exclusive charge on all present and future assets (plant and machinery and civil work) at Noorpur refinanced out of this loan and on other plant and equipments of the Company.

Repayable in 14 stipulated periodic instalments commencing from 31 December 2016 and ending on 31 January 2020 and carries an interest rate of 3 months libor plus 2.25%. Till 31 March 2018, 6 installments amounting to USD 2.81 million equivalent to ₹ 1,890.19 lacs (excluding foreign exchange loss) has been repaid.

(ii) Vehicle loan from others

Vehicle loan (originally amounting to ₹ 39.90 lacs) is secured by hypothecation of the motor car financed out of this loan.

Repayable in 36 monthly instalments commencing from 03 March 2017. It carries an interest rate of 11.60% p.a. on monthly reducing balance. First 35 EMIs are of ₹ 0.78 lacs each. Company has an option either to pay the 36th EMI of ₹ 23.94 lacs or to surrender the car to the finance company.

14 Other financial liabilities

(a) Non-current

Security deposits repayable on demand (refer note below)	240.02	240.02	240.02
	<u>240.02</u>	<u>240.02</u>	<u>240.02</u>

(b) Current

Current maturities of non-current borrowings (refer note 13)	1,225.19	1,243.05	645.30
Security deposits repayable on demand	144.91	326.56	395.38
Capital creditors (inclusive of retentions)	197.02	272.35	272.65
Dues to employees	314.22	288.88	256.21
	<u>1,881.34</u>	<u>2,130.84</u>	<u>1,569.54</u>

Notes:

Security deposit repayable on demand includes an amount of ₹ 240.02 lacs (31 March 2017: ₹ 240.02 lacs and 1 April 2016: ₹ 240.02 lacs) obtained as a part of sale and lease back agreement entered into by the Company with Rajasthan State Electricity Board (RSEB) which expired on 28 February 2004. In terms of the said agreement, the residual value of the assets under lease acquired and leased back to RSEB (under physical possession of RSEB) is required to be adjusted against the corresponding amount of security deposit as mentioned above. Company's appeal towards certain claims against RSEB is pending before the Hon'ble Jaipur High Court.

Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)
(All amounts in ₹ lacs, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
15 Provisions			
(a) Non-current			
Provision for employee benefits:			
– Provision for compensated absences (refer note 32)	-	-	116.32
– Provision for gratuity (refer note 32)	-	-	107.14
	-	-	223.46
(b) Current			
Provision for employee benefits:			
– Provision for compensated absences (refer note 32)	-	13.02	-
– Provision for legal matters (refer note (i) below)	192.52	168.23	176.84
	192.52	181.25	176.84

Notes:

- (i) As the Company is not in a position to ascertain the exact timing of expected future cash outflows required to settle the obligations for legal matters, it has been classified under current liabilities, without considering their time value of money.

	Year ended 31 March 2018	Year ended 31 March 2017
Movement in provision for legal matters during the year is as follows:		
Balance at the beginning of the year	168.23	176.84
Add: Provisions during the year	66.39	-
Less: Provisions reversed/paid during the year	42.10	8.61
Balance at the end of the year	192.52	168.23

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
16 Deferred taxes			
(a) Deferred tax assets			
Unutilized MAT credit	283.78	711.75	579.93
	283.78	711.75	579.93
(i) Movement in MAT Credit for year ended 31 March 2017:			
Particulars	As at 1 April 2016	Statement of Profit or Loss	Utilised during the year
Unutilized MAT credit	579.93	182.06	(50.24)
	579.93	182.06	(50.24)
(ii) Movement in MAT Credit for year ended 31 March 2018:			
Particulars	As at 1 April 2017	Statement of Profit or Loss	Utilised during the year
Unutilized MAT credit	711.75	(144.32)	(283.65)
	711.75	(144.32)	(283.65)

Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
16 Deferred taxes (cont'd)			
(b) Deferred tax liabilities, net			
Deferred tax liability:			
Difference between written down value of property, plant and equipment as per books of accounts and Income Tax Act, 1961	1,789.59	2,015.91	1,894.40
Fair valuation on equity instruments through OCI	588.69	437.90	343.40
Fair valuation on mutual fund investments measured at FVTPL	46.83	23.86	54.92
Others	(3.53)	(3.50)	2.23
Total deferred tax liabilities	2,421.58	2,474.17	2,294.95
Deferred tax assets:			
Provision for employee benefits	(0.00)	29.74	80.38
Provision for doubtful debts and advances	181.98	110.89	143.47
Disallowance under section 43B of the Income Tax Act, 1961	47.07	94.06	49.67
Voluntary retirement scheme payments	-	-	13.91
Deferred revenue income recognised for government grant received	12.93	13.80	-
Total deferred tax assets	241.98	248.49	287.43
Deferred tax liabilities, net	2,179.60	2,225.68	2,007.52

(i) Movement in deferred tax liabilities for year ended 31 March 2017:

Particulars	As at 01 April 2016	Statement of Profit or Loss	Other Comprehensive Income	As at 31 March 2017
Deferred tax liabilities for taxable temporary differences on:				
Difference between written down value of property, plant and equipment as per books of accounts and Income Tax Act, 1961	1,894.40	121.51	-	2,015.91
Fair valuation on equity instruments through OCI	343.40	-	94.50	437.90
Fair valuation on mutual fund investments measured at FVTPL	54.92	(31.06)	-	23.86
Others	2.23	(5.73)	-	(3.50)
Total	2,294.95	84.72	94.50	2,474.17
Deferred tax assets for deductible temporary differences on:				
Provision for employee benefits	80.38	(118.30)	67.66	29.74
Provision for doubtful debts and advances	143.47	(32.58)	-	110.89
Disallowance under section 43B of the Income Tax Act, 1961	49.67	44.39	-	94.06
Voluntary retirement scheme payments	13.91	(13.91)	-	-
Deferred revenue income recognised for government grant received	-	13.80	-	13.80
Total	287.43	(106.60)	67.66	248.49
Deferred tax liabilities, net	2,007.52	191.32	26.84	2,225.68

Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

(B) Deferred tax liabilities, net
(ii) Movement in deferred tax liabilities for year ended 31 March 2018:

Particulars	As at 01 April 2017	Statement of Profit or Loss	Other Comprehensive Income	As at 31 March 2018
Deferred tax liabilities for taxable temporary differences on:				
Difference between written down value of property, plant and equipments as per books of accounts and Income Tax Act, 1961	2,015.91	(226.32)	-	1,789.59
Fair valuation on equity instruments through OCI	437.90	-	150.79	588.69
Fair valuation on mutual fund investments measured at FVTPL	23.86	22.97	-	46.83
Others	(3.50)	(0.03)	-	(3.53)
Total	2,474.17	(203.38)	150.79	2,421.58
Deferred tax assets for deductible temporary differences on:				
Provision for employee benefits	29.74	(29.74)	-	(0.00)
Provision for doubtful debts and advances	110.89	71.09	-	181.98
Disallowance under section 43B of the Income Tax Act, 1961	94.06	(46.99)	-	47.07
Deferred revenue income recognised for government grant received	13.80	(0.87)	-	12.93
Total	248.49	(6.51)	-	241.98
Deferred tax liabilities, net	2,225.68	(196.87)	150.79	2,179.60

Note:

Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
17 Other liabilities			
(a) Non-current			
Deferred revenue income (refer note (i) below)	36.99	39.87	-
	36.99	39.87	-
(b) Current			
Advance from customers	195.88	147.26	144.51
Statutory dues	426.26	531.88	438.18
Others	374.20	93.80	170.68
	996.34	772.94	753.37

Note:

- (i) Deferred revenue income represents capital subsidy of ₹ 50 lacs received by the Company on 30 December 2016 from Ministry of New and Renewable Energy (MNRE), Government of India, in respect of its 2.5 MW co-generative power plant commissioned on 28 March 2014. An amount of ₹ 2.88 lacs (31 March 2017: ₹ 10.13 lacs) has been recognized as income for the current year.

Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
18 Trade payables			
Due to micro, small and medium enterprises (refer note (i) below)	381.26	396.50	77.60
Dues to others	3,460.86	2,590.52	2,693.76
	3,842.12	2,987.02	2,771.36
(i) Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2017-18, to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act.			
Dues to Micro and small enterprises			
Principal amount due to micro and small enterprise	381.26	396.50	77.60
Interest due on above	-	-	-
Interest paid by the Company in terms of Sections 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the period	-	-	-
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprise Act, 2006	-	-	-
Interest accrued and remaining unpaid at the end of each accounting year	-	-	-
Interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-	-

Note:

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.

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Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)
(All amounts in ₹ lacs, unless otherwise stated)

	Year ended 31 March 2018	Year ended 31 March 2017
19 Revenue from operations		
Sale of products (inclusive of excise duty)	148,246.49	115,141.91
Other operating revenue		
- Scrap sales	139.87	82.48
- Export incentives	1,580.97	1,535.81
	<u>149,967.33</u>	<u>116,760.20</u>
20 Other income		
Interest income:		
- Financial assets measured at amortised costs	40.55	90.25
- Net defined benefit asset held by post employment benefit fund	-	3.58
Other gains and losses		
- Net gain arising on sale of financial assets measured at FVTPL	388.55	617.96
- Net gain / (loss) arising on remeasurement of financial assets measured at FVTPL	65.07	(39.37)
Others		
- Rental income	214.36	167.48
- Net gain / (loss) on foreign currency transactions and translations (net)	20.23	(19.50)
- Liabilities no longer required written back	178.79	152.42
- Provision for doubtful receivables written back	23.07	136.40
- Net gain on sale of property, plant and equipments	-	14.45
- Other miscellaneous income	33.04	52.60
- Dividend income	13.80	-
	<u>977.46</u>	<u>1,176.27</u>
21 Cost of materials consumed		
(a) Raw material consumed		
Opening stock	427.52	1,310.52
Add: Purchases	37,563.92	35,671.68
Less: Closing stock (refer note 8)	1,210.83	427.52
	<u>36,780.61</u>	<u>36,554.68</u>
(b) Packing material consumed		
Opening stock	224.86	195.89
Add: Purchases	6,357.03	6,397.69
Less: Closing stock (refer note 8)	175.48	224.86
	<u>6,406.41</u>	<u>6,368.72</u>
	<u>43,187.02</u>	<u>42,923.40</u>
22 Purchases of stock-in-trade		
Marine food and feed supplements	22,933.72	21,978.68
	<u>22,933.72</u>	<u>21,978.68</u>

Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

	Year ended 31 March 2018	Year ended 31 March 2017
23 Changes in inventories of finished goods, stock-in-trade and work-in-progress		
Stock at the beginning of the year (including stock-in-transit)		
Finished goods	2,329.17	2,145.08
Work-in-progress	283.60	89.23
Stock-in-trade	792.76	556.31
	<u>3,405.53</u>	<u>2,790.62</u>
Stock at the end of the year (including stock-in-transit)		
Finished goods	4,184.51	2,329.17
Work-in-progress	156.83	283.60
Stock-in-trade	578.83	792.76
	<u>4,920.17</u>	<u>3,405.53</u>
Difference in excise duty on finished goods	207.51	41.02
Changes in inventories of finished goods, stock-in-trade and work-in-progress	<u>(1,307.13)</u>	<u>(573.89)</u>
24 Employee benefits expense		
Salaries, wages and bonus	3,188.69	3,127.08
Contribution to provident funds and other funds (refer note 32)	331.67	339.05
Staff welfare expenses	305.89	283.25
	<u>3,826.25</u>	<u>3,749.38</u>
25 Finance costs		
Interest on financial liabilities carried at amortised costs (*)	198.03	186.65
Foreign exchange loss / (gain) on foreign currency borrowings	60.06	(32.72)
	<u>258.09</u>	<u>153.93</u>
(*) Calculated using effective interest rate (EIR) method.		
26 Depreciation, amortisation and impairment expenses		
Depreciation of property, plant and equipment (refer note 3)	2,025.53	2,032.58
Impairment of property, plant and equipment (refer note 3)	118.01	-
	<u>2,143.54</u>	<u>2,032.58</u>

Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)
(All amounts in ₹ lacs, unless otherwise stated)

	Year ended 31 March 2018	Year ended 31 March 2017
27 Other expenses		
Advertisement and sales promotion expenses	1,692.75	421.49
Consumption of stores and spares	369.30	369.87
Power and fuel	4,109.90	3,043.98
Rent (refer note 30 and 37)	554.94	378.90
Repair and maintenance:		
- Buildings	200.68	99.68
- Plant and Machinery	134.26	105.50
- Others	121.16	87.10
Insurance	305.12	286.37
Rates and taxes	149.67	231.29
Legal and professional expenses	409.96	352.91
Office expenses	782.64	809.78
Travel and conveyance expenses	468.12	436.01
Auditor's remuneration (refer note (a) below)	33.66	28.45
Freight outward	1,767.75	1,400.39
Contract charges	2,513.51	2,140.75
Corporate Social Responsibility ('CSR') expenditure (refer note (b) below)	56.44	51.06
Loss on sale of property, plant and equipment, net	3.65	-
Bad debts written off	33.89	7.92
Provision for bad and doubtful debts	223.44	42.17
Directors sitting fees	11.59	9.31
Miscellaneous expenses	519.66	488.18
	<u>14,462.09</u>	<u>10,791.11</u>
(a) Auditor's remuneration		
Statutory audit	21.50	19.55
Tax audit	1.50	1.16
Other services	4.45	4.83
Out of pocket expenses	6.21	2.91
	<u>33.66</u>	<u>28.45</u>
(b) Details of Corporate Social Responsibility ('CSR') expenditure		
Gross amount required to be spent by the Company during the year	73.98	74.01
Amount spent during the year:		
- Construction/acquisition of any assets	-	-
- Purposes other than above	56.44	51.06
Amount accrued but not paid during the year	-	-
	<u>56.44</u>	<u>51.06</u>

Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

	Year ended 31 March 2018	Year ended 31 March 2017
28 Tax expense		
(a) Income tax in the statement of profit and loss:		
Current tax	1,279.02	837.66
Deferred taxes	(196.87)	191.32
Tax pertaining to previous years	144.32	(182.06)
	<u>1,226.47</u>	<u>846.92</u>
(b) Income tax recognised in other comprehensive income comprises:		
Deferred tax on remeasurement of post-employment benefit obligations	4.53	(67.66)
Deferred tax on fair value gains on investments in equity instruments through OCI	146.26	94.50
	<u>150.79</u>	<u>26.84</u>
(c) Reconciliation of income tax expense and the accounting profit for the year:		
Profit before tax	4,383.65	4,115.08
Enacted tax rates (%)	34.608%	34.608%
Income tax expense calculated at corporate tax rate	1,517.09	1,424.15
Deductions under chapter VIA of the Income Tax Act, 1961	(491.90)	(462.78)
Impact on account of non-deductible expenses	17.60	18.52
Income exempted from tax	(4.78)	-
Fair value measurements of investments in mutual funds	22.53	50.26
Adjustment of tax relating to earlier years	144.32	(182.06)
Impact due to change in future tax rate	25.32	-
Other adjustments	(3.71)	(1.17)
Total income tax expense as per the statement of profit and loss	<u>1,226.47</u>	<u>846.92</u>
	Year ended 31 March 2018	Year ended 31 March 2017
(d) Income tax balances		
Current tax liabilities		
Opening balance	143.99	119.87
Add: Provision for prior year taxes	-	24.12
Provision for tax	1,279.02	-
Less: taxes paid	(865.17)	-
Less: MAT credit utilised	(283.65)	-
Closing balance	<u>274.19</u>	<u>143.99</u>
Non-current tax assets		
Opening balance	262.79	163.04
Add: Taxes paid	-	99.75
Closing balance	<u>262.79</u>	<u>262.79</u>

Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)
(All amounts in ₹ lacs, unless otherwise stated)

	Year ended 31 March 2018	Year ended 31 March 2017
29 Earnings per equity share (EPS)		
Net profit attributable to equity shareholders (in ₹ lacs)	3,157.18	3,268.16
Weighted average number of equity shares outstanding during the year (nos)	9,367,111	9,367,111
Face value per share (in ₹)	10.00	10.00
Earnings per share (in ₹):		
- Basic earnings per equity share	33.70	34.89
- Diluted earnings per equity share	33.70	34.89

30 Leases
(a) Finance lease

The Company has acquired certain lands on finance lease. Such lease arrangements are for a period ranging from 30-99 years and the entire lease rentals has been paid upfront at the time of initiation of the lease. The Company has recognized these lands acquired on finance lease under property, plant and equipment (separately from other owned assets) at an amount equal to the upfront lease payment plus initial direct costs. Such amount is amortized over the period of the lease on a straight line method.

(b) Operating lease

The Company has entered into operating lease arrangements in respect of factory lands, office premises, other buildings and manufacturing facilities which are for a period generally ranging from 11 months to 6 years. All such lease arrangements are cancellable and are usually renewable on mutually agreed terms. Total lease rentals payable during the lease period is recognized in the standalone statement of profit and loss on straight line basis except where the increase in future lease rentals is to compensate for the general inflationary forces.

31 Contingent liabilities and commitments
(a) Contingent liabilities

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Claims against the Company not acknowledged as debts:			
(a) Income tax demand on account of deductions claimed under section 80-IA(4) of the Income Tax Act, 1961 in respect of the power undertaking.	62.96	62.96	-
(b) Show cause notice issued by the Customs authorities for classification dispute on imported goods.	210.53	210.53	210.53
(c) State excise demands for various years primarily for excess shortage/wastage of spirit.	1,201.79	869.79	672.79
(d) State sales tax/Central sales tax and value added tax demands in the State of West Bengal mainly due to non-submission of declaration forms.	3,156.77	2,832.46	2,695.95
(e) Kolkata Port Trust (KoPT) - Dispute relating to valuation of rent for rest house at Noorpur.	81.59	-	-

Note:

The above matters are lying at various appellate forums and the management is confident of succeeding in all these matters based on legal precedences and expert opinions.

(b) Commitments

Estimated amount of capital contracts remaining to be executed and not provided for as on the balance sheet date are:

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Capital commitments for property, plant and equipment (net of capital advance)	200.97	153.03	838.40

Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

32 Disclosure in accordance with Ind AS-19 on employee benefits expense

(a) Post-employment benefits plan:

Retirement benefit plans of the Company comprising of gratuity, superannuation and provident fund consists of both defined benefit plan and defined contribution plan. Other long term employee benefits includes compensated absences subject to certain limits and rules. Gratuity, superannuation and compensated absences plans are funded through investments in Life Insurance Corporation of India (LICI). Provident fund for all employees are managed through government administrated funds. Gratuity and superannuation fund is managed by a Board of Trustees who are responsible for overall management of the fund and acts in accordance with the provisions of the respective trust deeds and rules, and in the best interest of the plan participants. The trustees do a periodic review of the solvency of the fund and play a role in long term investments, risk management and funding strategy.

(b) Defined contribution plans

The provident fund and superannuation fund has been classified as defined contribution plan as the Company has an obligation to pay a fixed amount to the government administered fund and LICI respectively and has to further obligation if the assets of such funds are not enough to meet all the employee obligations provided under such plans.

(c) Defined benefit plans

Gratuity plan is a defined benefit plan that provides for lump sum gratuity payment to employees made at the time of their exit by the way of retirement (on superannuation or otherwise), death or disability. The benefits are defined on the basis of their final salary and period of service and such benefits paid under the plan is not subject to the ceiling limit specified in the Payment of Gratuity Act, 1972. Liability as on the Balance Sheet date is provided based on actuarial valuation done by a certified actuary using projected unit credit method. Board of Trustees administers the contributions made to the gratuity fund and such amounts are solely invested with Life Insurance Corporation of India (LICI).

(d) Other long-term employee benefits

The Company provides for encashment of accumulated leaves standing at the credit of its employees at the time of their exit by way of retirement (on superannuation or otherwise), death or disability, subject to certain limits and rules framed by the Company. Liability is provided based on the number of days of unutilized leave at each balance sheet date based on actuarial valuation done by a certified actuary using projected unit credit method. The Company had funded such plan with LICI.

The following table summarises the components of defined benefit expense recognized in the standalone statement of profit and loss/Other Comprehensive Income ('OCI') and the funded status and amounts recognised in the Balance Sheet for the respective plans:

(i) Defined benefits obligations recognised:

Particulars	Gratuity (funded)			Compensated absences (funded)		
	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Present value of obligation	819.04	745.92	501.52	551.25	556.58	297.47
Fair value of plan assets	1154.43	764.48	394.38	848.42	543.55	181.14
Net (assets)/liabilities recognized	(335.39)	(18.56)	107.14	(297.17)	13.03	116.33

(ii) Movement in present value of obligation:

Particulars	Gratuity (funded)		Compensated absences (funded)	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
Balance at beginning of the year	745.92	501.52	556.48	297.47
Current service cost	56.13	38.07	62.23	33.55
Interest cost	50.50	38.60	36.69	21.54
Actuarial (gain)/loss arising from assumption changes	(24.31)	142.86	(18.96)	121.25
Actuarial (gain)/loss arising from experience adjustments	18.86	43.29	(35.49)	128.24
Benefits paid (including benefits directly paid by the Company)	(28.06)	(18.42)	(49.70)	(45.57)
Balance at end of the year	819.04	745.92	551.25	556.48

Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

(iii) Movement in present value of plan assets:

Particulars	Gratuity (funded)		Compensated absences (funded)	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
Balance at beginning of the year	764.48	394.38	543.55	181.14
Interest income on plan assets	63.74	42.18	46.30	27.73
Employer contribution	346.78	355.69	255.00	390.70
Return on plan assets lesser than discount rate	7.49	(9.35)	3.57	(10.45)
Benefits paid	(28.06)	(18.42)	-	(45.57)
Balance at end of the year	1,154.43	764.48	848.42	543.55

(iv) Components of net cost charged to the statement of profit and loss

Particulars	Gratuity (funded)		Compensated absences (funded)	
	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2018	Year ended 31 March 2017
Employee benefit expenses:				
- Current service costs	56.13	38.07	62.23	33.55
- Defined benefit costs recognized in statement of profit and loss	(26.18)	191.92	(67.63)	253.75
Finance costs				
- Interest costs	50.50	38.60	36.69	-
- Interest income	(63.74)	(42.18)	(46.30)	-
Net impact on profit before tax	16.71	226.41	(15.01)	287.30

(v) Remeasurement of the net defined benefit plans to be taken to other comprehensive income:

Particulars	Gratuity (funded)		Compensated absences (funded)	
	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2018	Year ended 31 March 2017
Actuarial (gain)/loss arising from assumption changes	(24.31)	142.86	-	-
Actuarial (gain)/loss arising from experience adjustments	18.86	43.29	-	-
Return on plan assets lesser than discount rate	(7.49)	9.35	-	-
Net impact on other comprehensive income before tax	(12.94)	195.50	-	-

(vi) Amounts contributed towards defined contribution plans have been recognized in the standalone statement of profit and loss under "Contribution to provident fund and other funds" in Note 24.

(vii) Major categories of plan assets:

Entire assets of both gratuity and compensated absences plans is maintained with the LIC.

(viii) Assumptions

With the objective of presenting plan assets and obligations of the defined benefit plans at their fair value at balance sheet date, assumptions used under Ind AS 19 are set by reference to market conditions at the valuation date.

Particulars	Gratuity (funded)		Compensated absences (funded)	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
Discount rate (per annum)	7.40%	6.90%	7.40%	6.90%
Salary escalation rate (per annum)	8.00%	8.00%	8.00%	8.00%
Mortality table	Life Insurance Corporation of India (LIC) [1996-98] Ultimate table		Indian Assured Lives Mortality [2006-08] Ultimate table	
Average past service of employees (years)	8.63	8.60	N.A.	N.A.
Expected rate of return on plan assets	7.55%	7.60%	7.55%	7.60%

Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

(viii) Sensitivity analysis

A quantitative sensitivity analysis for significant assumption is tabled below:

Particulars	Gratuity (funded)		Compensated absences (funded)	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
Discount rate - decrease by 1%	6.10%	7.00%	7.10%	8.00%
Discount rate - increase by 1%	-5.40%	-6.00%	-6.20%	-7.00%
Salary escalation rate - decrease by 1%	-5.40%	-6.00%	-6.20%	-7.00%
Salary escalation rate - increase by 1%	6.10%	6.00%	7.00%	7.00%

Methods and assumptions used in preparing sensitivity analysis and their limitations:

The sensitivity results above determine their individual impact on the plan's year end defined benefit obligation. In reality, the plan is subject to multiple external experience items which may move the defined benefit obligation in similar or opposite directions, while the plan's sensitivity to such changes can vary over time.

(ix) Maturity analysis of the benefits payment:

Weighted average duration of both gratuity plan and compensated absences plan is 7 years. Expected benefit payments for each such plans over the years is given in table below:

Particulars	Gratuity (funded)		Compensated absences (funded)	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
Year 1	256.49	216.39	130.67	113.33
Year 2	46.93	46.65	54.39	53.11
Year 3	36.49	40.11	42.69	52.85
Year 4	90.10	34.73	69.08	44.46
Year 5	62.70	86.92	54.02	70.39
Next 5 years	97.98	430.30	312.98	367.23

Expected employer contribution in gratuity plan for the period ending 31 March 2019 is ₹ 55.72 lacs (31 March, 2018: ₹ 56.13 lacs)

Expected employer contribution in compensated absences plan for the period ending 31 March 2019 is Nil (31 March, 2018: ₹ 62.23 lacs)

(e) Aforesaid post-employment benefit plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's investments.
Longevity risk	The present value of the defined benefit liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit liability is calculated by reference to the future salaries of plan participants. As such, an increase in salary of the plan participants will increase the plan's liability.

Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

33 Related party disclosures

Information on related party transactions as required by Ind AS - 24 - Related Party Disclosures for the year ended 31 March 2018.

(a) List of related parties

(i) Parties where control exists (subsidiary)

Name of the Company	Country of incorporation	Percentage of holding as on		
		31 March 2018	31 March 2017	1 April 2016
IFB Agro Marine (FZE) (Wholly owned subsidiary w.e.f. 20 April 2017)	U.A.E	100%	-	-

(ii) Key management personnel

Name of the person	Designation
Bijon Nag	Non-Executive Director
Arup Kumar Banerjee	Executive Director
Bikram Nag	Executive Director
Indranil Goho	Executive Directors (upto 18 October 2017)
Dipak Sen	Chief Financial Officer (upto 25 November 2017)
Rahul Choudhary	Chief Financial Officer (w.e.f. 2 December 2017)
Ritesh Agarwal	Company Secretary & Chief Compliance Officer

(iii) Other Key management personnel

Name of the person	Designation
Kanak Ghosh	Assistant Vice President- Human Resource
Souravi Sinha	General Manager - Human Resource
Sayandeep Chowdhury	Senior Manager - Finance and Accounts (upto 21 May 2018)
Sudip Das	Deputy General Manager - Internal Audit
Janardan Anna Gore	President - New Projects
Swapn Kumar Bayen	Vice President - Projects and Diversification (Distillery)
Santanu Ghosh	CGM - Plant Operations and Safety (Distillery)
Rana Chatterjee	Chief Financial Officer (Distillery)
Chinmoy Mishra	Deputy General Manager - Plant operations and project
Debojyoti Bandopadhyay	Deputy General Manager - Operations (Co2)
Debashish Ghosh	Asst. Vice President - Business Head (IMIL)
S.K. Kundu	Head - Tie-up manufacturing units (IMIL division)
Dipayan Basu	Asst. General Manager - Commercial (IMIL)
Sanjoy Bhattacharya	Unit Head - Panagarh plant (IMIL)
Supriyo Bandopadhyay	Unit Head - Dankuni Plant (IMIL)
Nishu Jain	Manager - Commercial (IMIL)
Soumitra Chakraborty	Business Head (Marine Division)
Rajat Purkayastha	General Manager - Finance - (Marine Export, Ongole)
Rahul Dev Pathak	General Manager - National Sales Head (Marine foods)
Sanjoy Banerjee	Deputy General Manager - Finance and Accounts (Marine foods)
Soumen Basu Chowdhury	Asst. General Manager (Marine feed)
Nilesh Soni	Senior Manager Finance (Marine Export, Kolkata)
Madan Dutta	Senior Manager (Marine feed)

Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

33 Related party disclosures (cont'd)

(iv) Enterprises over which KMP or relatives of KMP exercise control/significant influence:

Name of the entity

Travel Systems Limited

IFB Industries Limited

(v) Post employment benefit plans

Name of the entity

IFB Agro Industries Limited Employees Gratuity Fund

IFBAIL Employees Super annuation Fund

(b) Transactions with related parties

Particulars

	Year ended 31 March 2018	Year ended 31 March 2017
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Rental income:

Travel Systems Limited	10.13	9.99
IFB Industries Limited	16.59	16.40

Travelling and conveyance:

Travel Systems Limited	21.73	104.18
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Rental expense:

IFB Industries Limited	7.18	-
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Security deposit refunded:

IFB Industries Limited	160.00	-
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Purchase of property, plant and equipments:

IFB Industries Limited	-	8.52
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Other expenses:

IFB Industries Limited	8.21	0.57
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Investments made in equity share capital:

Subsidiary Company	322.70	-
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Post employment benefit plans:

Contribution towards gratuity fund	346.78	355.69
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Contribution towards superannuation fund	107.72	187.14
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Reimbursement of expenses:

- Gratuity fund	0.10	0.22
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- Superannuation fund	0.10	0.10
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Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)
(All amounts in ₹ lacs, unless otherwise stated)
33 Related party disclosures (cont'd)
(b) Transactions with related parties (cont'd)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Remuneration to executive directors:		
Arup Kumar Banerjee	130.80	114.00
Bikram Nag	85.04	78.00
Indranil Goho (upto 18 October 2017)	26.00	45.00
Short term employee benefits of the above executive directors	111.81	97.00
Post employment benefits of the above executive directors (*)	19.66	38.17
Sitting fees to non-executive directors		
Bijon Nag	0.60	0.75
Hari Ram Agarwal	2.10	1.35
Nandan Bhattacharya	2.33	1.84
Manoj Kumar Vijay	1.57	1.35
Amitabha Kumar Nag	2.14	1.67
Sudip Kumar Mukherji	1.80	1.45
Lakshmishri Roy	1.05	0.90
Remuneration to other key management personnel:		
Salaries, wages and bonus	482.96	481.15
Short term employee benefits of the above other key managerial personnel	282.43	287.75
Post employment benefits of the above key managerial personnel (*)	90.33	90.73

(c) Balances of related parties:

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Other payables:			
Travel Systems Limited	0.36	-	-
IFB Industries Limited	45.18	-	-
Security deposit outstanding:			
IFB Industries Limited	8.12	168.12	168.12

(*) Does not include contributions made under gratuity and compensated absences plan based on actuarial valuations as contributions made to such plans on individual employee basis is not ascertainable.

Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

34 Segment reporting

(a) Basis of segmentation:

The Company has following business segments, which are its reportable segments. These segments offer different products and are managed separately because they require different technology and production processes. Operating segment disclosures are consistent with the information provided to and reviewed by the chief operating decision maker.

(b) Reportable segment	Product							
Spirit, liquor, spirituous beverages	Extra Neutral Alcohol (ENA), Rectified Spirits (RS) and Indian Made Indian Liquor (IMIL)							
Marine	Marine products processed for sale in export and domestic markets and marine feed trading.							
Particulars	Year ended 31 March 2018				Year ended 31 March 2017			
	Spirit, liquor, spirituous beverages	Marine	Unallocated	Total	Spirit, liquor, spirituous beverages	Marine	Unallocated	Total
i) Segment revenues:								
External sales	100,599.74	49,367.59	-	149,967.33	70,391.65	46,368.55	-	116,760.20
Inter-segment sale	4.00	-	-	4.00	3.41	-	-	3.41
Less: Eliminations	(4.00)	-	-	(4.00)	(3.41)	-	-	(3.41)
				<u>149,967.33</u>				<u>116,760.20</u>
ii) Segment results								
Profit before interest, tax and depreciation	6,118.19	1,887.66	-	8,005.85	6,229.63	1,195.40	-	7,425.03
Depreciation	(1,896.55)	(190.07)	(56.92)	(2,143.54)	(1,868.99)	(127.92)	(35.67)	(2,032.58)
Unallocated expenses	-	-	(1,261.12)	(1,261.12)	-	-	(1,217.27)	(1,217.27)
Finance cost	(214.86)	(35.06)	(8.16)	(258.09)	(131.67)	(20.50)	(1.76)	(153.93)
Interest income	-	-	40.55	40.55	-	-	93.83	93.83
Profit before tax	4,006.78	1,662.53	(1,285.65)	4,383.65	4,228.97	1,046.98	(1,160.87)	4,115.08
Tax expense	-	-	(1,226.47)	(1,226.47)	-	-	(846.92)	(846.92)
Profit after tax				<u>3,157.18</u>				<u>3,268.16</u>
iii) Revenue from external customers (*)								
India	100,493.73	30,980.85	-	131,474.58	70,391.65	28,945.06	-	99,336.71
Outside India	106.01	18,386.74	-	18,492.75	-	17,423.49	-	17,423.49
				<u>149,967.33</u>				<u>116,760.20</u>
iv) Capital expenditure	746.91	524.31	828.16	2,099.38	1,640.00	127.46	104.07	1,871.53

Note:

(*) After introduction of West Bengal State Beverages Corporation Limited (BEVCO) w.e.f. 9 August 2017, entire sale of IMIL products is through BEVCO. Hence more than 10% of the total sale is to a single customer. (31 March 2017 NIL)

v) Other information

Particulars	As at 31 March 2018				As at 31 March 2017				As at 1 April 2016			
	Spirit, liquor, spirituous beverages	Marine	Unallocated	Total	Spirit, liquor, spirituous beverages	Marine	Unallocated	Total	Spirit, liquor, spirituous beverages	Marine	Unallocated	Total
Segment assets	19,268.62	9,023.20	17,684.72	45,976.54	18,660.20	6,902.47	16,576.51	42,139.18	19,795.80	11,910.41	7,094.07	38,800.28
Segment liabilities	6,573.80	3,026.34	1,943.54	11,543.68	7,302.59	1,456.46	3,044.55	11,803.60	7,951.91	7,577.05	(3,330.85)	12,198.11

Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

35 Fair value measurement

(a) Category wise classification of financial instruments

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Financial assets:			
(i) Measured at fair value through profit or loss (FVTPL)			
Investments in unquoted mutual funds	9,333.50	11,842.31	8,955.36
(ii) Designated at fair value through other comprehensive income (FVTOCI)			
Investments in quoted equity instruments (refer note (i) below)	1,973.39	1,112.06	548.17
Investments in unquoted equity instruments (refer note (i) below)	1,826.11	1,609.48	1,485.78
(iii) Carried at cost			
Cash and cash equivalents	1,477.96	971.02	1,469.57
Bank balances other than cash and cash equivalents above	-	535.90	-
Bank deposits (with original maturity of more than 12 months)	184.92	170.42	166.52
Derivative instruments	6.09	-	-
Loans to employees	38.93	17.96	29.05
Security deposits	28.90	77.39	334.60
Trade receivables	6,291.76	4,207.38	4,072.33
Others	-	6.58	16.58
Advances to manufacturing units	-	-	5.03
(iv) Measured at cost			
Investment in equity shares of subsidiary company	322.70	-	-
Total financial assets	21,484.26	20,550.50	17,082.99
B. Financial liabilities			
(i) Measured at amortized cost			
Borrowings (including current maturities)	3,125.75	4,325.04	4,981.43
Trade payables	3,842.12	2,987.02	2,771.36
Security deposits (repayable on demand)	144.91	326.56	395.38
Other financial liabilities	511.24	561.23	528.86
Total financial liabilities	7,624.02	8,199.85	8,677.03

Notes:

- (i) These investments are not held for trading. Upon application of Ind AS - 109 - Financial Instruments, the Company has chosen to measure these investments in quoted equity instruments at FVTOCI irrevocably as the management believes that presenting fair value gains and losses relating to these investments in the standalone statement of profit and loss may not be indicative of the performance of the Company.
- (ii) The management assessed that the fair value of cash and cash equivalents, other bank balances, bank deposits, loans to employees, trade receivables, advance to manufacturing units, trade payables and other financial liabilities approximate the carrying amount largely due to short-term maturity of these instruments.

(b) Fair value hierarchy

The fair value of financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly market between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent in all the years. Fair value of financial instruments referred to in note (a) above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets and liabilities and lowest priority to unobservable entity specific inputs.

Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

The categories used are as follows:

- Level 1: quoted prices (unadjusted) in active markets for financial instruments.
- Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.
- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

For assets and liabilities which are measured at fair value as at balance sheet date, the classification of fair value by category and level on inputs used is given below:

As at 31 March 2018:

Particulars	Level 1	Level 2	Level 3
(i) Measured at fair value through profit or loss (FVTPL)			
Investments in unquoted mutual funds	9,333.50	-	-
(ii) Designated at fair value through other comprehensive income (FVTOCI)			
Investments in quoted equity instruments	1,973.39	-	-
Investments in unquoted equity instruments	-	-	1,826.11

As at 31 March 2017:

Particulars	Level 1	Level 2	Level 3
(i) Measured at fair value through profit or loss (FVTPL)			
Investments in unquoted mutual funds	11,842.31	-	-
(ii) Designated at fair value through other comprehensive income (FVTOCI)			
Investments in quoted equity instruments	1,112.06	-	-
Investments in unquoted equity instruments	-	-	1,609.48

As at 1 April 2016:

Particulars	Level 1	Level 2	Level 3
(i) Measured at fair value through profit or loss (FVTPL)			
Investments in unquoted mutual funds	8,955.36	-	-
(ii) Designated at fair value through other comprehensive income (FVTOCI)			
Investments in quoted equity instruments	548.17	-	-
Investments in unquoted equity instruments	-	-	1,485.78

(c) Computation of fair values

Investments in mutual funds are short-term investments made in debt or liquid funds whose fair value are considered as the net asset value (NAV) declared by their respective fund houses on a daily basis. Thus the declared NAV is similar to fair market value for these mutual fund investments since transactions between the investor and fund houses will be carried out at such prices.

Investments in equity instruments represents long term strategic investments made in certain listed or unlisted companies. For listed companies, fair value is based on quoted market prices of such instruments as on the balance sheet date on the recognized stock exchange (where traded volume is more during last six months). For investments in unquoted securities, the management has ascertained the fair value by using discounted cash flow ('DCF') method (income approach).

(d) Fair value of assets and liabilities measured at cost/amortized cost

The carrying amount of financial assets and financial liabilities measured at amortized cost are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amount would be significantly different from the values that would be eventually received or settled. Management assessed that fair values of cash and cash equivalents, other bank balances, bank deposits, loans to employees, trade receivables, advance to manufacturing units, trade payables and other financial liabilities approximate their carrying amounts due to the short term maturities of these instruments. For long-term borrowings at fixed/floating rates, management evaluates that their fair value will not be significantly different from the carrying amount.

Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)*(All amounts in ₹ lacs, unless otherwise stated)***36 Financial risk management**

Company's business activities are exposed to a variety of financial risks like credit risk, market risks and liquidity risk. Company's senior management is responsible for establishing and monitoring the risk management framework within its overall risk management objectives and strategies approved by the Board of Directors. Such risk management strategies and objectives are established to identify and analyze potential risks faced by the Company, set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and assess risk management performance. Any change in Company's risk management objectives and policies need approval of its Board of Directors.

(a) Credit risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, other balances with banks, loans and other receivables.

(i) Trade receivables

Customer credit risks is managed by each business unit in accordance with the credit policy, procedures and controls relating to credit risk management. Credit quality of each individual customer is assessed based on financial positions, past trends, market reputation, prevailing market and economic conditions, expected business and anticipated regulatory changes. Based on this evaluation, credit limit and credit terms are decided for each individual customer. Exposure to customer credit risk is regularly monitored through credit locks and release. The Company has a low concentration of risk in respect of trade receivables since its customers are widely spread and operates in diversified industries and varying market conditions. Export customers are secured through letter of credit and generally not subject to credit risks.

Impairment of trade receivables is based on expected credit loss model (simplistic approach) depending upon the historical data, present financial conditions of customers and anticipated regulatory changes. Maximum exposure to credit risks at the reporting date is disclosed in Note 9. Company does not hold any collateral in respect of such receivables.

(ii) Other financial instruments

Credit risks from other financial instruments includes mainly cash and cash equivalents and deposits with banks. Such risks is managed by the central treasury department of the Company in accordance with Company's overall investment policy approved by its Board of Directors. Investments of surplus funds are made in short term debt/liquid mutual funds of rated fund houses having the highest credit rating and in short term time deposits of reputed banks with a very strong financial position. Investment limits are set for each mutual fund and bank deposits. Risk concentration is minimized by investing in a wide range of mutual funds/bank deposits. These investments are reviewed by the Board of Directors on a quarterly basis.

The Company has no exposure to credit risk relating to its cash and cash equivalents. Credit risk for other financial instruments are monitored by the central treasury department in accordance with its overall risk management policies. Impairment of such assets is computed per expected credit loss model (general approach) assessed on the basis of financial position, detailed analysis and expected business of the counterparty to such financial assets.

(b) Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risks comprises of three types - interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risks include long term borrowings, investments in mutual funds or equity instruments and derivative instruments.

(i) Foreign currency risk management

Foreign currency is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to change in foreign currency rates. Company is exposed to foreign currency risks on trade receivables and long term external commercial borrowing, both denominated in USD. Foreign exchange exposures are managed by the central treasury department in accordance with the overall policy parameters approved by the Board of Directors. Trade receivables are hedged by entering into forward contracts (to sell USD) with authorized banks that matches the timings of the forecasted receipts. Company has kept its external commercial borrowing unhedged as it has natural hedging due to export earnings.

Carrying amount of Company's financial assets and liabilities denominated in foreign currency (USD) as at the Balance Sheet date is as under:

	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	USD (lacs)	Amount ₹	USD (lacs)	Amount ₹	USD (lacs)	Amount ₹
Trade Receivables	17.73	1,154.23	22.81	1,479.18	12.82	848.06
External Commercial Borrowing	46.88	3,091.24	65.63	4,285.53	75.00	4,981.43
Forward Contracts (derivative used to hedge trade receivables)	16.11	1,048.10	-	-	6.08	403.33

Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

36 Financial risk management (cont'd)

Foreign currency sensitivity analysis

The Company is exposed to US Dollars. Following table provides the sensitivity impact to a 5% strengthening/weakening of INR in respect to US Dollars. Sensitivity analysis is done on net exposure after adjusting the forward contracts. A positive number below indicates an increase in profit/equity when INR appreciates against US Dollars and when the net exposure is a liability.

Particulars	As at 31 March 2018 Gain / (Loss)	As at 31 March 2017 Gain / (Loss)	As at 1 April 2016 Gain / (Loss)
INR appreciates by 5%	186.30	168.71	245.86
INR depreciates by 5%	(148.52)	(129.41)	(223.26)

Note:

Company's foreign currency risk exposure has reduced over the years due to decrease in outstanding amount of external commercial borrowing, resulting from scheduled repayments.

(ii) Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to change in market interest rates. Company has long term borrowings both at fixed and variable interest rates. Such borrowings are measured at amortized costs. The Company is exposed to interest rate risk arising from its external commercial borrowing taken at floating rate of interest (libor plus 225 basis points), while it does not have any interest rate risks arising from other borrowings at fixed interest rates. Company's central treasury department manages such interest rate risk in accordance with its overall risk policy approved by the Board of Directors. Company has not hedged its long term external commercial borrowing as it does not anticipates any major change in libor which can materially impact its future cash flows.

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Borrowing at variable interest rate			
- Non-current	1,871.66	3,069.81	4,361.04
- Current	1,219.58	1,215.72	620.39
Borrowing at fixed interest rate			
- Non-current	28.90	34.51	-
- Current	5.61	5.00	-
Total borrowings	3,125.75	4,325.04	4,981.43
Percentage of borrowing at variable interest rate (%)	98.90%	99.09%	100.00%

Sensitivity analysis of interest rate change on borrowing availed at variable interest rate

Particulars	Impact on Profit after Tax	
	Year ended	
	31 March 2018	31 March 2017
Interest rate (increase by 0.5%)	(12.75)	(15.80)
Interest rate (decrease by 0.5%)	12.75	15.80

(iii) Price risk

Price risk is the risk that the fair value or future cash flows will fluctuate due to change in market prices. The Company is exposed to price risk arising from its short term investments in debt or liquid mutual funds. Company's central treasury department manages such risk in accordance with its overall risk management policy approved by the Board of Directors. The Company mitigates the risk by investing in a large number of rated funds. Investment limit in each fund is specified. All purchase or sale of mutual funds are reviewed by the Board of Directors on a quarterly basis. Company assesses that as returns from short term debt or liquid mutual funds are steady and depends on interest rates or market yield, there is very remote chance of any significant fluctuation in their fair values which can materially impact Company's future cash flows.

Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

36 Financial risk management (cont'd)

Price sensitivity analysis

Following table provides the sensitivity impact to a 1% appreciation/decline in NAV of mutual fund investments as at the Balance Sheet date.

Particulars	As at 31 March 2018 Gain / (Loss)	As at 31 March 2017 Gain / (Loss)	As at 1 April 2016 Gain / (Loss)
NAV of mutual funds appreciates by 1%	93.34	118.42	89.55
NAV of mutual funds declines by 1%	(93.34)	(118.42)	(89.55)

(c) Liquidity risk:

Liquidity risk is the risk that the Company may not be able to meet its contractual obligations associated with its financial liabilities. The central treasury department of the Company manages its liquidity risk by preparing and continuously monitoring business plans or rolling cash flow forecasts which ensures that the funds required for carrying on its business operations and meeting its financial liabilities are available in a timely manner and at an optimal cost. The Company plans to meet the contractual obligations from its internal accruals and also maintains sufficient fund based and non-fund based credit limits with banks. Additionally, surplus funds generated from operations are parked in short term debt or liquid mutual funds and bank deposits which can be readily liquidated when required.

The following table shows the remaining contractual maturities of financial liabilities at the reporting date. The amounts reported are on gross and undiscounted basis and includes contractual interest payments.

Contractual maturity of financial liabilities	Upto 1 year	1 year to 3 year	3 year to 5 year	Total
As at 31 March 2018				
Borrowings (including current maturities)	1,225.19	1,900.56	-	3,125.75
Trade payables	3,842.12	-	-	3,842.12
Other financial liabilities	1,881.34	240.02	-	2,121.36
As at 31 March 2017				
Borrowings (including current maturities)	1,243.05	3,081.99	-	4,325.04
Trade payables	2,987.02	-	-	2,987.02
Other financial liabilities	2,130.84	240.02	-	2,370.86
As at 1 April 2016				
Borrowings (including current maturities)	645.30	4,336.13	-	4,981.43
Trade payables	2,771.36	-	-	2,771.36
Other financial liabilities	1,569.54	240.02	-	1,809.56

(d) Capital management

For the purpose of Company's capital management, capital includes issued equity share capital, other equity reserves and long term borrowed capital less cash and cash equivalents. The primary objective of capital management is to maintain an efficient capital structure to reduce the cost of capital, support corporate expansion strategies and to maximize shareholder's value. Company has fund based and non fund based credit facilities with banks from which it borrows during peak seasons to meet its working capital requirements. However such short term borrowings are generally squared off as on the Balance Sheet date. Company has funded all of its expansion projects from its internal accruals except for the distillery expansion project undertaken in financial year 2015-16 for which the external commercial borrowing was availed.

Following table summarizes the capital structure of the Company.

Particulars		As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Long-term borrowings (including current maturities of long-term debts)	(A)	3,125.75	4,325.04	4,981.43
Less: Cash and cash equivalents		1,477.96	971.01	1,469.57
Net borrowings		1,647.79	3,354.03	3,511.86
Total equity	(B)	34,432.86	30,335.58	26,602.17
Total capital (equity + net borrowings)		36,080.65	33,689.61	30,114.03
Debt equity ratio	(A)/(B)	0.09	0.14	0.19

Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

37 First time adoption of Ind AS

These are the Company's first standalone financial statements prepared in accordance with Indian Accounting Standards (Ind AS).

The accounting policies set out in Note 2 has been applied consistently in preparing the opening Ind AS Balance Sheet as on 1 April 2016 (the Company's date of transition), the comparative information presented in these standalone financial statements for the year ended 31 March 2017 and in preparing these standalone financial statements for the year ended 31 March 2018. In preparing its opening Ind AS Balance Sheet, the Company has adjusted the amounts reported previously in standalone financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standard Rules), 2006 (as amended) and other relevant provisions of the Act (Indian GAAP). An explanation of how the transition from previous Indian GAAP to Ind AS has impacted the Company's financial position, financial performance and cash flows is set out in the foot notes to first time adaption.

Ind AS 101 has set out certain mandatory exceptions and optional exemptions to be applied for transition from the existing Indian GAAP to Ind AS. The Company has adopted the following in preparing its opening Ind AS Balance Sheet.

(a) Optional exemptions

- (i) Deemed cost - Ind AS 101 allows the first time adopter to measure its property, plant and equipment at its carrying amount per the erstwhile Indian GAAP as on the date of transition. Accordingly, the Company has opted to measure all its classes of property, plant and equipment at their historical costs as on the transition date, i.e. 1 April 2016.
- (ii) Designation of previously recognized equity instruments - Ind AS 101 permits the entity to designate its existing equity instruments on the basis of the facts and circumstances existing as on the transition date. The Company has elected to apply this exemption for its long term, strategic investments in equity shares.

(b) Mandatory exceptions

- (i) Derecognition of financial assets and liabilities - Ind AS 101 requires a first time adopter to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition. Alternatively such first time adopter can apply such de-recognition provisions retrospectively from a date of Company's choice, if adequate information required to apply Ind AS 109 to financial assets and liabilities de-recognized previous to the date of transition was initially available at the time of such transactions. The Company has elected to apply the de-recognition provision of Ind AS 109 prospectively from the date of transition.
- (ii) Classification and measurement of financial assets - Ind AS 101 provides that classification and measurement of financial assets recognized earlier under the previous Indian GAAP should be based upon facts and circumstances existing as on the transition date. The Company has assessed the same accordingly.
- (iii) Estimates - An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP.

(c) Reconciliation between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for the prior periods. The following tables represent the reconciliation from previous Indian GAAP to Ind AS.

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Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

37 First time adoption of Ind AS (cont'd)

(i) Effect of Ind AS adoption on total equity:

Particulars	Notes	As at 31 March 2017	As at 1 April 2016
Equity as per previous GAAP		28,301.31	25,095.03
Adjustments:			
Effect of using EIR method for long-term borrowings	(4)	(6.81)	5.92
Effect of measuring current investments at fair value	(2)	68.92	158.68
Effect of measuring non-current investments at fair value	(2)	2,430.09	1,742.50
Tax impact of above items	(6)	(457.93)	(399.96)
Total adjustment		2,034.27	1,507.14
Total equity as per Ind AS		30,335.58	26,602.17

(ii) Reconciliation of total comprehensive income for the year ended 31 March 2017:

Particulars	Notes	Year ended 31 March 2017
Profit after tax as per previous GAAP		3,206.28
Adjustments:		
Fair valuation of investments in mutual funds carried at FVTPL	(2)	(89.76)
EIR impact on foreign currency borrowings	(4)	(12.73)
Remeasurement gain / (loss) on defined benefit plans	(5)	195.50
Impact on account of forward contract	(3)	1.62
Tax impact on above items	(6)	(32.75)
Profit after tax as per Ind AS		3,268.16
Other comprehensive income:		
Changes in fair value of equity instruments	(2)	687.59
Actuarial gain / loss on defined benefit plans	(5)	(195.50)
Deferred tax adjustments	(6)	(26.84)
		465.25
Total comprehensive income as per Ind AS		3,733.41

(iii) Effect of Ind AS adoption on the Standalone Statement of Cash flow for the year ended 31 March 2017

There are no material differences between the standalone statements of cash flow prepared under previous GAAP and Ind AS except pursuant to foot note 1 of Note 37, under the erstwhile Indian GAAP cash flow from tie-up manufacturing units were presented on net basis, while under Ind AS cash flow of tie-up manufacturing units from each individual items are aggregated with their respective line items in the standalone statements of cash flow prepared for the Company. This has resulted in following changes in the standalone statement of cash flow for the year ended 31 March 2017.

Particulars	Notes	Previous GAAP (*)	Ind AS Adjustments	Ind AS
Net cash generated from operating activities (A)	(1)	4,811.43	131.68	4,943.11
Net cash used in investing activities (B)		(4,667.58)	-	(4,667.58)
Net cash used in financing activities (C)		(770.45)	-	(770.45)
Net (decrease)/increase in cash and cash equivalents (A+B+C)		(626.60)	131.68	(494.92)
Cash and cash equivalents as on 01 April 2016	(1)	1,373.14	92.79	1,465.93
Cash and cash equivalents as on 31 March 2017		746.54	224.47	971.01

Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

37 First time adoption of Ind AS (cont'd)

(c) Reconciliation between previous GAAP and Ind AS (cont'd)

(iv) Foot notes to first time adoption:

(1) Tie-up manufacturing arrangements

The Company has entered into arrangements with certain bottling units (tie-up units) for manufacture of Indian Made Indian Liquor (IMIL) under its own brand. The tie-up units has the necessary license and regulatory permits required for such manufacture. Under previous GAAP, the Company has recognized the net surplus from tie-up operations as "other operating income" and assets and liabilities of such tie-up operations were off-settled and disclosed as net working capital advances to tie-up units. However, under Ind AS 18, the Company has grossed such amounts in its standalone statement of profit and loss and balance sheet. Accordingly, the sale from such units is recognised as revenue and expenses incurred are recognised in respective captions. These changes however has no impact on the equity and profits for the year. Sale of spirit and purchase of bottles between the Company and tie-up units recognized as sale and purchase respectively, per previous Indian GAAP, has now been eliminated under Ind AS.

(2) Fair valuation of investments

Under the previous Indian GAAP investments were classified into current and non-current based on the intended holding period and realisability. Investments in non current equity instruments were measured at cost less provision for decline (other than temporary decline) in the value of such investments while short term mutual funds were valued at cost or net realizable value whichever is lower as at each balance sheet date.

Under Ind AS, these investments are required to be measured at fair value. Non-current equity instruments has been designated as fair value through other comprehensive income (FVTOCI) and changes in its fair value as on the transition date is accounted in equity instrument through OCI with an equivalent change in investment value. Subsequent change in fair value for year ended 31 March 2017 is accounted under OCI. This resulted in an increase of ₹ 1,742.50 lacs in investment and an equivalent amount of increase in other equity as on the transition date. For the year ended 31 March 2017 there is a further fair value gain of ₹ 687.59 lacs accounted for under OCI reserves with corresponding increase in investment values.

Short term mutual funds are classified as fair value through profit or loss and measured at its fair value. Fair value change as on the transition date is adjusted in retained earnings with an equivalent increase in investment valuation. Fair value change for the year ended 31 March 2017 is accounted in standalone statement of profit and loss with a corresponding adjustment in investment amount. This resulted in an increase of ₹ 158.68 lacs in investment and an equivalent amount of increase in retained earnings as on the transition date. For the year ended 31 March 2017 there is a fair value loss of ₹ 89.76 lacs accounted in standalone statement of profit and loss with corresponding adjustment in investment values.

(3) Financial instrument - derivative contract

Under the previous Indian GAAP, forward contract cost were accounted for as prescribed under AS 11 "The Effects of Changes in Foreign Exchange Rates" under which the forward premium was amortized over the period of forward contract. Under Ind AS 109, all derivative financial instruments are to be marked to market and any resultant gain or loss on settlement as well as on outstanding contracts as at the balance sheet date is to be charged or credited to the standalone statement of profit and loss.

Accordingly the mark to market gain or loss has been recognized on all derivative contracts and unamortized forward premium balance recognized under aforesaid AS 11 has been reversed. As a result of this adjustments, total equity as on 1 April 2016 is higher by ₹ 0.64 lacs. Profit for the year ended 31 March, 2017, is lower by ₹ 0.64 lacs. The Company does not have any outstanding forward contracts as on 31 March 2017.

(4) Long-term borrowings

Earlier Indian GAAP required transaction costs incurred towards origination of borrowings to be recognized in the standalone statement of profit and loss in the period in which it is incurred. Ind AS 109 requires such transaction costs to be deducted from the carrying amount of such borrowings on initial recognition. This cost is recognized in the standalone statement of profit and loss over the tenure of the borrowing as part of the borrowing costs, using effective rate of interest.

Accordingly non-current borrowings (including its current maturities) as on 31 March 2017 has increased by ₹ 6.81 lacs (1 April 2016: decrease by ₹ 5.92 lacs) with a corresponding adjustment to retained earnings. For the year ended 31 March 2017 borrowing costs has increased by ₹ 12.73 lacs and foreign exchange gain has increased by ₹ 0.40 lacs due to amortization of transaction costs incurred on initial recognition of such borrowings.

(i) Borrowing costs

Exchange differences arising from foreign currency borrowings to the extent they are regarded as adjustment to interest costs, forms part of the borrowing costs. Under Indian GAAP, while exchange loss incurred during a period was adjusted with borrowing costs, exchange gain arising in any period was recognised in "other income". Ind AS 23 requires that where any unrealised exchange loss incurred in an earlier period has been treated as an adjustment to borrowing costs, any subsequently realised or unrealised exchange gain to the extent of such previously recognised exchange loss, should be recognised as an adjustment to borrowing costs.

Notes to standalone financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

Accordingly finance cost for the year ended 31 March 2017 has decreased by ₹ 32.72 lacs (pre-tax) with a corresponding decrease in other income.

(5) Remeasurements of post employment defined benefit plans

Under Ind AS, remeasurement of defined benefit obligation, i.e. actuarial gain or loss and expected return on plan assets (excluding the amount included in net interest on net defined benefit obligation) are recognized in other comprehensive income instead of the standalone statement of profit and loss while net interest expense or income is recognized under finance costs or interest income as may be appropriate. Under Indian GAAP all of these items formed a part of the employee benefit expenses in the standalone statement of profit and loss.

For the year ended 31 March 2017, employee benefits expense has decreased by ₹ 191.92 lacs, interest income increased by ₹ 3.58 lacs and other comprehensive income decreased by ₹ 195.50 lacs (all before tax) due to this change. However there is no change in total equity both as on 1 April 2016 and 31 March 2017.

(6) Deferred tax

Erstwhile Indian GAAP required recognition of deferred tax on timing differences while Ind AS 12 requires deferred tax to be recognized for temporary differences. Accordingly Company has recognized deferred tax on all adjustments made on transition to Ind AS with corresponding adjustments in other equity. Company has recognized deferred tax asset on the carrying amount of MAT credit entitlement on 31 March 2017 amounting to ₹ 711.75 lacs (1 April 2016: ₹ 579.93 lacs).

This has resulted in an increase in deferred tax liabilities as on 31 March 2017 by ₹ 458.09 lacs (1 April, 2016 - ₹ 400.46 lacs) with a corresponding decrease in other equity. Consequently, profit for the year ended 31 March 2017 has increased by ₹ 61.88 lacs and other comprehensive income for the same period has increased by ₹ 465.25 lacs.

As per our report of even date.

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013

per **Anamitra Das**
Partner
Membership No. 062191
Kolkata, 30 May 2018

For and on behalf of the Board of Directors of **IFB Agro Industries Ltd**

Joint Executive Chairman
Vice Chairman and Managing Director
Chief Financial Officer
Company Secretary
Kolkata, 30 May 2018

Bikram Nag (DIN: 00827155)
Arup Kumar Banerjee (DIN: 00336225)
Rahul Choudhary
Ritesh Agarwal

Independent Auditors' Report to the Members of IFB Agro Industries Limited.

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of IFB Agro Industries Limited ('the Holding Company') and its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group'), which comprise 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 and the Consolidated 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 Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The Holding Company's Board of Directors and the respective Board of Directors/management of the subsidiary included in the Group, are responsible for the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. Further, in terms of the provisions of the Act, the respective Board of Directors/management of the companies included in the Group, covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
4. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. 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 these consolidated financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
7. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of their reports referred to in paragraph 9 of the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on these consolidated financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements and on the other financial information of the subsidiary, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs (consolidated financial position) of the Group, as at 31 March 2018, and their consolidated profit (consolidated financial performance including other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Other Matter

9. We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of ₹ 70.51 lacs and net assets of ₹ 21.60 lacs as at 31 March 2018, total revenues of ₹ 378.29 lacs and net cash inflows amounting to ₹ 44.85 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report has been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditor.

Further, the subsidiary is 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 auditor under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in their respective country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditor and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditor.

Report on Other Legal and Regulatory Requirements

10. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditor on separate financial statements and other financial information of the subsidiary, we report, to the extent applicable, that:
- We have sought obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
 - In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors, with respect to the financial statements of the Holding Company and the subsidiary;
 - The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under Section 133 of the Act;
 - On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company, covered under the Act, are disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act;
 - With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure A';
 - 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 and based on the consideration of the report of the other auditor on separate financial statements as also the other financial information of the subsidiary:
 - the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, as detailed in Note 31 to the consolidated financial statements;
 - the Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary company, covered under the Act during the year ended 31 March 2018; and
 - the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016 which are not relevant to these consolidated financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No. 001076N/N500013

per **Anamitra Das**

Partner

Membership No. 062191

Place : Kolkata

Date : 30 May 2018

Annexure A to the Independent Auditor's Report of even date to the members of IFB Agro Industries Limited on the consolidated financial statements for the year ended 31 March 2018.

Independent Auditor's Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of IFB Agro Industries Limited ('the Holding Company') and its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group'), as at and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Holding Company, its subsidiary company which are companies covered under the Act, as at that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary company, which are companies covered under the Act, are 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 (the "Guidance Note") 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 the company's business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the IFCoFR of the Holding Company, its subsidiary company, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the IFCoFR of the Holding Company, its subsidiary company, as aforesaid.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR 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 IFCoFR include 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

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion and based on the consideration of the reports of the other auditor on IFCoFR of the subsidiary company, which are companies covered under the Act, have in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2018, 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 issued by the ICAI.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No. 001076N/N500013

per **Anamitra Das**

Partner

Membership No.: 062191

Place : Kolkata

Date : 30 May, 2018

Consolidated Balance Sheet as at 31 March 2018

(All amounts in ₹ lacs, unless otherwise stated)

	Notes	As at 31 March 2018
Assets		
Non-current assets		
Property, plant and equipment	3 (a)	13,509.96
Capital work-in-progress	3 (b)	640.38
Financial assets		
(i) Investments	4 (a)	3,799.50
(ii) Loans	5 (a)	16.05
(iii) Other financial assets	6 (a)	184.92
Non-current tax assets (net)	28	262.79
Deferred tax assets	16 (a)	283.79
Other non-current assets	7 (a)	947.14
Total non-current assets		19,644.53
Current assets		
Inventories	8	6,517.93
Financial assets		
(i) Investments	4 (b)	9,333.50
(ii) Trade receivables	9	6,292.82
(iii) Cash and cash equivalents	10	1,522.80
(iv) Loans	5 (b)	51.78
(v) Other financial assets	6 (b)	14.96
Other current assets	7 (b)	2,346.10
Total current assets		26,079.89
Total assets		45,724.42
Equity and liabilities		
Equity		
Equity share capital	11	936.71
Other equity	12	33,195.13
Total equity		34,131.84
Liabilities		
Non-current liabilities		
Financial liabilities		
(i) Borrowings	13	1,900.56
(ii) Other financial liabilities	14 (a)	240.02
Deferred tax liabilities (net)	16 (b)	2,179.60
Other non-current liabilities	17 (a)	36.99
Total non-current liabilities		4,357.17
Current liabilities		
Financial liabilities		
(i) Trade payables	18	3,883.95
(ii) Other financial liabilities	14 (b)	1,888.41
Current tax liabilities, net	28	274.19
Other current liabilities	17 (b)	996.34
Provisions	15	192.52
Total current liabilities		7,235.41
Total liabilities		11,592.58
Total equity and liabilities		45,724.42

The accompanying notes 1 to 37 form an integral part of these consolidated financial statements.

This is the consolidated balance sheet referred to in our report of even date.

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013
per **Anamitra Das**
Partner
Membership No. 062191
Kolkata, 30 May 2018

For and on behalf of the Board of Directors of IFB Agro Industries Ltd

Joint Executive Chairman
Vice Chairman and Managing Director
Chief Financial Officer
Company Secretary
Kolkata, 30 May 2018

Bikram Nag (DIN: 00827155)
Arup Kumar Banerjee (DIN: 00336225)
Rahul Choudhary
Ritesh Agarwal

Consolidated Statement of Profit and Loss for the year ended 31 March 2018

(All amounts in ₹ lacs, unless otherwise stated)

	Notes	Year ended 31 March 2018
Income		
Revenue from operations (net)	19	150,345.62
Other income	20	983.15
Total income		151,328.77
Expenses		
Cost of materials consumed	21	43,187.02
Purchases of stock-in-trade	22	23,291.27
Changes in inventories of finished goods, work-in-progress and stock-in-trade	23	(1,307.13)
Excise duty		61,057.56
Employee benefits expenses	24	4,030.06
Finance costs	25	258.09
Depreciation, amortisation and impairment expenses	26	2,144.81
Other expenses	27	14,577.80
Total expenses		147,239.48
Profit before tax		4,089.29
Tax expenses	28	
(a) Current tax		1,279.02
(b) Deferred tax		(196.87)
(c) Tax pertaining to prior years		144.32
		1,226.47
Profit after tax		2,862.82
Other comprehensive income:		
(a) Items that will not be reclassified subsequently to profit or loss:		
(i) Changes in fair value of equity instruments		1,077.95
(ii) Remeasurements of post-employment benefit obligations		12.94
(iii) Tax relating to these items		150.79
Total other comprehensive income for the year, net of tax		940.10
Total comprehensive income for the year		3,802.92
Earnings per equity share		
Basic and diluted earnings per share (₹)	29	30.56

The accompanying notes 1 to 37 form an integral part of these consolidated financial statements.

This is the Consolidated Statement of profit and loss referred to in our report of even date.

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013
per **Anamitra Das**
Partner
Membership No. 062191
Kolkata, 30 May 2018

For and on behalf of the Board of Directors of **IFB Agro Industries Ltd**

Joint Executive Chairman
Vice Chairman and Managing Director
Chief Financial Officer
Company Secretary
Kolkata, 30 May 2018

Bikram Nag (DIN: 00827155)
Arup Kumar Banerjee (DIN: 00336225)
Rahul Choudhary
Ritesh Agarwal

Consolidated Statement of Cash Flow for the Year ended 31 March 2018

(All amounts in ₹ lacs, unless otherwise stated)

	Year ended 31 March 2018
A. Cash flow from operating activities:	
Profit before tax	4,089.32
Adjustment for:	
Depreciation, amortisation and impairment expenses	2,144.81
Bad debts written-off	33.89
Provision for bad and doubtful debts	223.44
Provision for bad and doubtful debts written back	(23.07)
Gain from fair valuation of investments classified as fair value through profit or loss (FVTPL)	(453.62)
Net loss on foreign currency transactions and translations	(26.89)
Amortisation of capital subsidy	(2.88)
Loss on sale of property, plant and equipment (net)	3.65
Liability no longer required, written back	(178.79)
Remeasurement adjustment for defined benefit obligation	19.94
Interest income	(40.55)
Dividend income	(13.80)
Interest and other finance costs	258.09
Operating profit before working capital changes:	6,033.54
Adjustment for:	
Increase in inventories	(2,215.05)
Increase in trade receivables	(2,319.71)
Decrease in loans	27.52
Increase in other financial assets	(8.38)
Increase in other non-financial assets	(1,390.97)
Increase in trade payables	855.10
Increase in provisions	11.27
Decrease in other financial liabilities	(114.47)
Increase in other non-financial liabilities	402.19
Cash generated from operations	1,281.04
Income taxes paid (net of refund)	(865.17)
Net cash generated from operating activities	(A) 415.87
B. Cash flow from investing activities	
Purchase of property, plant and equipment (including capital work in progress)	(2,000.58)
Proceeds from sale of property, plant and equipment	35.48
Purchase of investments measured at FVTPL	(35,371.48)
Sale of investments measured at FVTPL	38,333.93
Investments in term deposits with banks	(4.85)
Proceeds from maturities of term deposits with banks	500.00
Dividend received	13.80
Interest received	66.58
Net cash generated from investing activities	(B) 1,572.88

Consolidated Statement of Cash Flow for the Year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

		Year ended 31 March 2018
C. Cash flow from financing activities		
Repayment of long-term borrowings		(1,175.79)
Other interest and finance cost		(261.40)
Proceeds from other long term loans (net)		-
Net cash used in financing activities	(C)	(1,437.19)
Net increase in cash and cash equivalents	(A+B+C)	551.56
Cash and cash equivalents as at the beginning of the year		971.02
Cash and cash equivalents as at the end of the year		1,522.58

Notes:

- i) The above consolidated statement of cash flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, "Statement of Cash Flows".
- ii) Reconciliation between the opening and closing balances in the consolidated balance sheet for liabilities arising from financial activities are as under:

Particulars

**Balance as on
31 March 2018**

Long term borrowings:	
- Opening balance	4,325.04
- Received during the year	-
- Repayment made during the year	(1,205.93)
- Changes on account of foreign currency fluctuations	30.14
- Change on account of fair value measurement	(23.50)
Total liabilities from financing activities	3,125.75

**As at
31 March 2018**

- iii) Cash and cash equivalents comprises of:

Cash on hand	10.73
Balances with banks	911.85
- In current accounts	600.00
Bank deposits with maturity less than 3 months	1,522.58
- iv) Interest accrued on bank deposits ₹ 0.22 lacs included in cash and cash equivalents in note 10 has been adjusted with interest received under cash flow from investing activities.

This is the consolidated statement of cash flows referred to in our report of even date.

For **Walker Chandio & Co LLP**
 Chartered Accountants
 Firm Registration No. 001076N/N500013
 per **Anamitra Das**
 Partner
 Membership No. 062191
 Kolkata, 30 May 2018

For and on behalf of the Board of Directors of **IFB Agro Industries Ltd**

Joint Executive Chairman
Vice Chairman and Managing Director
Chief Financial Officer
Company Secretary
 Kolkata, 30 May 2018

Bikram Nag (DIN: 00827155)
Arup Kumar Banerjee (DIN: 00336225)
Rahul Choudhary
Ritesh Agarwal

Consolidated Statement of Changes in Equity for the year ended 31 March 2018

(All amounts in ₹ lacs, unless otherwise stated)

(A) Equity

Particulars

As at
31 March 2018

Balance at the beginning of the year	936.71
Changes in Equity Share capital during the year	-
Balance at the end of the year	936.71

(B) Other equity

	Reserves and surplus		Other comprehensive income			Foreign currency translation reserve	Total
	Securities premium account	General reserves	Retained earnings	Equity Instruments through OCI	Others		
As at 01 April 2017	3,193.72	284.95	20,787.69	1,399.10	-		25,665.46
Profits for the year	-	-	3,268.16	-	-		3,268.16
Items of other comprehensive income, net of tax:							
- Remeasurements of defined benefit plans	-	-	-	-	(127.09)		(127.09)
- Changes in fair value of equity instruments	-	-	-	592.34	-		592.34
As at 31 March 2018	3,193.72	284.95	24,055.85	1,991.44	(127.09)		29,398.87

This is the consolidated statement of changes in equity referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013

per **Anamitra Das**
Partner
Membership No. 062191
Kolkata, 30 May 2018

For and on behalf of the Board of Directors of **IFB Agro Industries Ltd**

Joint Executive Chairman
Vice Chairman and Managing Director
Chief Financial Officer
Company Secretary
Kolkata, 30 May 2018

Bikram Nag (DIN: 00827155)
Arup Kumar Banerjee (DIN: 00336225)
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Notes to Consolidated financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

Summary of significant accounting policies and other explanatory information

1 Group's background

The consolidated financial statements comprise financial statements of IFB Agro Industries Limited ('the Parent Company') and its subsidiary (collectively, the Group) for the year ended 31 March 2018.

The Parent is a Company limited by shares, incorporated and domiciled in India. The registered office of the Parent Company is located at Plot No. IND-5, Sector-I, East Calcutta Township, Kolkata 700 107, India.

The subsidiary company is as follows:

Name of the Company	Country of incorporation	Percentage holding as on 31 March 2018
IFB Agro Marine FZE	Sharjah, U.A.E.	100%

The Group is primarily engaged in the business of manufacturing alcohol, bottling of branded alcoholic beverages as well as processed and packed marine foods both for domestic and export markets.

These consolidated financial statements are approved by the Parent Company's Board of Directors on 30 May 2018.

Basis of Preparation

(a) General information and statement of compliance with Indian Accounting Standards

These financial statements are the consolidated financial statements of the Group prepared in accordance with Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015.

The Consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (hereinafter referred to as the "Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act. These financial statements are the first consolidated financial statements of the Group under Ind AS.

Historical Cost Convention

The consolidated financial statements have been prepared on a historical cost basis, except the following:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value; and
- defined benefit plans - plan assets measured at fair value.

Accounting estimates and judgements:

Preparation of consolidated financial statements requires the use of judgements, estimates and assumptions in the application of accounting policies that affects the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation of such estimates and judgments are done based on historical experience and other factors, including future expectations that are believed to be reasonable. Revisions to accounting estimates are recognized prospectively.

Details of critical estimates and judgments used which have a significant effect on the carrying amounts of assets and liabilities, are provided in the following notes:

Income tax:

The Parent's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. Refer note 28.

Useful life of property, plant and equipments:

Refer note 2 (b) for details.

Measurement of defined benefit obligations:

The costs of providing pensions and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in Note 24 and 32.

Notes to Consolidated financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

Basis of preparation (cont'd)**(a) General information and statement of compliance with Indian Accounting Standards****Accounting estimates and judgements:***Impairment of assets:*

Refer note 2 (b), (c) and (d) for details.

Classification of leases:

Refer note 2 (m) for details.

Estimation of provisions and contingencies:

Refer note 2 (n), 15 and 31 for details.

Recognition of deferred tax assets:

Refer note 2 (o) for details.

Fair value measurements:

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions. Refer note 35 (c) for details.

The Group presents all its assets and liabilities in the balance sheet based on current or non-current classification. Assets and liabilities are classified as current or non-current as per the Group's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

(b) Recent accounting pronouncements

Ministry of Corporate Affairs vide notification dated 28 March 2018, has issued the Companies (Indian Accounting Standards) Amendments Rules, 2018. These amended rules are effective from 1 April 2018.

Ind AS 115, Revenue from contracts with customers (Ind AS 115)

With the notification, of Ind AS 115, Ind AS 18 - Revenue has been withdrawn from the financial year beginning 1 April 2018 onwards and consequential amendments have also been made in other standards.

Ind AS 115 promotes to create a single model for revenue recognition for contracts. It applies to most revenue arrangements. Among other things, it changes the criteria for determining whether revenue is recognised at a point in time or over time. It provides a new contract-based five-step revenue model for revenue recognition and measurement. Ind AS 115 provides more detailed guidance on specific topics where existing revenue standards (Ind AS 18) are lacking such as multiple element arrangements, variable consideration, sale with a right to return, licensing arrangements etc. The Company is evaluating the requirements of the amendment and its impact on the financial statements.

Appendix B Foreign currency transactions and advance consideration to Ind AS 21

Appendix B is inserted to Ind AS 21 - The effects of changes in foreign exchange rates. This appendix addresses the issue of determining the date of transaction for initial recognition of a foreign currency transactions (or part of it) under Ind AS 21, when an entity recognises a non-monetary asset or a non-monetary liability arising from the payment or receipt of advance consideration before the entity recognises the related asset, expense or income (or part of it). It clarified that the date of the transaction for the purpose of determining the exchange rate to use on initial recognition related asset, expense or income (or part of it) is the date on which an entity initially recognises the non-monetary asset or a non-monetary liability arising from the payment or receipt of advance consideration in foreign currency. The Group is evaluating the requirements of the amendment and its impact on the financial statements.

Notes to Consolidated financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

(c) Basis of consolidation

The consolidated financial statements comprise the financial statements of 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.
- Has the ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Parent Company has less than a majority of the voting or similar rights of an investee, the Parent Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee.
- Rights arising from other contractual arrangements.
- The Parent Company's voting rights and potential voting rights.
- The size of the Parent Company's holding of voting rights relative to the size and dispersion of the holdings of the other voting right holders.

The Parent Company re-assesses 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. Consolidation of a subsidiary begins when the Parent Company obtains control over the subsidiary and ceases when the Parent Company loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Parent Company gains control until the date the Parent Company ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of the subsidiary company used for the purpose of consolidation are drawn up to same reporting date as that of the Parent company, i.e., year ended on 31 March. When the end of the reporting period of the Parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the Parent to enable the Parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Parent Company with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

Offset (eliminate) the carrying amount of the Parent Company's investment in each subsidiary and the Parent Company's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Parent 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 intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Notes to Consolidated financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

2 Significant accounting policies**(a) Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duties and net of returns, trade allowances, rebates, goods and service tax and amounts collected on behalf of third parties.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Sale of goods:

Revenue is recognised on dispatch of goods or on delivery to customer, in accordance with the terms of sale.

Tie-up manufacturing arrangements:

The Group has entered into tie-up manufacturing arrangements with the tie-up manufacturers (TMU), where-in TMU's would manufacture and sell branded alcoholic products on behalf of the Group. Accordingly, the transactions of the tie-up units under such arrangements have been recorded as gross revenue, excise duty and expenses as they were transactions of the Group.

Income from export incentives:

Income from export incentives such as Merchandise Export from India Scheme (MEIS) and duty drawback are recognized on accrual basis.

Interest income:

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

Dividend income:

Dividend income is recognized when the right to receive dividend is established.

(b) Property, plant and equipment**Recognition and initial measurement:**

Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are added in the asset's carrying amount/recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of such item can be measured reliably. All other repairs and maintenance expenses are charged to the consolidated statement of profit and loss in the period in which they are incurred. Gains or losses arising on retirement or disposal of property, plant and equipment are recognized in the consolidated statement of profit and loss.

Capital work-in-progress:

Property, plant and equipment which are not ready for intended use as on the balance sheet date are disclosed as "Capital work-in-progress".

Subsequent measurement (depreciation and useful lives):

Depreciation is provided on a pro-rata basis on the written down value (WDV) method based on estimated useful life prescribed under Schedule II of the Companies Act, 2013 with the exception of plant and machinery of bottling plants that are being depreciated considering a useful life of 20 years based on technical evaluation. Depreciation of land acquired under finance lease and leasehold improvements is provided over their respective lease period or estimated useful life whichever is shorter. Residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each Balance Sheet date and any change in them is adjusted prospectively.

Category of asset	Useful life
Buildings	10 - 30 years
Plant and equipment	15 - 40 years
Furniture and fixtures	10 years
Office equipments	3 - 5 years
Vehicles	10 years

Freehold land is carried at historical cost and leasehold improvements are amortized over the period of the lease.

Notes to Consolidated financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

2 Significant accounting policies (cont'd)

De-recognition:

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the consolidated statement of profit and loss, when the asset is de-recognized.

(c) Impairment of non-financial assets

Assessment for impairment is done at each balance sheet date when there is an indication that a non-financial asset may be impaired. For the purpose of assessing impairment, smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets/groups of assets is considered as a cash generating unit. If any indication of impairment exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made. Asset/cash generating unit whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognizing the impairment loss as an expense in the consolidated statement of profit and loss. Recoverable amount is higher of an asset's/cash generating unit's fair value less cost of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset/cash generating unit and from its disposal at the end of its useful life. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognized for an asset/cash generating unit in any prior accounting periods may no longer exist or may have decreased, based on which a reversal of an earlier recorded impairment loss is recognized in the consolidated statement of profit and loss.

(d) Financial instruments

Classification:

The Group classifies its financial assets in the following measurement categories depending on the Group's business model for managing such financial assets and the contractual cash flow terms of the asset.

- (i) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- (ii) those subsequently measured at amortized cost.

For assets measured at fair value, gains or losses are either recorded in the consolidated statement of profit and loss or other comprehensive income. Investments in debt instruments are classified depending on the business model managing such investments. The Group re-classifies the debt investments when and only when there is a change in business model managing those assets. For investments in equity instruments which are not held for trading, the Group has made an irrevocable election at the time of initial recognition to account for such equity investments at fair value through other comprehensive income.

Measurement:

At initial recognition, the Group measures a financial asset (other than those carried at fair value through profit or loss) at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the consolidated statement of profit and loss as and when they are incurred.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model managing such debt instruments and the contractual cash flow characteristics of the instrument. There are three measurement categories into which the debt instruments are classified:

- (i) Amortized cost: Business model managing such asset has the objective to realize the contractual cash flows arising from the asset by holding such asset and the contractual cash flows represent solely payments of principal and interest on the outstanding amount of principal, measured at amortized cost. A gain or loss on a financial asset subsequently measured at amortized cost is recognized in the consolidated statement of profit and loss when the asset is de-recognised or impaired.
- (ii) Fair value through other comprehensive income (FVOCI): Business model managing such asset has the objective to collect the contractual cash flows arising from such asset and to sale the asset, where such contractual cash flows represent solely payments of principal and interest on the outstanding amount of principal, measured at fair value through other comprehensive income (FVOCI). Changes in fair value of such instruments are recognized through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognized in the consolidated statement of profit and loss. When the financial asset is de-recognised, the cumulative gain or loss previously recognized in OCI is reclassified from equity to consolidated statement of profit and loss and recognized in other income.
- (iii) Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognized in consolidated statement of profit and loss in the period in which it arises.

Notes to Consolidated financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

2 Significant accounting policies (cont'd)**(d) Financial instruments (cont'd)***Equity instruments:*

The Group classifies all its equity investments at fair value apart from investment in subsidiary. In case of equity instruments not held for trading, Group's management has made an irrevocable election to present fair value gains and losses on such equity instruments in other comprehensive income and there is no subsequent reclassification of fair value gains and losses to the consolidated statement of profit and loss.

Investments in mutual funds:

Investments in mutual funds are measured at fair value through profit or loss.

Impairment:

The Group assesses the expected credit losses for its financial assets at amortized cost and FVTOCI debt instruments. Impairment methodology applied depends on whether there has been a significant increase in credit risk and the loss amount assessed depends upon past events, present conditions and future economic scenario.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 which requires loss allowance to be recognized at an amount equivalent to the lifetime expected credit losses from the initial recognition of such receivables irrespective of whether there has been a significant increase in credit risk.

De-recognition:

A financial asset is de-recognized when:

- (i) Contractual right to receive cash flows from such financial asset expires;
- (ii) Group transfers the contractual right to receive cash flows from the financial asset; or
- (iii) Group retains the right to receive the contractual cash flows from the financial asset, but assumes a contractual obligation to pay such cash flows to one or more recipients.

Where the Group has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards associated with the ownership of the financial asset. In such cases, the financial asset is de-recognized. Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognized.

Where the Group has neither transferred nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Group does not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in such financial asset.

(e) Government grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable certainty that the grant or the subsidy will be received and the conditions attached to such grant will be complied. When the grant or the subsidy relates to a revenue item, it is recognized as income over the period necessary to match them on a systematic basis to the costs which they intend to compensate. Where the grant or the subsidy relates to a capital asset, it is initially recorded as deferred revenue income and subsequently recognized as income in the consolidated statement of profit or loss, over the remaining useful life of the related asset.

(f) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit and loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment and amortised over the period of the facility to which it relates.

Borrowings are derecognized from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in consolidated statement of profit and loss as other gains or (losses).

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Notes to Consolidated financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

2 Significant accounting policies (cont'd)

(g) Borrowing costs

Borrowing costs that are directly attributable to the acquisition or construction of qualifying asset are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get itself ready for the intended use. Other borrowing costs are recognized as an expense in the period in which they are incurred. Borrowing costs include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

(h) Inventories

Raw materials, packing materials, work-in-progress, stores and spares, finished goods and stock-in-trade are valued at lower of cost and net realizable value. However, materials and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realisable value is made on item-by-item basis.

Cost of inventories comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from the tax authorities), cost of conversion and all other costs incurred in bringing the inventories to their present location and condition. In determining the cost, weighted average cost method is used. In determining the cost of manufactured finished goods and work-in-progress an appropriate share of fixed and variable production overheads, excise duty as applicable and other costs incurred in bringing the inventories to their present location and conditions are considered. Fixed production overheads are allocated on the basis of normal capacity of production facilities. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. The comparison of cost and net realisable value is made on an item-by-item basis. Adequate allowance is made for obsolete and slow moving items.

(i) Cash and cash equivalents

Cash and cash equivalents comprise of cash-on-hand and demand deposits with banks. The Group considers it's highly liquid, short-term investments (having maturity less than three months) which can be readily converted to fixed/determinable amount of money and subject to insignificant risks arising from changes in their fair values, as cash equivalents. Accordingly time deposits with banks along with interest accrued thereon, having original maturity less than three months, is considered as cash equivalent.

(j) Assets held for sale

Assets are classified as held for sale under current assets if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable and is expected to be sold within one year from the balance sheet date. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits and financial assets which are specifically exempt from this requirement.

(k) Foreign currency transactions

Functional currency and presentation currency:

The consolidated financial statements are presented in Indian Rupees (i.e., INR), the functional currency of the Company Functional currency is the currency of the primary economic environment in which the Company operates.

Transactions and balances:

Foreign currency transactions are translated into the functional currency using exchange rates prevailing at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions, and from translation of monetary assets and liabilities at the exchange rates prevailing on the balance sheet dates are recognized in the statement of profit and loss.

Translation of financial statements of foreign entities

On consolidation, the assets and liabilities of foreign operations are translated into ₹ (Indian Rupees) at the exchange rate prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in consolidated statement of OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to consolidated statement of profit and loss.

(l) Employee benefits expense

Defined contribution plans:

The Group provides defined contribution plans for post-employment benefits in the form of provident fund and superannuation fund administered by Regional Provident Fund Commissioner and Life Insurance Corporation of India respectively. The Group's contributions to defined contribution plans are charged to the consolidated statement of profit and loss as and when incurred. Provident and superannuation funds are classified as defined contribution plans as the Group has no further obligation beyond making the contributions, even if the assets of the fund is not enough to pay all the employee benefits.

Notes to Consolidated financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

2 Significant accounting policies (cont'd)**Defined benefit plans:**

Liability for compensated absences and gratuity is provided on the basis of actuarial valuation as at the balance sheet date carried out by an independent actuary using Projected Unit Credit (PUC) method. It is used to measure the plan liabilities, including death-in-service and incapacity benefits. Plan liability is the actuarial present value of the 'defined benefit obligations' as on the balance sheet dates for all active members.

Gratuity plan is classified as post retirement employee benefit and hence the current service cost is recognized in the consolidated statement of profit and loss under "employee benefit expenses" during the period in which it is incurred. Net interest cost/(income) on net defined benefit obligation/(asset) is recognized in the consolidated statement of profit and loss in the period in which it is incurred/(earned) under the head "finance cost" or "interest income" as may be appropriate. Remeasurement of defined benefit obligation due to change in actuarial assumptions or experience adjustments or expected return on plan assets (to the extent not covered under net interest on net defined benefit obligation) is recognized under other comprehensive income and not subsequently reclassified to the consolidated statement of profit and loss.

Liability for compensated absences has been classified as long-term employee benefit and the entire cost incurred on such plan is recognized in the consolidated statement of profit and loss under "employee benefits expense" during the period in which it is incurred.

Termination benefits

Termination benefits are recognized as an expense as and when incurred. The Group recognizes termination benefits at the earlier of the following dates:

- (i) when the Group can no longer withdraw the offer of those benefits; or
- (ii) when the Group recognizes a restructuring cost within the scope of Ind AS 37.

Termination benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

(m) Leases

A lease is classified at the inception date as a finance lease or an operating lease. A lease which transfers substantially all risks and rewards incidental to the ownership of the leased asset is classified as a finance lease. All other lease arrangements are classified as operating leases.

The determination of whether an arrangement contains a deemed lease is based on the substance of the arrangement at the inception of the lease. The arrangement contains a deemed lease if fulfilment of the arrangement depends on the use of a specific asset or assets and the arrangement conveys to the transferee a right to use the specific asset(s), even if such right is not explicitly specified in the arrangement.

Finance leases are capitalized at the inception of the lease at lower of the fair value of such leased asset and present value of the minimum lease payments. Corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the consolidated statement of profit and loss over the lease period so as to produce a constant periodic rate of return on the remaining balance of the liability for each period.

Payments made under operating leases (net of any incentives received from the lessor) are charged to consolidated statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation.

Manufacturing tie-up expenses made to the transferor (based on number of bottled alcohol manufactured) under an arrangement for bottling of branded alcohol on Group's behalf, which has been classified as deemed lease, is recognized in the consolidated statement of profit and loss as "manufacturing tie-up expenses" in the period in which it is incurred.

(n) Provisions, contingent liabilities and contingent assets**Provisions:**

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of such obligation can be made. Provisions are measured at the best estimate of the expenditure required to settle the obligation at the balance sheet date. If the effect of time value of money is material i.e., the obligation is to be settled after a period of 12 months from the end of the reporting date, such provisions are discounted to reflect its present value using a pre-tax discounting rate that reflects the current market assessments of time value of money and risks specific to the obligation. When discounting is used, increase in the provision amount due to the passage of time is recognized as finance cost.

Contingent liabilities:

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Notes to Consolidated financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

2 Significant accounting policies (cont'd)

Contingent assets:

Contingent assets are not recognized in the financial statement. However when there is a virtual certainty that an inflow of resources embodying economic benefits will arise from the contingent asset, such asset and the related income is recognized in the period in which the changes occurred.

(o) Income tax

Income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rates with adjustments for changes in deferred tax assets or liabilities attributable to temporary differences and unused tax losses or credits.

Current tax is calculated based on tax laws enacted or substantively enacted at the end of the reporting period.

Deferred tax is recognized on temporary differences arising from the tax bases of assets and liabilities and their respective carrying amounts in the consolidated financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction that does not result from a business combination and at the time of such transaction, affects neither the accounting profit or loss nor taxable profit or loss for the period. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available against which those temporary differences/losses can be utilized. Minimum alternate tax ('MAT') credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the consolidated statement of profit and loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Current tax assets and tax liabilities are offsetted where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

(p) Segment reporting

Operating segments are identified in a manner consistent with the internal reporting presented to the chief operating decision maker (CODM).

The chief operating decision maker (CODM) is a function which regularly reviews the financial results of the operating segments for the purpose of assessing its performance and allocation of funds to such segments. The Group identifies its Managing Committee as the chief operating decision maker. As per Ind AS 108, the Group has identified the following operating segments:

- (i) Alcohol, spirit and spirituous beverages
- (ii) Marine products

(q) Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the consolidated financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

(r) Earnings per equity share

Basic earnings per equity share is computed by dividing the net profit for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events that have changed the number of outstanding equity shares, without a corresponding change in the resources. For the purpose of calculating diluted earnings per share, net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares. As on the balance sheet dates, the Parent Company has no dilutive potential equity shares.

Notes to Consolidated financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

3 (a) Property, plant and equipment

	Owned assets						Leased assets		Total
	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Office equipment	Vehicles	Leasehold land	Plant and equipment	
Gross Block									
Balance as at 1 April 2017	396.81	2,306.15	12,807.86	39.79	116.65	103.65	66.62	240.02	16,077.55
Additions	432.50	62.75	664.52	17.19	44.26	45.32	371.67	-	1,638.21
Disposal	-	-	146.58	0.62	1.60	0.51	-	-	149.31
Balance as at 31 March 2018	829.31	2,368.90	13,325.80	56.36	159.31	148.46	438.29	240.02	17,566.45
Accumulated Depreciation and Impairment									
Balance as at 1 April 2017	-	228.84	1,713.82	10.57	47.01	20.13	1.49	-	2,021.86
Charge for the year	-	220.03	1,702.14	12.01	47.10	35.51	10.01	-	2,026.80
Disposal/adjustments	-	-	11.35	0.21	1.06	0.04	-	-	12.66
Impairment provision	-	-	118.01	-	-	-	-	-	118.01
Impairment reversal	-	-	97.52	-	-	-	-	-	97.52
Balance as at 31 March 2018	-	448.87	3,425.10	22.37	93.05	55.60	11.50	-	4,056.49
Net Block									
Balance as at 1 April 2017	396.81	2,077.31	11,094.04	29.22	69.64	83.52	65.13	240.02	14,055.69
Balance as at 31 March 2018	829.31	1920.03	9900.70	33.99	66.26	92.86	426.79	240.02	13,509.96

Notes:

- The Parent's marine product processing plant at Kolkata has been erected on land obtained under finance lease of ninety-nine years, valid upto 9 August 2093 through license from Kolkata Metropolitan Development Authority, for which formal lease deed is yet to be executed.
- Plant and equipment includes electrical installation and laboratory equipment.
- Land under finance lease represents payments made and costs incurred in connection with acquisition of leasehold rights and are being amortized over the period of lease.
- The Group, based on technical evaluation, has assessed and concluded that none of the components of fixed assets have an useful life which is different from that of the principal asset.
- Term loan from banks (external commercial borrowings) is secured by an exclusive charge on all present and future assets (plant and equipment and civil work) at Noorpur unit and on other plant and equipment of the Parent.

Notes to Consolidated financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

		Year ended 31 March 2018	
3	(b) Capital work-in-progress		
	Opening balance as at the beginning of the year		166.49
	Additions made during the year		816.76
	Transferred to property, plant and equipment		(342.87)
	Balance as at year end		640.38
		As at 31 March 2018	
		Nos.	Amount
4	Investments		
(a)	Non-current investments (refer notes 35, 36 and 37)		
	Investments in Equity Instruments		
	Quoted		
	(Designated at fair value through other comprehensive income)		
(i)	IFB Industries Limited (Face value ₹ 10 per share, fully paid-up)	172,733	1,973.39
			1,973.39
	Unquoted		
	(Designated at Fair Value through Other Comprehensive Income)		
(i)	CPL Projects Limited (Face value ₹ 10 per share, fully paid-up) (refer note (i) below)	90,000	46.74
(ii)	Zenith Investments Limited (Face value ₹ 10 per share, fully paid-up)	260,000	2.90
(iii)	Asansol Bottling and Packaging Company Private Limited (Face value ₹ 100 per share, fully paid-up)	23,900	307.76
(iv)	Nurpur Gases Private Limited (Face value ₹ 10 per share, fully paid-up)	145,000	81.66
(v)	IFB Automotive Private Limited (Face value ₹ 10 per share, fully paid-up)	955,998	1,387.05
			1,826.11
	Total non-current investments		3,799.50
		As at 31 March 2018	
	Other disclosures for non-current investments:		
(a)	Aggregate amount of quoted investments and market value thereof		1,973.39
(b)	Aggregate amount of unquoted investments, and		1,826.11
(c)	Aggregate amount of impairment in value of investments		-

Notes:

- As at the Balance Sheet date, none of the equity investments have been impaired.
- The investments in equity instruments are for long-term strategic purposes and not held for trading. Under Ind AS 109, the Parent Company has chosen to designate these investments as equity instruments at fair value through other comprehensive income as the management believes that this provides a more meaningful presentation for long-term investments than reflecting the changes in fair values immediately in the Statement of Profit and Loss for such period. Based on the aforesaid designation, changes in fair values are accumulated in Other Equity under the head "equity instruments through OCI". The Parent Company transfers the accumulated balance from this account to retained earnings when such equity instruments are derecognized.

Notes to Consolidated financial statements for the year ended 31 March 2018 (Contd.)
(All amounts in ₹ lacs, unless otherwise stated)
**As at
31 March 2018**
(b) Current investments (refer notes 35, 36 and 37)
Investments in mutual funds
Unquoted
(Measured at fair value through profit and loss)

Mutual funds

9,333.50
Total current investments
9,333.50
Other disclosures for current investments:

(a) Aggregate amount of unquoted investments, and

9,333.50

(b) Aggregate amount of impairment in value of investments

-
(i) Investments in liquid mutual funds
Balance as on 31 March 2018
Particulars
Units
Amount

Franklin India Low Duration Fund (Growth)

10,436,342.70
2,084.72

Franklin India Short Term Income Plan - Retail Plan - Growth

11,355.67
416.78

ICICI Prudential Equity Arbitrage Fund (Growth)

2,487,031.27
572.08

Reliance Medium Term Fund - Direct Growth Plan - Growth Option

6,401,519.49
2,381.51

Invesco India Liquid Fund - Direct Plan - Growth (LF - D1)

22,537.06
539.10

Kotak Low Duration Fund Direct - Growth

71,020.51
1,555.98

Franklin India Ultra Short Bond Fund - Super Institutional Plan - Growth

3,359,856.58
808.15

HSBC Cash Fund - Growth

27,807.81
479.83

Edelweiss Arbitrage - Direct Plan - Growth (AT - DG)

3,753,412.40
495.35
9,333.50

Notes to Consolidated financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

As at
31 March 2018

5 Loans	
(a) Non-current	
(Unsecured, considered good)	
Security deposits	16.05
	<u>16.05</u>
(b) Current	
(Unsecured, considered good)	
Security deposits	12.85
Loan to employees	38.93
	<u>51.78</u>
6 Other financial assets	
(a) Non-current	
(Unsecured, considered good)	
Bank deposits with remaining maturity more than 12 months (*)	151.55
Accrued interest on bank deposits	33.37
	<u>184.92</u>
(*) Bank deposits are under lien with various government authorities.	
(b) Current	
(Unsecured, considered good)	
Derivative instruments	6.09
Other receivables:	
Other receivables, considered good	8.87
	<u>14.96</u>
7 Other assets	
(a) Non-current	
(Unsecured, considered good)	
Capital advances	79.00
Advances other than capital advances:	
- Security deposits	17.46
- Amount deposited with government authorities	60.10
- Advance to service provider	158.12
Excess amount paid for defined benefit plans (refer note 32)	335.39
Excess amount paid for other long-term employee benefit (refer note 32)	297.07
	<u>947.14</u>
(b) Current	
(Unsecured, considered good)	
Advances other than capital advances:	
- Advance to vendors	509.10
- Other advances	5.06
- Advance to tie-up manufacturing units	178.20
- Prepaid expenses	343.69
Balances with government authorities (**)	960.88
Export incentives receivable	349.17
	<u>2,346.10</u>
(**) Balances with government authorities primarily include amounts realisable from goods and services tax, state excise authorities and transitional credit carried forward under the goods and services tax regime. These are expected to be realised within a period of one-year, by off-setting the same against the output goods and services tax liability on goods supplied by the Parent Company. Accordingly these balances have been classified as current assets.	

Notes to Consolidated financial statements for the year ended 31 March 2018 (Contd.)*(All amounts in ₹ lacs, unless otherwise stated)***As at
31 March 2018****8 Inventories (*)***(valued at lower of cost and net realisable value)*

Raw materials	1,210.83
Packing materials	175.48
Work-in-progress	156.83
Finished goods	3,961.98
Finished goods-in-transit	222.53
Stock-in-trade	578.83
Stores and spares	211.45
	<u>6,517.93</u>

(*) The cost of inventories recognised as an expense during the year is disclosed under note 21, 22 and 23.

9 Trade receivables

Secured, considered good	549.44
Unsecured, considered good	5,743.38
Doubtful	520.76
	<u>6,813.58</u>
Less: Allowance for doubtful debts	<u>520.76</u>
	<u>6,292.82</u>

Other disclosures:**(i) Movement in allowance for doubtful debts during the year is as follows:**

Balance at the beginning of the year	320.39
Add: Allowances for doubtful debts during the year	223.44
Less: Bad debts recovered during the year	23.07
Balance at the end of the year	<u>520.76</u>

10 Cash and bank balances**(a) Cash and cash equivalents**

Cash on hand	10.73
Balances with banks	
- In current accounts	911.85
Bank deposits with original maturity less than 3 months	600.00
Accrued interest on bank deposits	0.22
	<u>1,522.80</u>

(This space has been intentionally left blank)

Notes to Consolidated financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

		As at 31 March 2018	
		Number	Amount
11 Equity share capital			
Authorized share capital			
Equity shares of ₹ 10 each		12,000,000	1,200.00
		12,000,000	1,200.00
Issued, subscribed and fully paid up			
Equity shares of ₹ 10 each		9,367,111	936.71
		9,367,111	936.71

(a) Reconciliation of shares outstanding at the beginning and at the end of the year

	Number	Amount
Balance at the beginning of the year	9,367,111	936.71
Add : Issued during the year	-	-
Balance at the end of the year	9,367,111	936.71

(b) No additional shares were allotted as fully paid up by way of bonus shares or pursuant to contract without payment being received in cash during the last five years. Further, none of the shares were bought back by the Parent Company during the last five years.

(c) Details of shareholders holding more than 5% of the aggregate shares in the Company:

		As at 31 March 2018	
Name of the shareholders		Number	Percentage
Fully paid-up equity shares of ₹ 10 each:			
(a) IFB Automotive Private Limited		3,602,900	38.46%
(b) Nurpur Gases Private Limited		785,543	8.39%
(c) SICGIL India Limited (*)		683,100	7.29%

(*) SICGIL India Ltd. ('SICGIL') along with Persons Acting in Concert ('PAC') (collectively referred to as 'SICGIL group') holds 15.76% equity share capital in the Parent Company. As per the order of the Hon'ble National Company Law Tribunal ('NCLT'), dated 5 July 2017, the SICGIL Group's voting rights in respect of the equity shares held by them has been restricted to 5% of the total equity share capital of the Company. However, the SICGIL Group has preferred an appeal against the said order before the Appellate Tribunal.

(d) Terms/ rights attached to equity shares

The Parent Company has only one class of equity shares having a par value of ₹ 10 per share. Such holder of equity share is entitled to one vote per share. In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the Parent Company after distribution of all preferential amounts, in proportion to their shareholdings, however, no such preferential amounts exists currently. During this financial year the Parent Company has not proposed/declared any dividend. However, if any dividend is proposed by the Board of Directors, it will be subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

Notes to Consolidated financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

	As at 31 March 2018
12 Other equity	
(a) Other reserves	
Securities premium account	3,193.72
General reserve	284.95
Retained earnings	26,918.67
(b) Other comprehensive income	2,804.45
(c) Foreign currency translation reserve	(6.66)
	<u>33,195.13</u>

Nature and purpose of reserves:

- i) **Securities premium**
Securities premium is used to record the premium on issue of shares. The reserve is utilized in accordance with the provisions of Section 52 of the Companies Act, 2013.
- ii) **General reserve**
General reserve has been created out of profits earned by the Company in the previous years. General reserves are free reserves and can be utilised in accordance with the requirements of the Companies Act, 2013.
- iii) **Retained earnings**
Retained earnings are the profits that the Company has earned till date, less any transfer to general reserves, dividends and other distributions made to the shareholders.

Particulars

	Year ended 31 March 2018
Balance at the beginning of the year	24,055.85
Add: Profit for the year	2,862.82
Balance at the end of the year	<u>26,918.67</u>

Other comprehensive income

- iv) The Group has elected to recognize changes in fair value of certain investments in equity instruments in other comprehensive income. These changes are accumulated within "Equity instruments through OCI" under other equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity instrument is derecognized.

Particulars

	Year ended 31 March 2018
Balance at the beginning of the year	1,864.35
Add: Remeasurement of defined benefit plans (net of tax)	8.41
Add: Changes in fair value of equity instruments through OCI (net of tax)	931.69
Balance at the end of the year	<u>2,804.45</u>

- v) **Foreign currency translation reserve**

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. ₹) are recognised directly in the other comprehensive income and accumulated in foreign currency translation reserve. Exchange difference previously accumulated in the foreign currency translation reserve are reclassified to profit or loss on the disposal of the foreign operation.

Particulars

	Year ended 31 March 2018
Balance at the beginning of the year	-
Add: Foreign currency translation loss	(6.66)
	<u>(6.66)</u>

Notes to Consolidated financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

As at
31 March 2018

13 Borrowings

(a) Non-current

Secured

Term loans

Foreign currency loan from bank (in nature of external commercial borrowing)	3,091.24
Vehicle loan from others	34.51
Less: Current maturities of long-term borrowings (refer note 14)	1,225.19
	1,900.56

Other disclosures:

(i) Foreign currency loan from bank

Term loan from bank (originally amounting to 7.5 million US dollars equivalent to ₹ 4,908.00 lacs) is secured by an exclusive charge on all present and future assets (plant and machinery and civil work) at Noorpur refinanced out of this loan and on other plant and equipments of the Parent Company.

Repayable in 14 stipulated periodic instalments commencing from 31 December 2016 and ending on 31 January 2020 and carries an interest rate of 3 months libor plus 2.25%. Till 31 March 2018, 6 installments amounting to USD 2.81 million equivalent to ₹ 1,890.19 lacs (excluding foreign exchange loss) has been repaid.

(ii) Vehicle loan from others

Vehicle loan (originally amounting to ₹ 39.90 lacs) is secured by hypothecation of the motor car financed out of this loan.

Repayable in 36 monthly instalments commencing from 03 March 2017. It carries an interest rate of 11.60% p.a. on monthly reducing balance. First 35 EMIs are of ₹ 0.78 lacs each. The Parent Company has an option either to pay the 36th EMI of ₹ 23.94 lacs or to surrender the car to the finance company.

As at
31 March 2018

14 Other financial liabilities

(a) Non-current

Security deposits repayable on demand (refer note below)	240.02
	240.02

(b) Current

Current maturities of non-current borrowings (refer note 13)	1,225.19
Security deposits repayable on demand	144.91
Capital creditors (inclusive of retentions)	197.02
Dues to employees	321.29
	1,888.41

Notes:

Security deposit repayable on demand includes an amount of ₹ 240.02 lacs obtained as a part of sale and lease back agreement entered into by the Parent Company with Rajasthan State Electricity Board (RSEB) which expired on 28 February 2004. In terms of the said agreement, the residual value of the assets under lease acquired and leased back to RSEB (under physical possession of RSEB) is required to be adjusted against the corresponding amount of security deposit as mentioned above. The Parent Company's appeal towards certain claims against RSEB is pending before the Hon'ble Jaipur High Court.

Notes to Consolidated financial statements for the year ended 31 March 2018 (Contd.)
(All amounts in ₹ lacs, unless otherwise stated)

				As at 31 March 2018
15 Provisions				
(a) Current				
Provision for legal matters (refer note (i) below)				192.52
				192.52
Notes:				
(i) As the Group is not in a position to ascertain the exact timing of expected future cash outflows required to settle the obligations for legal matters, it has been classified under current liabilities, without considering their time value of money.				
				Year ended 31 March 2018
Movement in provision for legal matters during the year is as follows:				
Balance at the beginning of the year				168.23
Add: Provisions during the year				66.39
Less: Provisions reversed/paid during the year				42.10
Balance at the end of the year				192.52
				As at 31 March 2018
16 Deferred taxes				
(a) Deferred tax assets				
Unutilised MAT credit				283.79
				283.79
(i) Movement in MAT Credit for year ended 31 March 2018:				
Particulars	As at 01 April 2017	Statement of Profit or Loss	Utilised during the year	As at 31 March 2018
Unutilised MAT credit	711.75	(144.32)	(283.64)	283.79
	711.75	(144.32)	(283.64)	283.79

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Notes to Consolidated financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

As at
31 March 2018

16 Deferred taxes (cont'd)

(b) Deferred tax liabilities, net

Deferred tax liability:

Difference between written down value of property, plant and equipment as per books of accounts and Income Tax Act, 1961

1,789.59

Fair valuation on equity instruments through OCI

588.69

Fair valuation on mutual fund investments measured at FVTPL

46.83

Others

(3.53)

Total deferred tax liabilities

2,421.58

Deferred tax assets:

Provision for doubtful debts and advances

181.98

Disallowance under section 43B of the Income Tax Act, 1961

47.07

Deferred revenue income recognised for government grant received

12.93

Total deferred tax assets

241.98

Deferred income tax liabilities, net

2,179.60

(i) Movement in deferred tax liabilities for year ended 31 March 2018:

Particulars

	As at 01 April 2017	Statement of Profit or Loss	Other Comprehensive Income	As at 31 March 2018
Deferred tax liabilities for taxable temporary differences on:				
Difference between written down value of property, plant and equipment as per books of accounts and Income Tax Act, 1961	2,015.91	(226.32)	-	1,789.59
Fair valuation on equity instruments through OCI	437.90	-	150.79	588.69
Fair valuation on mutual fund investments measured at FVTPL	23.86	22.97	-	46.83
Others	(3.50)	(0.03)	-	(3.53)
Total	2,474.17	(203.38)	150.79	2,421.58
Deferred tax assets for deductible temporary differences on:				
Provision for employee benefits	29.74	(29.74)	-	-
Provision for doubtful debts and advances	110.89	71.09	-	181.98
Disallowance under section 43B of the Income Tax Act, 1961	94.06	(46.99)	-	47.07
Deferred revenue income recognised for government grant received	13.80	(0.87)	-	12.93
Total	248.49	(6.51)	-	241.98
Deferred tax liabilities, net	2,225.68	(196.87)	150.79	2,179.60

Note:

Deferred tax assets and deferred tax liabilities have been offset wherever the Group has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

Notes to Consolidated financial statements for the year ended 31 March 2018 (Contd.)*(All amounts in ₹ lacs, unless otherwise stated)*

	As at 31 March 2018
17 Other liabilities	
(a) Non-current	
Deferred revenue income (refer note (i) below)	<u>36.99</u>
	<u>36.99</u>
(b) Current	
Advance from customers	195.88
Statutory dues	426.26
Others	<u>374.20</u>
	<u>996.34</u>

Note:

- (i) Deferred revenue income represents capital subsidy of ₹ 50 lacs received by the Parent Company on 30 December 2016 from Ministry of New and Renewable Energy (MNRE), Government of India, in respect of its 2.5 MW co-generative power plant commissioned on 28 March 2014. An amount of ₹ 2.88 lacs has been recognized as income for the current year.

	As at 31 March 2018
18 Trade payables	
Due to Micro, small and medium enterprises	381.26
Dues to others	<u>3,502.69</u>
	<u>3,883.95</u>

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Notes to Consolidated financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

	Year ended 31 March 2018
19 Revenue from operations	
Sale of products (inclusive of excise duty)	148,624.78
Other operating revenue	
- Scrap sales	139.87
- Export incentives	1,580.97
	150,345.62
20 Other income	
Interest income:	
- Financial assets measured at amortised costs	40.55
Other gains and losses	
- Net gain arising on sale of financial assets measured at FVTPL	388.55
- Net gain / (loss) arising on remeasurement of financial assets measured at FVTPL	65.07
Others	
- Rental income	214.36
- Net gain (loss) on foreign currency transactions and translations (net)	20.23
- Liabilities no longer required written back	178.79
- Provision for doubtful receivables written back	23.07
- Other miscellaneous income	38.73
- Dividend income	13.80
	983.15
21 Cost of materials consumed	
(a) Raw material consumed	
Opening stock	427.52
Add: Purchases	37,563.92
Less: Closing stock (refer note 8)	1,210.83
	36,780.61
(b) Packing material consumed	
Opening stock	224.86
Add: Purchases	6,357.03
Less: Closing stock (refer note 8)	175.48
	6,406.41
	43,187.02
22 Purchases of stock-in-trade	
Marine food and feed supplements	23,291.27
	23,291.27

Notes to Consolidated financial statements for the year ended 31 March 2018 (Contd.)*(All amounts in ₹ lacs, unless otherwise stated)*

	Year ended 31 March 2018
23 Changes in inventories of finished goods, stock-in-trade and work-in-progress	
Stock at the beginning of the year (including stock-in-transit)	
Finished goods	2,329.17
Work-in-progress	283.60
Stock-in-trade	792.76
	<u>3,405.53</u>
Stock at the end of the year (including stock-in-transit)	
Finished goods	4,184.51
Work-in-progress	156.83
Stock-in-trade	578.83
	<u>4,920.17</u>
Difference in excise duty on finished goods	207.51
Changes in inventories of finished goods, stock-in-trade and work-in-progress	<u>(1,307.13)</u>
24 Employee benefits expense	
Salaries, wages and bonus	3,385.50
Contribution to provident funds and other funds (refer note 32)	331.67
Staff welfare expenses	312.89
	<u>4,030.06</u>
25 Finance costs	
Interest on financial liabilities carried at amortised cost (*)	198.03
Foreign exchange loss/ (gain) on foreign currency borrowings	60.06
	<u>258.09</u>
(*) Calculated using effective interest rate (EIR) method.	
26 Depreciation, amortisation and impairment expenses	
Depreciation of property, plant and equipment (refer note 3)	2,026.80
Impairment of property, plant and equipment (refer note 3)	118.01
	<u>2,144.81</u>

Notes to Consolidated financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

	Year ended 31 March 2018
27 Other expenses	
Advertisement and sales promotion expenses	1,692.75
Consumption of stores and spares	369.30
Power and fuel	4,109.90
Rent (refer note 30)	577.07
Repair and maintenance:	
- Buildings	200.68
- Plant and Machinery	134.26
- Others	121.16
Insurance	305.12
Rates and taxes	149.67
Legal and professional expenses	428.40
Office expenses	782.64
Travel and conveyance expenses	498.31
Auditor's remuneration	33.66
Freight outward	1,767.75
Contract charges	2,513.51
Corporate Social Responsibility ('CSR') expenditure	56.44
Loss on sale of property, plant and equipment, net	3.65
Bad debts	33.89
Provision for bad and doubtful debts	223.44
Directors sitting fees	11.59
Miscellaneous expenses	564.61
	14,577.80

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Notes to Consolidated financial statements for the year ended 31 March 2018 (Contd.)
(All amounts in ₹ lacs, unless otherwise stated)

	Year ended 31 March 2018
28 Tax expense	
(a) Income tax in the statement of profit and loss:	
Current tax	1,279.02
Deferred taxes	(196.87)
Tax pertaining to previous years	144.32
	<u>1,226.47</u>
(b) Income tax recognised in other comprehensive income comprises:	
Deferred tax on remeasurement of post-employment benefit obligations	4.53
Deferred Tax on fair value gains on investments in equity instruments through OCI	146.26
	<u>150.79</u>
(c) Reconciliation of income tax expense and the accounting profit for the year:	
Profit before tax	4,089.29
Enacted tax rates (%)	34.608%
Income tax expense calculated at corporate tax rate	1,415.22
Impact due to consolidation of losses of the subsidiary entity	101.87
Deductions under chapter VIA of the Income Tax Act, 1961	(491.90)
Impact on account of non-deductible expenses	17.60
Income exempted from tax	(4.78)
Fair value measurements of investments in mutual funds	22.53
Adjustment of tax relating to earlier years	144.32
Impact due to change in future tax rate	25.32
Other adjustments	(3.71)
Total income tax expense as per the statement of profit and loss	<u>1,226.47</u>
(d) Income tax balances	
Current tax liabilities	
Opening balance	143.99
Provision for tax	1,279.02
Add: Reclassification from non-current tax assets	(865.17)
Less: Taxes paid	(283.65)
Closing balance	<u>274.19</u>
Non-current tax assets	
Opening balance	262.79
Closing balance	<u>262.79</u>

Notes to Consolidated financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

**Year ended
31 March 2018**

29 Earnings per equity share (EPS)

Net profit attributable to equity shareholders (in ₹ lakhs)	2,862.82
Weighted average number of equity shares outstanding during the year	9,367,111
Face value per share (in ₹)	10.00
Earnings per equity share (in ₹):	
- Basic earnings per equity share	30.50
- Diluted earnings per equity share	30.50

30 Leases

(a) Finance lease

The Parent Company has acquired certain lands on finance lease. Such lease arrangements are for a period ranging from 30-99 years and the entire lease rentals has been paid upfront at the time of initiation of the lease. The Parent Company has recognized these lands acquired on finance lease under property, plant and equipment (separately from other owned assets) at an amount equal to the upfront lease payment plus initial direct costs. Such amount is amortized over the period of the lease on a straight line method.

(b) Operating lease

The Group has entered into operating lease arrangements in respect of factory lands, office premises, other buildings and manufacturing facilities which are for a period generally ranging from 11 months to 6 years. All such lease arrangements are cancellable and are usually renewable on mutually agreed terms. Total lease rentals payable during the lease period is recognized in the consolidated statement of profit and loss on straight line basis except where the increase in future lease rentals is to compensate for the general inflationary forces.

31 Contingent liabilities and commitments

(a) Contingent liabilities

Particulars

**As at
31 March 2018**

Claims against the Group not acknowledged as debts:

i) Income tax demand for various assesment years mainly on account of deductions claimed under section 80-IA(4) of the Income Tax Act, 1961 in respect of the power undertaking.	62.96
ii) Show cause notice issued by the Customs Authorities for classification dispute on imported goods.	210.53
iii) State Excise demands for various years primarily for excess shortage/wastage of spirit.	1,201.79
iv) State Sales Tax/Central Sales Tax and Value Added Tax demands in the State of West Bengal mainly due to non-submission of declaration forms.	3,156.77
v) Kolkata Port Trust (KoPT) - Dispute relating to valuation of rent for rest house at Noorpur.	81.59
vi) Banker's letter of guarantee	8.87

Note:

The above matters are lying at various Appellate Forums and the management is confident of succeeding in all these matters based on legal precedences and expert opinions.

(b) Commitments

Estimated amount of capital contracts remaining to be executed and not provided for as on the balance sheet date are:

**As at
31 March 2018**

Capital commitments for property, plant and equipment (net of capital advance)	200.97
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Notes to Consolidated financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

32 Disclosure in accordance with Ind AS-19 on Employee benefits expense

(a) Post-employment benefits plan:

Retirement benefit plans of the Group comprising of gratuity, superannuation and provident fund consists of both defined benefit plan and defined contribution plan. Other long-term employee benefits includes compensated absences subject to certain limits and rules. Gratuity, superannuation and compensated absences plans are funded through investments in Life Insurance Corporation of India (LIC). Provident fund for all employees are managed through government administrated funds. Gratuity and superannuation fund is managed by a Board of Trustees who are responsible for overall management of the fund and acts in accordance with the provisions of the respective trust deeds and rules, and in the best interest of the plan participants. The trustees do a periodic review of the solvency of the fund and play a role in long term investments, risk management and funding strategy.

(b) Defined contribution plans

The provident fund and superannuation fund has been classified as defined contribution plan as the Group has an obligation to pay a fixed amount to the government administered fund and Life Insurance Corporation of India (LIC) respectively and has to further obligation if the assets of such funds are not enough to meet all the employee obligations provided under such plans.

(c) Defined benefit plans

Gratuity plan is a defined benefit plan that provides for lump sum gratuity payment to employees made at the time of their exit by the way of retirement (on superannuation or otherwise), death or disability. The benefits are defined on the basis of their final salary and period of service and such benefits paid under the plan is not subject to the ceiling limit specified in the Payment of Gratuity Act, 1972. Liability as on the balance sheet date is provided based on actuarial valuation done by a certified actuary using projected unit credit method. Board of Trustees administers the contributions made to the gratuity fund and such amounts are solely invested with Life Insurance Corporation of India (LIC).

(d) Other long-term employee benefits

The Group provides for encashment of accumulated leaves standing at the credit of its employees at the time of their exit by way of retirement (on superannuation or otherwise), death or disability, subject to certain limits and rules framed by the Group. Liability is provided based on the number of days of unutilized leave at each balance sheet date based on actuarial valuation done by a certified actuary using projected unit credit method. The Group had funded such plan with Life Insurance Corporation of India (LIC).

The following table summarises the components of defined benefit expense recognized in the consolidated statement of profit and loss/Other Comprehensive Income ('OCI') and the funded status and amounts recognised in the balance sheet for the respective plans:

(i) Defined benefits obligations recognised:

Particulars	Gratuity (funded)	Compensated absences (funded)
	As at 31 March 2018	As at 31 March 2018
Present value of obligation	819.04	551.25
Fair value of plan assets	1154.43	848.42
Net assets recognized	(335.39)	(297.17)

(ii) Movement in present value of obligation:

Particulars	Gratuity (funded)	Compensated absences (funded)
	As at 31 March 2018	As at 31 March 2018
Balance at beginning of the year	745.92	556.48
Current service cost	56.13	62.23
Interest cost	50.50	36.69
Actuarial gain arising from assumption changes	(24.31)	(18.96)
Actuarial (gain)/loss arising from experience adjustments	18.86	(35.49)
Benefits paid (including benefits directly paid by the Group)	(28.06)	(49.70)
Balance at end of the year	819.04	551.25

Notes to Consolidated financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

(iii) Movement in present value of plan assets:

Particulars	Gratuity (funded)	Compensated absences (funded)
	As at 31 March 2018	As at 31 March 2018
Balance at beginning of the year	764.48	543.55
Interest income on plan assets	63.74	46.30
Employer contribution	346.78	255.00
Return on plan assets lesser than discount rate	7.49	3.57
Benefits paid	(28.06)	-
Balance at end of the year	1,154.43	848.42

(iv) Components of net cost charged to the consolidated statement of profit and loss

Particulars	Gratuity (funded)	Compensated absences (funded)
	Year ended 31 March 2018	Year ended 31 March 2018
Employee benefits expense:		
- Current service costs	56.13	62.23
- Defined benefit costs recognized in consolidated statement of profit and loss	(26.18)	(67.63)
Finance costs		
- Interest costs	50.50	36.69
- Interest income	(63.74)	(46.30)
Net impact on profit before tax	16.71	(15.01)

(v) Remeasurement of the net defined benefit plans to be taken to other comprehensive income:

Particulars	Gratuity (funded)	Compensated absences (funded)
	Year ended 31 March 2018	Year ended 31 March 2018
Actuarial gain arising from assumption changes	(24.31)	-
Actuarial loss arising from experience adjustments	18.86	-
Return on plan assets lesser than discount rate	(7.49)	-
Net impact on other comprehensive income before tax	(12.94)	-

(vi) Amounts contributed towards defined contribution plans have been recognized in the consolidated statement of profit and loss under "Contribution to provident fund and other funds" in Note 24.

(vii) Major categories of plan assets:

Entire assets of both gratuity and compensated absences plans is maintained with the Life Insurance Corporation of India (LIC).

(viii) Assumptions

With the objective of presenting plan assets and obligations of the defined benefit plans at their fair value at balance sheet date, assumptions used under Ind AS 19 are set by reference to market conditions at the valuation date.

Particulars	Gratuity (funded)	Compensated absences (funded)
	As at 31 March 2018	As at 31 March 2018
Discount rate (per annum)	7.40%	7.40%
Salary escalation rate (per annum)	8.00%	8.00%
Mortality table	Life Insurance Corporation of India (LIC) [1996-98] Ultimate table	Indian Assured Lives Mortality [2006-08] Ultimate table
Average past service of employees (years)	8.63	N.A.
Expected rate of return on plan assets	7.55%	7.55%

Notes to Consolidated financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

(ix) Sensitivity analysis

A quantitative sensitivity analysis for significant assumption is tabled below:

Particulars	Gratuity (funded)	Compensated absences (funded)
	As at 31 March 2018	As at 31 March 2018
Discount rate - Decrease by 1%	6.10%	7.10%
Discount rate - Increase by 1%	-5.40%	-6.20%
Salary escalation rate - Decrease by 1%	-5.40%	-6.20%
Salary escalation rate - Increase by 1%	6.10%	7.00%

Methods and assumptions used in preparing sensitivity analysis and their limitations:

The sensitivity results above determine their individual impact on the plan's year end defined benefit obligation. In reality, the plan is subject to multiple external experience items which may move the defined benefit obligation in similar or opposite directions, while the plan's sensitivity to such changes can vary over time.

(x) Maturity analysis of the benefit payments:

Weighted average duration of both gratuity plan and compensated absences plan is 7 years. Expected benefits payments for each such plans over the years is given in table below:

Particulars	Gratuity (funded)	Compensated absences (funded)
	As at 31 March 2018	As at 31 March 2018
Year 1	256.49	130.67
Year 2	46.93	54.39
Year 3	36.49	42.69
Year 4	90.10	69.08
Year 5	62.70	54.02
Next 5 years	97.98	312.98

Expected employer contribution in gratuity plan for the period ending 31 March 2019 is ₹ 55.72 lacs (31 March 2018: ₹ 56.13 lacs)

Expected employer contribution in compensated absences plan for the period ending 31 March 2019 is Nil (31 March 2018: ₹ 62.23 lacs)

(e) Aforesaid post-employment benefit plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's investments.
Longevity risk	The present value of the defined benefit liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit liability is calculated by reference to the future salaries of plan participants. As such, an increase in salary of the plan participants will increase the plan's liability.

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Notes to consolidated financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

33 Related party disclosures

Information on related party transactions as required by Ind AS - 24 - Related Party Disclosures for the year ended 31 March 2018.

(a) List of related parties

(i) Key management personnel

Name of the person	Designation
Bijon Nag	Non-Executive Director
Arup Kumar Banerjee	Executive Director
Bikram Nag	Executive Director
Indranil Goho	Executive directors (upto 18 October 2017)
Dipak Sen	Chief Financial Officer (upto 25 November 2017)
Rahul Choudhary	Chief Financial Officer (w.e.f. 2 December 2017)
Ritesh Agarwal	Company Secretary & Chief Compliance Officer

(ii) Other Key management personnel

Name of the person	Designation
Kanak Ghosh	Assistant Vice President- Human Resource
Souravi Sinha	General Manager - Human Resource
Sayandeep Chowdhury	Senior Manager - Finance and Accounts (upto 21 May 2018)
Sudip Das	Deputy General Manager - Internal Audit
Janardan Anna Gore	President - New Projects
Swapan Kumar Bayen	Vice President - Projects and Diversification (Distillery)
Santanu Ghosh	CGM - Plant Operations and Safety (Distillery)
Rana Chatterjee	Chief Financial Officer (Distillery)
Chinmoy Mishra	Deputy General Manager - Plant operations and project
Debojyoti Bandopadhyay	Deputy General Manager - Operations (Co2)
Debashish Ghosh	Asst. Vice President - Business Head (IMIL)
S.K. Kundu	Head - Tie-up manufacturing units (IMIL division)
Dipayan Basu	Asst. General Manager - Commercial (IMIL)
Sanjoy Bhattacharya	Unit Head - Panagarh Plant (IMIL)
Supriyo Bandopadhyay	Unit Head - Dankuni Plant (IMIL)
Nishu Jain	Manager - Commercial (IMIL)
Soumitra Chakraborty	Business Head (Marine Division)
Rajat Purkayastha	General Manager - Finance - (Marine Export, Ongole)
Rahul Dev Pathak	General Manager - National Sales Head (Marine foods)
Sanjoy Banerjee	Deputy General Manager - Finance and Accounts (Marine foods)
Soumen Basu Chowdhury	Asst. General Manager (Marine feed)
Nilesh Soni	Senior Manager Finance (Marine Export, Kolkata)
Madan Dutta	Senior Manager (Marine feed)

Notes to consolidated standalone financial statements for the year ended 31 March 2018 (Contd.)*(All amounts in ₹ lacs, unless otherwise stated)***33 Related party disclosures (cont'd)****(iii) Enterprises over which KMP or relatives of KMP exercise control/significant influence:****Name of the entity**

Travel Systems Limited

IFB Industries Limited

(iv) Post employment benefit plans**Name of the entity**

IFB Agro Industries Limited Employees Gratuity Fund

IFBAIL Employees Super annuation Fund

(b) Transactions with related parties**Particulars****Year ended
31 March 2018****Rental income:**

Travel Systems Limited

10.13

IFB Industries Limited

16.59**Travelling and conveyance:**

Travel Systems Limited

21.73**Rental expense:**

IFB Industries Limited

7.18**Security deposit refunded:**

IFB Industries Limited

160.00**Other expenses:**

IFB Industries Limited

8.21**Post employment benefit plans:**

Contribution towards gratuity fund

346.78

Contribution towards superannuation fund

107.72**Reimbursement of expenses:**

- Gratuity fund

0.10

- Superannuation fund

0.10

Notes to consolidated standalone financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

33 Related party disclosures (cont'd)

(b) Transactions with related parties (cont'd)

Particulars	Year ended 31 March 2018
Remuneration to executive directors:	
Arup Kumar Banerjee	130.80
Bikram Nag	85.04
Indranil Goho (upto 18 October 2017)	26.00
Short term employee benefits of the above executive directors	111.81
Post employment benefits of the above executive directors (*)	19.66
Sitting fees to non-executive directors	
Bijon Nag	0.60
Hari Ram Agarwal	2.10
Nandan Bhattacharya	2.33
Manoj Kumar Vijay	1.57
Amitabha Kumar Nag	2.14
Sudip Kumar Mukherji	1.80
Lakshmishri Roy	1.05
Remuneration to other key management personnel:	
Salaries, wages and bonus	482.96
Short term employee benefits of the above other key managerial personnel	282.43
Post employment benefits of the above key managerial personnel (*)	90.33

(c) Balances of related parties:

Particulars	As at 31 March 2018
Other payables:	
Travel Systems Limited	0.36
IFB Industries Limited	45.18
Security deposit outstanding:	
IFB Industries Limited	8.12

(*) Does not include contributions made under gratuity and compensated absences plan based on actuarial valuations as contributions made to such plans on individual employee basis is not ascertainable.

Notes to Consolidated financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

34 Segment reporting

(a) Basis of segmentation:

The Group has following business segments, which are its reportable segments. These segments offer different products and services, and are managed separately because they require different technology and production processes. Operating segment disclosures are consistent with the information provided to and reviewed by the chief operating decision maker.

(b) Reportable segment	Product
Spirit, liquor, spirituous beverages	Extra Neutral Alcohol (ENA), Rectified Spirits (RS) and Indian Made Indian Liquor (IMIL)
Marine	Marine products processed for sale in export and domestic markets and marine feed trading.

Particulars	Year ended 31 March 2018			
	Spirit, liquor, spirituous beverages	Marine	Unallocated	Total
i) Segment revenues:				
External sales	100,599.74	49,745.88	-	150,345.62
Inter-segment sale	4.00	-	-	4.00
Less: Eliminations	(4.00)	-	-	(4.00)
				<u>150,345.62</u>
ii) Segment results				
Profit before interest, tax and depreciation	6,118.19	1,594.59	-	7,712.78
Depreciation	(1,896.55)	(191.33)	(56.93)	(2,144.81)
Unallocated expenses	-	-	(1,261.14)	(1,261.14)
Finance cost	(214.86)	(35.06)	(8.17)	(258.09)
Interest income	-	-	40.55	40.55
Profit before tax	4,006.78	1,368.20	(1,285.69)	4,089.29
Tax expense	-	-	(1,226.47)	(1,226.47)
Profit after tax				<u>2,862.82</u>
iii) Revenue from external customers (*)				
India	100,493.73	30,980.85	-	131,474.58
Outside India	106.01	18,765.03	-	18,871.04
				<u>150,345.62</u>
iv) Capital expenditure	746.91	535.76	828.16	2,110.83

Note:

(*) After introduction of West Bengal State Beverages Corporation Limited (BEVCO) w.e.f. 9 August 2017, entire sale of IMIL products is through BEVCO. Hence more than 10% of the total sale is to a single customer. (31 March 2017 NIL)

v) Other information

Particulars	As at 31 March 2018			
	Spirit, liquor, spirituous beverages	Marine	Unallocated	Total
Segment assets	19,268.62	9,093.71	17,362.09	45,724.42
Segment liabilities	6,573.80	3,075.25	1,943.53	11,592.58

Notes to Consolidated financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

35 Fair value measurement

(a) Category wise classification of financial instruments

Particulars	As at 31 March 2018
A. Financial assets:	
(i) Measured at fair value through profit or loss (FVTPL)	
Investments in unquoted mutual funds	9,333.50
(ii) Designated at fair value through other comprehensive income (FVTOCI)	
Investments in quoted equity instruments (refer note (i) below)	1,973.39
(iii) Carried at cost	
Investments in unquoted equity instruments (refer note (i) below)	1,826.11
Cash and cash equivalents	1,522.80
Bank balances other than cash and cash equivalents above	-
Bank deposits (with original maturity of more than 12 months)	184.92
Derivative instruments	6.09
Loans to employees	38.93
Security deposits	28.90
Trade receivables	6,292.82
Others	8.87
Advances to manufacturing units	-
Total financial assets	21,216.33
B. Financial liabilities	
(i) Measured at amortised cost	
Borrowings (including current maturities)	3,125.75
Trade payables	3,883.95
Securities deposits (repayable on demand)	144.91
Other financial liabilities	518.31
Total financial liabilities	7,672.92

Notes:

- (i) These investments are not held for trading. Upon application of Ind AS - 109 - Financial Instruments, the Group has chosen to measure these investments in quoted equity instruments at FVTOCI irrevocably as the management believes that presenting fair value gains and losses relating to these investments in the consolidated statement of profit and loss may not be indicative of the performance of the Group.
- (ii) The management assessed that the fair value of cash and cash equivalents, other bank balances, bank deposits, loans to employees, trade receivables, advance to manufacturing units, trade payables and other financial liabilities approximate the carrying amount largely due to short-term maturity of these instruments.
- (b) **Fair value hierarchy**

The fair value of financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly market between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent in all the years. Fair value of financial instruments referred to in note (a) above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets and liabilities and lowest priority to unobservable entity specific inputs.

Notes to Consolidated financial statements for the year ended 31 March 2018 (Contd.)*(All amounts in ₹ lacs, unless otherwise stated)*

The categories used are as follows:

- Level 1: quoted prices (unadjusted) in active markets for financial instruments.
- Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.
- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

For assets and liabilities which are measured at fair value as at balance sheet date, the classification of fair value by category and level on inputs used is given below:

As at 31 March 2018:

Particulars	Level 1	Level 2	Level 3
(i) Measured at fair value through profit or loss (FVTPL)			
Investments in unquoted mutual funds	9,333.50	-	-
(ii) Designated at fair value through other comprehensive income (FVTOCI)			
Investments in quoted equity instruments	1,973.39	-	-
Investments in unquoted equity instruments	-	-	1,826.11

(c) Computation of fair values

Investments in mutual funds are short-term investments made in debt or liquid funds whose fair value are considered as the net asset value (NAV) declared by their respective fund houses on a daily basis. Thus the declared NAV is similar to fair market value for these mutual fund investments since transactions between the investor and fund houses will be carried out at such prices.

Investments in equity instruments represents long term strategic investments made in certain listed or unlisted companies. For listed companies, fair value is based on quoted market prices of such instruments as on the balance sheet date on the recognized stock exchange (where traded volume is more during last six months). For investments in unquoted securities, the management has ascertained the fair value by using discounted cash flow ('DCF') method (income approach).

(d) Fair value of assets and liabilities measured at cost/amortized cost

The carrying amount of financial assets and financial liabilities measured at amortized cost are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amount would be significantly different from the values that would be eventually received or settled. Management assessed that fair values of cash and cash equivalents, other bank balances, bank deposits, loans to employees, trade receivables, advance to manufacturing units, trade payables and other financial liabilities approximate their carrying amounts due to the short term maturities of these instruments. For long-term borrowings at fixed/floating rates, management evaluates that their fair value will not be significantly different from the carrying amount.

(This space has been intentionally left blank.)

Notes to Consolidated financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

36 Financial risk management

Group's business activities are exposed to a variety of financial risks like credit risk, market risks and liquidity risk. Group's senior management is responsible for establishing and monitoring the risk management framework within its overall risk management objectives and strategies approved by the Board of Directors. Such risk management strategies and objectives are established to identify and analyze potential risks faced by the Group, set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and assess risk management performance. Any change in Group's risk management objectives and policies need approval of it's Board of Directors.

(a) Credit risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises primarily from financial assets such as trade receivables, other balances with banks, loans and other receivables.

(i) Trade receivables

Customer credit risks is managed by each business unit in accordance with the credit policy, procedures and controls relating to credit risk management. Credit quality of each individual customer is assessed based on financial positions, past trends, market reputation, prevailing market and economic conditions, expected business and anticipated regulatory changes. Based on this evaluation, credit limit and credit terms are decided for each individual customer. Exposure to customer credit risk is regularly monitored through credit locks and release. The Group has a low concentration of risk in respect of trade receivables since its customers are widely spread and operates in diversified industries and varying market conditions. Export customers are secured through letter of credit and generally not subject to credit risks.

Impairment of trade receivables is based on expected credit loss model (simplistic approach) depending upon the historical data, present financial conditions of customers and anticipated regulatory changes. Maximum exposure to credit risks at the reporting date is disclosed in Note 9. Group does not hold any collateral in respect of such receivables.

(ii) Other financial instruments

Credit risks from other financial instruments includes mainly cash and cash equivalents and deposits with banks. Such risks is managed by the central treasury department of the Group with accordance with Group's overall investment policy approved by its Board of Directors. Investments of surplus funds are made in short term debt/liquid mutual funds of rated fund houses having the highest credit rating and in short term time deposits of reputed banks with a very strong financial position. Investment limits are set for each mutual fund and bank deposits. Risk concentration is minimized by investing in a wide range of mutual funds/bank deposits. These investments are reviewed by the Board of Directors on a quarterly basis.

The Group has no exposure to credit risk relating to its cash and cash equivalents. Credit risk for other financial instruments are monitored by the Central treasury department in accordance with its overall risk management policies. Impairment of such assets is computed per expected credit loss model (general approach) assessed on the basis of financial position, detailed analysis and expected business of the counterparty to such financial assets.

(b) Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risks comprises of three types - interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risks include long term borrowings, investments in mutual funds or equity instruments and derivative instruments.

(i) Foreign currency risk management

Foreign currency is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to change in foreign currency rates. Group is exposed to foreign currency risks on trade receivables and long term external commercial borrowing, both denominated in USD. Foreign exchange exposures are managed by the central treasury department in accordance with the overall policy parameters approved by the Board of Directors. Trade receivables are hedged by entering into forward contracts (to sell USD) with authorized banks that matches the timings of the forecasted receipts. Group has kept its external commercial borrowing unhedged as it has natural hedging due to export earnings.

Carrying amount of Group's financial assets and liabilities denominated in foreign currency (USD) as at the Balance Sheet date is as under:

	As at 31 March 2018			
	AED	Amount	USD	Amount
Trade receivables	0.30	5.35	17.73	1,154.23
External commercial borrowing	-	-	46.88	3,091.24
Forward contracts (derivative used to hedge trade receivables)	-	-	16.11	1,048.10

Notes to Consolidated financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

36 Financial risk management (cont'd)

Foreign currency sensitivity analysis

The Group is exposed to US Dollars and AED. Following table provides the sensitivity impact to a 5% strengthening/weakening of INR in respect to US Dollars or AED. Sensitivity analysis is done on net exposure after adjusting the forward contracts. A positive number below indicates an increase in profit/equity when INR appreciates against US Dollars or AED and when the net exposure is a liability.

	As at 31 March 2018	
	AED Gain / (Loss)	USD Gain / (Loss)
USD		
INR appreciates by 5%	(0.27)	186.30
INR depreciates by 5%	0.27	(148.52)

(b) Market risk:

(ii) Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to change in market interest rates. Group has long term borrowings both at fixed and variable interest rates. Such borrowings are measured at amortized costs. The Group is exposed to interest rate risk arising from its external commercial borrowing taken at floating rate of interest (libor plus 225 basis points), while it does not have any interest rate risks arising from other borrowings at fixed interest rates. Group's central treasury department manages such interest rate risk in accordance with its overall risk policy approved by the Board of Directors. Group has not hedged its long term external commercial borrowing as it does not anticipates any major change in libor which can materially impact its future cash flows.

Particulars	As at 31 March 2018
Borrowing at variable interest rate	
- Non-current	1,871.66
- Current	1,219.58
Borrowing at fixed interest rate	
- Non-current	28.90
- Current	5.61
Total borrowings	3,125.75
Percentage of borrowing at variable interest rate	98.90%

Sensitivity analysis of interest rate change on borrowing availed at variable interest rate

Particulars	Profit after Tax Year ended 31 March 2018
Interest rate (increase by 0.5%)	(12.75)
Interest rate (decrease by 0.5%)	12.75

(iii) Price risk

Price risk is the risk that the fair value or future cash flows will fluctuate due to change in market prices. The Group is exposed to price risk arising from its short term investments in debt or liquid mutual funds. Group's central treasury department manages such risk in accordance with its overall risk management policy approved by the Board of Directors. The Group mitigates the risk by investing in a large number of rated funds. Investment limit in each fund is specified. All purchase or sale of mutual funds are reviewed by the Board of Directors on a quarterly basis. Group assesses that as returns from short term debt or liquid mutual funds are steady and depends on interest rates or market yield, there is very remote chance of any significant fluctuation in their fair values which can materially impact Group's future cash flows.

Notes to Consolidated financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

36 Financial risk management (cont'd)

Price sensitivity analysis

Following table provides the sensitivity impact to a 1% appreciation/decline in NAV of mutual fund investments as at the Balance Sheet date.

Particulars	As at 31 March 2018 Gain / (Loss)
NAV of mutual funds appreciates by 1%	93.34
NAV of mutual funds declines by 1%	(93.34)

(c) Liquidity risk:

Liquidity risk is the risk that the Group may not be able to meet its contractual obligations associated with its financial liabilities. The central treasury department of the Group manages its liquidity risk by preparing and continuously monitoring business plans or rolling cash flow forecasts which ensures that the funds required for carrying on its business operations and meeting its financial liabilities are available in a timely manner and at an optimal cost. The Group plans to meet the contractual obligations from its internal accruals and also maintains sufficient fund based and non-fund based credit limits with banks. Additionally, surplus funds generated from operations are parked in short term debt or liquid mutual funds and bank deposits which can be readily liquidated when required.

The following table shows the remaining contractual maturities of financial liabilities at the reporting date. The amounts reported are on gross and undiscounted basis and includes contractual interest payments.

Contractual maturity of financial liabilities	Upto 1 year	1 year to 3 year	3 year to 5 year	Total
As at 31 March 2018				
Borrowings (including current maturities)	1,225.19	1,900.56	-	3,125.75
Trade payables	3,883.95	-	-	3,883.95
Other financial liabilities	1,888.41	-	-	1,888.41

(d) Capital management

For the purpose of Group's capital management, capital includes issued equity share capital, other equity reserves and long term borrowed capital less cash and cash equivalents. The primary objective of capital management is to maintain an efficient capital structure to reduce the cost of capital, support corporate expansion strategies and to maximize shareholder's value. Group has fund based and non fund based credit facilities with banks from which it borrows during peak seasons to meet its working capital requirements. However such short term borrowings are generally squared off as on the Balance Sheet date. Group has funded all of its expansion projects from its internal accruals except for the distillery expansion project undertaken in financial year 2015-16 for which the external commercial borrowing was availed.

Following table summarizes the capital structure of the Company.

Particulars	As at 31 March 2018
Long-term borrowings (including current maturities of long-term debts)	(A) 3,125.75
Less: Cash and cash equivalents	1,522.80
Net borrowings	1,602.95
Total equity	(B) 34,131.84
Total capital (equity + net borrowings)	35,734.79
Debt equity ratio	(A)/(B) 0.09

(This space has been intentionally left blank)

Notes to Consolidated financial statements for the year ended 31 March 2018 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

37 Disclosure of additional information pertaining to the Parent Company, and its subsidiary per Schedule III of Companies Act, 2013

Name of the entity in the Group	Net Assets i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent Company:								
- IFB Agro Industries Limited	100.88%	34,432.86	110%	3,157.48	100%	940.10	108%	4,097.28
Foreign subsidiary Company:								
- IFB Agro Marine FZE	-0.88%	(301.02)	-10%	(294.36)	0%	-	-8%	(294.36)
Total		34,131.84		2,862.82		940.10		3,802.92

Note:

The above figures are after eliminating intra group transactions and intra group balances as at 31 March 2018.

As per our report of even date.

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013

per **Anamitra Das**
Partner
Membership No. 062191
Kolkata, 30 May 2018

For and on behalf of the Board of Directors of IFB Agro Industries Ltd

Joint Executive Chairman
Vice Chairman and Managing Director
Chief Financial Officer
Company Secretary
Kolkata, 30 May 2018

Bikram Nag (DIN: 00827155)
Arup Kumar Banerjee (DIN: 00336225)
Rahul Choudhary
Ritesh Agarwal

Ten Years' Standalone Financial Summary

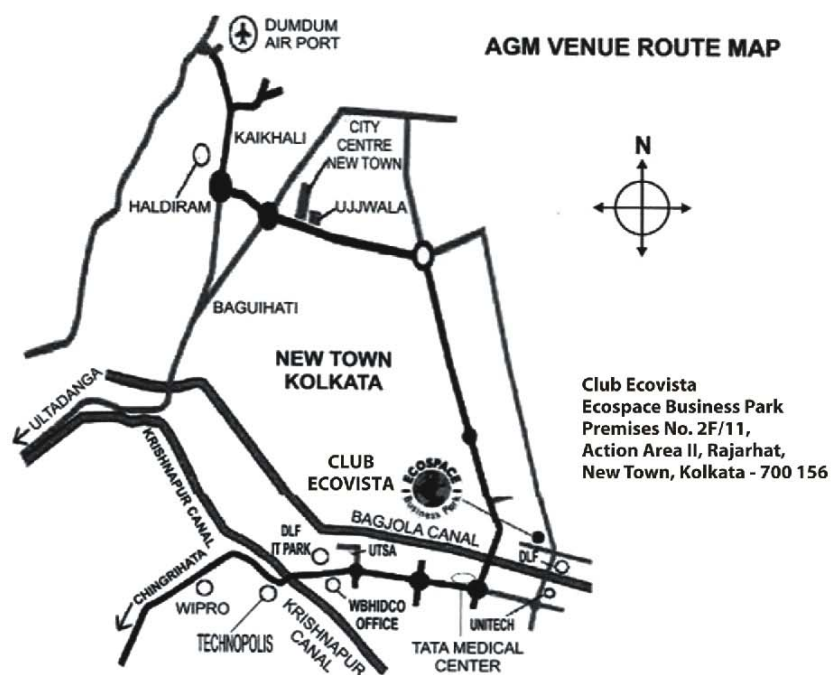
Rs in Lacs

	IGAAP								Ind AS	
	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Revenue from Operations (net)	27,617.45	27,794.97	44,998.26	58,462.93	46,232.08	50,688.55	59,505.35	62,131.41	116,760.20	149,967.33
PBDIT	2,847.13	1,738.68	3,627.58	5,116.58	5,071.69	6,988.42	4,470.22	5,918.44	6,301.59	6,785.28
PBIT	2,187.18	826.43	2,807.01	3,852.73	3,948.31	6,058.80	2,607.95	3,748.21	4,269.01	4,641.74
PBT	1,975.46	649.80	2,622.90	3,816.61	3,910.17	6,021.96	2,590.81	3,611.98	4,115.08	4,383.65
PAT	1,305.31	442.45	1,782.41	2,654.70	2,620.02	4,167.54	1,557.45	2,932.54	3,268.16	3,157.18
Net Fixed Assets	7,105.52	6,676.96	7,069.31	7,759.16	7,185.46	9,694.20	11,803.12	14,463.98	14,055.63	13,498.45
Net Working Capital	(26.49)	1,683.17	2,253.62	4,202.95	8,693.95	9,676.90	11,428.58	15,406.71	17,361.46	18,838.50
Net Debt	-	-	-	-	-	-	-	4,342.75	3,081.99	1,900.56
Earnings per Share	16.30	5.53	22.26	33.15	29.09	44.49	16.63	31.31	34.89	33.70
Book Value per Share	80.44	85.97	108.23	141.38	174.98	219.97	236.60	267.91	323.85	367.59
Free Cash Flow	181.94	(487.80)	2,304.69	772.89	1,383.62	(670.98)	1,341.20	(9,267.47)	275.53	1,943.92
PBDIT %	10.31%	6.26%	8.06%	8.75%	10.97%	13.79%	7.51%	9.53%	5.40%	4.52%
Return on Capital Employed	30.32%	10.72%	29.66%	32.35%	24.66%	31.23%	10.93%	12.08%	12.03%	12.26%
Return on Net Worth	20.27%	6.43%	20.57%	23.45%	16.63%	20.23%	7.03%	11.69%	10.77%	9.17%
Asset Turnover Ratio	3.89	4.16	6.37	7.53	6.43	5.23	5.04	4.30	8.31	11.11
Working Capital Cycle (days)	(0.11)	20.05	5.91	11.89	21.25	14.46	30.12	29.38	9.45	10.06

Note: Revenue from operations (net) for the financial year 2016-17 and 2017-18 includes excise duty amounting to ₹ 32,766.20 lacs and ₹ 61,057.56 lacs respectively.

NOTES

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Venue Address :

Club Ecovista, Ecospace Business Park
Premises No. 2F/11, Action Area II,
Rajarhat, New Town, Kolkata-700 156

Route from Saltlake :

Cross Technopolis, DLF, Home Town,
Techno India College, Tata Memorial
Hospital and before hitting Bengal
Unitech, turn left, cross the flyover and
reach Ecospace.

Route from Airport :

Cross Space Town residence flyover,
cross New Town City Centre, go
straight and turn left, go straight till
Narkel Bagan and turn left, cross
Techno India College, Tata Memorial
Hospital and before hitting Bengal
Unitech, turn left and cross the flyover
and reach Ecospace.

NOTES

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